

The appendix

PRELIMINARY CERTIFIED by
The decision of Board of directors of the joint-stock company
« Federal Grid Company of Unified Energy System »
The report _____ dtd «__» _____ 2007

The ANNUAL REPORT 2006

joint-stock company
« Federal Grid Company of Unified Energy System »

Chairman of the Board Rapport A.N.
(Signature)

The chief of Department of the account and the reporting-
Chief accountant V.V.Shchukin

(Signature)

CONTENTS

| | |
|--|-----------|
| The reference to Shareholders..... | 5 |
| 1. The general data | 7 |
| <u>1.1. HISTORY OF CREATION AND THE BASIC DIRECTIONS OF ACTIVITY</u> | 7 |
| <u>1.2. BASIC EVENTS OF 2006</u> | 8 |
| <u>1.3. BASIC INDUSTRIAL PARAMETERS</u> | 10 |
| <u>1.4. SHARE CAPITAL</u> | 11 |
| <u>1.5. ORGANIZATIONAL STRUCTURE</u> | 12 |
| 2. JSC « FGC UES » and reforming of electric power industry | 15 |
| <u>2.1. REFORMING OF THE MAIN NETWORK COMPLEX</u> | 15 |
| <u>2.2. REFORMING OF A DISTRIBUTIVE NETWORK COMPLEX</u> | 15 |
| 3. Corporate management | 19 |
| <u>3.1. THE GENERAL DATA ON THE ORGANIZATION OF CORPORATE MANAGEMENT</u> | 19 |
| <u>3.2. BOARD OF DIRECTORS</u> | 19 |
| <u>3.3. BOARD</u> | 24 |
| <u>3.4. A REVISION COMMITTEE</u> | 26 |
| 4. The basic industrial parameters | 28 |
| <u>4.1. THE CHARACTERISTIC OF THE EQUIPMENT</u> | 28 |
| <u>4.2. THE ORGANIZATION OF REPAIR ACTIVITY</u> | 31 |
| <u>4.3. OPERATIVELY-DISPATCHING MANAGEMENT</u> | 33 |
| <u>4.3.1. THE GENERAL DATA AND THE BASIC EVENTS</u> | 33 |
| <u>4.3.2. LOSSES OF THE ELECTRIC POWER IN ELECTRIC NETWORKS</u> | 34 |
| <u>4.3.3. THE ORGANIZATION OF OPERATIVE OPERATION OF INFORMATION-TECHNOLOGICAL SYSTEMS</u> | 36 |
| <u>4.3.4. THE COMMERCIAL ACCOUNT OF THE ELECTRIC POWER</u> | 36 |
| <u>4.3.5. MODELLING AND OPTIMIZATION OF OPERATING MODES UNPN</u> | 37 |
| <u>4.4. TECHNICAL SUPERVISION OF A CONDITION OF AN ELECTRONETWORK FACILITIES OBJECTS.....</u> | 38 |
| <u>4.4.1. THE GENERAL DATA</u> | 38 |
| <u>4.4.2. THE ANALYSIS OF BREAKDOWN SUSCEPTIBILITY</u> | 39 |
| <u>4.4.3. A LABOUR SAFETY</u> | 40 |
| <u>4.4.4. THE INFORMATION ON TECHNOLOGICAL CONNECTIONS</u> | 40 |
| 5. Economy and finance | 43 |
| <u>5.1. MANAGEMENT OF FINANCE</u> | 43 |
| <u>5.2. TARIFF</u> | 43 |
| <u>5.3. SERVICES ON TRANSFER OF ELECTRIC ENERGY</u> | 44 |

| | |
|---|-----------|
| <u>5.4. FUNCTIONING OF THE SOCIETY IN CONDITIONS OF COMPETITIVE ATTITUDES IN THE WHOLESALE MARKET OF ELECTRIC ENERGY (CAPACITY) OF A TRANSITION PERIOD ..</u> | 46 |
| <u>5.5. ATTRACTION AND ACCOMMODATION OF MONEY RESOURCES</u> | 48 |
| <u>5.6. THE BASIC FINANCIAL RESULTS OF THE SOCIETY</u> | 49 |
| <u>THE POSTPONED TAX ACTIVES</u> | 50 |
| <u>5.7. DISTRIBUTION OF PROFIT AND DIVIDEND POLICY</u> | 53 |
| <u>6. Investment activity</u> | 54 |
| <u>Name of objects</u> | 64 |
| <u>7. The organization of purchasing activities</u> | 66 |
| <u>8. Development of Corporate information control systems (DCICS) and communication networks</u> | 69 |
| <u>8.1. THE AUTOMATED CONTROL SYSTEMS OF BUSINESS</u> | 69 |
| <u>8.2. THE AUTOMATED SYSTEM OF TECHNOLOGICAL MANAGEMENT (ASTM)</u> | 70 |
| <u>8.2.1. THE AUTOMATED SYSTEM OF DISPATCH-TECHNOLOGICAL MANAGEMENT (ASDTM)</u> | 72 |
| <u>8.2.2. SYSTEM OF GATHERING AND TRANSFER OF THE TECHNOLOGICAL INFORMATION (SGTTI)</u> | 72 |
| <u>8.2.3. ASM TP OF SUBSTATIONS</u> | 73 |
| <u>8.2.4. THE CORPORATE CONTROL SYSTEM OF THE SPATIALLY-DISTRIBUTED RESOURCES (CCSSDR)</u> | 74 |
| <u>8.2.5. THE AUTOMATED INFORMATION-MEASURING MONITORING SYSTEM AND ENERGY ACCOUNTING (AIMSEA)</u> | 75 |
| <u>8.3. THE CORPORATE INFORMATION COMPUTER NETWORK (ICN)</u> | 75 |
| <u>8.4. THE UNIFORM TECHNOLOGICAL COMMUNICATION NETWORK OF ELECTRIC POWER INDUSTRY (UTCNEPI)</u> | 76 |
| <u>8.4.1. SCIENTIFIC AND TECHNICAL ACTIVITY IN THE FIELD OF CONNECTION</u> | 76 |
| <u>8.4.2 THE PROJECTS OF CREATION AND DEVELOPMENTS OF THE UNIFORM TECHNOLOGICAL COMMUNICATION NETWORK OF ELECTRIC POWER INDUSTRY (UTCNEPI)</u> | 77 |
| <u>9. Scientific and technical activity and new technologies</u> | 81 |
| <u>10. Human resources management and social policy</u> | 86 |
| <u>10.1. NUMERICAL AND QUALITATIVE STRUCTURE OF WORKERS</u> | 86 |
| <u>10.2. PERFECTION OF A CONTROL SYSTEM</u> | 88 |
| <u>10.3. STRATEGY OF HUMAN RESOURCES MANAGEMENT AND FORMATION OF A PERSONNEL RESERVE</u> | 89 |
| <u>10.4. DEVELOPMENT AND TRAINING OF THE PERSONNEL</u> | 89 |
| <u>10.5. OPTIMIZATION OF PROGRAMS OF PERSONNEL MOTIVATION</u> | 90 |
| <u>11. The corporate and social responsibility</u> | 92 |
| <u>12. Appendices</u> | 97 |
| <u>THE APPENDIX 1</u> | 97 |
| <u>THE APPENDIX 2</u> | 102 |

| | |
|-----------------------------|-----|
| <u>THE APPENDIX 3</u> | 105 |
| <u>THE APPENDIX 4</u> | 144 |
| <u>THE APPENDIX 5</u> | 157 |

Dear shareholders!

During the accounting period the important problems of JSC « FGC UES » were the increasing of reliability of work of a network complex, deployment of scale investment process in electric networks of all voltage class, and also continuation of reforming of an electro network complex.

In 2006 the Federal network company provided functioning of 122 thousand km of transmission lines and 791 substations with the general transformer capacity more than 300 thousand MVA by pressure 110-1150 kv. « FGC UES » has in its property 47,060 thousand in km of transmission lines and 137 substations, and also 17 separate I OTBSA and cells which general power is more than 140 thousand MVA. Other property is rented at the main network companies (MNC), allocated of joint-stock company-energo as a result of reorganization of the latest.

On results of 2006 the Federal network company provided actual balanced holiday of the electric power from networks of the Uniform national (all-Russian) electric network (UNEN) in volume 433 531,74 million kw. The proceeds of the company made 53,6 billion roubles, net profit on RSA - 1,8 billion roubles, EBITDA - 8,4 billion roubles. Losses of the electric power in own networks were reduced to 0,04 percentage items - from 3,75 % up to 3,71 % to issue from network. Losses of the electric power in new borders of the company (including networks UNEN) made 4,92 %.

In 2006 Management of the Federal network company took steps, directed on transformation of JSC « FGC UES » to the operating company and preparation of transition for competitive attitudes in sphere of operation of the main electric networks. There was an allocation of functions of maintenance service and repair of the main electric networks therefore seven new branches were created on maintenance service and repair (TMR IPN). With a view of optimization of motor transportation and special technical service, two motor transportation branches were created in regions of Urals Mountains and Northwest (MTE). The formation of Control centers of networks (CCN) in branches of the company for maintenance of operatively-dispatching management with objects UNEN belonging to MNC.

In connection with growth of power consumption, which happens on a background of high physical and moral obsolescence of the equipment, the special attention was given to increasing of reliability of networks of all classes of a pressure. A number of target programs under the control and an estimation of a condition, replacement and modernizations of separate kinds of the equipment, to complex modernization power objects was realized. Additional financing was allocated for realization of programs of increase of reliability, especially in regions of peak loadings. In due time programs of repairs and preparations to autumn-winter period (AWP) also was realized.

In 2006 the Federal network company continued to increase investments into objects of UNEN. Actual financing of the investment program made 36,2 billion roubles, that in 1,3 times more, than in 2005. For a year it is put into operation of transmission lines of 637 km, 4124 MVA of transformer capacity, 1200 MVar of reactor capacities. The special attention is given to investments into the main networks

of regions of peak loadings: on increasing of reliability of electrosupply of Moscow and St.-Petersburg were directed 8,82 billion roubles, a number of large reconstruction was lead.

Sources of investments became the own company's resources, and also long-term loans. It was placed two bonded loans by the company for the sum of 11 billion roubles.

One of the important problems of 2006 was expansion of investment process in an electro network complex. With a view of planning of a network development and plans maintenance of electro network construction with sources of financing during 2006 the Federal network company was working with all subjects of the Russian Federation, power consumption forecasts in regions were specified, programs of social and economic development of territories and programs of network objects construction were coordinated, agreements on interaction were concluded. Results of this work were used for planning investment programs of distributive and main networks for 2006-2010, the General scheme of power objects accommodation till 2020.

The investment program was developed and approved, its provides allocation of 585 billion roubles on development of the Uniform national (all-Russian) electric network in 2006-2010, and, besides 700 billion - on development of regional distributive networks. Sources of investments for the Federal network company will become own and extra means, and also means of the federal budget and means from realization of the state shares in recourses of JSC RAO " UES of Russia ". The specified mechanisms of investment will allow to finish a share of the state participation in JSC « FGC UES » till 75 percent plus one share and thus to achieve a target condition of reforming. The decision about the first state investments into the Federal network company was accepted in November, 2006 during the statement of the federal budget of 2007.

In 2006 as a whole the first stage of reforming of the network companies was completed. 56 main network companies are formed (allocated) and a certificated by the state registration, and also 58 distributive network companies. Shares of 42 main network companies were brought in payment of shares of the first additional issue in authorized capital stock of the Federal network company, and also a number of the objects concerning the Uniform national (all-Russian) electric network, belonging to JSC RAO " UES of Russia ".

During the last year the Federal network company was carrying out strategic management of the Inter-regional distributive generative companies (IDGC) on the basis of the contract of confidential management. Capitalization of the operated companies grown in 2,5 times and made 335,4 billion roubles. The volume of investments increased in 1,8 times, and on the separate companies - in 2-3 times. Losses of electric energy are lowered from 10,11 % to 8,7 % from network issue. All subordinated IDGC, RNC and their branches received passports of availability for service during the autumn-winter period 2006/2007 in target dates. Considering results of activity of the distributive network companies under control of JSC « FNC UES », on the 8th of December, 2006 the Board of directors of JSC RAO «UES of Russia " made a decision to prolong the contract between JSC RAO " UES of Russia " and JSC « FGC UES» about confidential management of IDGC shares.

The federal network company developed and placed for consideration of the interested parties the Strategy of development of a distributive network complex till 2015. It was directed on scale attraction of investments with the purpose of decrease in deterioration of the electronetwork equipment up to a level of the developed countries (40-50 %) and creation of a reserve of electric capacities in the volume, advancing development of economy for 3-5 years. Basic elements of Strategy - transition to long-term tariff regulation with inclusion in the tariff of expenses for the involved capital, and also introduction of economic stimulus for decreasing of operational costs of the network companies, increases of reliability and quality of service.

We are assured that these measures with actions for end of reforming, maintenance of power supply reliability will be supported by shareholders of JSC «FNC UES» and successfully realized.

Chairman of Board of directors
Victor Khristenko

Chairman of Board
Andrey Rappoport

1. The general data

1.1. History of creation and the basic directions of activity

The uniform national (all-Russian) electric network is a basis of the Uniform power system of Russia.

According to the Federal law « About electric power industry » dtd 26/03/2006 35-FL the Uniform national (all-Russian) electric network represents a complex of electric networks and other objects of the electronetwork facilities belonging to the property right or on other basis, stipulated by federal laws subjects of electric power industry and providing steady supply by electric energy of consumers, functioning of the wholesale market, and also parallel work of the Russian electropower system and electropower systems of the foreign states.

The design nominal class of a voltage, the characteristic of throughput, reversibility of streams of electric energy and other technical characteristics on objects of the electronetwork facilities, entering in UNEN, are affirmed by the Government of the Russian Federation.

Now there is a criteria of reference of electronetwork objects to UNEN, approved by the governmental order of the Russian Federation dtd 26/01/2006 № 41.

JSC « Federal Grid Company of the Uniform power system » (JSC « FGC UES », the Society) was created according to the program of reforming of electric power industry of the Russian Federation as the organization on management UNEN with the purpose of its preservation and development.

The unique founder of JSC « FGC UES » was JSC RAO «UES of Russia ». The state registration of JSC "FNC UES" took place on the 25-th of June, 2002.

During establishment of the company, JSC RAO «UES of Russia» transferred in authorized capital stock of JSC « FGC UES » the basic electronetwork complex concerning to UNEN.

JSC « FGC UES » - a key element of an infrastructure of the created market of the electric power. According to the current legislation of JSC « FGC UES » also is the subject of natural monopoly. Activity of the company is regulated by the state.

The basic directions of the company activity:

- The Uniform national (all-Russian) electric network management;
- Granting services to subjects of the wholesale market of electric energy on transfer of electric energy and connection to an electric network;
- Investment activity in sphere of development of the Uniform national (all-Russian) electric network;
- Maintenance of electric networks in proper condition;
- Technical supervision of a condition of network objects of UES of Russia.

Formation within the limits of reform of electric power industry under uniform organizational and technological management of JSC « FGC UES » of property complex UNEN will allow:

- To strengthen integrating role of the Uniform power system of Russia and to provide interaction of manufacturers and consumers of the electric power in the competitive wholesale market of the electric power;
- To guarantee equal access of sellers and buyers on the wholesale market of the electric power;
- To carry out effective state regulation of tariffs for transfer of the electric power;
- To increase power safety of the state;
- To promote carrying out of effective state external economic policy in sphere of electric power industry.

1.2. The basic events of 2006

1. JSC « FGC UES » entered the major basic transmission lines and electronetwork objects, including:

– For electrosupply of construction of Sayanskiy aluminum factory it was built HVL 500 kv Oznachnoe - Aluminum with Sb 500 kv Aluminium, calls HVL 500 kv and reconstruction of HVL 500 kv Marked - Abakanskaya № 546.

– Transit HVL 220 kv Amurskaya - Blagoveshchenskaya - Sirius was built with Sb 220 kv Blagoveshchenskaya with an output on the Russian-Chinese border for export of the electric power to China.

– Construction of Sb 500 kv Khehcir was finished and, thus, the construction of electronetwork complex HVL 500 kv Primorskaya SDPS - Khabarovsk with central substation Sb 500 kv khehcir was finished.

– For electrosupply of joint venture JSC "Kronostar" on timber processing in September, 2006 according to the Act of working committee Sb 500 kv Zvezda started up with calls HVL 500 kv the Kostromskaya atomic power station - Vyatka, HVL 110 kv Zvezda - Manturovo with two cells on ODM 110 kv Sb 220 kv Manturovo.

– For increasing of reliability of power issue of 1-st power unit of the Volgodonsk atomic power station and increasing of reliability of regions electrosupply of the Rostov area in December, 2006 the Volgodonsk APS - Salsk was put into operation HVL 220 kv DP 220 kv with expansion Sb 220 kv Salsk, extent of 167 km.

– The Construction of site HVL 500 kv SDPS - Petrovsk in the extent of 185 km, HVL 500 kv Gusonoozerskaya State District Power Station - Petrovsk - Zabaykalskiy - Chita with Sb 500 kv Chita and turning on HVL on a voltage 220 kv allowed to close transit HVL 500 kv Irkutsk - SDPS - Chita and improve electrosupply of Zabaykalskaya region and Buryatiya.

– Construction of Sb 330 kv Frunzenskaya allowed to improve electrosupply of boundary areas with Ukraine at separate work UPG of the Center and UPG of Ukraine.

2. The investment program of JSC « FGC UES » for 2007 was approved

The investment program of JSC «FGC UES» in volume to 91 575 million rbl. for 2007 was considered and approved by Board of directors of JSC « FGC UES » on the 21-st of December, 2006.

3. JSC « FGC UES » received a credit rating

On the 3-d of February, 2006 rating agency Moody's appropriated to JSC « FGC UES » credit rating « (P) Baa2 » on the international scale and « (P) Aaa.ru » on the Russian scale. Also during 2006 a rating at a level « B + » on the international scale the forecast "positive", and « ru A + » on the Russian scale had been working, which were appropriated earlier by rating agency Standard and Poor's

4. JSC « FNC UES » carried out 2 releases of bonded loans for a total sum 11 billion roubles

In 2006 JSC « FGC UES » continued realization of the program of loans and by the end of year increased volume of extra means in structure of liabilities of balance to 35 billion roubles. Due to these means civil-engineering designs and modernization of transmission lines and substations were financed. With a view of optimization of structure of extra means, increases in terms of attraction and decrease in expenses on service of a duty of JSC « FGC UES » carried out 2 releases of bonded loans with following parameters:

- 4 issue - date of accommodation on the 12-th of October, 2006, the sum 6 billion roubles, term of repayment on the 6-th of October, 2011, with payment of the coupon income under the rate of 7,3 % annual;
- 5 issue - date of accommodation on the 5-th of December, 2006, the sum 5 billion roubles, term of repayment on the 1-st of December 2009, with payment of the income coupon under the rate of 7,2 % annual.

5. Consolidation of objects UNEN

Shares 42 MNC, belonging to JSC RAO «UES of Russia " in August, 2006 were transferred to pay an additional share issue of JSC « FNC UES ». Shares of MGC, remained in the property of JSC RAO " UES of Russia " are supposed to transfer in payment of additional shares of JSC « FGC UES» following release in 2007, and also on separation balance sheet of JSC RAO " UES of Russia " in 2008.

1.3. The basic industrial parameters

| | 2003 | 2004 | 2005 | 2006 |
|--|----------|----------|----------|-----------------|
| Extent of PL, Km. | 43 898 | 45 038 | 45 895 | 47 060 |
| Quantity of substations, Pieces | 128 | 131 | 136 | 137 |
| Average number of people, working in the Society | 9 847 | 10 174 | 11 765 | 20 129 |
| Sales proceeds (nett) goods, production, works, services, million rbl. | 17 229,5 | 23 249,7 | 29 866,9 | 53 599,5 |
| Profit (loss) before the taxation, | 1 540,2 | 3 157,7 | 3 425 | 3 553,1 |

| | | | | |
|---|---------|---------|-----------|----------------|
| million rbl | | | | |
| Net (unallotted) profit (loss), million rbl. | 1 049,0 | 2 166,8 | 1 997,1 | 1 833,5 |
| Cost of net actives, million rbl. | 121 615 | 129 121 | 134 729,2 | 140 078 |

1.4. The share capital

As of 31/12/2006 authorized capital stock of JSC « FGC UES » was 121 607 241 779,5 roubles (one hundred twenty one billion six hundred seven millions two hundred forty one thousand seven hundred seventy nine roubles, 50 copecks) which was divided into 243 214 483 559 pieces of ordinary registered stocks by a face-value on 50 copecks everyone.

In 2006 the additional shares were placed

JSC « FGC UES ». Emission was registered by FSFM of Russia on the 21-st of March, 2006 for the sum of 80 billion roubles. Shares were placed on the closed subscription in favour of JSC RAO «UES of Russia " and the Russian Federation.

