



# **BASIC INDICATORS OF IDGC OF THE NORTH-WEST, JSC ACTIVITIES**

**in Q1 2012  
info bulletin**



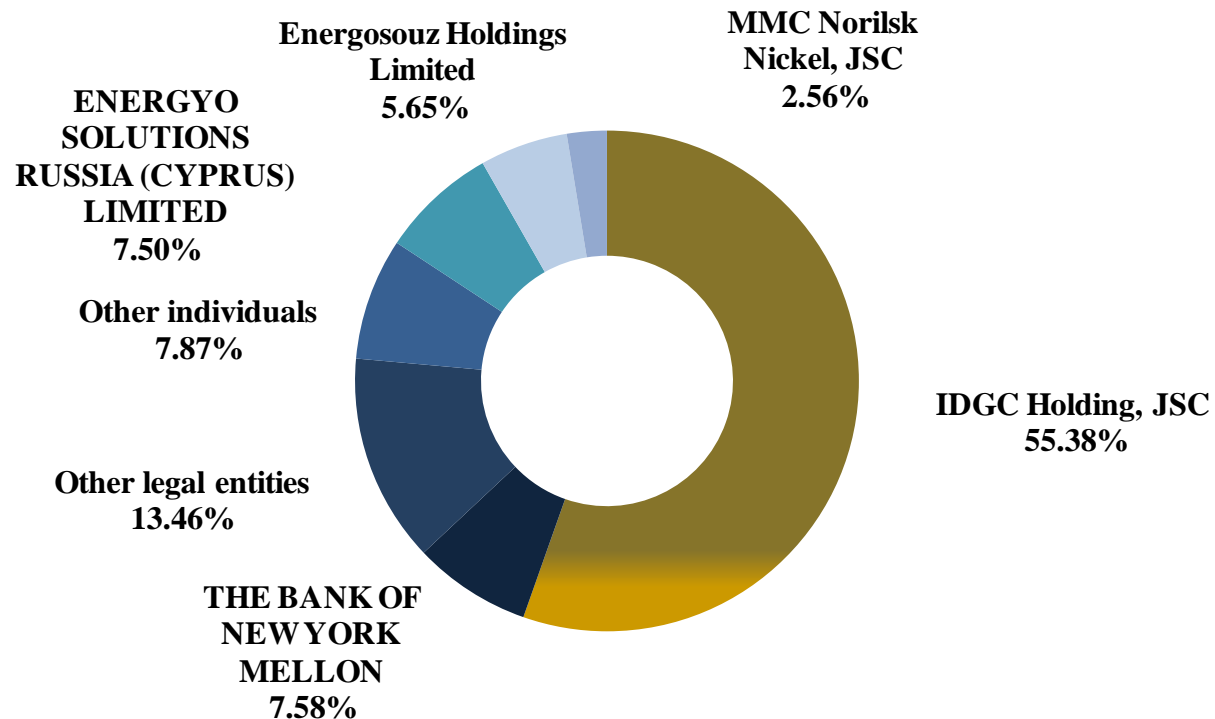
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# EQUITY CAPITAL STRUCTURE

As of May 11, 2012 the Authorized Capital of the Company was 9,578,592,313 RUR.





