

INVESTMENTS

Investing parameters

The OAO IDGC of Urals' investment program for 2022 was adopted by the Ministry of Energy Decree²⁴.

The Company's 2020-2022 cost and physical parameters

Metrics	2020	2021	2022	2022/2021, %
Funding, RUB million plus VAT	9,633	13,481	12,602	-7%
Capex, RUB million net of VAT	9,255	12,144	8,504	-30%
New fixed assets, RUB million net of VAT	9,278	11,342	7,298	-36%
Commissioning of transformer capacity, MVA	402	319	264	-17%
Commissioning of power lines, km	2,055	1,812	1,870	3%

Implementation of the investment program includes handling of the following problems:

- maintenance of operability of equipment that provides reliable, no-break and high-quality power supply;
- execution of liabilities under connection contracts;

- enforcement of security of equipment and personnel performance;
- provision of the transmitting capacitance of the networks for sustainable performance and connection of consumers;
- increase of anti-diversionary protection and counter-terrorist security of energy facilities.



Investment funding structure in 2020-2022, RUB million, incl VAT

Type of funding	2020	2021	2022	2022/2021, %
Total:	9,633	13,481	12,602	-7%
Connection	5,440	6,667	7,369	11%
Reconstruction, upgrade and retrofitting	2,690	5,080	4,166	-18%
Investment projects, implemented under energy sector perspective development schemes and programs	66	321	370	15%
Other greenfield construction of energy facilities	59	75	136	81%
Purchase of land plots for investment projects	0	0	0	0%
Other investment projects	1,377	1,339	561	-58%

The bulk of the 2021 funding (59%) was channeled to connection. Investments spent on reconstruction, upgrade and retrofitting totaled 33%. Greenfield construction has the smallest share in the structure (1%). A 4% share of the total funding was spent on other investment projects (ready-to-operate devices, IT projects, etc.), funding of the investment projects, implemented under the energy sector perspective development schemes and programs totaled 3%.

As for the sources of financing, the Company's internal funds contributed the most to the total funding (88% or RUB 11,134 million). Raised funds totaled RUB 1,468 million or 12%. We have no state-funded projects.

Outcomes of the activities enlisted in the 2022 investment program.

· evaluation of changes in the share of net supply, measured by meters integrated into the data collection and transmission system:

Investment project	ID code	Actual values
Installation of meters in compliance with the Federal Law ²⁵ after breakdown of a consumer's meter, voltage class 0.2 (0.4) kV (3,154 devices)	I_PE856	0,00113
Installation of meters in compliance with the Federal Law ²⁵ after the expiry of calibration period or service life or if a consumer lacks a meter (Perm region, voltage class 0.22 (0.4) kV (75,746 devices)	I_PE857	0,00250
Roll-out of metering systems on the retail electricity market (6-10 kV). Upgrade/build-up of MIS. Remote metering. Replacement of CT and VT 6-10 kV, meters (0.007 km, 516 devices, DA&TD — 86 devices)	J_SE2143	0,00002
Installation of meters in compliance with the Federal Law ²⁵ after breakdown of a consumer's meter, voltage class 0.22 (0.4) kV (22,388 devices)	H_ChE1382	0,00276
Installation of meters in compliance with the Federal Law ²⁵ after the expiry of calibration period or service life or if a consumer lacks a meter, voltage class 0.22(0.4) kV, (19,284 devices, CT — 3 devices)	H_ChE1384	0,00090
Installation of meters in compliance with the Federal Law ²⁵ after the expiry of calibration period or service life or if a consumer lacks a meter, voltage class 6 (10) kV, (137 devices)	I_ChE1750	0,00035
Installation of meters in compliance with the Federal Law ²⁵ after breakdown of a consumer's meter, voltage class 6 (10) kV, (35 devices)	K_ChE3060	0,00012

· Level of SAIDI completion: 99%;

· Level of SAIFI completion: 99%;

· total connection liabilities executed under the investment program reached 25,612 connections;

· maximum capacity of connected consumers, generating facilities, grid facilities owned by other grid companies or persons totaled 612 MW.

The largest investment programs completed in 2022

Region	Title of the investment program	Goals	Commissioning in 2022
Perm region	Construction of 110 kV cable power line "Danilikha - Bereg" (4.124 km, OC – 2 lines)	Development of grids, provision of communications between right and left banks of the Kama river, distribution of capacity to eliminate capacity deficit in the central part of Perm	RUB 377 million
	Reconstruction of 110 kV aerial power line "Yayva – Solikamsk I,II" (2x46.239km)* – Stage 4	Grids upgrade, reduction of failure effects, increase of technical status index	RUB 27 million
	Reconstruction of 110 kV aerial power line "Titan – Solikamsk I, II" and branch line to 110 kV "Mineral" substation (2x13.257 km) (Stages 1 and 2)	Grids upgrade, reduction of failure effects, increase of technical status index	RUB 124 million
Sverdlovsk region	Construction of 10 kV distribution networks for power supply of XXXII Universiade 2023 facilities (12.5 MVA, 19.643 km, devices-1, 3 pcs)* – Stages 1, 2, 5	Power supply of XXXII Universiade 2023 facilities, discharging of liabilities under the contract with GKUSO "Capital Construction Directorate of the Sverdlovsk region"	RUB 532 million

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The Company's 2023-2027 cost and physical parameters

Parameter	2023	2024	2025	2026	2027
Funding, RUB million, incl VAT	12,829	10,380	9,627	9,808	9,942
Capex, RUB million net of VAT	9,792	7,999	7,595	8,395	8,236
New fixed assets, RUB million net of VAT	10,770	8,870	7,232	8,720	8,183
Commissioning of transformer capacity, MVA	620	287	130	119	99
Commissioning of power lines, km	1,762	1,270	1,375	1,323	1,429

The Company's investment program for 2023-2027 stipulates RUB 52,585 million (incl. VAT) funding, RUB 42,018 million (net of VAT) capex, RUB 43,776 million (net of VAT) new fixed assets. The Company's 2023-2027 investment program is prepared with due allowances to regional development plans, equipment health, importance of grid facilities and current domestic environment.