On 1/1/2007 66 618 835 788 ordinary shares were placed in favour of JSC RAO " UES of Russia " on a face-value of 50 copecks for a total sum of 33 309 417 894 roubles.

On the 21-st of March, 2007 the term of shares placement of additional release of JSC « FGC UES » was ended. As a result of issue it was actually placed shares for the sum of 59 083 862 180 roubles, 50 copecks. On results of additional issue after registration of the report on results of a share issue the authorized capital stock of the Federal network company will increase to 180 691 103 960 roubles (one hundred eighty billions six hundred ninety one million one hundred three thousand nine hundred sixty roubles).

JSC RAO " UES of Russia " paid the shares of main network companies in in clearance of the additional shares of JSC "FGC UES", also the electronetwork property, concerning the Uniform national (all-Russian) electric network, and money resources. The Russian Federation paid shares of additional emission of JSC « FNC UES » money resources at a rate of 22,48 billion roubles according to the Federal law « About the federal budget for 2007 ».

As a result of additional emission the Russian Federation on behalf of Federal agency on management of federal property (FAMFP) provided the participation in the authorized capital stock of the Federal network company at a rate of 12,44 %. Thus the share of JSC RAO " UES of Russia " in the authorized capital stock of JSC « FNC UES » reduced from 100 % to 87,56 %.

1.5. Organizational structure

In the end of 2006 the structure of JSC « FGC UES» included the executive device, 8 branches « Main electric networks » (MEN), 39 branches of « Enterprise of the

main electric networks » (ИМЭС), branch (the educational center) Specialized industrial base « Bely Rast », 2 branches of « Motor transportation enterprise of the main electric networks » (MTE MEN), the branch of " Elektrosetservice", 6 branches of « Specialized industrial bases of Elektrosetservice » (SIB), 7 branches of « On servicing and repair of the main electric networks » (SR MEN).

The operative management of activity of branches PMES and MTE MEN is assigned on MEN, and branches SIB - on Elektrosetservice.

The created branches of JSC « FGC UES» - SR MEN have regional divisions in structure - the enterprises on servicing and repair (ESR) of the main electric networks.

In competence of « FGC UES » - MEN are included the following:

- Rendering services on transfer and distribution of electric energy;
- Rendering services on connection to electric networks;
- Rendering services on gathering, transfer and processing of the technological information, including given measurements and the account;
- Running of electric networks and other objects of electronetwork facilities and technological management of them;
- Running of technological connection networks, means of measurement instrumentation, the equipment of relay protection and anti-damage automatics and other things, connected with functioning of electronetwork facilities, the technical equipment, and also technological management;
- Development of electric networks and other objects of electronetwork facilities, including designing, engineering researches, construction, reconstruction, modernisation, installation and adjustment.

Competence of branches of JSC « FNC UES » - SR MEN and Elektrosetservice includes:

- Installation, adjustment, servicing and repair of the main electric networks and other objects of an electronetwork facilities;
- Works realization on inspection, diagnostics, tests of an electric equipment;
- Works realization on installation, adjustment, diagnostics, servicing and repair of networks of technological connection, instrumentation and the account, devices of relay protection and automatics and other process equipment, connected with functioning of an electronetwork facilities and an infrastructure of the electric energy market;
- Works realization on development of the main electric networks and other objects of an electronetwork facilities, including reconstruction, modernization, installation and adjustment;
- Development, designing, manufacturing and introduction of new technologies, adaptations, a rigging and means of mechanization for assembly, adjustment work, repair works on electronetwork objects;
- Maintenance service and repair of pipelines and the vessels, working under pressure.

Within the limits of optimization of management and organizational structure of JSC « FNC UES » in 2006 the Board of directors of JSC « FGC UES » made the following decisions:

1. Liquidation of branches of JSC « FGC UES » - the Regional centers of technical inspection (the report dtd the 28-th of September, 2006 № 36) - in connection with transition to multilevel system of the internal technical control, transfer of functions and transfer of the personnel in the created divisions of technical inspection of branches of JSC « FGC UES » - MEN.

2. Creation of branch of JSC « FGC UES » - the Tomskie enterprise of the main electric networks (the report of session of Board of directors dtd the 21-st of February, 2006 № 31) with a view of maintenance of appropriate operation of objects of UNEN, accepted in corrective maintenance-operational services from JSC « Tomskie main networks ».

3. Creation of branches of JSC « FGC UES » on servicing and repair of the main electric networks (SR MEN) (the report of Board of directors session dtd the 4-th of April, 2006 № 33) with a view of maintenance of effective servicing and repair of objects UNEN.

4. Creation of branch of JSC « FGC UES » - the Caspian enterprise of the main electric networks (the report of Board of directors session dtd the 2-d of June, 2006 № 34) with a view of maintenance of appropriate operation of objects UNEN, accepted in repair maintenance from JSC " Dagenergo ".

5. Creation of branches of JSC « FGC UES» - the Motor transportation enterprises of the main electric networks (MTE MEN) of Northwest and Urals Mountains (the report of Board of directors session dtd the 27-th of July, 2006 № 35) for realization of an effective utilization of motor vehicles park and especial mechanism.

2. JSC « FGC UES » and reforming of electric power industry

2.1. Reforming of the main grid complex

In 2006 as a whole creation of the Main grid companies (MGC) on the basis of objects UNEN during reorganization of JSC-energo, the state registration 10 MGC took place. Thus, considering earlier registered MGC, by the end of 2006 the state registration have received 55 Main network companies. The last, 56-th MGC which creation was planned within the limits of reforming joint-stock company-energo, was created in February, 2007.

Shares, belonging to JSC RAO " UES of Russia " of 42 MGC in August, 2006 were transferred in payment of an additional issue shares of JSC « FGC UES». Shares of MGC, remained in the property of JSC RAO" UES of Russia " it is supposed to transfer in payment of additional shares of JSC « FGC UES » following release in 2007, and also on dividing balance of JSC RAO " UES of Russia " to 2008.

In conformity with the scheme of consolidation of objects UNEN approved by Board of directors of JSC RAO " UES of Russia " (report № 188 dtd 25/02/2005), from 1/1/2006 electronetwork objects, which proprietors are MGC, are transferred in using of JSC « FGC UES » and for JSC « FGC UES» the tariff for transfer of the electric power on using networks was established.

Also, in conformity with the scheme of objects consolidation UNEN, approved by Board of directors of JSC RAO " UES of Russia " (report № 188 dtd 25.02.2005), in 2006 arrangements on connection of all created MGC were spent and 6 Inter-regional main network companies (IMNC) to " IMNC of the Center " , in particular, the estimation of market cost of shares MNC and IMNC, was lead.

In March, 2007 the Board of directors of JSC RAO " UES of Russia " the decision on updating the scheme of consolidation MNC and IMNC and connection MNC and IMNC to JSC «FNC UES» is accepted by reorganization of JSC RAO " UES of Russia " .

Reorganization of JSC RAO «UES of Russia " is supposed to be finished till the 1-st of July, 2008. As a result the participation of the state in the authorized capital of JSC « FGC UES » should be at a rate, defined according to requirements of the legislation of the Russian Federation, and also attraction of JSC « FGC UES » means in the volume necessary for financing of the investment program due to sale of a part of share holdings of the thermal generating companies, a share the states should be provided.

2.2. Reforming of a distributive network complex

During division of JSC-energo by kinds of activity (generation, selling, transfer and scheduling of the electric power) on the basis of a property complex of distributive networks in 2004-2006 it was created 58 distributive network companies (DNC). Thus, by the end of 2006 it is created more than 90 % from the general number , created during reforming.

According to the Concept of Strategy of JSC RAO " UES of Russia " for 2003-2008, approved by Board of directors of JSC RAO " UES of Russia ", RNC at a stage of their inter-regional integration should be incorporated in the holding companies - the inter-regional distributive grid companies (IDGC).

In execution of the decision of Board of directors of JSC RAO «UES of Russia " in 2004-2005 as 100 % affiliated societies of JSC RAO " UES of Russia ", were created following IDGC:

- JSC « IDGC of the Center and Northern Caucasus »;
- JSC " IDGC of Northwest ";
- JSC « IDGC of Urals Mountains and Volga »;
- JSC « IDGC of Siberia ».

In August, 2006 100 % an affiliated society of JSC RAO " UES of Russia " - JSC « Southern network company » (the operating organization) for operative management of the network and marketing companies of the south of Russia in a transition period of reforming are created.

For construction of the centralized management by a distributive network complex, maintenance of its reliability, effective functioning and development during reforming electric power industry the Board of directors of RAO UES " UES of Russia " made a decision on transfer of shares IDGC to confidential management of JSC « FNC UES ». In connection with special importance of JSC « Moscow regional electronetwork company », JSC " Lenenergo ", JSC " Kubanenergo " was deduced from structure corresponding IDGC and directly are subordinated by JSC « FGC UES ».

In 2006 of JSC « FGC UES » complex strategy of development of a distributive electronetwork complex with for realizations till 2015 is developed.

The strategic purposes for preservation of long-term investment appeal:

- By 2010 to increase capitalization Russian RNC to a level of the countries RNC with comparable economic development;
- By 2015 to involve 1,6 bln. roubles (in the prices 2006) for problems realization Russian RNC on growth of efficiency and reliability;
- By 2015 to raise market cost of the capital for Russian RNC up to a level of cost of the capital for the countries RNC with comparable economic development.

The strategic purposes for increase of efficiency:

- By 2010 to deduce Russian RNC on stable profitability at a level of the companies of the Russian Federation with comparable market risks;
- By 2015 to finish parameters of operational efficiency Russian RNC to a level of efficiency RNC of the developed countries due to economic stimulus;
- By 2015 to increase a share of the long-term extra capital from involved in Russian RNC the capital up to level RNC of the developed countries - 50 %.

The strategic purposes for increase of reliability:

- By 2010 to enter the economic responsibility of the organizations of Russian RNC for realization of the guaranteed standards of reliability and quality of service of consumers;
- By 2015 to lower deterioration of a network to a level of the developed countries: 40-50 %;

- By 2015 to create a reserve of electric capacities in the volume advancing development of economy for 3-5 years.

The primary goal of regulating bodies on a way of realization of the strategic purposes Russian RNC - to create conditions for attraction of enough of the long-term private capital in the industry at preservation of the state control over reliability and stability of power supply of consumers Russian RNC.

5 basic stages of realization of strategy are allocated:

1. Reforming system of regulation with 2007 on 2008

Development and introduction of system of the tariff regulation based on the best international experience which will create to the network companies of a condition for attraction in the financial markets of the long-term extra capital and reinvestment of the share capital, for increase of reliability and quality of service of consumers, and also increases of economic efficiency of operational and investment activity of the network companies. Introduction of such system of regulation assumes stage-by-stage refusal of the system of the tariff regulation based on a method of economically proved expenses and adjustable profit, and also modernization of system of limiting tariffs. Change of system of regulation should be accompanied by increase of a transparency and sequence of actions of regulatory bodies in decision-making, division of functions of regulation and consideration of appeals at the appeal regulatory decisions between different state of bodies.

2. Development and introduction of rules of the state control and supervision of reliability, quality of service and technological connection of new consumers by the enterprises of the various patterns of ownership which are carrying out activity on transfer and distribution of electric energy.

Within 2007-2008 the state will define the ways of the control and supervision of execution by the distributive network enterprises of various patterns of ownership (including private), requirements on reliability and quality of service of consumers, duties on effective development of a network infrastructure and not discrimination rules of technological connection in the territory of service fixed to the electronetwork enterprise.

3. Change of a configuration of the inter-regional distributing-grid companies (IDGC) - creation of 11 operational IDGC in 2007-2008

Change of configuration of IDGC (increase of quantity of IDGC) is directed on creation special environments in branch with the purpose of a possibility for comparison of IDGC among themselves by efficiency and reliability and, increases of objectivity in acceptance of regulatory decisions. IDGC will be created as the operational companies for increase of the responsibility of managers IDGC before consumers for reliability and quality of service, before shareholders - for financial results.

On the 27-th of December, 2006 at session of the Interdepartmental commission on reforming electric power industry under presidency of Minister of the industry and power of the Russian Federation of Hristenko V.B. as a whole Strategy of development

of RNC, with the assignment of completion of its positions and repeated removal on IDC is approved offered by JSC « FGC UES », the configuration of the inter-regional distributive network companies formed as the uniform operational companies also is approved.

JSC « FGC UES » are achieved coordination of Strategy of development RNC and new configuration of IDGC with the cores minority shareholders RNC. At formation of IDGC (in 2007-2008) in a new configuration principles of comparability of balance cost of actives and the territorial interlinking, entering in IDGC, and also necessity of formation not as holdings as (intermediate stage) was supposed earlier, and at once as the operational companies will be considered.

3. Corporate governance

3.1. The general data on the corporate governance of the company

JSC «FGC UES» is joint-stock company, which structure and competence of controls is defined by the Federal law «About joint-stock companies» and the Charter.

The existing system of a corporate governance in JSC«FGC UES» is based on uniform corporate standards, focused on increase of efficiency of operational activity of the Society and realisation of strategy of reforming of an electronetwork complex.

The supreme body of management of JSC «FGC UES» is general meeting of the shareholders which functions in 2006 were executed by Board of directors of JSC RAO "UES of Russia".

Maintenance of an operational administration with the company is carried out by an individual executive office - the Chairman of Board and a joint executive office - the Board, elected by Board of directors.

For control of financial and economic activity of JSC «FGC UES» is annually elected by the general meeting of shareholders a Revision committee consisting of 5 persons.

The purposes and problems of activity of JSC «FGC UES» as the company, which organized the management of UNEN, fixed in the Federal law «About electric power industry», caused a number of features of structure of management of JSC «FGC UES», found reflexion in charters of JSC RAO "UES of Russia" and JSC «FGC UES». In particular, the Board of directors of JSC RAO "UES of Russia" in 2006 made the decision concerning the competence of general meeting of shareholders of JSC «FGC UES», defined by the Charter of JSC «FGC ES». The Board of directors of JSC RAO "UES of Russia" co-ordinated nominees on a post of the head and members of a joint executive office of JSC "FGC UES".

The general annual meeting of shareholders of JSC «FGC UES», taken place on the 23-d of June, 2006 confirmed the annual report of the Society, the auditor of the Society, and also selected structures of Board of directors and the Society Revision committee

3.2. Board of directors

The board of directors of JSC «FGC UES» carries out the general management of activity of the Society and operates within the limits of the competence defined by the Charter of the Society and Position about Board of directors of JSC «FGC UES».

The structure of Board of directors, voted on the 23-th of June 2006 by the General meeting of shareholders, didn't change in comparison with structure of Board of directors, voted on the previous General meeting of the shareholders which tok place on the 24-th of June, 2005, - 5 representatives of the state entered into it and 4 representatives of JSC RAO "UES of Russia".

The board of directors spent 9 sessions in 2006, on which 65 questions were considered.

In 2006 the Board of directors accepted a number of the important decisions, including the statement of the investment program of the Society; release of additional

ordinary shares of JSC «FGC UES», release of bonds of JSC «FGC UES», participation of JSC «FGC UES» in the Main grid companies (MGC), in JSC «Sangtudinskaya HPS-1», NP «INVEL», in realisation of project «Corporate Power University» and others.

Committees at Board of directors

At session of Board of directors of JSC «FGC UES», which took place on the 7-th of March, 2006, the decision was accepted about formation of two committees of Board of directors of JSC «FGC UES»:

- Committee on reliability of Board of directors of JSC «FGC UES»;
- Committee on rewards of Board of directors of JSC «FGC UES».

The committee on reliability was created for the decision of the following problems:

1. Development and representation of recommendations (conclusions) to Society Board of directors in following directions of activity of Board of directors:

- Examination of investment programs and plans on repair of power objects, the analysis of their execution from the point of view of maintenance of requirements of complex reliability;

- An estimation of completeness and sufficiency of actions for results of failures and large technological infringements, and also the control of their execution;

- The control and an estimation of activity of technical services of the Society in a part: maintenance of complex reliability of work of the network and generating equipment and constructions; maintenance of a normal condition of a fixed capital and finishing of the information on predicted risks of reliability of their functioning;

- The analysis of actions for realization of contractual and economic mechanisms of reliability control.

2. Quarterly informing of Board of directors of the Society with the report about condition of a basic assets of power objects of the Society.

The committee on rewards is created for resolving of following problems:

1. Development of principles and criteria in the field of rewards and financial stimulation:

- Members of Board of directors of the Society, the Chairman of Board of directors of the Society;

- Members of Board of the Society, the Chairman of Board of the Society;

- Members of the Revision committee of the Society, the Chairman of the Revision committee of the Society.

Structure of Board of directors

*(The board of directors elected on the 23 of June 2006.
Posts are specified in the moment of voting)*

The chairman of Board of directors



Khristenko Victor Borisovich

- The minister of the industry and power of the Russian Federation

The vice-president of Board of directors



Chubays Anatoly Borisovich

- The chairman of Board of JSC RAO "UES of Russia"

Members of Board of directors



Ajuev Boris Ilich

- A member of Board of JSC RAO "UES of Russia", the Chairman of Board of JSC«SO-CDC UES»



Voloshin Alexander Stalevich

- The chairman of Board of directors of JSC RAO "UES of Russia"
- Gref Herman Oskarovich



- The Minister of economic development and trade of the Russian Federation
- Ivanov Sergey Nikolaevich



- The first assistant to the General director of Concern "Rosenergoatom"
- Ponomaryov Dmitry Valerevich



- The chairman of Board NP "ATS"
Rappoport Andrey Natanovich



- A member of the Board, the director of JSC RAO "UES of Russia" ("Network" Business unit), the Chairman of Board of JSC «FGC UES»



- A member of the Board, the director of JSC RAO "UES of Russia" ("Network" Business unit), the Chairman of Board of JSC «FGC UES»

Udaltsov Jury Arkadevich

- A member of Board of JSC RAO "UES of Russia", the Head of Control centre of reform of JSC RAO "UES of Russia"

On the 19-th of March, 2007 on the last session of Board of directors of JSC RAO "UES of Russia", carrying out functions of General meeting of shareholders of JSC «GGC UES», the new structure of members of Board of directors of JSC «FGC UES» was elected, it is included:

1. Hristenko V. B - the Minister of industry and power of the Russian Federation, the Chairman of Board of directors;

2. Ajuev B.I. - the Member of Board of JSC RAO "UES of Russia", the Chairman of Board of JSC «WITH - SO-CDC»;

3. Voloshin A.S. - the Chairman of Board of directors of JSC RAO "UES of Russia";
4. Gref G. O - the Minister of economic development and trade of the Russian Federation;
5. Dementev A.V. - the Deputy minister of industry and power of the Russian Federation;
6. Ponomarev D.V. - the Chairman of Board NP "ATS";
7. Rappoport A.N. - the Member of Board of JSC RAO "UES of Russia", the Chairman of Board of JSC «FGC UES»;
8. Rashevsky V.V. - the General director of JSC "SUEK";
9. Travin V.V. - the Deputy head of Agency on an atomic energy of the Russian Federation;
10. Udaltsov J.A. - the Member of Board of JSC RAO "UES of Russia", the Head of Control centre of reform of JSC RAO "UES of Russia";
11. Chubajs A.B. - the Chairman of Board of JSC RAO "UES of Russia".

3.3. Board

The control over the current activity of the Society is carried out by an individual executive office - the Chairman of Board of the Society and a joint executive office - Board of the Society.

Board and the Chairman of Board of the Society are accountable to General meeting of shareholders and Society Board of directors.

Board structure

(As of the 31-st of December, 2006)



The Chairman of Board

Rappoport Andrey Natanovich

Formation of strategy and purposes of development of the Society on economic and financial questions, the account and the reporting, industrial and commercial activity, the personnel, scientific and technical, investment and corporate policy, safety maintenance, legal

maintenance of activity of the Society, the organisation of activity of Society

The first vice-president of Board

Chistjakov Alexander Nikolaevich

Formation and realisation of investment policy of the Society, the scientific and technical policy of the Society, management of assets, technologies, including information, formation of



effective business of the distributive network companies (IDGC and RGC), the control of activity of branches of the Society



Vice-presidents of Board Vasilev Victor Alekseevich Formirovanie *and realisation of a policy on operation and repair of objects UNEN, the control over management service maintenance of the Society branches (Elektrosetservice)*



Vinogradov Dmitry Vladimirovich *the organising of financial and economic processes in the Society, financial efficiency support of the Society*



Dorofeyev Vladimir Valerianovich *the international cooperation and strategic planning of the Society, interaction with subjects of the market concerning the organisation of development UNEN, the organisation of activity of Design group of the Scientific and technical centre*



Tusov Michael Jurevich. *Realisation of a corporate policy and legal support of activity of the Society, the organisation of personnel control, organizing of designing and development of the Society and ADS*

Member of Board, the Director for engineering and management of building, the head of the Center of engineering and building control



Maslov Alexey Viktorovich
Organising of processes of investment and building of the Society objects

3.4. A revision committee

For control of financial and economic activity of the Society by General meeting of shareholders the Revision committee is annually selected.