# IDGC OF THE NORTH-WEST, JSC IN THE STOCK MARKET

## Trading floor

RTS Stock Exchange, JSC  
Unlisted securities

MICEX Stock Exchange, JSC  
List A2

MICEX-RTS, JSC  
List A2

## Trading commencement

27.05.2008

27.05.2011

19.12.2011

## Code

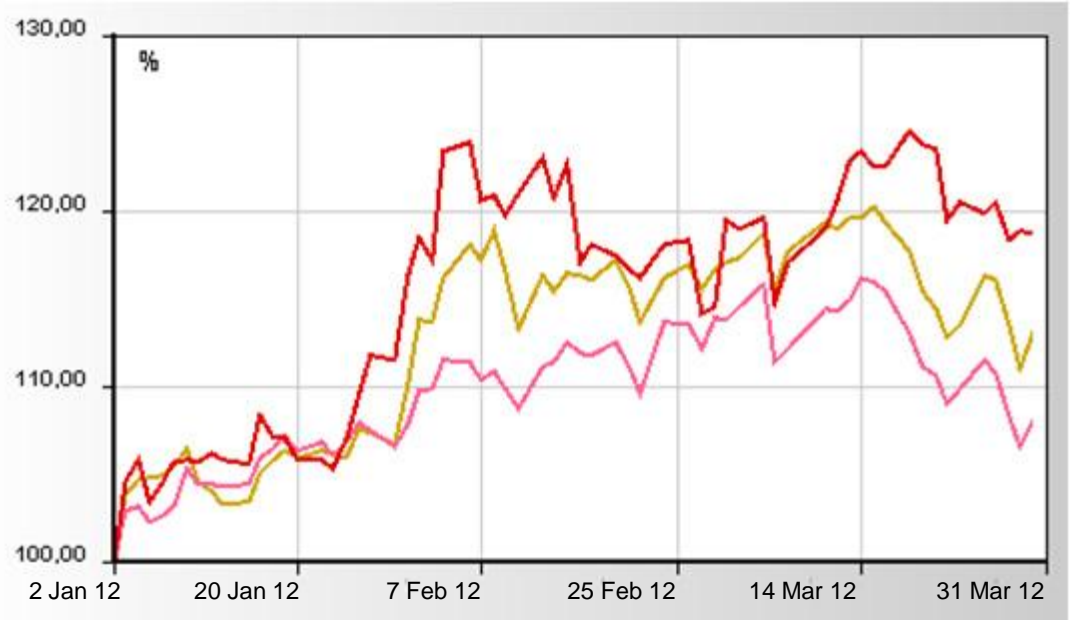
Classical market – MRKZ,  
Stock exchange market – MRKZG

MRKZ

MRKZ

**Market capitalization  
calculated based on  
MICEX, JSC data as of:  
30.03.2012 - 9,176,291,437  
RUR.**

- IDGC of the North-West, JSC
- Composite MICEX index
- Power Industry MICEX index





# DECISIONS TAKEN BY THE BOARD OF DIRECTORS

## DECISIONS TAKEN BY THE BOARD OF DIRECTORS

20.01.2012

- One approved of the Business-Plan of the Company (including the Investment Program) for 2012.
- One approved of the target values of the Company Key Performance Indicators for 2012:
- One approved of the Energy Saving and Energy Efficiency Enhancement Program of IDGC of the North-West, JSC for 2012 and the forecast for 2013-2016.
- One approved of the corrected Program for Prospective Development of a System for Electric Energy Accounting in the Retail Electric Energy Market within the Distribution Grids of IDGC of the North-West, JSC.

## DECISIONS TAKEN BY THE BOARD OF DIRECTORS

27.01.2012

- One approved of the outcome of achievement of the quarterly Key Performance Indicators in Q3 2011
- One preliminarily endorsed the Collective Contract of IDGC of the North-West, JSC for 2012.
- One determined the attitude of the Company representatives with regard to voting at sessions of boards of directors of IDGC of the North-West, JSC subsidiary companies, in particular - on issues as follows:
  - approval of the list and target values of Key Performance Indicators of Pskovenergoreagent, JSC, Lesnaya Skazka, JSC
  - approval of the target values of quarterly and annual Key Performance Indicators (KPIs) of Pskovenergoreagent, JSC, Lesnaya Skazka, JSC for 2012
- One approved of the Business Plans of Pskovenergoreagent, JSC, Lesnaya Skazka, JSC (including the Investment Programs) for 2012.

## DECISIONS TAKEN BY THE BOARD OF DIRECTORS

31.01.2012

- One considered the Plan of Implementation of IDGC Holding, JSC Development Strategy within the Company till 2015 and prospectively – till 2020.
- One approved of the Schedule Plan of Measures for Adoption of a System for Management of IDGC of the North-West, JSC Production Assets

## DECISIONS TAKEN BY THE BOARD OF DIRECTORS

05.03.2012

- One considered shareholders' proposals on nomination of candidates for membership in management and control bodies of the Company to be elected at the annual General Meeting of Shareholders of IDGC of the North-West, JSC, shareholders having submitted no proposals on inclusion of issues in the agenda of the annual General Meeting of Shareholders of the Company.

