

GRID CONNECTION TO THE ROSSETI KUBAN POWER SYSTEM



In 2020, the number of grid connection agreements in force amounted to 15,759. Compared to 2019, this indicator has not changed significantly. The demand for grid connection remains at a persistently high level. On average, about 30 thousand applications have been annually received. In 2020, the capacity connected for consumers decreased by 18% (147 MW). This was caused primarily by the introduction of restrictive measures to prevent the spread of the new coronavirus infection and, as a result, by the conclusion of additional agreements with applicants to postpone the deadlines for the execution of contracts. A total of 3,111 agreements for 306 MW were concluded, including 2,896 agreements for the connection of facilities of 150 kW capacity maximum – for 66 MW. Compared to the previous year, the reporting period saw a significant decrease in the number of contracts not fulfilled on time (from 7,377 to 1,001 contracts). The main reason for violating deadlines is the applicant's unreadiness to complete the grid connection procedure. To prevent the occurrence of overdue contracts, the applicants are working on providing additional services by Rosseti Kuban for the implementation of measures assigned to the applicant to comply with technical specifications. By the end of 2020, the share of overdue contracts in the total number of contracts in force did not exceed 7%. With due account to the changes in the grid connection procedure from July 1, 2020, in line with Decree No. 262 of the Government of the Russian Federation dated March 10, 2020, a consistent decrease in the number of overdue contracts is anticipated. In 2020, the Company achieved a reduction in the average grid connection period to 63 days (7 days less than in 2019), which, in turn, is significantly lower than the regulatory deadlines established for grid operators by legislation. The average term to consider an application and submit an offer did not exceed 9 days".



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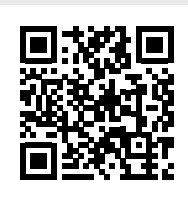
THE GOALS OF ROSSETI KUBAN GRID CONNECTION FOR THE NEAR FUTURE ARE HIGH-QUALITY SERVICE FOR APPLICANTS, ENSURING THE AVAILABILITY OF THE ELECTRIC POWER INFRASTRUCTURE IN TERMS OF GRID CONNECTION OF CONSUMERS, DEVELOPING THE POWER GRID COMPLEX, AND ELIMINATING POWER GRID RESTRICTIONS FOR GRID CONNECTION OF NEW CONSUMERS AND PROVIDING HIGH-QUALITY AND RELIABLE POWER SUPPLY TO EXISTING ELECTRICITY CONSUMERS.

Provision of electricity transmission services, operational process control, provision of services for grid connection of consumer terminals (power installations) of legal entities and individuals to Rosseti Kuban power grids:

- Federal Law On Electric Power Industry No. 35-FZ dated March 26, 2003;
- Rules for the Grid Connection of Consumer Terminals of Electricity Consumers, Generating Facilities and Grid Facilities Owned by Grid Operators and Other Persons to Power Grids approved by Decree No. 861 of the Government of the Russian Federation dated December 27, 2004;

- Decree of the Government of the Russian Federation On Pricing in the Field of Regulated Prices (Tariffs) in the Electric Power Industry No. 1178 dated December 29, 2011;
- Order of the FAS of Russia On Approval of the Guidelines for determining the Fees for Connection to Power Grids No. 1135/17 dated August 29, 2017.

A complete list of regulatory legal documents, detailed information on the implementation of the grid connection procedure in Rosseti Kuban is publicly available on the Company's website www.rosseti-kuban.ru



in the section "To Consumers/Grid Connection».



Implementing Agreements for the Grid Connection of Consumers

In the reporting year, the Company executed 22,590 agreements for the connection to Rosseti Kuban power grids.

The total connected capacity was 650 MW, up 11.2% compared to the planned value. The volume decreased by 18.44% (147 MW) year-on-year.

Grid Connection Agreements Performed in 2020

Connection category	Number of agreements (pcs)	For total capacity (kW)
Up to 15 kW inclusive, total	20,870	254,456
Including individuals	17,465	215,512
Over 15 kW to 150 kW inclusive	1,298	78,318
Over 150 kW and less than 670 kW	241	67,272
At least 670 kW	127	241,005
Power generation facilities	2	7,896
Total, excl. temporary grid connection	22,538	648,946
Temporary connection	52	1,447
Total, incl. temporary grid connection	22,590	650,393

The Structure of the Rosseti Kuban Agreements Implemented by the Capacity Connected (MW)