The quantitative structure of the Revision committee of the Society includes 5 persons.

Auditing committee structure

(Auditing committee, elected 23.06.2006)

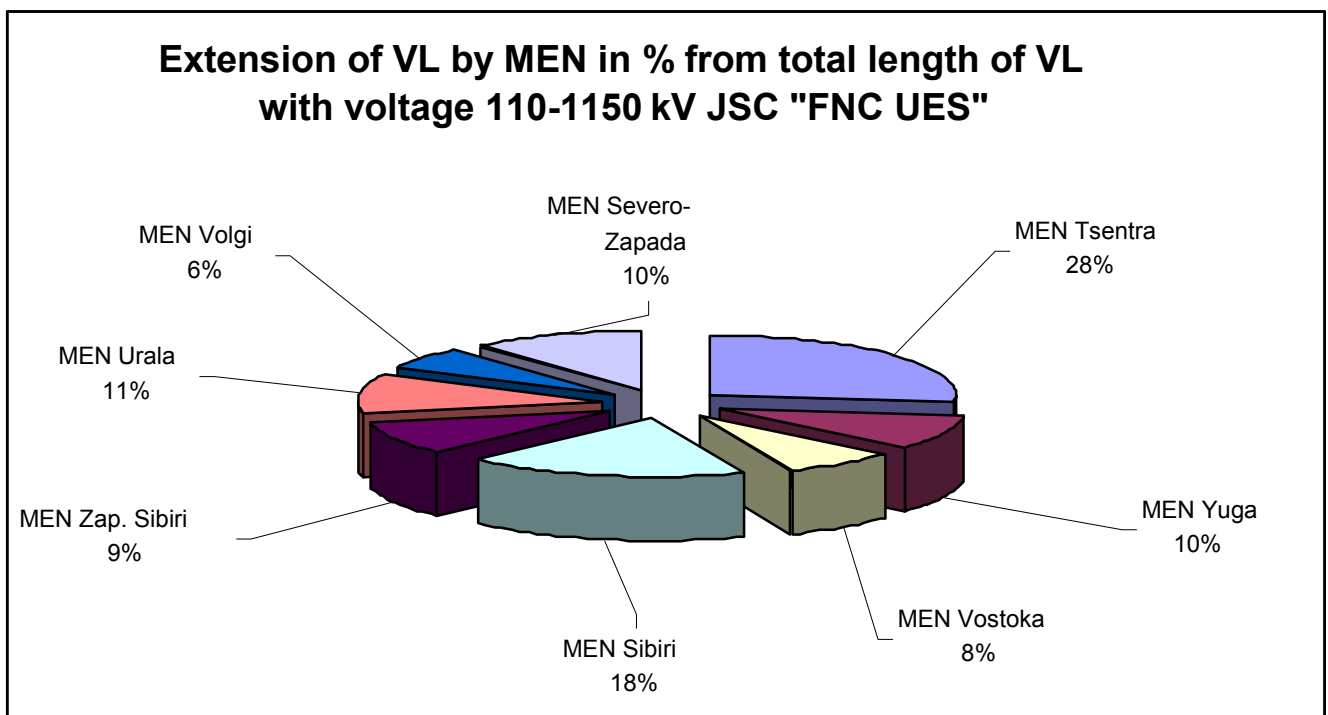
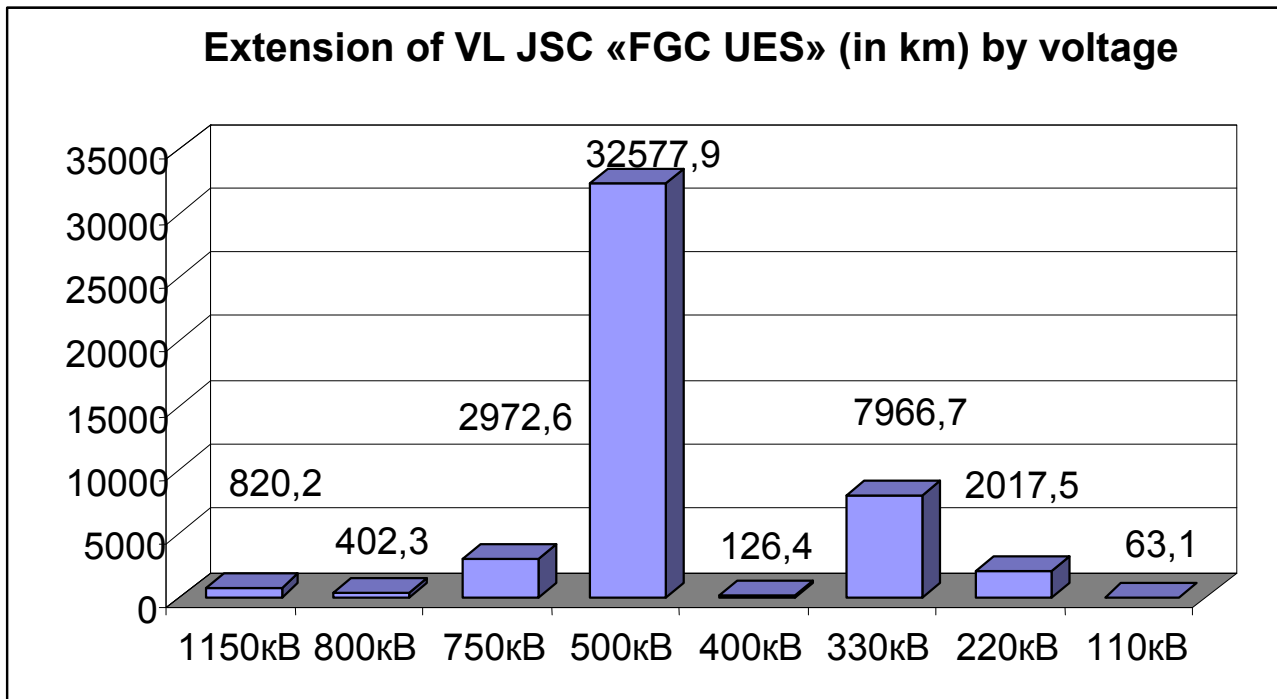
1.
Sidorov Sergey Borisovich
- The chief of Department of financial audit of JSC RAO "UES of Russia"
2.
Morozov Michael Afanasevich
- The deputy chief of Department of internal audit of the Corporate centre of JSC RAO "UES of Russia" - the chief of department of audit caring out
3.
Gabov Andrey Vladimirovich
- The chief of Department of a corporate control of the Corporate centre of JSC RAO "UES of Russia"
4.
Baitov Anatoly Valerevich
- The head of Management of the financial control and internal audit of JSC «FGC UES»
5.
Lelekova Marina Alekseevna
- A deputy head of Management of the financial control and internal audit of JSC "FGC UES"

The structure of a revision committee of JSC «FGC UES» in 2006 didn't changed in comparison with structure of the auditing committee, elected on Annual general meeting of shareholders on the 24-th of June, 2005.

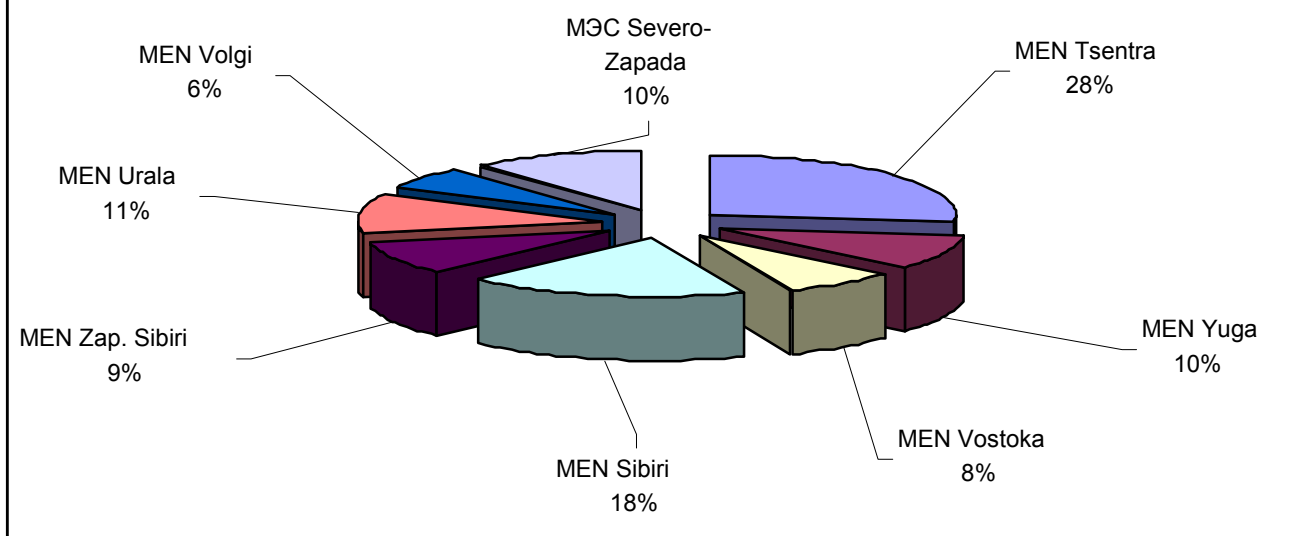
4. The basic industrial indicators

4.1. The equipment characteristic

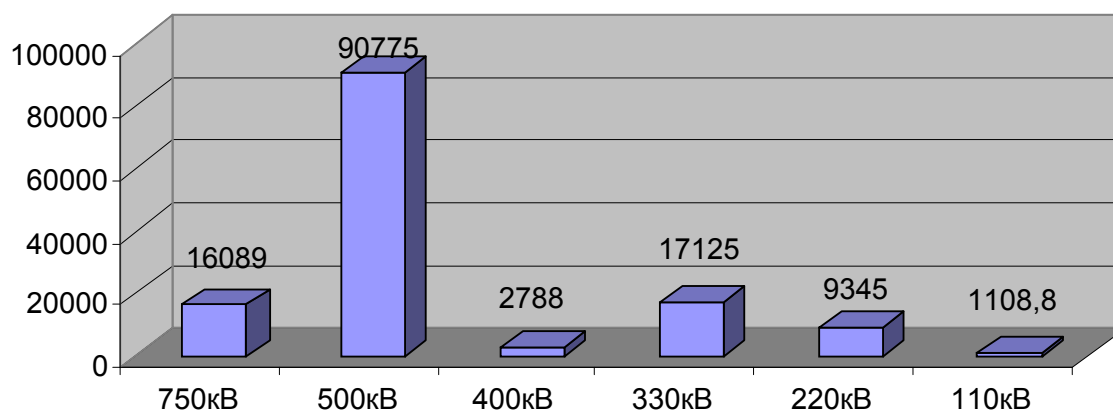
In 2006 JSC «FGC UES» provided functioning of 122 thousand km of transmission lines and 791 substations with the general transformer capacity more than 300 thousand MVA, which pressure is about 110-1150 kv. In the property of JSC «FGC UES» there are 47,060 thousand km of transmission lines and 137 substations, and also 17 separate RG also cells, which general capacity are more than 140 thousand MVA.



Extension of VL by MEN in % from total length of VL with voltage 110-1150 kV JSC "FGN UEN"



The power of auto transformers and transformers by voltage classes, (MVA)



The total established capacity of power transformers which voltage is 220-1150kV, on substations of JSC «FGC UES», made 136 122 MVA, without distributive transformers and transformers of own needs. The total established capacity of power transformers 6-1150kV made 141 805,9 MVA.

The total established capacity of the reactors which are on substations of JSC «FNC UES», made 25 705,6 MVA.

According to the scheme of consolidation of objects UNEN, confirmed by Board of directors of JSC RAO "UES of Russia" (the report № 188 dtd 25.02.2005) since the 1-st

of January, 2006 the electronetwork objects which proprietors are MGC, were transferred at control of «FGC UES».

The general voltage and extent of transmission lines of the main grid complex, which control carried out by JSC «FGC UES» to the end of 2006:

1. Extent of PTL thousand km.

| Class of voltage, kv | Networks | |
|----------------------|-------------------------|---------------|
| | JSC «FGC UES» on a line | MGC on a line |
| 1150 | 0,82 | |
| 800 | 0,402 | |
| 750 | 2,973 | |
| 500 | 32,578 | 1,652 |
| 400 | 0,126 | |
| 330 | 7,967 | 2,543 |
| 220 | 2,017 | 69,704 |
| 110 | 0,063 | 0,986 |
| 35 | 0,012 | 0,057 |
| 10 | 0,064 | 0,149 |
| 6 | 0,035 | 0,008 |
| 0,4 | 0,003 | |
| Total | 47,060 | 75,099 |

Capacity of the substations, concerning to UNEN, (capacity, MVA)

| Pressure class, kv | Grids | |
|--------------------|-------------------|-------------------|
| | JSC «FGC UES» | MGC |
| 1150 | | |
| 800 | | |
| 750 | 16 089,00 | |
| 500 | 90 775,00 | 9 439,00 |
| 400 | 2 788,00 | |
| 330 | 17 125,00 | 10 282,00 |
| 220 | 9 345,00 | 108 075,00 |
| 110 | 1 108,8 | 10 556,2 |
| 35 | | 9 863,44 |
| 10 | | 11 109,23 |
| 6 | | |
| 0,4 | | |
| Total | 137 230,80 | 159 324,87 |

4.2. The organizing of repair activity

In 2006 within the limits of reforming system of maintenance service and repair was spent a division of branches of the Society. Maintenance service and repair

functions (MSR) are transferred to separate branches. As a result, on the 1-st of July, 2006 the following Society branches were formed: - MSR MGC of the Center, Northwest, Volga, the South, Urals Mountains and Western Siberia, the East. To branches of MSR MGC and Elektrosetservice was charged on realisation of works on maintenance service and repair of electronetwork objects of JSC «FGC UES» and MGC.

Financial and economic mutual relations between branches of the Society in the conditions of intraeconomic contract are regulated by the Agreement on intraeconomic services. In 2007 a share of works on maintenance service and repair of electronetwork objects of JSC «FGC UES» and MGC, carried out by MSR MGC and GCC, will make 77,9 % from total amount.

Following problems are assigned to again formed branches MSR MGC in 2007:

1. The works realising in full volume planned for 2007 on internal contract;
2. An exit on a foreign market.

Volumes of principal views of remedial maintenance on networks

JSC «FGC UES» (without target programs)

| The name | unit | 2006 (plan) | 2006 (fact) |
|--|-----------------|--------------------|--------------------|
| Clearing of lines HVL | Hectares | 2958,65 | 3510,6 |
| Replacement of insulators on HVL | pieces | 16217 | 17310 |
| Repair of the bases of support HVL | pieces | 2692 | 2777 |
| Replacement of light line on HVL | pieces | 53,7 | 53,7 |
| Replacement (strengthening) of support HVL | pieces | 57 | 57 |
| Replacement of remote bloking on HVL | pieces | 4578 | 4128 |
| Repair of autotransformers | Phase(pieces) | 16 | 19 |
| Repair of shunting reactors | Phase (pieces) | 7 | 9 |
| Replacement of inputs 110 - 750 kv on oil-filled equipment | pieces | 8 | 2 |
| Repair of switches | pieces | 172 | 178 |
| Repair disconnectors | pieces | 357 | 367 |

| | | | |
|--|--------|----|----|
| Replacement of basic insulators 110 - 750 kv | pieces | 32 | 34 |
| Repair of compressors | pieces | 72 | 74 |
| Repair of storage batteries | pieces | 1 | 0 |

**Volumes of principal views of remedial maintenance on networks MGC
(Without target programs)**

| The name | unit | 2006 (plan) | 2006 (fact) |
|--|-----------------------|--------------------|--------------------|
| Clearing of lines HVL | Hectares | 654,7 | 789,4 |
| Replacement of insulators on HVL | pieces | 14534 | 14991 |
| Repair of the bases of support HVL | pieces | 677 | 742 |
| Replacement lighting line on HVL | km | 137,6 | 132,6 |
| Replacement (strengthening) of support HVL pieces | pieces | 87 | 95 |
| Replacement of remote blocking on HVL | pieces | 0 | 31 |
| Repair of autotransformers | phase (pieces) | 14 | 17 |
| Repair of shunting reactors | phase (pieces) | 0 | 0 |
| Replacement of inputs 110 - 750 kv on oil-filled equipment | pieces | 1 | 9 |
| Repair of switches | pieces | 140 | 174 |
| Repair of disconnectors | pieces | 598 | 577 |

| | | | |
|--|--------|-----|-----|
| Replacement of basic insulators 110 - 750 kv | pieces | 360 | 420 |
| Repair of compressors | pieces | 14 | 17 |
| Repair of storage batteries | pieces | 0 | 3 |

**Amounts of works under target programs
on objects of grids of JSC «FGC UES» and MGC (thousand rbl.)**

| name | JSC «FGC UES» | | |
|--|----------------|----------------|---------------|
| | 2006 (plan) | 2006 (fact) | 2007 (plan) |
| Chemical clearing of lines HVL | 128 347 | 128 347 | 44 562 |
| The program of the prevention of the equipment damage | 37 925 | 32 399 | 77 927 |
| The program of replacement of porcelain insulators | 104 671 | 104 655 | 56 825 |
| The program of replacement of oporno-rod isolation (ORI) | 253 329 | 254 457 | 51 441 |
| The program of replacement of high-voltage inputs | 136 260 | 137 213 | 85 650 |
| The program of increase of stability of HVL at influence of glize-ice-wind loadings | 54 797 | 51 607 | 37 224 |
| The replacement program lihgtning-line | 74 374 | 72 831 | 64 140 |
| The program of the organisation of works on prevention of crisis situations | 0 | 0 | 12 116 |
| The program of special diagnostics for the equipment or objects of MGC in the worsened condition | 0 | 0 | 16 379 |
| The program of mechanical clearing of lines HVL | 0 | 0 | 0 |
| The program of finishing of width of glades of HVL 220 kv networks of MGC to standard size and clearing of lines of HVL | 0 | 0 | 64 300 |
| The program of replacement of ferro-concrete support | 0 | 0 | 37 616 |

4.3. Operatively-dispatching management

4.3.1. The general data and the basic events

The primary goal of JSC «FGC UES» in the field of operatively-dispatching management consists in maintenance of unity of technological management of UNEN, including a control system of the main transmission lines uniting the majority of regions of the country.

Problems of operatively-dispatching management of JSC «FGC UES» are focused on execution of contracts on delivery of the electric power to subjects of the market of the electric power at observance of parameters of quality of the electric power, realizations of criteria of work reliability of UES of Russia and minimisation of losses on electric power transit through UNEN.

Proceeding from criterion of division of the functions which are carried out by operatively-dispatching divisions of JSC «SO-CDC UES» and JSC«FGC UES» in the course of an operational administration electric networks, are defined the following primary goals of operatively-dispatching management of JSC «FGC UES»:

- The monitoring of condition of UNEN including the control of a condition of capital equipment UNEN, the analysis of operative conditions on objects UNEN;
- Execution by the operatively-dispatching personnel of operational functions on manufacture of switchings in UNEN;
- The organisation of operative actions on localisation of technological infringements and restoration of modes of UNEN;
- The organisation of operative service of substations, manufactures of operative switchings, regime and circuit maintenance of safe manufacture of repair-operational works in the electric networks concerning to UNEN;
- The organisation of work with operation personnel, carrying out antiaccident and training preparation in operative divisions of the company;
- Formation of calculates model of UNEN, calculation of modes and the analysis of balance of electric power UNEN;
- Working out and introduction of actions for decrease in losses of the electric power.

In 2006 the decision was accepted about redistribution of functions of scheduling of electric systems and creation of Control centres by networks (CCN) in branches of JSC «FGC UES» - MPG.

The basic events in the field of operatively-dispatching management in JSC «FGC UES» 2006:

1. The basic part of works on working out and delivery of individual training complexes for the operatively-dispatching personnel of JSC «FGC UES» was executed.
2. In April JSC RAO "UES of Russia" the Plan-schedule was confirmed about formation of control centres by networks in branches of JSC «FGC UES» - EMEN, RGC (JSC-energo) and redistributions of functions of scheduling of the electric networks, developed on the basis of target organizational-functional model of

operatively-dispatching management of UES of Russia on formation of control centres by networks in branches of JSC «FGC UES» - EMEN, RGC. The realization of plan-schedule was begun.

3. Since July, the round-the-clock watch of dispatchers of branch of JSC «FGC UES» - MPG of Western Siberia, was organised.

4. In November the Agreement on interaction of the personnel of operatively-dispatching divisions of JSC «FGC UES» and concern "Rosenergoatom" was developed and confirmed in JSC «FGC UES».

5. In December the Second inter-regional competitions of operation personnel of substations of JSC «FGC UES» were held.

6. In December order of JSC «FGC UES» «About formation of Control centres by networks in branches of JSC « FGC UES»- MPG» was let out.

7. In December the Regulations of operative interaction of JSC «SO-CDC», JSC «FGC UES» and Joint-Stock Company «INTER RAO UES» were signed at planning of export-import deliveries and management of modes of UES of Russia in real time.