20 candidacies were included in the list of candidacies for election to the Board of Directors of IDGC of the North-West, JSC:

-On the part of shareholder IDGC Holding, JSC:

1. Demidov, Aleksey Vladimirovich - Member of the Management Board, First Deputy General Director of IDGC Holding, JSC;
2. Korshunov, Aleksey Vladimirovich - Chief Expert Specialist of the Technical Documentation and New Technologies Unit of the Department for Operational Control and Management in Power Industry and Mobility Preparation within the Fuel & Energy Complex of the Russian Federation Ministry of Energy;
3. Murov, Andrey Yevgenyevich - Deputy General Director of IDGC Holding, JSC;



# DECISIONS TAKEN BY THE BOARD OF DIRECTORS

4. Popov, Aleksandr Albertovich - Deputy General Director – Chief of Staff of IDGC Holding, JSC;
5. Shevchenko, Taras Vyacheslavovich - Director for Procurements (Head of the Procurement Activities Department) of IDGC Holding, JSC;
6. Kurochkin, Aleksey Valeryevich - Director for Corporate Policy of IDGC Holding, JSC;
7. Pyatigor, Aleksandr Mikhaylovich - Head of the Prospective Development and Technological Connection Department of IDGC Holding, JSC;
8. Kukhmay, Aleksandr Markovich - General Director of IDGC of the North-West, JSC;
9. Dobakhlyants, Yuliya Vladimirovna - Deputy Department Head – Head of the Unit for Operational Technological Management Development of the Operational Technological Management Department of IDGC Holding, JSC;
10. Katina, Anna Yuryevna - Head of the Unit for Corporate Governance Analysis and Control of the Department for Corporate Governance and Interaction with Shareholders of IDGC Holding, JSC;
11. Poyarkov, Ivan Sergeyeovich - First Deputy General Director of Standard Plastic Group, LLC.

- on the part of shareholder **ENERGOSOUZ HOLDINGS LIMITED**:

1. Dronova, Tatyana Petrovna - Deputy General Director for Strategy and Development of Investment Holding “E-Union”, CJSC;

- on the part of shareholder **ENERGYO SOLUTIONS RUSSIA (CYPRUS) LIMITED**:

1. Remes, Seppo Juha - General Director of Kiuru, LLC;
2. Schevchuk, Aleksandr Viktorovich - Deputy Executive Director of the Investors Protection Association;
3. Kulikov, Denis Viktorovich - Executive Director of the Investors Protection Association.

- on the part of shareholder **(MEMPHITO LIMITED)**

1. Kulikov, Denis Viktorovich - Executive Director of the Investors Protection Association;
2. Branis, Aleksandr Markovich - Director of Prosperity Capital Management (RF) Ltd;
3. Spirin, Denis Aleksandrovich - Director for Corporate Governance of Prosperity Capital Management (RF) Ltd. representative office;
4. Filkin, Roman Alekseyevich - Co-Director for Power Industry and Machine Building of Prosperity Capital Management (RF) Ltd. representative office;
5. Repin, Igor Nikolayevich - Deputy Executive Director of the Investors Protection Association.

- on the part of shareholder **"Norilsk Nickel" Mining and Metallurgical Company, JSC**:

1. Kolmogorov, Vladimir Vasilyevich - Advisor to General Director, Head of the Administration for Strategic Development of Electric Power Industry of MMC Norilsk Nickel, JSC



