

At a meeting of FGC UES Board of Directors

21.10.2009

On October 21st, 2009, FGC UES Board of Directors held a meeting; this meeting was conducted in person.

The Board of Directors carried out a hearing on a report on FGC UES implementation of measures to prepare for the autumn and winter period in Siberia and the realization of governmental instructions.

Currently, the preparation for the autumn and winter period in the Siberian Region is in its closing period. FGC UES branch, the Backbone Electric Grids (MES) of Siberia, fulfilled to 96% the plan for technical service and maintenance, target programs for increasing reliability. To train for actions in the event of possible emergency situations, damage control training for operational personnel was conducted at all of MES of Siberia's production units; this training included representatives from System Operator of UES. Also, a series of joint training exercises were organized with the participation of representatives from Russia's Emercom, regional administrations and enterprises of MES (PMESes).

The Zabaykalye, Khakassiya, Kuzbass, West Siberia, Krasnoyarsk and Tomsk PMESes obtained passports of readiness for autumn and winter period work. The Company's Omsk enterprise will obtain such a passport in the nearest future.

Due to the accident at the Sayano-Shushenskaya HPP, FGC UES developed and implemented additional measures to increase the reliability of the power supply for Siberian energy consumers. As a result of increases in the number of line brigades, the strengthening and optimization of the deployment of emergency reserves and the provision of additional equipment to personnel, the time to liquidate technological breaches at electricity transmission lines was cut by a third.

With the aim of controlling the technical condition of the main grid objects, the Company conducted regular examinations of overhead power lines, including using helicopters and thermovision equipment. FGC UES has eliminated discovered defects of operational equipment. Taking into account that it is impossible switching off each individual 500 kW line for repair without limiting power supply to users, practically all pressing repair work on electricity transmission lines in the Siberian Region are conducted under voltage.

FGC UES took into service the open distribution system (ODS) 500 kW of the Sayano-Shushenskaya HPP, in accordance with a concluded rental agreement between RusHydro and FGC UES. In September, at the ODS 500 kW a diesel generator was installed to upgrade the reliability of the power station's own supply system.

Before the end of 2009, construction will be completed on the 220 kW Beya-Askiz electricity transmission line. Putting this into operation will significantly decrease the risk of power supply limitations for consumers in Khakassiya and Tyva. Also in December of the current year, a 208 MVar capacitor banks will be put into operation at the 500 kW Oznachnnoye sub-station. Another 208 MVar at this object will be put into operation in March 2010. In addition, 312 MVar of capacitor banks are scheduled to be introduced in the spring of 2010 at the 500 kW Aluminiyevaya substation. The sources of reactor power installed at the two most important substations in the Khakassia Republic will help solve the problem of sustaining voltage at substation

busbars within prescribed limits and will decrease the volume of power limitations for the Syanogorsk and Khakassia Aluminium Plants in emergency situations.

Also, the Company is continuing to realize its investment program in other parts of the Siberian Federal Region. In particular, before the end of 2009, two transformers – with a total capacity of 250 MVA – will be put into operation at the 220 kW Tataurovo sub-station (SS), and a transformer with a 125 MVA capacity will be introduced at the 220 kW Severnaya SS in Buryatiya. As a result of technical modernization at these sub-stations, there will be increased power supply reliability to Eastern Siberian railway objects and southern regions, as well as to production enterprises and residents in the regional center of Buryatiya. Also in December 2009, the Company will put into operation a 125 MVA-capacity transformer at the 220 kW Bachatskaya SS in the Kemerovskaya Region. This will increase power supply reliability to the town of Belovo, nearby settlements and the main line of the Western Siberian railway.

The Board of Directors carried out a hearing on a report on FGC UES implementation of measures to prepare for the autumn and winter period in the South of Russia. To provide for stable work in the autumn and winter period in the South region, FGC UES conducted a full range of respective measures. MES of South, a branch of FGC UES, carried out a maintenance program and construction work is being completed at a number of energy objects.

In December 2009, the Company put into operation the 500 kW Tikhoretsk-Krymskaya electricity transmission line, with the 500 kW Krymskaya SS in the Krasnodar Region. The length of the line is 297 km, with a transformer capacity of 501 MVA. Introducing these objects will increase the reliability of power supply for consumers in the south-western area of the Krasnodar Region. Also in the Krasnodar Region, construction is being completed on the 220 kW Slavyansk – Vyshestebliyevskaya overhead line, with a transformer capacity of 250 MVA. New energy objects will provide a reliable power supply for large consumers in the regions. These large consumers include: Canning Plant “Krymskiy,” Tyemryukskiy Repair Yard and the “Taman” port, which is currently under construction. In April 2009, the Company completed construction of the 220 kW Poselkovaya SS, which will be the main power supply source for Olympics objects.

During preparation for the winter period, specialists at the Company’s MES of South pay special attention to preventing icing on electricity transmission lines. Under sharp temperature differential conditions, successfully countering icing guarantees reliable power supply to consumers in the autumn and winter period. With the purpose of checking the readiness of respective equipment at 27 200–500 kW lines in Southern regions, which are most subject to icing, testing on melting glaze ice was conducted.

Apart from this, in 2009 the Company completed connecting the 10 most important electricity transmission lines in the Sochi Region to the automated information system of ice load control. This system is a unique creation by specialists at MES of South. It allows for round-the-clock monitoring of icing, performing ice melting without the presence of personnel at power transmission lines, automatically calculating the time and current of icing, as well as carrying out remote monitoring at the beginning and end of ice melting. Introducing this system significantly increased the reliability of power supply for Big Sochi consumers, including Olympics objects which are under construction.

To coordinate reconstruction work in the event of possible emergency situations at the Company's energy objects, a dynamic response headquarters for MES of South was created. The headquarters includes both specialists from MES of South and representatives from contractor organizations.

FGC UES' Board of Directors adopted a decision to elect the following members to the Company's Management Board:

- Dmitriy Troshenkov, First Deputy Chairman of FGC UES Management Board;
- Valeriy Chistyakov, Deputy Chairman of FGC UES Management Board;
- Roman Berdnikov, Director for the Development of and Client Relations at FGC UES;
- Dmitriy Gurevich, Director for Telecommunication and Information Technologies at FGC UES;
- Misrikhan Misrikhanov, General Director of the FGC UES branch – MES of Center.