

INVESTMENTS ARE THE BASIS OF RELIABLE POWER SUPPLY AND THE MOST IMPORTANT COMPONENT OF THE COMPANY'S PERFORMANCE.

THE INVESTMENT PROGRAMS OF ROSSETI KUBAN ARE DEVELOPED ACCORDING TO SCHEMES AND PROGRAMS FOR THE PROSPECTIVE DEVELOPMENT OF THE ELECTRIC POWER INDUSTRY IN THE KRASNODAR TERRITORY AND THE REPUBLIC OF ADYGEA, TECHNICAL CONDITIONS OF POWER GRIDS, AND AVAILABLE SOURCES OF FINANCING GENERATED BASED ON THE TARIFF-AND-BALANCE SOLUTIONS.

APPROVAL AND CONTROL OVER THE IMPLEMENTATION OF THE COMPANY'S INVESTMENT PROGRAMS ARE PERFORMED BY THE MINISTRY OF ENERGY OF RUSSIA.



B The Company commissioned 159 MVA of transformer capacities and 593 km of power transmission lines within the framework of the investment activities in 2020.

In the reporting year, works at 300 facilities were carried out, 220 facilities were constructed and commissioned including the priority project Construction of 110 kV Angarskaya Power Center of 50 MVA. The Angarskaya substation will be the key power center for consumers in the north-eastern part of Krasnodar. Also, the emergency automation channel systems at the 110 kV power centers of Krasnodar (Dinskaya, Severskaya, Yugo-Zapadnaya, Yugo-Vostochnaya, Starokorsunskaya) were reconstructed, the automated systems for technological and dispatch control of the power centers in the area of Power Grids of Tikhoretsk and Power Grids of Armavir operation were commissioned, the system of technical power metering in 6(10)/0.4 kV transformer substations at 0.4 kV was launched with remote data acquisition at the 35–110 kV power centers”.



Deputy General Director
for Investment Activities
Viktor Korzhanevskiy

In the reporting year, the Rosseti Kuban's investment activity was performed as part of implementing the Investment Program for 2020 approved by Order of the Russian Ministry of Energy No. 23@ dated December 25, 2020. Due to COVID-19 spreading, the Company's Investment Program was amended as follows:

- seven investment projects were excluded;
- 43 investment projects were postponed.

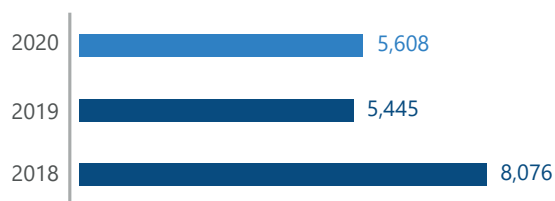
In 2020, the Company's Board of Directors considered:

- the quarterly reports on the implementation rate of the priority investment projects;
- the results of the on-site inspection of the implementation of the investment projects by the Ministry of Energy of Russia: construction of 110 kV overhead lines Labinsk-2 – Sovetskaya (the approximate length is 43 km), construction of 110 kV overhead lines Novo-Labinskaya – Korenovskaya (the approximate length is 55 km).

KEY PARAMETERS OF THE INVESTMENT ACTIVITIES IN 2020

Capital investments	New fixed assets	Financing	New capacities	
RUB mln, excl. VAT	RUB mln, excl. VAT	RUB mln, incl. VAT	MVA	km
4,658	4,418	5,608	159	593

Dynamics of financing the capital investments of Rosseti Kuban (RUB mln, incl. VAT)



In 2020, financing capital investments for Rosseti Kuban in general increased by 3% year-on-year. The growth is driven by financing the main scope of the investment measures in terms of meeting the conditions of the grid connection contracts in 2020.