# DECISIONS TAKEN BY THE BOARD OF DIRECTORS

## DECISIONS TAKEN BY THE BOARD OF DIRECTORS

07.03.2012

- One approved of the program for non-governmental pension benefits for workers of IDGC of the North-West, JSC for 2012
- One approved of the plan of measures to bring the service consumer servicing system in accordance with the requirements of IDGC of the North-West, JSC Standard “System for Centralized Servicing of Consumers of Services”
- One approved of budgets of the following Committees under the Board of Directors of the Company for Q1-Q2 2012: Audit Committee, Personnel and Award Committee, Committee for Strategy and Development, Reliability Committee, Committee for Technological Connection to Electric Power Grids
- One considered the report on the results of adoption of a system for management of the Company’s critical investment projects construction in 2011
- One approved of the Company cash flow (hereinafter – “CF”) benchmark values for Q1 2012

## DECISIONS TAKEN BY THE BOARD OF DIRECTORS

30.03.2012

- One considered the Plan of Implementation of IDGC Holding, JSC Development Strategy within the Company till 2015 and prospectively – till 2020.
- One approved of the corrected Innovative Development Program of IDGC of the North-West, JSC for 2012-2016.
- One considered the results of collective evaluation of efficiency of activities of the Board of Directors of the Company following the outcome of 2010-2011 corporate year



## BASIC FINANCIAL AND ECONOMIC INDICATORS

Indicator name	2012 plan, thousand RUR	Q1 2012, thousand RUR	
		plan	actual
Proceeds from sales	32,041,615	8,230,153	8,041,205
EBITDA	3,949,043	1,228,407	1,586,985
Gross profit	2,791,687	857,805	997,970
Net profit (loss) in the period	20,976	248,044	537,789

With proceeds from sales of products and services the plan performance percentage in Q1 2012 was 97.7 %. The proceeds plan underperformance is due to reduction of the average tariff, inter alia - as a result of changes in its structure (reduction of the portion of payment for high rate power within the tariff and increase of the portion of payment for low rate electric energy).





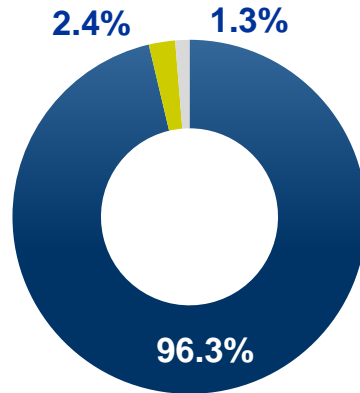
# SERVICES SALES PROCEEDS STRUCTURE

## 2012 plan

Proceeds from transmission of electric energy – **96.3%**

Proceeds from technological connection – **2.4%**

Proceeds from other activities – **1.3%**

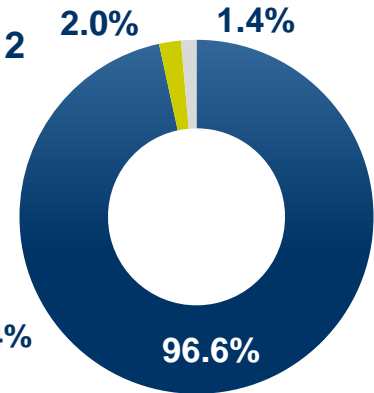


## Actual performance, Q1 2012

Proceeds from transmission of electric energy – **96.6%**

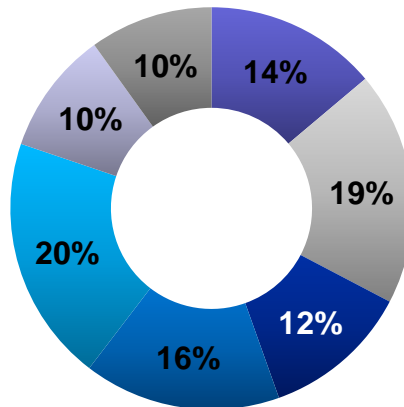
Proceeds from technological connection – **2.0%**

Proceeds from other activities – **1.4%**

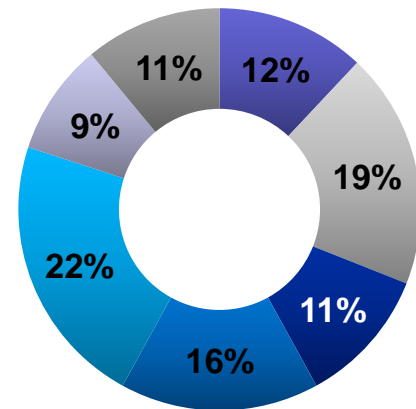


## Structure of proceeds per region

Arkhenenergo – **14%**  
 Vologdaenergo – **19%**  
 Karelenergo – **12%**  
 Kolenergo – **16%**  
 Komienenergo – **20%**  
 Novgorodenergo – **10%**  
 Pskovenergo – **10%**



