



TARIFF POLICY

Electricity transmission tariffs

Permenergo	INDEX	5 years (2018-2022)
Sverdlovenergo	RAB	13 years (2011-2023)
Chelyabenergo	INDEX	5 years (2018-2022)

Uniform ("pie") tariffs comprise expenses of all grid companies operating in the region to be annually prescribed for the next year during the long-term regulation period. Pursuant to existing tariff regulation laws, a gross revenue requirement is subject to annual fine-tuning, adjusted for changed real and target calculations,

executed investment program and achieved reliability and quality of service indicators. Uniform ("pie") electricity transmission tariffs to be enforced in 2022 were approved by the tariff decisions of the relevant regional regulators¹¹⁻¹³.

Uniform ("pie") electricity transmission tariffs for 2022 were set by the regulators in line with the FAS-approved minimum and maximum levels of tariffs.

OAo IDGC of Urals' GRR composition and its YoY changes, RUB million

	2020	2021	YoY change	2022	
82,217		85,530		87,826	
21,604		22,649	+12.0%	25,365	RGOs
14,551		15,433	-2.4%	15,062	Losses
16,606		15,751	-3.3%	15,229	FSK
29,456		31,697	+1.5%	32,170	GRR for own needs

Information hereof complies with the 2020-2022 tariff model, used by the regulators in setting of the 2020-2022 tariffs for electricity transmission.

Key factors that changed the “pie” gross revenue requirement in 2022, RUB million

	Factor	2020	2021	2022	2022/2021	Explanations on 2022/2021 changes
Permenergo	Electricity transmission GRR approved in the tariffs, incl:	21,861	22,738	23,351	102.70%	Growth of unified (pie) tariffs
	GRR for own needs	10,351	10,544	10,713	101.60%	
	Payments to FSK UES	3,354	3,376	3,521	104.30%	Growth of UNES tariffs
	Loss compensation	4,943	5,164	5,224	101.16%	Growth of loss purchase price
	Payments to RGOs (in line with the contracts)	3,213	3,654	3,893	106.54%	Growth of individual tariffs for RGOs
Sverdlovennergo	Electricity transmission GRR approved in the tariffs, incl:	37,852	39,332	40,027	101.77%	Growth of unified (pie) tariffs
	GRR for own needs	11,351	11,868	11,923	100.46%	
	Payments to FSK UES	7,894	7,833	7,869	100.46%	Reduction of contracted capacity of UNES services
	Loss compensation	4,915	5,214	5,189	99.52%	Reduction of forecast supply
	Payments to RGOs (in line with the contracts)	13,692	14,417	15,046	104.36%	Growth of individual tariffs for RGOs
Chelyabenergo	Electricity transmission GRR approved in the tariffs, incl:	22,504	23,460	24,448	104.21%	Growth of unified (pie) tariffs
	GRR for own needs	7,754	9,285	9,534	102.68%	
	Payments to FSK UES	5,358	4,542	3,839	84.52%	Reduction of contracted capacity of UNES services
	Loss compensation	4,693	5,055	4,649	91.97%	Reduction of loss norms due to transfer of 000 AES Invest's property to AO EESK
	Payments to RGOs (in line with the contracts)	4,699	4,578	6,426	140.37%	Creation of a new RGO in the Chelyabinsk region by AO EESK using 000 AES Invest's property (transferred from Chelyabenergo branch to retain the loss norms within the “pie” of the Chelyabinsk region)

Analysis of revisions of the average electricity transmission tariff (adjusted for net supply on generator voltage level), RUB/ kWh

Branch	2020	2021	2022
Permenergo	1.425	1.482	1.522
Sverdlovennergo	1.357	1.402	1.449
Chelyabenergo	1.463	1.516	1.559
TOTAL	1.402	1.453	1.497
Growth, %	3.6%	3.6%	3.1%

Information hereof complies with the 2020-2022 tariff model, used by the regulators in setting of the 2020-2022 tariffs for electricity transmission.

Technological connection fee

Pursuant to the Guidelines¹⁴ the regulators of the Perm, Sverdlovsk and Chelyabinsk regions have set the 2022 standardized tariff rates, maximum capacity unit rates and connection fee formulas.

The regulators of all the regions have set a privileged RUB 550.0 (plus VAT) connection fee for all Company's branches to be applied to applicants, requesting connection of grid equipment with the capacity of 0-15 kW inclusive (incl. previously connected capacity at the point), when facilities, referred to the 3rd reliability category (from one source of electricity supply), are connected, provided that the distance between the boundaries of an applicant's land plot and Company's facilities at 20 kV inclusive does not exceed 300 m in urban areas (cities and small towns) and 500 m in rural areas. The 2022 connection fees are approved by the decisions of the regulators¹⁵⁻¹⁷.

In 2H2022 the privileged RUB 550.0 (plus VAT) connection fee ceased to be in force according to the legislation. Since 01 July 2022, pursuant to the decree¹⁸ the regulators approved privileged connection fees for 1 kW of requested capacity for applicants, stipulated by the Rules¹⁹, requesting connection of grid equipment with the capacity of 0-15 kW inclusive (incl. previously connected capacity at the point), connected to grid facilities of the grid operator at 0-0.4 kV, provided that the distance between the boundaries of an applicant's land plot and nearest facility of required voltage class, owned by the gridco to which an applicant submitted its request, does not exceed 300 m in urban areas (cities and small towns) and 500 m in rural areas and microgeneration facilities.

Connection fee, RUB/kW, incl. VAT

Region	Rate
Perm region ²⁰	3,000
Sverdlovsk region ²¹	3,000
Chelyabinsk region ²²	5,423.11

Besides, the connection fee for underprivileged citizenry (low-income citizens, veterans, disabled people, etc.), provided that the distance between the boundaries of an applicant's land plot and facilities at 0-0.4 kW, owned by the gridco to which an applicant submitted its request, does not exceed 300 m in urban areas (cities and small towns) and 500 m in rural areas, was set at RUB 1,000 / kW (incl. VAT).

The Company's average connection fee per capacity unit, as compared to 2021, increased in 2022 mainly due to reduction of connected capacity and growth of construction volumes per capacity unit and indexation of standardized tariff rates for grid construction. Still, there is a reduction of average rate S1 due to revisions²³ in calculation of the rates, with effect reflected on the calculation of S1 rates in 2022. No resolutions on connection to the Company's networks under individual projects were made during 2022.



Indicator	2021	2022	2022/2021, %
Electricity transmission GRR approved in the tariffs, RUB million, incl:	82,217	85,530	102.68%
GRR for own needs, RUB million	29,456	31,697	107.65%
Payments to FSK UES, RUB million	16,606	15,751	94.85%
Loss compensation, RUB million	14,551	15,433	105.99%
Payments to RGOs (in line with the contracts), RUB million	21,604	22,649	104.84%
"Pie" net supply, million kWh	58,632	58,868	100.23%
Average transmission tariff (breakdown by branches), RUB/ kWh	1.402	1.453	103.64%
Average connection fee per capacity unit*, RUB/ kW	3,061	3,362	110.16%
Average connection fee S1**, RUB per one connection	18,040	16,846	93.38%

* Average connection fee per capacity unit is computed using 3-year average of connection volumes and approved rates for a corresponding year.

** Average connection fee S1 per one connection is computed using 3-year average of number of connection contracts and approved rates for a corresponding year.