4.3.2. Electric power losses in electric networks

The last 2006 is the first accounting period when actual indicators of losses of electric energy as a whole on UNEN were formed, the first year of responsibility of JSC «FGC UES» for losses of electric energy in new borders. Process of the organisation of work on formation of balances of electric energy and losses, and also accumulation of statistical data on new borders of a balance accessory (on border UNEN) became the primary goal for JSC «FGC UES» in 2006.

According to JSC «FGC UES» dtd 26.12.2005 № 348 were organised works on account data gathering, formation of integrated certificates and calculation of balances of electric energy and losses of electric energy on UNEN.

The principle of formation of balance of electric energy as a whole on EUNEN is based on data gathering for the accounting period on everyone Sb (JSC «FGC UES», MOSCOW TIME) and their transfer in MPG where balances on MPG and UNEN (in a zone of service MPG) were formed. On substations ENES instruments of devices of the account are read, receipt/issue calculation on all joinings is carried out, and on the basis of these data calculation of actual nonbalance is carried out. Actual non-balance is compared with admissible non-balance, defined for everyone Sb, then are formed the accounting information on volumes of the arrived/released electric power and balances on territory in a zone of service of everyone MPG. The total is transferred in Department of development of services and reliability of a network of JSC «FGC UES» for formation of summary balance as a whole on UNEN for the accounting period.

According to the order dtd 27.09.2005 № 264 «About the statement of specifications of technological losses of electric energy in the Uniform national (all-Russian) electric network for 2006», the specification of technological losses in UNEN made 5,37 % to issue of the electric power of network UNEN.

Following the results of formation of balances of electric energy in networks UNEN for 2006 the total actual losses of the electric power made 21 345,452 million in kw-h

Loading (variable) losses of the electric power made 12 589,556 million in kw-h, electric power losses on idling of transformers and autotransformers made 1 384,587 million in kw-h, electric power loss for own needs of substations ENES - 1 013,471 million kw-h, electric power losses on a crown in air-lines made 5 137,793 million in kw-h, in compensating devices - 383,127 million in kw-h, in shunting reactors, a TD, NV, PB, SUV and counters - 589,843 million in kw-h, loss of the electric power from leak currents on insulators HVL - 246,639 million kw-h.

Receipt of the electric power from power stations in network UNEN in кальдированном expression has made 469 669,537 million in kw-h.

For 2006 as a whole actual balancing of accounts issue of the electric power from networks of UNEN in a network of the distributive network companies, to direct consumers WME and nonreformed joint-stock companies-energo made 433 531,74 million kw-h, including reception of the electric power from networks of independent joint-stock companies-energo (JSC "Tatenergo", JSC "Bashkirenergo", JSC "Irkutskenergo", JSC "Novosibirskenergo") made 2 201,77 million kw-h, electric power issue to direct consumers-participants WME (within the limits of operating contracts on transfer) made 8 473,277 million kw-h.

For the accounting period - 2006 - on networks UNEN in the adjacent states the electric power was transferred in balance expression of 14 792,345 million kw-h.

4.3.3. The organisation of operation of information-technological systems

Technological support of dispatching management of JSC «FGC UES» and the organisation of operative operation of information-technological systems is provided basically with branches of JSC «FGC UES» and in 2006 included realization of problems in following basic directions:

- The organisation of performance of calculations of currents and pressure at short circuits (CSC) and difficult asymmetrical modes, calculations (coordination) of parametres of operation and the analysis of work of devices RPA;

- Training of dispatching personnel MPG to features of operation of information-technological systems;

- Carrying out of preparatory measures on formation of control centres by networks in branches of JSC «FGC UES»;

- Maintenance of functioning of an operatively-information complex (OIC) JSC «FGC UES».

The primary goals in 2007 are:

- Formation of control centres by networks (CCN) in branches of JSC «FGC UES»;

- Preparation and acceptance for realization by technological divisions CCN of not operational functions;

- Work continuation on technological support of dispatching management of JSC «FGC UES» and the organisations of operation of information-technological systems in branches of JSC «FGC UES».

4.3.4. *The commercial account of the electric power*

With a view of the account of quantity of the electric power on points of delivery/reception of electric energy gathering of the commercial information for calculation of balances and losses is organised:

- the temporary technique of preparation of documents was developed and an information transfer necessary for carrying out of calculations for services in transfer to electric energy on UNEN, and balances-overflows techniques of definition of losses are co-ordinated with adjacent subjects.

- Monthly branches of JSC «FGC UES» - MPG form and co-ordinate Integrated Certificates, Summary Certificates and hourly Certificates of the account of overflows with adjacent subjects.

- For 2006 all adjacent subjects co-ordinate originals of Integrated Certificates, Summary Certificates and Certificates of the account of overflows.

Work on consideration and the coordination of the documentation on property complexes UNEN was spent:

- Certificates of differentiation of a balance accessory of electric networks (electroinstallations) (CDBA) are considered and co-ordinated.

- the estimation of a condition of equipment was spent by devices of the account of substations ENES, the account of quantity of interval and integrated devices of the account, their class of accuracy, on the basis of lists of points of the account to Agreements and CDBA is spent.

In the course of performance of the Program of creation of the automated information-measuring systems of the commercial account of the electric power (**AIMS CAEP**) work on verification of the list of objects UNEN and account points on the sections which are subject to equipment by interval devices of the account is conducted.

After transition to JSC «FGC UES» Contracts on parallel work and the rights of a customs carrier there was a necessity for the organisation of gathering and data processing of the commercial account foreign flow, the System of gathering and data processing of interstate overflows were created (SGDP IO), its preparation and completion for delivery in commercial operation is carried out.

Monthly gathering of operative data of IO is made within a year, the control over receipt and reliability of data is provided.

The obligations of JSC «FGC UES» are carried out on granting of data in Joint-Stock Company "INTER RAO UES" examination and the coordination of contracts and contracts on export/import of the electric power of Joint-Stock Company «INTER RAO UES», to preparation of forms of account and transfer maintenance in NP "ATS" of in information on electric power overflows.

Monitoring, coordination of functioning of a programmno-technical complex and the control over work of **AIMS CAEP** JSC «FGSC UES» is carried out:

- quality check of data of the account and reliability of indications of means of the account is conducted; the information on malfunctions and failures in the system, revealed stands out at gathering and information processing under the account.

- work on revealing and elimination of lacks IIC for reception of integrated and half-hour certificates of overflows is spent.

- verification of certificates (integrated, hourly) with data ASCMPE of JSC «FGS UES» (IIC) is spent.

- Verification, the coordination of one-linear schemes of the organisation of the commercial account on UNEN and to old section of JSC «FGC UES».

- trial operation «the Alpha the Center» and IIC is spent.

Section work the Automated account of the electric power and management of a power consumption of Scientific and technical council of JSC RAO "UES of Russia" is conducted.

4.3.5. Modelling and optimisation of operating modes of UNEN

For supporting of the operatively-dispatching personnel, and also regime divisions of JSC «FGC UES» by the information on current modes of UNEN the coordination was spent with JSC «**SO- CDC UES**» volumes and structure of the telemetering information from objects of UNEN for transfer to the dispatching centres, works on reception of the co-ordinated telemetry were begun.

Completion of settlement models of UNEN for the decision of problems under the analysis of current and perspective shemno-regime situations, calculation and the analysis of structure of losses of capacity in UNEN was spent.

With a view of non-admission of infringements of the standard of JSC RAO "UES of Russia" on pressure levels in networks 330 kv and above the control over a current situation, the analysis of the reasons of the raised pressure and working out of actions for their decrease is regularly carried out. The system of the continuous control over pressure in UNEN is developed.

For normalisation of levels of pressure, substations of ENES are defined, on which it is necessary to have operational administration RRV of autotransformers (within the limits of the order № 360).

For actualisation of settlement model of UNEN calculations of parametres of the power equipment of networks 330 kv and above are executed, works for networks 220 sq were begun.

Within the limits of works on preparation of the additional agreement with Finnish network company "FINGRID" about electric power deliveries questions of transfer from JSC «**SO- CDC**» in JSC «FGC UES» functions of calculation of losses of the electric power and planning of deliveries are worked.

It was defined "narrow" places in networks 220 kv and above, imposing restrictions on a mode of transfer of capacity on UNEN, the continuous control of their loading with the subsequent analysis flow distribution in difficult areas for timely working out of actions for normalisation of operating modes of networks is organised.

A number of techniques and positions is co-ordinated with system operators of foreign power supply systems concerning parallel work of power supply systems BRELL (Belarus, Russia, Estonia, Latvia and Lithuania).

Preparation of perspective settlement models of regions of peak loadings (the Moscow, Leningrad, Sverdlovsk, Tyumen power supply systems) for the decision of questions of perspective development of networks UNEN is spent.

Execution of function of planning of deliveries of the electric power in foreign power supply systems was provided, and also calculation of sizes and initiatives of deviations.

The primary goals for 2007 are:

- the Termination of works on introduction of a complex hierarchical estimations of modes UNEN conditions .
- Creation of the automated system of monitoring of voltage in UNEN.
- the Estimation of potential of decrease in losses in UNEN at the expense of optimisation of modes on pressure and jet capacity.

4.4. Technical supervision of a condition of objects of an electronetwork economy

4.4.1. The general data

Technical inspection of JSC «FGC UES» in 2006 carried out in full a complex of organizational-technical, information-methodical, supervising and preventive actions at enterprises MPG and other objects of UNEN, directed on prevention of fires, failures and other technological infringements, increase of operational reliability of work of the equipment and the personnel, breakdown susceptibility and traumatism decrease.

Feature of work of divisions of technical inspection in 2006 was that their activity was carried out in the conditions of reforming of system of the internal technical control of the Society.

According to the reports which arrived from MPG and IDGC, all planned TR MPG and IDGC inspections and checks are executed, certificates and operative instructions with the planned actions are given out.

Control of branches of JSC «FGC UES», and also MPG, IDGC, DNC and the electronetwork enterprises to work during the autumn-winter period 2006/2007 passed according to requirements of Act about an estimation of readiness of electro-and heating the organisations for work during the autumn-winter period.

All branches of JSC «FGC UES» and MPG, the electronetwork companies and their branches subordinated to Business unit of "Network", have received readiness passports to AWP in connection with performance of the basic and additional conditions in target dates. For comparison: in 2005 9 from 41st formed MGC received the readiness passport under the co-ordinated decision of members of the commission.

4.4.2. The breakdown susceptibility analysis

In total in 2006 in work of intersystem electric networks of JSC «FGC UES» occurred 349 technological infringements (TI), against 345 in 2005 (increase at 1 %).

Failures did not occur for the specified period. The number of technological infringements because of erroneous actions of the personnel has not changed and has made 27 cases (7,7 % from the general number of infringements).

The general number of technological infringements on equipment Sb in 2006 grown in comparison with previous year on 7 % and made 227 cases against 212 in

2005. Deterioration of the equipment (29 %) and defects of manufacturing (19 %) became principal causes of technological infringements on ПИС in 2006. Most often there were infringements in work of devices of relay protection and automatics (DRPA) which share is 35 % of all TI.

In 2006 the number of the technological infringements caused by switching-off of lines with unsuccessful automatic repeated inclusion (ARI) - 122 against 133 - in 2005 decreased. The analysis of the reasons of switching-off of HVL for 2006 shows, that basic part of TI occurred because of fires - 43 cases (including fires out of security zones of HVL which in JSC «FGC UES» are not subject to investigation and the account) on which more than 35 % from all switching-off of lines with unsuccessful ARS.

In work of the main electric frids (MEG) in 2006 the general number of technological infringements made 1282 cases (against 1141 in 2005). Because of erroneous actions of the personnel in 2006 occurred 63 TI (against 108 in 2005). At growth of general number of TI quantity of errors of the personnel after transfer to a game.

5. Economy and the finance

5.1. Management of the finance

JSC «FGC UES» is natural monopoly. At the heart of tariff regulation of activity of JSC «FGC UES», according to the federal legislation, there is a principle of the company support of the necessary total gain providing the reimbursement for realisation of an adjustable kind of activity and realisation of the established volume of investments into development of UNEN.

Financial management of JSC «FGC UES» is based on the mechanism of the centralised formation of monetary funds of the Society at the expense of receipts on primary activity and their subsequent use on financing of the basic and investment activity.

Primary activity financing is carried out in the form of distribution of monetary funds on branches of JSC «FGC UES» - MPG, Electrosetservice, MSR MPG with the subsequent distribution by branches of MPG on branches **EMEN**.

The basic tools of a finance administration of JSC «FGC UES» are the Budget of incomes and expenses, the Budget of movement of money resources and predictive balance.

Financial and economic planning of activity of the company is carried out as:

- long-term - with horizon of planning of 3-5 years and step of planning- a year;
- intermediate term or annual - with planning horizon one year and planning step - quarter;
- flowing - with horizon of planning quarter, half-year, 9 months and year with planning step - quarter.

Leading of financial and economic results of activity of the company and the analysis of results of economic activities is carried out quarterly according to book keeping.

5.2. The tariff

Since 2006 according to requirements of Rules of nondiscrimination access by payers of services of JSC «FGC UES» became the distributive network companies, connected to UNEN, and large consumers, instead of the marketing companies.

On the first half of the year 2006 individual tariffs for the electric power issue from network of JSC «FGC UES» (MGC) were established. These tariffs were essentially differed from tariffs for actual useful issue as paid off on an overflow of the electric power from network of JSC «FGC UES» (MGC) in a network of the distributive network companies, instead of on useful issue to the end user (as was since 2003 to 2005). Signature was the inclusion in structure of expenses of JSC «FGC UES» service expenses rented by MGC.

From the second half of 2006 tariffs were reinstalled on the declared capacity of consumers of JSC «FGC UES» and they were individual.

Since 2007 the uniform rate for the declared capacity of consumers is established. By the order of FTS of The Russian Federations № 285-e/4 were confirmed tariffs for 2007 for services in transfer of electric energy on UNEN dtd 18.11.2006, rendered by

JSC «FGC UES», with using of objects of the electronetwork economy, belonging to JSC «FGC UES» on the property law and other lawful basis.

The methodology of payment of losses did not vary, and as base was used balancing issue from grid of JSC «FGC UES» (MGC) in a network attached consumers to UNEN. Specifications of losses were confirmed by Minpromenergo of Russia individually on subjects of the Russian Federation.

The code of tariffs of JSC «FGC UES»

| The beginning | The tariff (basic) | Base of calculation of tariffs | The normative document |
|--------------------------------|--|--|--|
| from the 1-st of July, 2003 | 31,35 rub/MVA-h | Useful issue of e/p to end users | Decision FPC of the Russian Federation dtd the 25-th of June, 2003 № 49-e/2 |
| From the 1-st of January, 2004 | 37,88 rub/MVA-h | Useful issue of e/p to end users | Decision FPC of the Russian Federation dtd the 18-th of October, 2003 № 84-e/2 |
| Since the 1-st of July, 2004 | 38,07 rub/MVA-h | Useful issue of e/p to end users | Decision of FPC of the Russian Federation dtd the 18-th of October, 2003 № 84-e/2 |
| From the 1-st of January, 2005 | Tariffs are differentiated on subjects of the Russian Federation. On the average 44,5 Rbl./mva-h | Useful issue of e/p to end users | Order FTS of the Russian Federation dtd the 1-st of December, 2004 №215-e/2. |
| From the 1-st of January, 2006 | Tariffs for the maintenance of networks are differentiated on subjects of the Russian Federation On the average 74,61 Rbl./mva-h Payment of losses is made under the average tariffs of the wholesale market | Actual issue of e/p to consumers of JSC «FGC UES» | Orders FTS of the Russian Federation: dtd the 6-th of December, 2006 №587-e/9 and dtd the 14-th of December, 2005 №633-e/17 the Order of FTS dtd the 6-th of December, 2005 № 588-e/10 |
| From the 1-st of July, 2006 | Tariffs for the maintenance of networks are differentiated on subjects of the Russian Federation and calculated on the declared capacity, on the average 40 195 rub/Mva in a month | The declared capacity of consumers of JSC «FGC UES» | Orders of FST: dtd the 27-th of June, 2006 №144-e/2 and dtd the 28-th of July, 2006 №159-e/8 |
| From the 1-st of January, 2007 | The uniform rate for the maintenance of networks is calculated on the declared capacity 40 072,09 rub/Mvt in a month Payment of losses made under the average tariffs of the wholesale market | The declared capacity of consumers of JSC «FGC UES » | Order FST dtd the 18-th of November, 2006 №285-e/4 Order of FST dtd the 28-th of November, 2006 № 319-e/17 |

5.3. Services in transfer of electric energy

According to the Governmental decree of the Russian Federation dtd 27.12.2004 № 861 «Services in transfer of electric energy are given by the network organisation on

the basis of the contract about rendering of services in transfer of electric energy to the persons, having on the property right or on other lawful basis receiving devices and other objects of electric power industry, technologically attached when due hereunder to an electric network, and also subjects of the wholesale market of the electric energy, carrying out export (import) of electric energy, to the power selling organizations and guaranteeing suppliers».

Cost of services of JSC «FGC UES» on electric power transfer on the Uniform national (all-Russian) electric network is defined by the corresponding tariffs established by Federal tariffs service (FTS of Russia).

The primary goals of the Society in the field of rendering of services in transfer of electric energy in 2006 were:

- the timely conclusion of contracts with counterparts of the Society in changing conditions of the market of the electric power and legislative base;
- increase in number of counterparts of the Society, including at the expense of rendering of services in technological joining;
- support of high level of payment with counterparts of services of the Society on transfer of electric energy.

Following the results of 2006, the following results were reached:

Contracts are concluded with 90 counterparts. Counterparts of the Society in 2006 represented four types of structures of the market of the electric power: joint-stock company-energo, the regional grid companies (RGC), allocated from joint-stock company-energo during reform of power sector, power selling organisations (PSO) and the large consumers of energy actively operating in the wholesale market of the electric power;

□□above-stated contracts were twice renewed within 2006 in connection with changes of requirements of the legislation of the Russian Federation and conditions of the market of electric energy;

□□ The active work was begun on increase in number of counterparts of the Society at the expense of technological joining;

□□the general gain of the Society for services in transfer of electric energy considerably increased;

□□high level of gathering of a payment for Society services is provided -accounts receivable within 2006 did not exceed 5 % of quarter cost of services.

The primary goals of JSC «FGC UES» on rendering of services in transfer of electric energy in 2007 are:

□□support of the timely conclusion of contracts with counterparts of the Society and the conclusion of contracts with new counterparts;

- increase of number of counterparts of the Society;
- support of high level of payment with counterparts of services of the Society on transfer of electric energy.

5.4. Functioning of the Society in the conditions of competitive relations in the wholesale market of electric energy (capacity) of a transition period

In the conditions of competitive relations in the wholesale market of electric energy (capacity) of a transition period of JSC «FGC UES», being the organisation on management of the Uniform national (all-Russian) electric network, within the limits of the Contract on joining to trading system of the wholesale market of the electric power since the 1-st of January, 2006 independently carries out acquisition of volumes of electric energy in the wholesale market of electric energy (capacity) (WME) for the purpose of indemnification of actual losses in UNEN minus the losses considered and paid by participants WME in the equilibrium prices.

For realization of functioning of JSC «FGC UES» on WME, with a view of acquisition of volumes of electric energy for indemnification of losses within 2005 of JSC «FGC UES» together with Control centre of reform (CCR) JSC RAO "UES of Russia" and NP "ATS" the work was done on developing and modification of the Contract on joining to trading system of the wholesale market and to its appendices (regulations of WME). dtd the 28-th of December, 2005 the given changes were brought by the decision of Supervisory board NP "ATS" in the Contract on joining to trading system of the wholesale market of the electric power and regulations WME.

JSC «FGC UES» in 2006 for fulfilment of transactions of the purchase and sale based on application of tariffs, confirmed by federal enforcement authority on regulation of natural monopolies, together with Joint-Stock Company «Center of Financial Calculations» has developed (Joint-Stock Company "CFC") and concluded as it should be and on the conditions provided by Rules of the wholesale market of electric energy (capacity) of a transition period (confirmed by the governmental order of the Russian Federation dtd 24.10.2003 № 643), the Contract on joining to trading system of the wholesale market and regulations WME, the contract of purchase and sale of electric energy with a view of indemnification of losses in electric networks (in a price zone) - for purchase in price zones WME and the contract of purchase and sale of electric energy and capacity with a view of indemnification of losses in electric networks (in nonprice zone) - for purchase in nonprice zones of WME.

Besides, in 2006 with a view of keeping of purchase by JSC «FGC UES» electric energy for indemnification of actual losses of electric energy between NP "ATS" and JSC «FGC UES» there was concluded in common developed, the contract on the organisation of functioning of trading system of the wholesale market of electric energy (capacity).