Arkhenenergo – **12%**  
 Vologdaenergo – **19%**  
 Karelenergo – **11%**  
 Kolenergo – **16%**  
 Komienenergo – **22%**  
 Novgorodenergo – **9%**  
 Pskovenergo – **11%**





# PRIME COST

Indicator name	2012 plan, thousand RUR	Q1 2012, thousand RUR	
		plan	actual
<b>Prime cost, total</b>	<b>29,249,928</b>	<b>7,372,349</b>	<b>7,043,234</b>
<b>Material expenditures</b>	<b>6,135,461</b>	<b>1,850,985</b>	<b>1,637,283</b>
Purchased electric energy for losses compensation	4,131,159	1,408,699	1,225,707
Purchased electric energy for production and business needs	360,611	152,712	125,643
Raw materials	1,643,691	289,574	285,933
<b>Works and production-related services</b>	<b>11,229,550</b>	<b>2,594,836</b>	<b>2,440,072</b>
Services provided by FGC UES, JSC	8,688,149	2,085,335	2,096,116
Services provided by territorial grid companies	1,478,171	371,029	229,590
Commercial electric energy accounting services	122,857	30,033	29,701
Other production-related services	940,374	108,439	84,665
<b>Salaries and wages</b>	<b>5,778,361</b>	<b>1,432,550</b>	<b>1,495,984</b>
<b>Unified social tax</b>	<b>1,510,116</b>	<b>430,128</b>	<b>453,876</b>
<b>Other expenditures</b>	<b>4,596,439</b>	<b>1,063,849</b>	<b>1,016,019</b>

The total prime cost of the services provided by the Company during 2012 made 95.5% of the planned expenditures (saving equal to 319,114 thousand RUR or 4.5%). Expenditures on provision of electric energy transmission services made 6,916,758 thousand RUR or 98.2% of the total sum of expenditures on provision of services and production of products.

Accounting for the largest portions among the main items of expenditures on electric energy transmission services expenditures are payment for FGC UES, JSC services provided for transmission of electric energy across the Unified National Energy System grids (30.3%), payment for services (together with salary fund insurance contributions – 27.4%), purchase of electric energy to compensate for losses (17.7%). In Q1 2012 the amount of payment for services provided by territorial grid companies decreased from 5.5% (2011) to 3.3%.



# BASIC ELECTRIC ENERGY TRANSFER INDICATORS

Branch	2012 plan			Q1 2012 plan/Q1 2012 actual performance		
	Supply into the grid, mln kWh.	Transmission from the grid, mln kWh	Total losses, %	Supply into the grid, mln kWh .	Transmission from the grid, mln kWh	Total losses, %
<b>Arkhenergo</b>	3,972	3,487	12	1,178/1,169	1,003/1,021	14.9/13
<b>Vologdaenergo</b>	8,878	8,439	4.9	2,388/2,395	2,234/2,244	6.5/6.3
<b>Karelenergo</b>	7,621	7,276	4.5	2,072/2,069	1,969/1,966	5/4.9
<b>Kolenergo</b>	11,210	10,866	3.1	3,138/3,108	3,023/3,005	3.7/3.3
<b>Komienergo</b>	5,970	5,345	10.5	1,701/1,723	1,493/1,516	12.2/12
<b>Novgorodenergo</b>	3,856	3,477	9.8	1,087/1,110	938/960	13.7/13.5
<b>Pskovenergo</b>	1,960	1,685	14	570/586	480/493	15.8/15.7
<b>IDGC of the North-West</b>	43,467	40,575	6.6	12,134/12,160	11,140/11,205	8.2/7.9



