

## Electricity Supply

The Company's main generating activity is electricity transmission services.

Key objectives:

- Efficient management of the Northwestern distribution grids.
- Prevention of grids wear.
- Prevention of power shortage.

## Changes in electricity transmitted

Branch/IDGC	2010		2011		2012		2013			2014			Change, 2013 and 2014					
	million kW	h	RUB mln	million kW	h	RUB mln	million kW	h	RUB mln	million kW	h	RUB mln	million kW	h	RUB mln	%		
Arkhenenergo	3,452		3,636	3,023		4,219	2,962		3,690	2,834		4,466	2,842		4,784	7		
Vologdaenergo	8,748		4,741	8,600		5,692	8,705		6,180	8,185		6,348	7,465		6,289	-1		
Karelenergo	7,285		3,519	7,262		3,686	6,967		3,309	5,922		3,565	5,898		3,900	9		
Kolenergo	10,736	3,506	10,599	4,550	10,734	4,321	10,463 <sup>1</sup>		4,644 <sup>2</sup>		10,354 <sup>3</sup>		4,988 <sup>4</sup>		-109	343	7	
							[9,489]		[3,763]		[8,957]		[3,572]		[-532]		[-192]	
Komienenergo	5,212		4,906	5,147		5,776	5,323		6,020	5,211		6,448	5,220		6,628	9	180	3
Novgorodenergo	3,363	2,553	3,398	2,723	3,486	2,970	3,353 <sup>5</sup>		3,174 <sup>6</sup>				3,131		-78		-43	-1
							[2,597]		[2,136]		3,275		3,131		-78		-43	
Pskovenergo	1,674		2,485	1,659		2,840	1,735		2,786	1,733		2,923	1,723		3,039	-10	116	4
IDGC of the North-West	40,471	25,346	39,686	29,486	39,912	29,276	37,701 <sup>7</sup>		37,569 <sup>8</sup>		36,777 <sup>9</sup>		32,759 <sup>10</sup>		-925	1,190	4	
							[35,971]		[29,650]		[35,379]		[31,343]		[-1,536]		[1,252]	

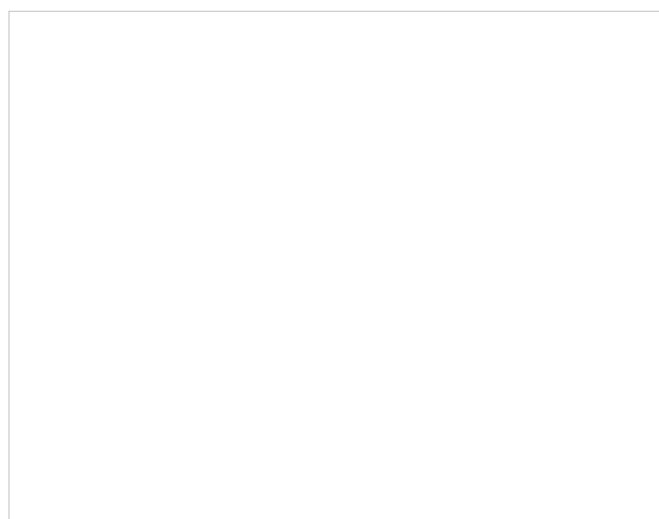
## Actual electricity loss

Branch/IDGC	2010			2011			2012			2013			2014			Change <sup>11</sup>		
	million kW	h	%	million kW	h	%	million kW	h	%	million kW	h	%	million kW	h	%	million kW	h	%
Arkhenenergo	513		12.46	449		11.51	446		11.50	387		10.92	374		10.72	-13		-0.20
Vologdaenergo	445		4.84	424		4.69	442		4.82	414		4.80	408		5.16	-6		0.11
Karelenergo	376		4.90	295		3.90	313		4.29	284		4.57	267		4.33	-17		-0.24
Kolenergo	352		3.15	342		3.11	330		2.98	354		3.27	392		3.63	38		0.36
Komienenergo	633		10.78	595		10.33	593		9.98	509		8.86	512		8.89	3		-0.06
Novgorodenergo	389		10.35	369		9.79	379		9.78	363		9.74	343		9.44	-20		-0.30
Pskovenergo	276		14.14	272		14.07	270		13.45	258		12.93	251		12.69	-7		-0.24
IDGC of the North-West	2,983		6.82	2,747		6.39	2,772		6.41	2,569		6.31	2,547		6.41	-22		0.03

## Results of production activities for 2014

Branch/IDGC	Output to grids, million kW · h	Output from consumer grids and adjacent TGCs within their boundary limits and responsibility, million kW · h	Loss	
			million kW · h	%
Arkhenenergo	3,489	3,115	374	10.72
Vologdaenergo	7,891	7,484	408	5.16
Karelenenergo	6,175	5,907	267	4.33
Kolenergo	10,793	10,400	392	3.63
Komienergo	5,755	5,243	512	8.89
Novgorodenergo	3,631	3,289	343	9.44
Pskovenergo	1,981	1,730	251	12.69
IDGC of the North-West	39,715	37,168	2,547	6.41

### Electricity output from the Company's grids in 2014 by consumer group



Based on IDGC of the North-West results in 2014, the scope of electricity transmission was 36,777 million kW·h, which was 924 million kW·h, or 2.4% less year-on-year (versus 37,701 kW·h in 2013).

Less electricity was transmitted due to reduced electricity consumption by such major consumers as JSC Severstal (Vologdaenergo branch), JSC SUAL (Karelenenergo branch), JSC Olkon, JSC Kolskaya GKMK (Kolenergo branch), JSC Baltnefteprovod (Novgorodenergo branch).

1: **10,463** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

2: **4,644** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

3: **10,354** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

4: **4,988** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

5: **3,353** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

6: **3,174** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

7: **37,701** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

8: **37,569** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

9: **36,777** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

10: **32,759** - Volumes and fee for electricity transmission is specified in comparable conditions, i.e. taking into account performance of GS function at Kolenergo branch since March 01, 2013 and Novgorodenergo since April 01, 2013. Reporting indicators include the scopes and fee for services rendered under power supply agreements.

11: **Change** - Calculated as the difference between the 2014 value in comparable conditions versus 2013.

12: **% comp.** - Changes in electricity losses are calculated in comparable conditions, i.e. with an assumption that the existing 2013 "last mile" consumers will be retained in 2014 (total electricity supplied to "last mile" consumers in 2013 which were transferred to direct settlements with JSC FGC UES in 2014 was 472 million kW□h).