From the 1-st of September, 2006 the new wholesale market of electric energy (capacity) of the Russian Federation (NWMEC) was carried out according to the governmental order of the Russian Federation dtd 31.08.2006 № 529 «About perfection of an order of functioning of the wholesale market of electric energy (capacity)». On NWMEC JSC «FGC UES» started to carry out separately payment of volumes of

electric energy and the capacity, actual losses got for the purpose of indemnification in UNEN. In working out of sections of the governmental order of the Russian Federation dtd 31.08.2006 № 529, reflecting principles of functioning of JSC «FGC UES» in NWMEC, took part representatives of JSC «FGC UES».

Also together with CCR JSC RAO "UES of Russia" and NP "ATS" in 2006 of JSC «FGC UES» were developed and made changes to the Contract on joining to trading system of the wholesale market and regulations WPS defining principles and an order of functioning of JSC «FGC UES» in NWMEC. On 14.07.2006 the specified changes were brought by the decision of Supervisory board NP "ATS" in the Contract on joining to trading system of the wholesale market of the electric power and regulations WME.

In connection with start of NWMEC JSC «FGC UES» together with Joint-Stock Company "CFC" work on modification and renewal of the contract of purchase and sale of electric energy with a view of indemnification of losses in electric networks (in a price zone) and contracts of purchase and sale of electric energy and capacity with a view of indemnification of losses in electric networks (in nonprice zone) were spent. And also JSC «FGC UES» together with NP "ATS" finished and renewed the contract on the organisation of functioning of trading system of the wholesale market of electric energy (capacity) with a view of maintenance of purchase of JSC «FGC UES» electric energy for indemnification of losses of electric energy.

In 2006 Agreements on an information exchange, a procedure of payments and coordination of values of balances-overflows of electric energy on delivery points on borders of a balance accessory (further - Agreements) are entered into. In total specified agreements were concluded 188 in 2006, from them on sections FGC (MGC) - the electronetwork companies (ENC) - the distributive network companies (DNC) - 86, on sections FGC (MGC) - the generating companies (GC) - the electronetwork companies (ENC) - 87, on sections of FGC - consumers - 15. Agreements regulate interaction procedure between participants of the wholesale market and JSC «FGC UES» for the purpose of formation and the coordination of data of the commercial account of the received (put) electric power on borders of a balance accessory, definition of volumes of the transferred electric energy on borders of a balance accessory.

5.5. Attraction and placing of money resources

Position about an order of management of a debt position of JSC «FGC UES» defines regulations of attraction of money resources, and the decision of Board of directors of JSC «FGC UES» (the report dtd 21.02.2006 № 31) is confirmed a cumulative limit of decision-making by the Board of JSC «FGC UES» on delivery (granting) of loans and loans for 2006 at a rate of 500 million roubles.

In 2006 of JSC «FGC UES» continued realisation of the program of loans and by the end of year, increased volume of extra means in structure of passives of balance to 35 billion roubles. At the expense of these means civil-engineering designs and modernisation of transmission lines and substations were financed. With a view of optimisation of structure of extra means, increases in terms of attraction and decrease in

expenses on service of a debt of JSC «FGC UES» carried out 2 releases of bonded loans with following parameters:

- 4 series - placing date the 12-th of October, 2006, the sum of 6 billion roubles, repayment term on the 6-th of October, 2011, with payment of the coupon income under the rate of 7.3 % annual;

- 5 series - placing date on the 5-th of December, 2006, the sum of 5 billion roubles, repayment term on the 1-st of December, 2009, with payment of the coupon income under the rate of 7.2 % annual.

The general size of payments on service of bonded loans of series 01, 02 and 03 in 2006 made 1 510,3 million roubles at the average rate of 8,05 % annual.

In February, 2006 JSC «FGC UES», under the agreement concluded earlier on granting of a loan with the European bank of reconstruction and development (European Reconstruction and Development Bank), has involved the credit for the sum of 5 billion roubles, for a period of 8 years, without maintenance for realisation of actions within the limits of the Program of complex modernisation of electric networks of JSC «FGC UES» for 2004-2012 Extra means will be invested in the projects directed on strengthening of intersystem electric communications of regions of Siberia and Urals Mountains with the European territory of the Russian Federation, and also increase of reliability of power supply of consumers of the South of Russia.

Thus, the total sum of the involved long-term money resources in 2006 made 16 billion roubles.

Besides, in 2006 JSC «FGC UES» involved credits from JSC "Gazprombank" on a short-term basis which were completely extinguished according to conditions of credit agreements.

The general size of payments on service of bank credits in 2006 made 243,623 million roubles at the average rate of 7,5 % annual.

The further policy of JSC «FGC UES» on attraction of extra means is aimed at reduction of expenses on service of loans at increase in volumes and terms of loan of resources for realisation of the expanded investment program planned for the nearest years.

Now JSC «FGC UES» considers attraction possibility in 2007 of money resources on the purpose of realisation of the investment programs. The attraction total amount can make to 12 billion roubles, possible terms - from 5 till 10 years.

According to the Agreement between the Government of Republic Tajikistan and the Government of the Russian Federation about an order and conditions of individual share of the Russian Federation in building Sangtudinsky HPP-1 the loan was granted for JSC «Sangtudinskaya HPP-1» (Republic Tajikistan) for the sum of 1 billion roubles which was extinguished in November, 2006.

Within 2006 JSC «FGC UES» carried out placing of temporarily free money resources. As placing tools were used short-term (till 3 months) bank contributions and deposits, and also, under separate bank agreements, maintenance of not reduced rests on settlement accounts. The total sum of the received incomes of these operations made 172,00 million roubles.

On the 3-d of February, 2006 rating agency Moody's appropriated to JSC «FGC UES» credit rating «(P) Baa2» on the international scale, and «(P) Aaa.ru» on the

Russian scale. As throughout 2006 the forecast "positive", and «ruA +» on the Russian scale operated earlier appropriated by rating agency Standart and Poor's a rating at level «B +» on the international scale.

5.6. The basic financial results of the Society

Following the results of 2006 proceeds JSC «FGC UES» made 53 599,5 million rbl., in comparison with 2005, the increase occurred on 23 732,6 million rbl.

Growth of a gain of JSC «FGC UES» in 2006 was caused by inclusion in a necessary total gain of the following economically proved expenses:

- integrated indemnification of losses, in connection with mechanism change tariffication - an order of 9,7 billion rbl.;
- a rent for using networks of an order of 4 billion rbl.;
- repair-operational service of networks MGC, transferred in operation of JSC «FGC UES» an order of 4,8 billion rbl.;
- percentage expenses, for using the involved means for realisation of the investment program of the Society of an order of 2 billion rbl.;
- increase in amortisation of the basic means and non-material actives, in connection with input of objects of the basic means under the investment program of last years of an order of 1 billion rbl.

The cost price in 2006 grown on 20 134,2 million rbl. in comparison with 2005 and made 43 368,5 million rbl.

The basic financial indicators for 2003-2006

| Indicator | 2003 | 2004 | 2005 | 2006 |
|---|--------------|--------------|--------------|--------------|
| Gain | 17 229 | 23 249 | 29 866 | 53 599 |
| The cost price | -15 129 | -17 948 | -23 234 | -43 368 |
| Profit (loss) on sales | 1 566 | 4 174 | 5 335 | 8355 |
| Other incomes | 546 | 432 | 1 000 | 996 |
| Other costs | -572 | -1 449 | -2 910 | -5 799 |
| Profit (loss) before the taxation | 1 540 | 3 157 | 3 425 | 3 553 |
| The postponed tax assets | -194 | -29 | 26 | -15 |
| The postponed tax obligations | - | - 6 | 24 | -237 |
| The profit tax and similar payments | - 685 | - 1 013 | - 1 429 | - 1 466 |
| Net profit (loss) of the accounting period | 1 049 | 2 166 | 1 997 | 1 833 |

For 2006 the net profit size made 1 833,5 million rbl., that on 164,6 million rbl. it is less than for 2005. Net profit decrease is connected with increase in the profit tax because of features of the tax account of amortisation of the basic means.

Dynamics of incomes and expenses for 2003-2006, million rbl.

Dynamics of structure of actives for 2003-2006, million rbl.

Tax charges and payments for 2003-2006

Million rbl.

| The sum of taxes flowing | added for the accounting period | | | | paid for the accounting period | | | |
|-------------------------------|---------------------------------|--------------|--------------|------------|--------------------------------|--------------|--------------|--------------|
| | 2003 | 2004 | 2005 | 2006 | 2003 | 2004 | 2005 | 2006 |
| The profit tax | 685 | 1 012 | 1 429 | 1 462 | 691 | 1 047 | 1 382 | 1 639 |
| THE VAT | 2 768 | 2 534 | 2 918 | -2 963 | 2 497 | 3 022 | 2 519 | 9 |
| The tax to property | 131 | 140 | 185 | 242 | 102 | 154 | 158 | 220 |
| The tax to users of motorways | 0 | 0 | 0 | 0,046 | 4 | 0 | 0 | 0,041 |
| SST | 421 | 512 | 687 | 1148 | 436 | 506 | 682 | 1161 |
| Other taxes | 282 | 332 | 478 | 773 | 281 | 325 | 478 | 770 |
| total | 4 287 | 4 530 | 5 697 | 663 | 4 012 | 5 054 | 5 219 | 3 799 |

In 2006 the current sum of taxes (including SST), paid by the Society, made 3 799 million rbl., that on 27 % less, than in 2005. Reduction of tax payments is connected with change of an order of compensation of the VAT - in 2006 the saved up VAT on not complete building for previous years was compensated.

The profit tax made 1 639 million rbl., that on 19 % more than in 2005, it is connected with advance character of its payment. As 31.12.2006 tax to property made 220 million rbl., SST 1 161 million rbl., that on 70 % more than in 2005. It is connected with increase in number of the personnel at 6 475 people, or at 56 % in comparison with 2005. Deductions under other taxes in 2006 grown on 61 % in comparison with 2005 and made 770 million rbl.

**Indicators of structure of property, the capital and obligations
according to the accounting reporting for 2003-2006**

Million rbl.

| Indicators | 2003 | 2004 | 2005 | 2006 |
|--|-------------|-------------|-------------|-------------|
| Cost of assets | 122 784 | 137 467 | 158 872 | 215 199 |
| Cost of out of circulating assets | 115 582 | 125 703 | 139 535 | 183 158 |
| Cost of turnaround assets | 7 202 | 11 765 | 19 337 | 32 040 |
| Cost of liquid assets | 1 254 | 164 | 1 642 | 6 387 |
| Own capital | 121 615 | 129 121 | 134 729 | 140 078 |
| Long-term obligations | - | 5 000 | 19 000 | 30 000 |
| Short-term obligations | 1 169 | 3 346 | 5 143 | 45 121 |

Indicators of a financial condition of the Society for 2003-2006

| Factor | 2003 | 2004 | 2005 | 2006 |
|--|--------------|--------------|---------------|---------------|
| Factor absolute liquidity* | 1,07 | 0,05 | 0,32 | 0,59 |
| Factor urgent liquidity* | 4,10 | 2,04 | 1,99 | 2,59 |
| Factor flowing liquidity | 6,16 | 3,52 | 3,76 | 2,97 |
| Factor financial independence* | 0,99 | 0,94 | 0,85 | 0,81 |
| Profitability of sales, % | 12,19 | 22,80 | 22,21 | 19,09 |
| Profitability of own capital (ROE) *, % | 0,86 | 1,68 | 1,47 | 2,40 |
| Profitability of assets (ROA) **, % | 0,85 | 1,57 | 1,24 | 1,56 |
| Dynamics accounts receivable, % | - | 88,46 | 137,47 | 118,06 |

| | | | | |
|--|---|--------------|--------------|--------------|
| Dynamics of account payable*, % | - | 55,22 | 51,35 | 109,7 |
| Parity accounts receivable and account payable* | - | 3,68 | 2,34 | 2,04 |

* At calculation of indicators the size of short-term obligations minus the sum of means at a rate of 34 337,8 million the rbl. involved from additional issue of assets of JSC «FGC UES» was used.

** At calculation of value ROE and ROA the size of net profit was used without a deduction of the loss from depreciation of securities of JSC "Nurenergo" at a rate of 943 million rbl. and 1531 million rbl. for 2005 and 2006 accordingly.

For 2006 dynamics the indicator of **accounts receivable**, characterising size of decrease (increase) flowing дебиторской debts, has positive value and makes 118,1 %. Growth of **accounts receivable** is connected with delivery of advance payments under the investment program of the Society.

5.7. Distribution of profit and dividend policy

It is supposed to direct the received profit to Reserve fund and on payment of dividends. According to the Decision of Board of directors of JSC «FGC UES» dtd 04.04.2007 № 42 in Business plan of JSC «FGC UES» for 2006 it is provided the payment of dividends to shareholders of JSC «FGC UES» at a rate of 587,8 million rbl.

6. Investment activity

The investment program of JSC «FGC UES» for 2006 was formed according to Strategy of development of the Uniform national (all-Russian) electric network UNEN) for the ten years' period, the Scheme of development of UNEN voltage 220 kv and above for 2003-2012, the intermediate term investment program of JSC «FGC UES» for 2004-2006 (it was approved by Board of directors 24.02.2004), the Program of modernisation and reconstruction of electric networks of JSC «FGC UES» for 2004-2012 (was confirmed 18.05.2004). The investment program for 2006 was considered by the Board of directors of JSC «FGC UES» on the 8-th of June, 2005.

Finished according to the commission of Board of directors, the investment program in volume of 32 111 million rbl. in September, 2005 when due hereunder is coordinated with FTS of Russia, The Ministry of Economical Development of Russia, the Ministry of Industrial Power energy of Russia and was approved by the Government of the Russian Federation in October, 2005 (the report of session dtd 06.10.2005 № 39).

According to the commission of the President of the Russian Federation V.V. Putin dtd 03.03.2006 № Pr-328 JSC «FGC UES» brought updatings in the investment program for 2006 for the purpose of realisation of additional actions for increase of reliability and to accident precaution in UNEN, first of all across Moscow, St.-Petersburg and regions of Western Siberia.

The corrected investment program of JSC «FGC UES» for 2006 in volume of 36 156 million roubles is considered and co-ordinated by the Board of directors of JSC «FGC UES» (the extract from the report of session from 04.04.2006 № 33).

| Direction of investments | Co-ordinated by the Government of the Russian Federation 06.10.2005., million rbl. | Approved by the Board of directors of JSC «FGC UES» 04.04.2006, million rbl. |
|--|---|---|
| TOTAL | 32 111,0 | 36 156 |
| 1. New building with objects of increase of reliability of electrosupply of Moscow and St.-Petersburg | 19 731 | 22 856 |
| 2. Modernisation and reconstruction | <i>6 200</i> | <i>7 000</i> |
| 3. Development of technological management and information | 2 280 | 2 600 |
| 3.1. ASCMPE JSC «FGC UES» and MGC | 500 | 450 |
| 3.2. Creation of a uniform communication network of electric power industry (UCNEP) | 1 200,0 | 1 200 |
| 3.3. Creation of information control systems (ASEP, CISC) | 580 | 950 |
| 4. The DIW (new building) | 500 | 550 |
| 5. The program «Maintenance of protection of electric power industry objects» and objects of an industrial infrastructure | 400 | 450 |
| 6. Restoration of power objects of the Chechen republic | 1 000 | 700 |
| 7. JSC «Sangtudinskaya HPS-1» (Tajikistan) | 2 000,0 | 2 000,0 |

In the course of realisation of the investment program there was a necessity of updating of volumes of financing at the expense of redistribution of means between separate buildings. Updating was carried out taking into account an actual course of development of capital investments and other objective circumstances.

Following the results of a year the investment program of JSC «FGC UES» for 2006 is modified and makes 36 566 million roubles.

The given program is generated taking into account the following factors:

- Increase in volumes of financing on the basis of additional actions for increase of reliability of functioning of UNEN, including for Moscow, St.-Petersburg and regions of Western Siberia according to the concluded Agreements:

the Agreement «About interaction of the Government of Moscow and JSC RAO "UES of Russia" at realisation of Investment programs on building and reconstruction of electropower objects for exclusion of capacity deficiency and increase of reliability of electrosupply of consumers of Moscow» the 25-th of May, 2006;

□□the Agreement «About interaction of St.-Petersburg and JSC RAO "UES of Russia " at realisation of actions for maintenance of reliable electrosupply and creation of conditions on joining to electric networks of consumers of the city of St.-Petersburg» dtd the 27-th of July, 2006;

□□the Agreement «About interaction on realisation of actions of the power companies for maintenance of reliable electrosupply and creation of conditions on joining to electric networks of consumers of the Tyumen area, Hunts-Mansijskogo of autonomous region - Yugry, Yamal-Nenets autonomous region» dtd 31.07.2006 № 16.

- Inclusion in the plan of design works of designing of objects of Western Siberia;
 - additional financing of works and expenses of the program of 2005 following the results of execution of the investment budget;

- Actions for creation of **AIMS CAEP** on objects of MGC;
 - Actions for creation of Control centres by networks in branches of EMPN;
 - Actions for creation of corporate information control systems (CICS);
 - Specifications of financing upon the conclusion of turnkey contracts with a view of work for maintenance of input of objects in operation and final settlements with contractors;

- Reduction of volumes of financing on again begun objects having a smaller priority regarding increase of reliability of UNEN, and on objects in connection with specification of the plan of input of generation.

Financing and realization of capital investments for 2006

| Direction of investments | The specified plan of financing for 2006 with the account of additional financing 2005, million rbl. | Actually financed with the account of additional financing, million rbl. |
|--|---|---|
| Total | 36 566,0 | 33 977,1 |
| From them : | | |
| 1. New building with objects of increase of reliability of electrosupply of Moscow and St.-Petersburg | 22 901,3 | 21 101,8 |
| 2. Modernisation and reconstruction | 6 577,3 | 6 493,3 |
| 3. Development of technological management and information | 3075,6 | 2 532,5 |
| 3.1. ASCMPE JSC «FGC UES» and MGC | 786,1 | 356,3 |
| 3.2. Creation of a uniform communication network of electric power industry (UCNEPI) | 1 000,0 | 995,4 |

| Direction of investments | The specified plan of financing for 2006 with the account of additional financing 2005, million rbl. | Actually financed with the account of additional financing, million rbl. |
|---|---|---|
| 3.3. Creation of information control systems (CISC CCG) | 1 317,6 | 1 180,8 |
| 4. DIW (new building) | 724,3 | 663,9 |
| 5. The program «Maintenance of protection of objects of electric power industry» and objects of an industrial infrastructure | 451,9 | 424,4 |
| 6. Restoration of power objects of the Chechen republic | 780,0 | 761,3 |
| 7. Participation in the authorised capital of JSC «AC Power» | 27,5 | 0 |
| 8. JSC «Sangtudinsky HPS-1» (Tajikistan) | 2 000,0 | 2 000,0 |

Actual financing of the investment program made 33 977,1 million roubles with the account of additional financing 2005 (94 % from the plan).

The rest of means is paid for the financing plan in the I quarter 2007, as additional financing of investment program of 2006, in connection with untimely registration by the building organisations of payment documents.

On financing of investments for the accounting period is directed in 1,2 times more means than for 2005.

The financing advancing in comparison with performance of capital investments is connected basically with necessity of advancing of manufacturing of the equipment, deliveries of designs and materials.

Comparison of indicators on financing and performance of capital investments during 2004-2006 (million roubles)

| | 2004 | 2005 | 2006 |
|---|-----------------|-----------------|-----------------|
| Actual financing | 21 322,3 | 28 336,9 | 33 977,1 |
| The factual realization of capital investments | 18 806,8 | 24 551,8 | 25 565,8 |

Financing and realization of capital investments on electronetwork objects on maintenance of reliable electrosupply of Moscow and St.-Petersburg for 2006

| Direction of investments | The plan of financing for 2006 taking into account updating, million roubles | actually financed in 2006, million roubles | actually executed CHVL (from the VAT) in 2006, million roubles |
|--|--|--|--|
| The Moscow program | 7 606,5 | 6 804,1 | 2 659,9 |
| The program across St.-Petersburg | 2 167,6 | 2 013,5 | 389,4 |

In 2006 the complex of the works connected with realisation of additional actions for increase of reliability of electrosupply of Moscow and St.-Petersburg, in particular were executed:

Across Moscow

- To AWP 2006/2007 expansion of Sb 750 kv Bely Rast with input of transformer capacity 580 MVA is carried out, calling HVL 220 kv Konakovo - Luch on Sb 220 kv Radischevo and calling HVL 220 kv Luch - Gribovo on Sb 220 kv Shmelevo are executed, sources of jet capacity on Sb Gribovo 2x50 Mvar were established.

- According to the confirmed technical projects the part of works on designing of objects of the Moscow ring according to the schedule of manufacture of design works is executed;

- On the basis of the spent purchasing procedures were concluded the contractor's agreements with work on building and complex reconstruction by a method "on a turn-key basis";

- The emergency reserve was generated.