# Total investment activity parameters

## In terms of capital investment assimilation

Indicator name	Supply into the grid, mln kWh	Q1 2012, thousand RUR.	
		plan	actual
Investments, total	6,306,274	208,783	574,047
Technical re-equipment and reconstruction	4,266,204	102,532	303,054
New construction and expansion of existing facilities	2,023,753	106,251	265,887
Purchase of fixed assets	16,316	-	5,105

## Commissioning of fixed assets

Commissioning of fixed assets	5,704,681	87,549	325,906
Technical re-equipment and reconstruction	4,212,624	34,996	169,484
New construction and expansion of existing facilities	1,476,741	52,553	151,317
Purchase of fixed assets	15,316	-	5,105

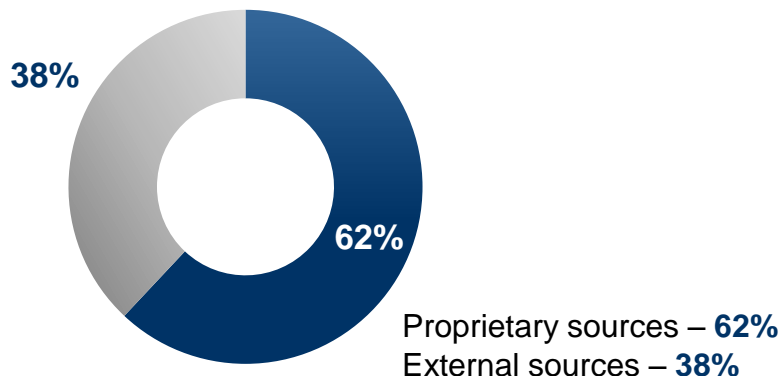
## Commissioning of capacities

	km/MVA	km/MVA	km/MVA
Commissioning of capacities, total	666.65/394.48	2.67/0.25	180.08/14.99
Technical re-equipment and reconstruction	436.19/353.2	2.67/0.25	129.96/7.95
New construction and expansion of existing facilities	177.06/31.63	-	48.07/7.05
Purchase of fixed assets	53.4/9.65	-	2 / -

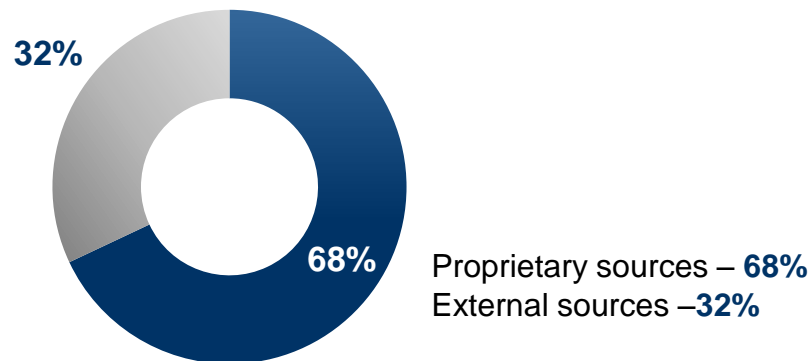


# TOTAL INVESTMENT ACTIVITY PARAMETERS PER FUNDING SOURCE

2012 plan



Q1 2012 actual performance



All the designated objectives and investment tasks as set forth by the Investment Program of IDGC of the North-West, JSC for Q1 2012 have been achieved/fulfilled :

- ✓ the capital investment assimilation plan being 208,783 thousand RUR, one actually assimilated 574,047 thousand RUR of investment or 275%.
- ✓ fixed assets commissioning plan being 87,549 thousand RUR, one actually commissioned 325,906 thousand RUR of fixed assets or 372%.
- ✓ capacities commissioning plan being 2.67 km and 0.25 MVA, one actually put into operation 180.04 km of transmission lines and 14.99 MVA of transformer capacities.

The main cause of the fixed assets commissioning plan over-fulfillment is performance of works for technical connection of consumers.



