

ELECTRICITY DELIVERY



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Delivery and distribution of electricity to customers via 110 kV or lower-voltage grids is PJSC Rosseti Kuban's core business. In 2021, the Company's share in the regional electricity transmission market was 77.2% (of the required gross revenue (RGR)).

In 2021, the Company achieved its KPI targets for electricity losses in transmission: 9.92%, or 0.58 p.p. less than the planned value.

The loss reduction activities resulted in saving 127 mn kWh in 2021".

KEY INDICATORS

THE COMPANY'S PRODUCTION RESULTS FOR 2019–2021

Indicators	2019	2020	2021	Δ 2021/2020 (%)
Delivery to the grid (mn kWh)	22,850.7	23,008.0	25,221.7	9.6
Electricity delivered from the grid to customers and related territorial grid organisations within the area of balance and operational responsibility (mn kWh)	20,424.3	20,697.2	22,719.6	9.8
Losses of electricity in transmission:				
• mn kWh	2,426.4	2,310.8	2,502.1	8.3
• %	10.62	10.04	9.92	-0.12
Volume of electricity transmission services provided:				
• mn kWh	18,874.2	19,108.1	21,004.5	9.9
• RUB mn	46,515.7	48,101.9	54,526.3	13.4

In 2021, the Company provided 21,005 mn kWh of power transmission services, which is 1,896 mln kWh or 9.9% more than in 2020.

Over the reporting year, PJSC Rosseti Kuban actually lost 2,502 mn kWh in its grids or 9.92% of the amount delivered to the grid. In 2021, the relative level of losses was reduced by 0.12 p.p. compared to 2020. The annual losses were within the standard rates.

Loss reduction measures are undertaken every year in order to meet the target parameters.

ELECTRICITY LOSS REDUCTION ACTIVITIES

One of the Company’s priorities is to reduce electricity losses.

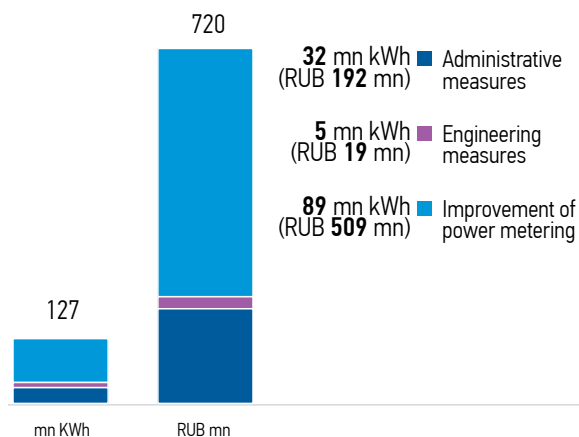
As of the end of 2021, the effect of implementing measures aimed at reducing electricity losses during transmission amounted to 127 mn kWh (RUB 720 mn) in total, including due to the following:

- Administrative measures — 32 mn kWh (RUB 192 mn)
- Engineering measures — 5 mn kWh (RUB 19 mn)
- Improvement of power metering — 89 mn kWh (RUB 509 mn)

In the future, this work is supposed to continue.

The activities under the power loss reduction programme were completed, the target programme indicator, i.e., level of electricity losses, was achieved.

EFFECT FROM THE ELECTRICITY LOSS REDUCTION PROGRAMME



ELECTRICITY METERING

As at 31 December 2021, there were a total of 1,173,265 delivery points in the Company’s operational area.

DELIVERY POINTS OF PJSC ROSSETI KUBAN AS OF 31 DECEMBER 2021 (%)

THE COMPANY’S DELIVERY POINTS

105,991

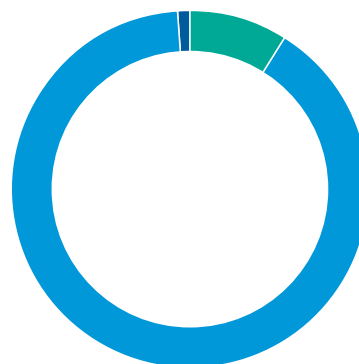
TO LEGAL ENTITIES

1,057,228

TO DOMESTIC CONSUMERS

10,046

TO APARTMENT BUILDINGS



- 9 To legal entities
- 90 To domestic consumers
- 1 To apartment buildings

On 21 January 2020, The Board of Directors of the Company approved the Smart Metering Development Programme for 2020–2030 (Minutes No. 374/2020) (hereinafter referred to as the Programme¹).

¹ The programme was approved in accordance with Federal Law No. 522-FZ dated 27 December 2018 On Amending Certain Legislative Acts of the Russian Federation due to the Development of Electric Energy (Power) Metering Systems in the Russian Federation and the Smart Metering Development Concept of PJSC Rosseti in Retail Markets approved by the Management Board of PJSC Rosseti (Minutes No. 885pr/1 dated 26 June 2019).

2.3 RUB bn

EXPENSES FOR IMPLEMENTATION OF THE SMART METERING DEVELOPMENT PROGRAMME
IN 2021 (INCLUDING PAYMENTS UNDER ENERGY SERVICE AGREEMENTS OF PREVIOUS YEARS)

THE PROGRAMME RESULTS IN 2021 (POINTS OF METERING)

Indicator	2021 (plan)	2021 (actual)
Scope of completion (introduction, implementation) of measures	49,367	49,385
Including:		
• Installation/replacement of technical electricity meters	2,626	2,646
• Installation/replacement of commercial electricity meters within the grid connection framework under the Investment Programme	16,409	20,389
• Installation/replacement of commercial electricity meters in case of absence or breakdown of those, or expiry of the calibration interval / service life of meters, under the Investment Programme	12,563	6,221
• Installation/replacement of commercial electricity meters in case of absence or breakdown of those, or expiry of the calibration interval / service life of meters, under the Repair Programme	6,433	6,848
• Installation/replacement of electricity meters under energy service agreements	11,336	13,281

IMPLEMENTING AUTOMATED METER READING AND CONTROL SYSTEM

In the reporting year, 31,051 metering devices were automated as part of the implementation of the concluded energy service agreements, including 13,281 metering devices installed by energy service companies in 2021. Also, 2,646 technical metering devices were installed and automated under the Company's Investment Programme for 2021.

348,552

AUTOMATED ELECTRICITY METERS WITH REMOTE DATA
COLLECTION, AS OF 31 DECEMBER 2021 (29% OF THE TOTAL
NUMBER OF DELIVERY POINTS)

In 2022, it is planned to continue implementing meters with remote data acquisition, as well as the installation and automation of technical metering systems at the Company's 6(10)/0.4 kV transformer substations under the Investment Programme.

TOTAL NUMBER OF AUTOMATED ELECTRICITY METERING DEVICES WITH REMOTE DATA ACQUISITION, AS OF 31 DECEMBER 2021 ACROSS ROSSETI KUBAN, PJSC