Across St.-Petersburg

- To AWP 2006/2007 expansion of Sb 330 kv Kolpino was carried out, the suspension bracket of second chain HVL 330 kv East - Leningrad is spent, entered second 2 chain HVL 330 kv East - October (thermal power stations-5 Right-bank), are carried out prime actions for reconstruction of Sb Vostochnaya;

- On the basis of the spent purchasing procedures, the contractor's agreement were concluded on work on building and complex reconstruction.

Realization of the program of input of capacities in 2006

According to the Schedule of input of electronetwork objects in 2006 for increase of reliability, connection of consumers, and also for increase in throughput of the Uniform national (all-Russian) electric network following major objects were placed in operation under certificates of the working commissions:

1. For electrosupply of under construction Sayansk aluminium factory it was built HVL 500 kv Oznachnoye - Aluminievaya with Sb 500 kv Aluminievaya, calling HVL 500 kv and reconstruction HVL 500 kv Oznachnoye - Abakanskaya № 546.

2. Transit of HVL 220 kv Amur - Blagoveshchensk - Sirius was built with Sb 220 kv Blagoveshchensk with an exit on border with the Chinese republic for export of the electric power to China.

3. Building of Sb 500 kv Khekhcir is finished and thus building of electronetwork complex HVL 500 kv the Seaside state district power station - Khabarovsk with central substation Sb 500 kv Khekhcir is finished.

4. For joint venture electrosupply on forest processing of JSC "Kronostar" in September, 2006 Zvezda with calling HVL 500 kv Kostroma atomic power station - Vyatka was installed Sb 500 kv, HVL 110 kv Zvezda - Manturovo and two cells on ODD 110 kv Sb 220 kv Manturovo.

5. For increase of reliability of delivery of capacity of 1st power unit of the Volgodonsk atomic power station and increase of reliability of electrosupply of regions of the Rostov area in December, 2006 the Volgodonsk atomic power station - Salsk with expansion Sb 220 kv Salsk, extent of 167 km is installed HVL 220 kv SP 220 kv.

6. The construction of site of HVL 500 kv SRPS-Petrovsk in the extent of 185 km HVL 500 kv the Gusinozerskaya state district power station Petrovsk-Zabaykalskiy-Chita with Sb 500 kv Chita and inclusion HVL on pressure 220 kv, allowed to close transit HVL 500 kv Irkutsk - SRPS - Chita and to improve electrosupply of Transbaikalian region and Buryatiya.

7. Construction of Sb 330 kv Frunzenskaya allowed to improve electrosupply of boundary areas with Ukraine at separate work UPS of the Center and UPS of Ukraine.

In 2006 under programs of maintenance of reliable electrosupply of consumers of the Moscow region, St.-Petersburg and Leningrad region following objects were placed in operation:

1. Expansion and reconstruction of Sb 750 kv Bely Rast with the device of the advanced switching centres and installation of 2 500/110 kv.

2. Expansion of Sb 330 kv Kolpino (transformer capacity 200 MVA was established).

3. Reconstruction and technical cutting structure of Sb 330 kv of Vostochnaya (transformer capacity 500 MVA was established).

Besides, inputs over the schedule are carried out:

1. Sb 750 kv of Leningradskaya (transformer capacity 32 MVA was established).

2. On title of HVL 1150 kv Barnaul - Itat with Sb 1150 kv Barnaulskaya (Altai) was carried out input of reactor capacities 180 MVA on Sb 1150 kv Barnaul (Altai).

Also inputs of transformer capacity under the agency contract from JSC «Tyumen MGc» are carried out:

1. Reconstruction of Sb 220 kv Muravlenkovskaya (transformer capacity 125 MVA was established).

2. Installation AT-3 on Sb 500 kv Holmogorskaya (transformer capacity 501 MVA was established).

Realization of the program of input of capacities in 2006

| The title name | Starting objects 2006 (Under the schedule of commissioning of | | Actual terms of input (under certificates of the working commissions) |
|--|---|-----------------|---|
| | Capacity input Input term | Input term | |
| <i>1. New building</i> | | | |
| HVL 500 Kv Marked - Aluminievaya with Sb 500 kv Aluminium, calling HVL 500 kv and reconstruction of HVL 500 kv Oznachnoye - Sb Abakanskaya № 546 | 69,94 km | I quarter | February 2006 |
| HVL 220 kv Amurskaya-Blagoveshchensk (the second chain). | 130,2 km | III quarter | July 2006 |
| HVL 220 kv Blagoveshchensk-Sirius. | 15,5 km | III quarter | July 2006 |
| Sb 500 kv Zvezda with calling HVL 500 kv Kostromskaya atomic power station-Vyatka, HVL 110 kv Zvezda-Manturovo and two cells on ODD 110 kv Sb 220 kv Manturovo | 500 kv-1,95 | III quarter | Сентябрь 2006 |
| | 110 kv-8,14 | | |
| | 405+135 | | |
| | 360 MVAp | | |
| Sb 330 kv Frunzenskaya with calling HVL 330 and 110 kv. | 24,33 km 195 MVA | IV quarter | December 2006 |
| Sb 330 kv Novgorodskaya-2. | 2x200 MVA 2x25 MVA | IV quarter | December 2006 |
| HVL 220 kv RI 220 kv the Volgodonskaya atomic power station- | 160,48 km | IV quarter | December 2006 |
| HVL 500 kv the Gusinozerskaya state district power station-PETROVSK-Zabaykalskiy-Chita with Sb 500 kv Chita (on pressure 220 kv). Site of HVL 500 kv -SDS PETROVSK-Zabaykalskiy. | 185 km 100 MVAp | IV quarter | December 2006 |
| HVL 500 kv Primorskaya state district power station - Khabarovsk with Sb 500 | 501 MVA | IV quarter | December 2006 |
| TOTAL: | Extent of HVL | 595,5 km | |
| | Reactor capacity | 560 MVAp | |
| | Transformer capacity | 1686 MVA | |

| II. Modernisation and reconstruction. | | | |
|--|-----------------------------|----------------|---------------------|
| Sb 500 kv Vyatka | 180 MVA | II quarter | December 2006 |
| Sb 750 kv Leningradskaya | 200 MVA | IV quarter | December 2006 |
| Sb 330 kv Kalininskaya | 300 MVA | IV quarter | December 2006 |
| Sb 500 kv Balashovskaya | 180 MVAp | IV quarter | <u>January 2007</u> |
| TOTAL: | Reactor capacity | | |
| | Transformer capacity | 500 MVA | |
| III. Objects under programs of maintenance of reliable electrosupply of consumers of the Moscow region, St.-Petersburg and Leningrad region. | | | |
| Expansion and reconstruction Sb 750 kv Bely Rast | 580 MVA | IV Quater | December 2006 |
| Calling HVL 220 kv Konakovo-Luch on Sb 220 kv Radschevo and calling of HVL 220 kv Luch - Gribovo on Sb 220 kv Shmelevo (<i>under the agency contract with JSC «Main grid company» (in results it is not considered)</i>) | 2,66 km | IV Quater | December 2006 |
| Sb 220 kv Gribovo (<i>under the agency contract with JSC «Main grid company» (in results it is not considered)</i>) | 2x50 MVA | IV quarter | December 2006 |
| Expansion of Sb 330 kv Kolpino | 200 MVA | IV quarter | December 2006 |
| Reconstruction and Technical reequipment Sb 330 kv Vostochnaya | 500 MVA | IV quarter | December 2006 |
| Suspension bracket of second chain HVL 330 kv Sb Vostochnaya-Sb | 35,7 km | IV quarter | November 2006 |
| The End of building 2 chain HVL 330 kv ПС East-October (thermal power station-5 Right-bank) | 5,8 km | IV quarter | December 2006 |

| | | | | |
|--|-----------------------------|-----------------|--|---------------|
| TOTAL: | Extent of HVL | 41,5 km | | |
| | Transformer capacity | 1280 MVA | | |
| IV. Inputs over the schedule. | | | | |
| Reconstruction of Sb 220 kv Muravlenkovskaya (<i>under the agency contract with JSC «Tyumenskaya MGC», it is not considered cutting structure</i>) | | 125 MVA | | February 2006 |
| <i>Installation AT-3 on Sb 500 kv Holmogorskaya (under the agency contract with JSC«Tyumenskaya MGC», it is not considered in the results)</i> | | 501 MVA | | November 2006 |
| Sb 750 kv Leningradskaya | | 32 MVA | | December 2006 |
| HVL 1150 kv Barnaul - Itat with Sb 1150 kv Barnaulskaya (Altai) | | 180 MVA | | December 2006 |
| TOTAL: | Reactor capacity | 180 MVAp | | |
| | Transformer capacity | 32 MVA | | |

| | | | | |
|---|-----------------------------|-----------------|--|--|
| TOTAL on sections I+II+III + IV: | Extent of HVL | 637 km | | |
| | Reactor capacity | 920 MVA | | |
| | Transformer capacity | 3498 MVA | | |

Besides, under agency contracts with JSC «Main grid company» and JSC «Tyumenskaya MGC»:

| | | | | |
|---------------|-----------------------------|----------------|--|--|
| TOTAL: | Extent of HVL | 2,66 km | | |
| | Reactor capacity | 100 MVA | | |
| | Transformer capacity | 626 MVA | | |

In spite of the fact that the end of works on commissioning of reactors on Sb 500 kv Balashovskaya was carried out only in January, 2007, general plans of creation of objects of new building, reconstruction and modernisation and input of capacities in 2006 it was possible to realise completely, thanks to performance over the schedule of the plan of inputs of capacities (input additional reactor capacities 180 MVA) on Sb 1150 kv Barnaulskaya (Altai) on a title «HVL 1150 kv Barnaulskaya - Itat with sb 1150 kv Barnaulskaya (Altai)».

**Input of capacities on objects of capital construction
In 2004 - 2006**

| | 2004 | 2005 | 2006 | Total |
|---|------------|------------|-----------|-------------------|
| Total: | | | | |
| HVL | 706 km | 563 km | 637 km | 1 906 km |
| Transformer capacity | 2 352 MVA | 1 051 MVA | 3 498 MVA | 6 901 MVA |
| Reactor capacity | 1 130 MVAp | 1 722 MVAp | 920 MVAp | 3 772 MVAp |
| Including: | | | | |
| I. The new building | | | | |
| HVL | 706 km | 563 km | 595,5 km | 1 864,5 km |
| Transformer capacity | 1 668 MVA | 501 MVA | 1 686 MVA | 3 855 MVA |
| Reactor capacity | 830 MVAp | 1 600 MVAp | 740 MVAp | 3 170 MVA |
| II. Modernisation and reconstruction | | | | |
| Transformer capacity | 684 MVA | 550 MVA | 532 MVA | 1 766 MVA |
| Reactor | 300 MVA | 122 MVA | 180 MVA | 602 MVAp |

| | | | | |
|--|--|--|-----------|------------------|
| capacity | | | | |
| III. Objects under programs of maintenance of reliable electrosupply of consumers of the Moscow region, St.-Petersburg and Leningrad region | | | | |
| HVL | | | 41,5 km | 41,5 km |
| Transformer capacity | | | 1 280 MVA | 1 280 MVA |

**The expected plan of commissioning of the electronetwork
Objects in 2007**

(Capacity input under certificates of the working commissions)

I. New building:

| № | The name of objects | Capacity, entered | Expected term of input |
|-------------------------|--|------------------------------|---------------------------------------|
| I. New building: | | | |
| 1. | Sb 500 kv Voronezhskaya | 250 MVA | III Quater |
| 2. | HVL 220 kv the Ivanovkaya state district power station - Nero | 2x95 km | IV Quater |
| 3. | Building of HVL 330 kv the Kolskaya atomic power station - Knjazhegubskaya HPS - Sb 330/110/35 kv Loukhin - Putkinskaya HPS- ODD 330 kv Ondskaya HPS | 79 km 250 MVA | IV Quater |
| 4. | Sb 500 kv Emelino with calling HVL | 2x20 km | IV Quater |
| 5. | HVL 500 kv Zarya - Barabinsk with ПС 500 kv Barabinsk | 501 MVA | IV Quater |
| 6. | HVL 500 kv Barabinsk - Tavricheskaya with Sb 500 kv Voskhod | 362 km 180 MVAp | III Quater |

| | | | |
|----------------------------|--|-----------------------------|-----------------|
| 7. | 220 kv Partizansk (input of switching point) | 1,2 km | II Quater |
| TOTAL on section I: | | Extent of HVL | 672,2 km |
| | | Reactor capacity | 180 MVAp |
| | | Transformer capacity | 1001 MVA |

II. Reconstruction and modernisation:

| | | | |
|-----------------------------|-----------------------|-----------------------------|------------------|
| 1. | Sb 750 kv Leningrad | 3x333 MVA | II Quater |
| 2. | Sb 500 kv Raduga | 250 MVA | III Quater |
| 3. | Sb 330 kv Mashuk | 2x200 MVA 2x40 MVA | III Quater |
| 4. | Sb 500 kv Kluchiki | 3x167 MVA | IV Quater |
| 5. | sb 500 kv Kuibyshev | 40 MVA | II Quater |
| 6. | Sb 500 kv Osinovka | 180 MVAp | II Quater |
| 7. | Sb 500 kv Balashovsky | 180 MVAp | I Quater |
| TOTAL on section II: | | Eactor capacity | 360 MVAp |
| | | Transformer capacity | 2 270 MVA |

III. Programs of maintenance of reliable electrosupply of consumers of the Moscow region, of St.-Petersburg and Leningrad region, the Tyumen area, Hunts-Mansijskogo of joint-stock company, Yamal-Nenetskogo joint-stock company:

| № | The name of objects | Entered capacity | Expected term of input |
|---------------------------|---|-------------------------|-------------------------------|
| THE MOSCOW PROGRAM | | | |
| 1. | Building of objects of delivery of capacity of the Moscow thermal power station-27 (C1 220 kv thermal power station-27 - Khlebnikovo) | 2x15 km | IV Quater |

| | | | |
|----|---|---|-------------------------------------|
| 2. | Building of Sb 500 kv Western with calling CHVL * 2x500 MVA 2x63 MVA | 2x500 MVA 2x63 MVA Calling 500 кВ 1,4 km Calling 220 кВ 1,4 km | IV quater (завершение СМР) |
| 3. | Complex reconstruction of Sb 500 kv Chagino | 3x250 MVA | IV Quater |
| 4. | Complex reconstruction of Sb 500 kv Beskudnikovo | 3x500 MVA 2x200 MVA | IV Quater |

THE PROGRAM ON St. Petersburg

| | | | |
|----|---|---------------------------------|--------------|
| 5. | Sb 330 kv Rzhevskaya | БЛ 8 km КЛ 4 km 2x200 MVA | IV Quater |
| 6. | Sb 330/110 kv Zapadnaya (installation AT-3) | 200 MVA | IV Quater |
| 7. | Sb 220/110 kv №20 Chesmenskaya | 125 MVA | IV Quater |

THE PROGRAM OF WESTERN SIBERIA REGION

| | | | |
|-----|---|---------|--------------|
| 8. | Calling of HVL 220 kv Urevskaya - Progress on Sb Trachukovskaya | 2x5 km | II Quater |
| 9. | Sb 220 kv Las-Eganskaya | 125 MVA | II Quater |
| 10. | Sb 500 kv Somkino | 501 MVA | IV Quater |
| 11. | Sb 500 kv Kirilovskaya | 125 MVA | IV Quater |
| 12. | Sb 500 kv Tarko-Sale | 501 MVA | IV Quater |

| | | | |
|------------------------------|-----------------------------|------------------|--|
| TOTAL on section III: | Extent of HVL | 52 km | |
| | Transformer capacity | 4 627 MVA | |

| | | | |
|---|-------------------------|-----------------|--|
| Total ON SECTIONS I + II+III | Extent of HVL | 724,2 km | |
| | Reactor Capacity | 540 MVA | |

| | | | |
|--|-----------------------------|------------------|--|
| | Transformer capacity | 7 898 MVA | |
|--|-----------------------------|------------------|--|

7. The organisation of purchasing activity

Purchasing activity of the Society in 2006 was carried out according to Regulation about the order of carrying out of the regulated purchases of the goods, works, services for needs of JSC «FGC UES», confirmed in 2005. In February, 2007 new edition of the document is confirmed. Position provides the organisation of carrying out of purchases of the goods, works, services on uniform methodical base, with application of modern competitive forms of purchases, mainly on a competitive basis. The established rules meet the requirements of system of standards on the organisation of the purchasing activity accepted in Holding of JSC RAO "UES of Russia", and the governmental order of the Russian Federation dtd the 3-th of October, 1999 № 1158 «About maintenance of observance of economically proved principles of formation of the prices for production (services) of subjects of natural monopolies».

Application of a procedural regulation of purchases is directed on maintenance of a target and effective expenditure of money resources, and also on reception of economically proved expenses (market prices for production).

The regulation allowed to realise following main principles of the organisation of purchasing activity:

1. **An openness principle.** Rules of the organisation of purchases are placed on web sites of JSC RAO "FGC UES" and JSC «FGC UES» in open access. The information on infringement of the established rules can be directed to the Central competitive commission of the Society (CCC) which structure also is published on a company web site. Structure of CCC includes representatives of JSC RAO "UES of Russia", the Ministry of Power Engineering and FAS of Russia. Thus, made decisions will be co-ordinated with a position of the corporate centre and the state bodies. The annual program of purchases is announced on a company web site. The considerable part of purchases is carried out through open competitions and other open procedures, the information about which is published on a web site of the company and in mass media. The share of open procedures in total amount of purchases has made in 2006 86,5 %.

2. **A competition principle.** The regulation system is built in such a manner that the preference is given to the open competitions providing the maximum competition. Any restriction of a competition, especially purchase at the unique supplier, demands serious substantiations and joint decisions. In some most responsible cases such decisions are accepted only CCC of Societies.

3. **A validity principle.** The established rules demand, that each decision were proved and documentary confirmed, that not only raises efficiency of purchases, but also interferes with corruption.

Results of work of system of purchases received the reflexion in structure of purchases of the Society, is resulted low.

The reductions used in the diagramme:

OC - open competition
CIO - the closed inquiry of offers
OIO - open inquiry of offers
CIP - the closed inquiry of the prices
CC - the closed competition
CCN - the closed competitive negotiations
OIP - open inquiry of the prices
US - a unique source

Competitive purchases

| | |
|--|-----------|
| Total amount of contracts (million rbl.) | 63 082.10 |
|--|-----------|

| | |
|--|--|
| % from all volume of the concluded contracts | |
|--|--|

| | |
|---|----|
| Contracts, prisoners on a competitive basis | 90 |
|---|----|

Problems in the field of purchasing activity for 2007:

1. Decrease in costs of the company at the expense of economy of means at production purchase (the goods, works and services).

2. Maintenance of JSC «FGC UES» and other electronetwork companies production:

- demanded quality,
- at the minimum cost,
- exact in time.

3. Optimisation of a control system by purchases on the basis of the best practices.

8. Development of Corporate information systems control(CISC) and communication networks

The CISC is represented by final set of information systems and the control systems united with each other by methodology and special program technologies of integration of systems.

The CISC regarding the automated systems (AS) of a business management is under construction as the centralised system having resources of the uniform Center of storage and data processing and appendices. Access of users to appendices and data is carried out far off by means of the modern client workplaces based on Web-technologies or terminal access. In a part the AS of technological management represents the CISC territorially and functionally distributed infrastructure consisting

of a set of interconnected applied systems. The interrelation AS of a business management and CISC of technological management is provided.

8.1. The automated control systems of business

For the accounting period within the limits of the project CISC regarding control systems of business following works are performed:

- A number of the organizational-administrative documents regulating activity in the field of IT was developed.

- The Automated system of planning and the budgeting, realising new methodology was entered into commercial operation in all branches of JSC«FGC UES» (MGC, EMPN, MSR MGC, AF).

- the Automated system of the account and the reporting on base mySAP Business Suite was developed and from 01.01.2007 was entered into commercial operation in all branches of JSC «FGC UES».

- The Automated system of consolidation of the accounting and tax reporting was introduced in trial operation in the executive device of JSC «FGC UES».

- According to the accepted concept and the confirmed Technical project «the Corporate portal of JSC FGC UES» (the order of JSC «FGC UES» dtd 15.11.2006 № 373) was developed and introduced in operation. By means of the Corporate portal the uniform point of access to information resources of the Society was realised. In particular, electronic document circulation by request of meeting rooms and sessions was realised.

- Works were performed on duplicating of information system «CiSC Shots» in 37 branches of the company of level MGC, EMPN, MSR MGC.

- In a part AS of management maintenance service and repair (MSR) on the basis of SAP R/3 develop works on preparation for pre-production operation in pilot region - Bryansk EMPN and Bryansk PMSR.

- In a part AS of strategic planning of repairs is defined structure of the estimated equipment, the methodology of an expert estimation of the technical condition, adapted for equipment of JSC «FGC UES» was developed, test calculations according to a condition of the equipment of four substations MES of the Center are carried out: 25 power transformers, 47 switches, 139 разъединителей, 163 measuring transformers.

- A spadework was spent: on creation of the Control system by assets, automation of business process of calculation of balances, losses and formation of integrated certificates, to creation of information-analytical system of the account and calculations for the electric power.