# PROJECTS IMPLEMENTED

## **Vologdaenergo branch of IDGC of the North-West, JSC has completed the first stage of investment project**

“Reconstruction of 110 kV overhead line within the 110 kV Lugovaya substation site with overhangs to 110 kV distribution station” as part of project “Construction of 110 kV distribution station and reconstruction of 110 kV overhead line within the 110 kV Lugovaya substation site with overhangs to 110 kV distribution station” being implemented within the framework of performing technological connection of Vologda CHP (TGC-2, JSC) Unit PGU-110.

Within the 110 kV overhead line reconstruction site one replaced AS wires with ASSR300 – T16, type composite aluminium wires which has enabled increase of the 110 kV overhead line throughput capacity.

*The amount of fixed assets commissioning was 54.483 mln RUR, launch in physical terms – 2.984 km.*

Most of the volume of capacities commissioned in Q1 2012 falls to the share of distribution grids and is represented mainly by short sections of 0.4-10 kV transmission lines and low power 6-10/0.4 kV transformer substations





# CUSTOMER SERVICING CENTERS

The task of comprehensive servicing of electric energy consumers and maintenance of unified servicing and interaction standards is solved by IDGC of the North-West, JSC customer servicing centers (hereinafter - CSCs). Currently, 25 CSCs (employing 55 persons) rather successfully operate with all the seven branches of the Company. Additionally, 170 specialists in charge of customer care organization perform CSC functions with production divisions and district electric power grids.

The basic functions discharged by these structural subdivisions include: organization of work for registration, processing and follow-up of consumers' requests for conclusion of contracts for electric energy transfer, technological connection, additional paid services, organization of work for creation of most convenient conditions for consumers, implementation of a system for constant interaction with customers aimed at servicing quality improvement, organization of work for acceptance, record and analysis of customers' claims and applications, settlement of disputes. The dominant topic of applications to CSCs is the technological connection procedure. In Q1 2012 CSCs workers provided 24,177 consultations (including 177 - upon written enquiries), accepted and forwarded for consideration 215 claims, assisted in formalization and acceptance of 6,362 requests for technological connection to IDGC of the North-West, JSC grids. The possibility to appeal to the CSC on any issue or for a service rendered consumers' life much simpler. During the first three months of 2012 the branches (through mediation of CSCs) provided 3,004 paid services, their sum total amounting to 6,627 thousand RUR

By decision of the Board of Directors of IDGC of the North-West, JSC dated 28.12.2011 One approved of the plan of measures to bring the service consumer servicing system in accordance with the requirements of IDGC of the North-West, JSC Standard "System for Centralized Servicing of Consumers of Services" STO 01.B1.03-2011 was approved.

Previously, the Customer Servicing Standard approved by the Board of Directors of IDGC of the North-West, JSC on 18.07.2009 had been in effect within the Company. The new standard reflects all the changes having occurred during the recent years in the Company's system of interaction with customers and the regulatory legal documents governing electric grid companies' activities in the course of provision of services. Compliance with the Standard requirements is ensured through execution of IDGC of the North-West, JSC unified program for enhancement of the quality of goods and services supplied and the centralized servicing system development strategy. The Standard is applicable to all the subdivisions of IDGC of the North-West, JSC carrying out interaction with customers to the extent of ensuring compliance with this Standard requirements. Elaborated within the Company is a plan of measures to bring the IDGC of the North-West, JSC services consumer servicing system in accordance with the requirements of the new Standard. The plan of measures stipulates a prolonged implementation term and is scheduled for the period till 01.01.2015.



