

Acting as Guaranteed Supplier

In 2014, JSC IDGC of the North-West continued to supply power in the Murmansk Region (Orders of the Ministry of Energy of Russia No. 68 dated February 22, 2013 (from March 01, 2013), No. 88 dated February 28, 2014 (from March 01, 2014)) and in the Novgorod Region (Order No. 647 dated September 25, 2013 (from October 01, 2013)) on Assignment of a Guaranteed Supplier Status to a Territorial Grid Company. The Company acted as a guaranteed electricity supplier in the Murmansk and Novgorod Regions covering the catchment area of the previous guaranteed suppliers which were JSC Kolskaya Energy Sales Company and Novgorodenergosbyt LLC, except for the zones covered by other guaranteed suppliers.

Receivables of energy sales companies for electricity transmission services to JSC IDGC of the North-West

Receivables, RUB million				
	As at the date of losing the GS status		as at December 31, 2013	as at December 31, 2014
JSC Kolenergosbyt	March 01, 2013	643	222	309
JSC Novgorodoblenergosbyt	April 01, 2013	738	313	311

The main type of operations as a guaranteed supplier is electricity purchase on WEM to be sold to consumers on REM.

The key tasks of the guaranteed supplier is high quality and uninterrupted electricity supply to consumers in required quantities as well as timely and complete payment for its obligations on WEM.

Based on Orders of the Ministry of Energy of Russia No. 912 dated December 23, 2013 and No. 638 dated September 24, 2014 on Assignment of a Guaranteed Supplier Status, a GS status for the Novgorod Region was assigned to Garantenergосervice LLC from January 01, 2014 to October 01, 2014 respectively depending on the areas of operation of previous guaranteed suppliers and grid companies. Therefore, on October 01, 2014, the Company lost its guaranteed supplier status for the Novgorod Region.