- On the basis of the Technological Database (TDB) electronetwork property the program complex «the Account and property inventory» was developed and introduced in operation.

- The program complex providing automation of process of formation of the Register of objects is developed and introduced in commercial operation. Are processed and included in the Register of 2568 objects.

- Duplicating of the Automated system of administrative document circulation (ASADC) was executed. 2500 users were connected to system, including: all employees of the executive device and branches of JSC «FGC UES» (MGC, EMPN, MSR MGC, Electrosetservice), the Center of information technologies, the Northwest IDGC, IDGC of the Center and the North Caucasus, IDGC of Siberia, IDGC of Urals Mountains and Volga, JSC «Moscow incorporated electronetwork company», JSC «Volga inter-regional distributive company», JSC «Far East distributive network company», JSC «Southern network company», JSC "Lenenergo", JSC "MMPSC", JSC "MHSC", JSC "MCPC", Joint-Stock Company «Inter RAO UES" JSC "Energostrojsnabkomplekt UES».

- A number of actions for development of computing base CISC was executed.

8.2. The automated system of technological management (ASTM)

ASTM is created as the uniform distributed hierarchical system, which integrates means and subsystems of the existing, independently developing automatic and automated control systems (ASC, **AIMS CAEP** ASATDC and other subsystems), providing the necessary interface with control systems of JSC «**SO-CDC**» and NP "ATS". ASTC was based on base of General Information Model UNEN (CIM) and Models of Information Interaction (IEM).

During works on creation of the Automated system of technological management of JSC «FGC UES» in 2006 were developed:

- concept ASTC JSC «FGC UES», co-ordinated with JSC «**SO-CDC**» and JSC «RAO "UES of Russia», approved « "United Power Systems" of Russia», JSC Board «FGC UES» and confirmed by the First vice-president of Board of JSC «FGC UES » A.N.Chistjakov;

- the technical policy of JSC «FGC UES » regarding ATU is defined. The prepared materials entered the Position about the Technical policy of JSC «FGC UES »;

- the technique of creation of uniform information models of electronetwork objects according to requirements of international standards MG 61970 and 61968 is developed;

- the Uniform system of identification of objects and the equipment of electric power industry which is a part of Uniform system of classification and coding in electric power industry (EPI) was developed;

- the basic technical decisions (within the limits of project ASTU MGC of the Center) on creation system ASTU which problems include creation and conducting

CIM of models, the organisation of information and operational interaction of applied systems ASTU among themselves, and also with subsystems CISC and SCADA/EMS JSC «WITH CDC UES» are developed.

8.2.1. The automated system of dispatch-technological management (ASDTM)

Within the limits of creation of the automated system of dispatchersko-technological management (ASDTM) JSC «FGC UES » in 2006 the information-program complex of dispatching management (CDM) on base ON CK-2003 in MGC Western Siberia is entered into commercial operation. Thus, on all MGC and the Central control office of JSC «FGC UES » function now typical ASTC on the basis of uniform architecture and ON. On the basis of ИПК information interaction between AS JSC«FGC UES » and JSC «RAO UES » is realised.

IPC JSC «FGC UES » is intended for the decision of following primary goals:

- gathering and processing of the operative information on parametres of a mode and a condition of an electric network;
- the control of emergency signals, exits over limiting values;
- backup information;
- information granting to the dispatching and operational personnel in the form of schemes, schedules, tables, trends etc.;
- formation of reports and daily sheets;
- granting of the operative information for applied technological systems.
- management of video-screens of collective using.

In 2006 Typical decisions on hardware-software equipment of Control centres by networks (CCN) in branches of JSC «FGC UES » - EMPN and RNC» are developed and confirmed«. Corresponding competitive procedures on a choice of the executor on project working out «Creation CCN in branches of JSC « FGC UES"and " Creation PTC DAI in branches of JSC «FGC UES » - MGC and DAI JSC «FGC UES » are carried out.

8.2.2. System of gathering and transfer of the technological information (SGTTI)

The system of gathering and transfer of the technological information (SGTTI) is intended for gathering of the diverse information at all levels of hierarchy of technological management of JSC «FGC UES », its long-term storage and access granting to applied systems ASTC, users of JSC «FGC UES », and also to the foreign organisations within the limits of information interaction in sphere of an exchange by the technological information.

For realisation of functions SGTTI on objects of automation of JSC «FGC UES » (substations, CCN MGC, the executive device of JSC «FGC UES ») are created

programmno-technical complexes of system (PTC **SGTTI**), intended for the decision of following functional problems:

- Maintenance of transfer of the arriving technological information to applied systems ASTU of level CCN;

- Maintenance of reception of the technological information arriving from external (in relation to JSC «FGC UES») information sources (the automated systems **SO- CDC**, IDGC);

- Maintenance of transfer of the arriving technological information to applied systems of the external organisations (the automated systems **SO- CDC**, IDGC);

- Maintenance of long-term storage of the technological information arriving from all objects in a zone of responsibility of each of control centres by networks, ДП МЭС and the executive device of Open Society «ФСК EUROPEAN ECONOMIC COMMUNITY»;

- Access granting to all хранимому to volume of the technological information to the applied systems ASTC developed at level of control centres by networks, DAU MGC and DAI the executive device of JSC «FGC UES»;

- Maintenance of integration with applied systems ASTU by means of use of services of uniform integration platform АСТУ Open Society «ФСК EUROPEAN ECONOMIC COMMUNITY».

In 2006 on subjects following works are spent:

- the project of System of gathering and transfer of the technological information (ССПТИ) in which structure decisions on creation of programmno-technical communication and program complexes (ПТК) are worked, established in regional communication centres (РУС) the Uniform digital communication network of electric power industry (ЕЦССЭ) and control centres of a network (ЦУС) is developed;

- competitive procedures for choice the supplier of the equipment and ON for creation of 1st turn ПТК **SGTTI** covering 17 Sb, equipped MANAGEMENT information systems HP and control centres (CCN, MGC and news agency of FGC) are carried out

The primary goal for 2007-2008 is realisation of 1st turn **SGTTI** for the decision of the specified problems and maintenance of a uniform vertical of technological management.

8.2.3. ASC of Sb of substations

Creation of systems of automation of substations provides:

- increase of reliability of electrosupply of consumers and decrease in risks and the losses connected with occurrence of emergency operation UNEN and liquidation of consequences;

- increase in volumes and the nomenclature of the information on parameters normal both emergency operation and the equipment condition, promoting effective functioning of the competitive market of the electric power;

- increase of efficiency of operational service of substations at the expense of improvement of quality of the control and management in all operating modes.

As of January, 01st, 2006 ASC of Sb of substations are placed in operation: Belozersky 750 (Siemens); Zolotoy orel (Siemens); Aluminium (Siemens); the Silver-tongued orator (Siemens); Vyborg 330 (Siemens); Чугуевка 500 (PT-Софт+НИИПТ); Raduga (ODD 500kv, AREVA); Chita (ABB); Knjazhegubsky (Siemens); Amur (GE-OPTIMA); Khabarovsk (GE-OPTIMA); ODD -500kv the Seaside state district power station (GE-OPTIMA); HPS-2 - Volgodonsk; Bologoye (ABB); Kalininsky (ABB); Zvezda(Manturovo).

In 2006 the Program of increase of reliability and observability UNEN by equipment of substations by monitoring and management complexes by technological processes is developed and confirmed. The program covers objects 330 kv JSC «FGC UES » and above, not entering into the program of complex modernisation, reconstruction and new building - only 67 substations.

In 2006 are concluded договоры on working out of projects for 6 pilot objects of the Program (end of projects - 1 quarter 2007).

In 2007 it is supposed to carry out competitive procedures, to execute delivery of the equipment and to carry out introduction in operation of starting complexes ASCFR for six pilot objects of the program.

For increase of observability UNEN 220kv according to the Plan-schedule of formation of Control centres networks in branches of JSC «FGC UES » - PMGC and RGC (joint-stock company-energo) in 2006 develop the program of modernisation and expansion of systems of telemechanics and an information transfer of objects UNEN, by being 2nd stage of the Program of increase of reliability and observability EHЭС by equipment of substations by monitoring and management complexes by technological processes.

Maintenance of observability EHЭС demands the organisation of gathering, processing and transfer to control centres of the technological information (first of all - operatively-dispatching) in the volume defined by problems of JSC «UEC » on management of a mode of UES of Russia, and problems of JSC «FGC UES » on efficient control processes of functioning, operation and development of electric networks UNEN, including problems of creation of an information infrastructure of UEC in interests of all participants of the market of the electric power.

The program of modernisation and expansion of systems of telemechanics and information transfer provides creation on objects 220kv microprocessor systems of telemechanics and an information transfer in control centres SO-CDC and FGC and covers the objects which are not entering into the program of complex modernisation and reconstruction of objects 220kv - only 548 Sb.

8.2.4. A corporate control system of the spatially-distributed resources (CSDR)

In 2006 works on creation of the Corporate control system by the spatially-distributed resources (CSDR) according to the Contract № 2-FGC are continued from 25.08.2003.

Remote inspection of air-lines of an electricity transmission of JSC «FGC UES» 330 kv and above with use of air laser scanning by the general extent more than 45 thousand in km is finished. On the basis of the received information the Central database CCSSDR is generated.

In November, 2006 the Corporate control system of the spatially-distributed resources of JSC «FGC UES» is accepted in commercial operation.

The software expanding functionality of workplaces KСYTIIP regarding three-dimensional display of the graphic information, performance of measurements and the control over spatially-technical condition HVL on the basis of data of remote inspection is developed.

There is begun remote inspection HVL 220 kv MGC.

8.2.5. The automated information-measuring monitoring system and the electric power account (AIMS APE)

To execute the order of Open Society of the Russian JSC RAO "UES of Russia" dtd 14.12.2004 № 729

«About reduction in conformity to requirements of the wholesale market of systems of the commercial account of the enterprises of the electric power industry which is a part of Holding of RAO "UES of Russia", decisions of Board of JSC RAO "UES of Russia" (the report dtd 17.04.2006

№ 1437pr/1 «About a course of works on creation AIS of the commercial account of the electric power in wholesale market ADS of JSC RAO "UES of Russia"), order of JSC « FGC UES»

08.09.2006 № 290 «About creation of the automated information-measuring system of the commercial account of electric power UNEN» in 2006:

- The decision of Board of JSC «FGC UES» dtd 14.07.2006 № 254 confirms the Program of creation.

- Inspection of systems of the account of the electric power in the main network companies is spent.

- Competition on the right of creation **AIMS CAEP** UNEN is held and are concluded the contracts on creation of **AIMS CAEP** in the main network companies.

- It is entered into trial operation **AIMS CAEP**

JSC «FGC UES».

- Works on metrological maintenance of system of the commercial account of the electric power of JSC «FGC UES» are finished.

- Measuring transformers of a current and pressure on substations 330-1150 sq. are checked up
- The certificate of bodies Rostehregulirovaniya on entering **AIMS CAEP** JSC «FGC UES » in the State register of measuring apparatuses is received.
- The Passport of conformity of **AIMS CAEP** JSC «FGC UES » to requirements of the wholesale market of the electric power is received.
- The automated systems of the account of the electric power on again constructed substations of JSC «FGC UES » are entered into pre-production operation: Zvezda-500, RS-220 Volgodonsk, Alumnievaya-500, Khekhcir-500, Novgorod-330, Grozny-330.

8.3. A corporate information network (CIN)

CIN represents the distributed base information complex intended for the decision of problems technical, commercial, financial and administration managerial control of structures of electric power industry.

In 2006 following works on construction of an information infrastructure of JSC «FGC UES » was spent:

- equipment by a complex of telecommunication systems and a complex of means of office of JSC «FGC UES » in a building to the address: street Samotechnaja, 7/5;
- creation of information infrastructure MGC of Urals Mountains and Western Siberia, including PMGC in operative range MGC.

In 2007 it is planned to finish modernisation CIN of the executive device of JSC «FGC UES », to spend works on designing and to begin expansion of a uniform information-technological infrastructure JSC «FGC UES ».

8.4. A uniform technological communication network of electric power industry (UTCNEPI).

The basic directions of activity of JSC «FGC UES » in the field of creation and development of a uniform technological communication network of electric power industry (UTCNEPI) are production efficiency increase, decrease in costs, creation of conditions for a sustainable development of an integrated power grid and a uniform national electric network.

The electric power industry communication network is an integral part of manufacture, transfer, distribution and electric power sale.

UTCNEPI is created as an integrating basis for program of all types of information (a sound, videos given), maintenance of the guaranteed quality and reliability of communication of subjects and objects of electric power industry of various levels of hierarchy in all territory of Russia. Structure ETSSE includes all

existing, under construction communication lines, including the Uniform digital communication network of electric power industry (UDCNEPI).

Within the limits of realisation of a scientific and technical policy following problems are solved:

- forecasting of development UTCNEPI;
- introduction of new technologies of communication;
- maintenance of reliability of functioning of communication systems;
- scientific and technical, methodical, organizational-technical maintenance of stages of development UTCNEPI;
- specifications and technical documentation working out on communication systems in electric power industry.

In the field of creation and development UTCNEPI creation, modernisation and development of networks is provided: UTCNEPI, (fiber-optical communication lines), satellite and radio communications, KCL (cable communication lines) and ВЧ (high-frequency) communications, and also the imposed networks telephone, video conferencings and data transmission.

8.4.1. Scientific and technical activity in the field of communication

Scientific and technical activity of JSC «FGC UES » in the field of communication provides formation of a uniform scientific and technical policy, including conceptual and system technical decisions on creation and development of a communication network of electric power industry.

In 2006 following major results are reached:

- the Governmental commission of the Russian Federation approves «the General scheme of creation and development of UTCNEPI for the period till 2015», defining principles of construction of a uniform technological communication network in the conditions of the formed market of the electric power.

- There were developed: «the Program of increase of reliability of the equipment of communication systems UNEN», «the Program of the organisation of digital systems of an information transfer (DSIT) on «dark» to optical fibres in the linearly-cable constructions, passing on an electric power industry infrastructure».

- the Target model of passage of commands and the organisation of communication channels and transfer of the telemetering information between the dispatching centres and ЦУС the network organisations, substations »regarding the organisation of communication channels and an information transfer Is developed and co-ordinated with JSC « SO-CDC UES ».

- certification of cable production for a suspension bracket on HVL, equipment radio relay and high-frequency communication systems, equipment of registration of dispatching negotiations, automatic telephone exchange is spent.

8.4.2 Projects of creation and development of the Uniform technological communication network of electric power industry (UTCNEPI)

Uniform digital communication network of power industry (UDCNPI)

UTCNEPI is a uniform on-line operated telecommunication infrastructure of electric power industry on the basis of the rented communication channels.

Within the limits of **UDCNPI** creation of the main network of electric power industry with a uniform control system, maintenance of information-technical interaction (a telephony, a conferencing and data transmission) objects of electric power industry, including structures of JSC RAO "UES of Russia" is provided,

JSC «FGC UES » and JSC «SO-CDC UES ».

In 2006 the following works were done:

– information interaction of the executive device of JSC «FGC UES » and branches within the limits of introduction of the automated system of the account and the reporting my SAP Business Suite and ASCD is provided;

– the project is developed, competitive procedures are carried out, the contract on realisation of 3rd stage **UDCNPI** is concluded

Within the limits of 3rd stage to communication centres of highway **UDCNPI** will be connected:

– 39 enterprises of the main electric networks (PMGC).

– 7 Electroservice.

The termination of works of 3rd stage is planned to carry out in 2007.

Fiber-optical communication network

In 2006 works on creation of transport network **UDCNPI** - a fiber-optical communication network with a suspension bracket of an optical cable on support BJI are continued.

Network FOCL will allow to unite all objects of electric power industry in a uniform information field and will provide possibility of information interaction not only systems of dispatching and technological management, but also systems (RZA, the PA), critical by time of distribution and processing of signals.

Within the limits of works following works are performed on creation of a fiber-optical communication network of electric power industry in 2006:

– the Agreement from JSC "Rostelecom" about the organisation of building and operation of the fiber-optical communication line Khabarovsk - Chelyabinsk and an exchange of optical fibres is signed. In June, 2006 of JSC "Rostelecom" with the assistance of JSC «FGC UES» Chelyabinsk - Tyumen placed in operation the fiber-optical communication line.

– Within the limits of projects of reconstruction and new building of

electronetwork objects than 1300 km FOCL are placed in operation more.

– Are concluded investment contracts on building of linearly-cable constructions Moscow - Rostov-na-Donu (6500 km) and Samara - Chelyabinsk (1155 km).

– equipment of operational brigades by the equipment necessary for carrying out of operational service of linearly-cable constructions FOCL is organised.

| № | Projects of FOCL | km |
|---|--|-----|
| In 2006 there were entered in operation: | | |
| 1. | Kolskaya APS-SB Knyazhegubskaya | 80 |
| 2. | Sb Viborgskaya- Sb Vostochnaya | 170 |
| 3. | Sb Kingisepskaya- border with Estonia, Narva | 35 |
| 4. | Sb Frunzenskaya- Sb Belgorod | 40 |
| 5 | Sb Zvezda- Vologda - Kostroma | 380 |
| 6 | Sb Mashuk-MGC of the South | 40 |
| 7 | Bureyskaya HPS– Sb Khabarovskaya | 433 |
| 8 | Sb Barnaul-Altay | 40 |

Network of VHF of communication

The digital network of a mobile professional radio communication is intended for maintenance with a mobile communication of operational services, repair-regenerative brigades and for gathering of the commercial and technological information from remote objects of electric power industry.

In 2006 works on installation of switchboards and base stations in region Average Volga are finished: the Samara, Saratov and Penza areas.

Network expansion in all territory of Average Volga is planned to finish in IV quarter 2007.

Works on pusko-adjustment of switchboards and base stations of VHF of communication in MGC Average Volga, the South, in Moscow and St.-Petersburg are finished.

Network of radio relay communication

Now radio relay communication lines are used in the main and distributive networks of a fixed-line telephony. New RRL are created there where lining FOCL is economically inexpedient, or there where operative construction of a network is required.

In 2007 is planned to continue works on modernisation of radio relay

communication lines by цифровизации or replacements on FOCL. In total it is planned to establish more than 80 flights NRL.

Satellite communication network

In 2006 in interests of repair-regenerative brigades it is spent additional equipment of MGC of Siberia, the East and Urals Mountains by the user's equipment of a satellite communication «Global Tel». In 2007 it is planned additional equipment of repair-regenerative brigades MGC of the South and MGC Volga.

For the organisation of a fixed-line telephony with isolated and remote of power objects and reservations of channels dispatchersko-technological and a corporate governance in 2007 is planned to begin equipment of substations UNEN by land stations of a satellite communication network for data transmission **AIMS CAEP** and telemechanics, and also reservation of dispatching telephone channels. For these purposes in 2007 is planned to begin works on introduction of satellite communication systems of standard VSAT. In total it is equipped additionally more than 600 substations within the limits of the Program of modernisation and expansion of systems of telemechanics and an information transfer of objects UNEN.

Networks high-frequency (HF) communications on electric mains

In 2006 within the limits of the program of reconstruction and re-equipment electronetwork objects replacement of equipment HF of communication on modern digital, multipurpose, the complex use, capable to transfer in one path speech, data, signals and commands RPA and the AFA proceeded.

Modernisation of system of channels HF of communication on TL on the directions which are not covered ring FOCL, allows:

- to raise reliability of an information transfer;
- to optimise frequencies thanks to equipment with higher spectral efficiency and sharp selectivity;
- to reduce expenses for equipment service;
- to lead to improvement of quality of service of network of channels at the expense of possibility of use of a control system, including change of a configuration and-or working frequencies by means of the software.

In 2007 is planned to continue works on modernisation of network HF of communication.

Telecommunication network

The network of telecommunication of electric power industry is intended for maintenance of speech interaction of dispatchersko-technological and administrative structures of electric power industry.

In 2006 there are begun works on designing of a basic switching telephone system of electric power industry: the technical project is developed, competitive procedures are carried out, within the limits of projects of reconstruction and re-equipment of modernisation of telephone exchanges at the enterprises and substations UNEN is spent.

In 2007 is planned to continue works: on designing of a basic switching telephone system of electric power industry: to develop the contract design, technical requirements to STSE, and also to continue modernisation of telephone exchanges at the enterprises and substations UNEN.

Performance of actions for formation CCL

In 2006 within the limits of performance of actions of the Plan-schedule of formation CCL in branches of JSC «FGC UES» - PMGC, RGC (joint-stock company-energo) and redistributions of functions of scheduling of electric networks are finished works on modernisation of a communication facility for performance CCN of not operational functions. Thus for the telephony organisation between CCN and objects UNEN channels of satellite and cellular communication statements have been used.

In 2007 is planned to begin works on modernisation of communication facility MGC for performance CCN of operational functions.