# EFFECTIVE TECHNOLOGICAL CONNECTION TARIFFS PER BRANCHES OF THE COMPANY

	Standardized rates approved of by distribution energy companies (VAT excluded), RUR/kW						Rates approval date	Notes to tariffs approved
	Level of voltage, kV							
	0.4			6-20				
	Reliability category			Reliability category				
	1	2	3	1	2	3		
<b>Arkhenenergo</b>							Resolution No 48-e/1 dated 22.07.2011	By decision of the Arkhangelsk Region Arbitration Court dated 06.02.2012 Resolution No 48-e/1 dated 22.07.2011 was invalidated
up to 15 kW, total	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
including natural persons	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
15 -100 kW, total	-	-	122.3	-	-	122.3		
including privileged categories	-	-	122.3	-	-	122.3		
100 -750 kW	-	-	-	-	-	-		
Over 750 kW	-	-	-	-	-	-		
<b>Vologdaenergo</b>							Resolution of the Regional Energy Commission for the Vologda Region No 2 dated 18.01.2010	
up to 15 kW, total	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
including natural persons	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
15 -100 kW, total	-	-	3004	-	-	3004		
including privileged categories	-	-	3004	-	-	3004		
100 -750 kW	-	-	-	-	-	-		
Over 750 kW	-	-	-	-	-	-		





# EFFECTIVE TECHNOLOGICAL CONNECTION TARIFFS PER BRANCHES OF THE COMPANY

	Standardized rates approved of by distribution energy companies (VAT excluded), RUR/kW						Date approval date	Notes to tariffs approved
	1	2	3	1	2	3		
<b>Karelenergo</b>							Resolution No 333 of the State Committee of the Republic of Karelia for Tariffs and Prices dated 30.12.2011	
up to 15 kW, total	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
including natural persons	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
15 -100 kW, total	-	-	standard rate	-	-	standard rate		
including privileged categories	-	-	standard rate	-	-	standard rate		
100 -750 kW	-	-	standard rate	-	-	standard rate		
Over 750 kW	-	-	standard rate	-	-	standard rate		
<b>Kolenergo</b>							- The 21,872 RUR rate has been established less the investment component, regardless of the volume of the capacity being connected The 24,313 RUR rate has been established less the investment component, regardless of the volume of the capacity being connected	
up to 15 kW, total	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
including natural persons	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
15 -100 kW, total	-	-	21,872	-	-	21,872		
including privileged categories	-	-	21,872	-	-	21,872		
100 -750 kW	-	-	24,313	-	-	24,313		
Over 750 kW	-	-	24,313	-	-	24,313		



# EFFECTIVE TECHNOLOGICAL CONNECTION TARIFFS PER BRANCHES OF THE COMPANY

	Standardized rates approved of by distribution energy companies (VAT excluded), RUR/kW						Date approval date	Notes to tariffs approved
<b>Komienergo</b>							Order of the Komi Republic Tariff Service No 82/2 dated 17.10.2011	
up to 15 kW, total	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
including natural persons	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
15 -100 kW, total	-	-	standard rate	-	-	standard rate		
including privileged categories	-	-	standard rate	-	-	standard rate		
100 -750 kW	-	-	standard rate	-	-	standard rate		
Over 750 kW	-	-	standard rate	-	-	standard rate		
<b>Novgorodenergo</b>							Resolution no 5 of the Price and Tariff Policy Committee of the Novgorod Region dated 04.02.2011	
up to 15 kW, total	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
including natural persons	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
15 -100 kW, total	1340	1340	670;13,085	1340	1340	670;13,085		
including privileged categories	1340	1340	670;13,085	1340	1340	670;13,085		
100 -750 kW	-	-	249	-	-	249		
Over 750 kW	-	-	-	-	-	-		



# EFFECTIVE TECHNOLOGICAL CONNECTION TARIFFS PER BRANCHES OF THE COMPANY

	Standardized rates approved of by distribution energy companies (VAT excluded), RUR/kW						Date approval date	Notes to tariffs approved
	Level of voltage, kV							
	0.4			6-20				
	Reliability category			Reliability category				
	1	2	3	1	2	3		
<b>Pskovenergo</b>							Order No 3-e of the State Committee for Tariffs and Energy of the Pskov Region dated 27.01.2012	- 43.43 rate is less the investment component
up to 15 kW, total	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
including natural persons	-	-	466.1 RUR per connection	-	-	466.1 RUR per connection		
15 -100 kW, total	-	-	43.43/standard rate	-	-	43.43/standard rate		
including privileged categories	-	-	43.43/standard rate	-	-	43.43/standard rate		
100 -750 kW	-	-	43.43/standard rate	-	-	43.43/standard rate		
Over 750 kW	-	-	Ind.	-	-	Ind.		