9. Scientific and technical activity and new technologies

Scientific and technical activity of JSC «FGC UES» is directed on working out, creation, development, introduction in UNEN progressive and effective technologies and the equipment, and also working out of the corresponding specifications and technical documentation for development and reliable operation of networks UNEN. For coordination and regulation of all complex of questions in 2006 it is developed and confirmed the uniform basic document - Regulation about the technical policy of JSC «FGC UES» (further RTP), - in which are defined strategic targets of development UNEN.

Realisation of the Technical policy is carried out by performance of a complex of the interconnected procedures and programs:

- Research and developmental works;
- Working out of normative and technical maintenance;
- Complex target programs of working out and introduction of new more perfect technics, technology and materials;
- Programs of increase of reliability of the equipment;
- The program of reconstruction and new introductions;
- Certification of equipment, technologies and materials;
- Design researches;
- Scientific and technical services.

They can be allocated and grouped in following directions:

Research and developmental works (research and development)

The major factor influencing realisation of the technical policy of JSC «FGC UES», is the organisation and carrying out of scientific researches on the basis of the Complex scientific and technical program of JSC «FGC UES» for 2007-2009 which basic part are research and development in priority directions of development of an electric network.

In 2006 following results are received:

- The complex of researches on throughput increase in sections UPS of Urals Mountains - UPS Average Volga - OЭC the Center by means of application of devices FACTS (Flexible Alternative Current Transmission Systems) for regulation of streams of active capacity and indemnification of jet capacity is spent;
- The list of objects of installation in UNEN, developed by the industry, and pilot devices FACTS in UNEN on prospect till 2012 is defined;
- It is developed, made and planned to installation in 2007 - STATKOM by capacity 50 MVA for Sb 330/400 kv "Vyborgskaya";
- The technical project on working out, manufacturing and delivery in 2008 on Sb 500 kv «Beskudnikovo» asynchronized jacks by capacity 100 MVA is prepared;
- Technical requirements to devices of an active filtration of the higher harmonics and offers on objects of their application in UNEN are developed;

- Calculations on a substantiation of installation and parameters Statkom for Sb "Silver-tongued orator" MGC of Urals Mountains are executed. There are begun design works on the given object;

- Technical requirements to the capital equipment of an insert of a direct current by capacity 200 MGv for Sb 220 kv «Mogocha» MGC Siberia are developed. For II quarter 2007 competition carrying out for choice suppliers of the equipment for 2 variants of realisation of an insert is planned: on the basis of Statkom.

There are begun researches and working out of the equipment on the basis of superconductors, on the indicators of equipment of traditional execution essentially surpassing indicators. In respect of research and development for 2007 manufacturing of the joint venture-cable of 30 m on 10 kv and the stand for its tests is put in pawn.

The analysis of conditions of operation of porcelain tyre covers as a part of switches VMT is carried out, as a result - the technique of the ultrasonic control of a condition of tyre covers is developed.

Normative and technical documents (reference document)

As one of the basic tools of realisation of a scientific and technical policy the Program of revision and working out of normative and technical documents for maintenance of functioning and development of electric networks of objects UNEN, and also reduction of standard base in conformity with the Law on technical regulation is realised.

In 2006 have been developed and confirmed in JSC «FGC UES»:

- Norms of technological designing of air-lines of an electricity transmission and substations of an alternating current pressure 35-750 kv;

- Norms of technological designing of substations of an alternating current pressure 35-750 kv.

Standards allow to simplify and reduce the price of building Sb and HVL at the expense of application of modern technologies and the reliable equipment of new generation.

For carrying out of the uniform approach and decrease in expenses for design works are developed and in 2007 Schemes basic electric switching centres PS 35-750 kv », considering the turned out experience and application of the modern equipment are planned to the statement«.

Programs of increase of reliability of the equipment

For overcoming of the tendency of ageing of a fixed capital of electric networks and the electornetwork equipment there are in realisation following programs:

- Programs on replacement of out-of-date kinds of the equipment on modern (high-voltage inputs, oporno-rod insulators, terminators of repressure).

By the end of 2006:

- 68626 pieces of insulators of raised reliability were established, including in 2006 - 23726 pieces Are deduced from operation on objects of JSC «FGC UES» 85 % of potentially "dangerous" insulators;

- Are replaced 245 converter-fed rated sportsmen. Program realisation - 80 %. For 2007 replacement of 317 rated sportsmen on voltage limiter on 27 Sb for the sum of 83,4 million rbl. (100 % of performance) is planned;

- 118 high-voltage inputs in 8 MGC are replaced. The program is calculated on the period till 2009, realised on 48,3 %.

- The program of replacement of switches VGU on gas-insulated with synchronous switching is practically finished, in 2006 is replaced VGU on Sb "Barrow".

- The program on equipment of enterprises MES by modern means of technical diagnostics and monitoring of the electrotechnical equipment and transmission lines for the purpose of the prevention of their damage and planning of repairs on a technical condition. The program is calculated till 2012 with volume of realisation of 1,7 billion rbl. In 2006 MGC (together with PMGC) are equipped by 14 kinds of diagnostic devices.

Programs of introduction of new technologies and materials

The target program on creation and introduction of many-sided support as in JSC «FGC UES», and in the companies of a raspredelitelno-network complex is realised.

In connection with introduction of new industrial methods of high-speed building HVL and Sb the target program «Unification of the bases to electronetwork objects» is developed.

Preparation of target programs on working out and introduction of new kinds of linear armature is conducted.

The program on working out of new methods of repair HVL, including without pressure removal is realised.

Within the limits of programs working out and introduction of high-efficiency methods of building Sb and HVL with creation of standard base, the design, technological documentation, design recommendations, instructions on installation, repair and the operation, providing essential reduction материалоемкости, terms of expenses for building and carrying out of under abnormal condition-regenerative works is conducted.

Under programs in 2006:

1. Technical requirements to steel many-sided support are developed;

2. Are developed and tested:

- Intermediate support 1 and 2 chain on 35-110 kv;

- Intermediate support 1 chain 220 kv

- Intermediate support 1 and 2 chain for HVL 330 sq.

Absence of possibility in the Moscow region of pass by new lines HVL was the precondition to the beginning of working out of four-chain many-sided support

220 sq.

In 2007 the program on working out of the scientific and technical documentation (reference document), to designing, manufacturing of pre-production models and certification of the bases will be realised.

Certification of equipment, technologies and materials

Within the limits of certification system the estimation of possibility and expediency of application is made for objects of JSC «FGC UES» new kinds of the equipment, technologies and materials. Certification is carried out on the basis of check of conditions of their manufacturing, conformity to requirements of standards, the branch and corporate specifications and technical documentation taking into account operating experience of the similar equipment.

Such procedure allows not to suppose deliveries of the poor-quality or unmodern equipment to objects UNEN.

In 2006 70 demands for certification and prolongation of action of the permission on old acceptance are processed. 49 types of the equipment, that number are accepted and is recommended for application in JSC «FGC UES»:

- The import equipment - 17 pieces;
- Domestic - 32 units

By 5 kinds of the equipment additional tests on request of JSC «FGC UES» for acknowledgement of the declared characteristics are conducted.

In the course of certification antiresonance transformer of pressure NAMI-500 JSC «FGC UES» conducted comparative natural bench tests of the transformer 500 kv NAMI-500 and NKF-500.

By results of passage OWP 2005/2006 in the conditions of extremely low temperatures in the presence of a wind, additional technical requirements to элегазовым to switches regarding capacity of devices of heating, warming and the density control элегаза are formulated.

The introduced design decisions and the new technics

As a result of a complex of actions of the Technical policy at building new and reconstruction worn out Sb and HVL are applied modern technical decisions and the new technics:

1. Simplification of the main schemes of substations. The purpose - depreciation of building at the expense of reduction of quantity of devices of the area occupied Sb, reduction of quantity of technological infringements (operation personnel errors at switchings) without decrease in reliability of electrosupply. It is reached by application of the modern reliable equipment: switches -gas-insulated, disconnector - is horizontal-rotary, parallel and half parallel with rod-shaped isolation of the raised mechanical durability;

2. In the conditions of mass building for improvement of quality of designing and decrease in terms of delivery of the project work on typification of schemes and

preparation of typical design decisions of substations of various classes of pressure is spent.

3. For power supply of large cities (Sb the Moscow ring and St.-Petersburg) and in the conditions of deficiency of the taken away ground areas are projected ПС with application CDMFI 500 - 110 kv with "deep" input of capacity by cables 110-500 kv from the sewed polyethylene.

In MGC the South on Sb 330 kv Mashuk it is included under loading КРУЭ-330 kv manufactures AREVA. It is entered in I quarter 2007.

4. The compact equipment is applied to decrease in costs on building and operation on the basis of cells 110-220 kv (Compact) the high factory readiness, the combined devices with gas isolation of external installation (PASS), used rigid ошиновка.

In МЭС the East on ПС 500 кВ Amur and Sb 220 kv Blagoveshchensk 7 cells of compact switching modules on 220 kv type HPL Compact of manufacture ABB are placed in operation.

5. Application of the equipment with high degree of factory readiness of type LTB Compact has allowed to perform in record-breaking short terms works on reconstruction and expansion of a wing 110 kv Sb 750 kv «Beliy Rast».

6. New technological decisions on management of a network are introduced: operated reactors 110, 220 and 500 kv, CTC, vakuum-reaktor groups, in design stages and constructions - STATKOM±50 Мвар, ASC ±100 MVA.

It is entered into commercial operation SFC-2 ±100 MVA on Sb 500 kv new-Anzhersky;

On Sb 330 kv «Sovetsk» operated reactor USHR 110/60 is introduced.

On Sb 500 kv «Khekhcir» it is mounted linear USHR 220/100.

On SB 500 kv "Taurian" operated reactor USHR 500/180 is introduced.

On Sb 500 kv "Barabinsk" it is mounted linear USHR 500/180.

On Sb 500 kv Balashovsky: it is entered BVRG 180 MVA (4x45). Input in January, 2007.

7. Dry shunting reactors are applied to decrease in costs on operation. The dry shunting reactor 3x33 MVA 110 k manufactures Trench is entered on I SHOUT 110 кВ ГоГРЭС.

8. The principle of individual designing on HVL 330 kv Northern transit the Kola atomic power station - Petrozavodsk takes root.

9. On linear polymeric isolation of new generation it is placed in operation HVL 220 kv Blagoveshchensk - Sirius, it is constructed HVL 500 kv the Barrow-kozyrevo. Continuation of its application on site ВЛ 500 кВ Фролово - Rostov is planned.

10. In areas with the raised level (in the South, on Volga) systems of the automatic control and the alarm system icing for timely reflexion icing attacks are entered.

11. In 2004-2005 branch of JSC «FGC UES» - MGC of the South had been constructed the automated information monitoring system covering 16 HVL 330-500 kv and allowing to supervise 35 control points (CP) from automated workplaces MGC of the South and PMGC.

With a view of further development AISKGN, during realisation of the Program of preparation энергообъектов Krasnodar territory to AWP 2006/2007, confirmed JSC RAO "UES of Russia", mount two CP on support 21 and 184 HVL 220 kv Vostochnaya - Kirillovskaya and one CP on a support 467 HVL 220 kv the Krasnodar thermal power station - East, two are mounted CP on support 274 and 201 HVL 220 kv Central - Dagomys, on support 157 and 180 HVL 220 kv Central - Shepsy.

10. Management of the personnel and social policy

The basic directions of activity of JSC «FGC UES» in 2006 in the field of management of the personnel were:

- Realization of strategy of the Society in the field of management of the personnel.
- control system Perfection according to the purposes and the problems facing to the Society.
- Formation of a personnel reserve of the Society.
- Optimization of planning and the organisation of development and training of various categories of the personnel.
- Working out of programs of optimisation of systems of a payment, motivation, privileges and indemnifications of workers of the Society.

10.1. Numerical and qualitative structure of workers

The numerical structure of workers of JSC «FGC UES» made on 01.01.2007 19 949 persons. For the accounting period list number of the personnel of the Society increased by 34,3 %. The increase occurred according to programs of reforming of electric power industry within the limits of formation of organizational structures and construction of business processes on all vertical of JSC «FGC UES», objects UNEN providing operation accepted from joint-stock company-energo in service of JSC «FGC UES» is repair-exploiter

| The division name | Number of people |
|--------------------------------------|------------------|
| executive committee | 623 |
| MGC of the Center | 2 567 |
| MSR MGC of the center | 2 902 |
| MGC of the North-West | 1 054 |
| MSR MGC of the North-West | 741 |
| MGC of Volga | 766 |
| MSR MGC of Volga | 951 |
| MGC of the South | 815 |
| MSR MGC of the South | 991 |
| MGC of Ural | 1 569 |
| MGC of The west Siberia | 913 |
| MSR MGC of Ural and The West Siberia | 1 242 |
| MGC of Siberia | 1 493 |
| MSR MGC of Siberia | 1 708 |
| MGC of the East | 347 |
| MSR MGC of the East | 501 |
| Electrosetservice | 753 |

| | | | | | | | |
|----------------------------|-------|------|------|------|----|------|------|
| Heads and their assistants | 3029 | 214 | 927 | 2337 | 39 | 699 | 23 |
| Experts and their deputy | 7262 | 1903 | 1480 | 5528 | 45 | 1593 | 141 |
| Workes | 9658 | 1752 | 2480 | 1847 | 0 | 5032 | 2779 |
| total | 19949 | 3869 | 4887 | 9712 | 84 | 7294 | 2943 |

10.2. Control system perfection

In 2006 scale reforming of structure is carried out

JSC «FGC UES», providing development of the transformations begun in previous years directed on transformation of JSC «FGC UES» in the operating company and preparation of transition for market competitive relations in industrial sphere of operation of the main electric networks.

There was an allocation of maintenance service and repair of the main electric networks. For this purpose within a personnel aggregate number seven new branches on maintenance service and repair of the main electric networks (MSR MGC) with regional TMSR was created. Existing branches MGC and PMGC transferred all personnel on maintenance service and repair to branches ToiR MES and carry out operative service of substations and function of the customer on maintenance service and repair of the main electric networks.

With a view of optimisation motor transportation and special technical service of branches of the Society two branches of motor transport in regions of Urals Mountains and the Northwest are created on a skilled basis.

Disbandment of the regional centres of technical inspection is spent. Inspectors of technical inspection are transferred in states MGC, IDGC.

For the purpose of formation of an infrastructure of the wholesale market of electric energy and capacity in the executive device and branches MES, PMGC are created or divisions on functions of perspective development, contractual work with consumers, to technological joinings to objects ENUN, formation of balances and electric power losses in networks UNEN and the organisation of their purchase in the wholesale market, the electric power account on borders UNEN are considerably strengthened.

Besides, for maintenance of operatively-dispatching management with objects of UNEN belonging MGC, and also with a view of decrease in quantity of the technological infringements occurring owing to errors of operation personnel, improvement of observance of the schedule of switching-off for repairs and equipment Sb, decrease in losses in UNEN there is begun formation of control centres by networks (CCN) in structure of branches MES.

10.3. Strategy of management by the personnel and formation of a personnel reserve

Strategy of management by personnel of JSC «FGC UES» defines by two basic directions of work:

- Maintenance of the Society with the personnel in necessary quantity and demanded qualification for the decision of operational problems;
- Maintenance of development of the Society in long-term prospect, formation and development of qualities of the personnel promoting effective introduction and carrying out of changes.

All managerial processes by the personnel, namely planning and selection, training and development, estimation and management of efficiency, motivation and stimulation are etc. built and optimised taking into account the basic strategic directions.

For maintenance of stable activity of the Society in a current situation and in the future, for the decision of prime and perspective problems, for revealing of the most valuable, high potential and perspective workers the special attention is given to formation and development of a personnel reserve. It gives the chance to workers of the Society of display of own potential, planning of professional and intraorganizational career, a choice between horizontal and vertical development in the Society and entering of the significant personal contribution into achievement of overall aims of the Society.

The personnel reserve of the Society is defined by results of an estimation/certification which within 2006 have passed more than 130 heads occupying key administrative posts in the Society. Within 2007 it is planned to certify, first, all heads of an average and younger administrative link for definition of potential of workers and an estimation of their efficiency, increase of productivity, definition of requirements for training and development, and secondly, - to spend the Centers of development and an estimation for the most perspective young experts working in the Society.

With a view of increase of reliability and achievement of high results in long-term prospect for the Society the problem of attraction of young experts is actual. Within 2006 there was a scale preparation for realisation since 2007 of programs of cooperation with leading of Universities of Russia, attraction on practice and training of students of older years of technical specialities for the further employment in the Society.

10.4. Development and personnel training

Perfection of system of development and training of the personnel of the Society within 2006 occurred within the limits of following basic directions:

- Carrying out of an effective estimation of requirement for training of the personnel of the Society;
- Formation of uniform requirements, standards of training for all divisions and categories of the personnel of the Society;
- Carrying out of an estimation of efficiency of spent training of the personnel;
- Maintenance of monitoring of conformity of spent training to the purposes and problems of the Society and acceptance of corresponding measures for increase of a system effectiveness of training.

At carrying out of training of workers the Society provides:

- Obligatory periodic training of workers;
- Training of the industrial personnel according to qualifying requirements and-or working conditions;
- Special training of various categories of the workers, directed on perfection of their professional knowledge and skills;
- Supporting training of various categories of the workers, allowing to raise workmanship of duties;
- Preparation of young experts and workers;
- Preparation of a personnel reserve;
- Development of managers of all levels of management.

According to plans of training and personnel development in accounting year training passed 5 541 persons that makes 28 % from average number of the personnel of the Society.

Within 2006 the Society was continued by active participation in development of the Corporate power university, which key problem - creation of effective and qualitative system of preparation of the personnel of all levels. cooperation JSC «FGC UES» with Corporate power university (NP «CONC UES») is aimed at achievement of effective realisation of the order

JSC «FGC UES» on training. The primary goal - to generate and broadcast uniform and equally high standards of training in all branches of the Society.

Within 2006 within the limits of the specified cooperation uniform programs of training of the operatively-dispatching personnel of substations, dispatchers of Control centres by networks, workers of services of perspective development, technological joining have been developed and realised. In 2007 work on working out of uniform programs for training of various categories of the personnel will be continued.

10.5. Optimisation of programs of motivation of the personnel

In 2006 in the Society the control system on the purposes, based on key indicators of efficiency which extends on all levels of management and all functional directions of activity of the executive device and Society branches is developed. With a view of increase of productivity and efficiency, strengthening in workers of the

Society of orientation to result achievement, introduction in 2007 of a control system on the purposes will simultaneously occur to change of system of a payment and motivation of the administrative and managerial personnel of the Society.

With a view of realisation of uniform social policy of the Society in 2006 realisation of significant social programs is continued. Programs of not state provision of pensions of workers of the Society and the "Veteran", Societies reflecting a purposeful policy on maintenance of a worthy standard of living of workers are carried out in full at an exit on pension.

JSC «FGC UES» was assured, that highly skilled employees, qualitative training, effective system of motivation and formation of a personnel reserve - the keystone to success of today and distant prospects.

11. Corporate and social responsibility

The following chapter of the annual report of JSC «FGC UES» describes a public position of the company concerning corporate social responsibility, and also the basic results of management of not financial risks in 2006 both long-term plans and company intentions.

11.1 Public position of JSC «FGC UES» concerning corporate social responsibility: responsibility for a public infrastructure and continuity from RAO UES "UES of Russia"

The basic part of the Uniform power system of Russia «is the uniform national power network including system of the main transmission lines, regions of the country uniting the majority, and representing one of elements of a guarantee of integrity of the state». For it «preservations and strengthenings, maintenance of unity of technological management and state policy realisation in electric power industry» in 2002 the Federal network company of the Uniform power system (JSC «FGC UES») is created.

The federal network company is a classical example of a public infrastructure, its primary goal is maintenance of availability, sufficient capacity and reliability of a network infrastructure of UES of Russia. In 2007-2008 in process of end of reorganisation of JSC RAO "UES of Russia" and formation of the companies of target structure post-reform branches registration «FGC UES» as the infrastructural company supervised by the state will be finished also.

In 2006-2010 and further the Uniform power system (UPS) of Russia will worry the period of rapid growth and physical and moral modernisation. It is caused as internal factors - growth of the Russian economy and, as consequence, demand for the electric power, and the international and universal tendencies: growth энергопотребления in the adjacent countries with Russia, approach of all largest power supply systems (including and UES of Russia), constructed in 60-70th years of the last century, to the termination of the life cycle. In the course of modernisation and development of UES of Russia of the Federal network company (along with the state bodies) it will be taken away the role of the co-ordinator of efforts of other subjects of UES, from company activity will depend in many respects realisation of plans of other participants of investment process.

JSC «FGC UES» takes up responsibility for efficient control and development of an electronetwork complex of the country for the purpose of availability maintenance (organizational, territorial, price) and reliability of services of an electronetwork complex both for consumers, and for suppliers of the electric power.

Successful realisation of an assumed liability demands development of interaction with interested parties. The most important groups стейкхолдеров for FGC UES will be, on the one hand, consumers of services of a network (consumers and suppliers of the electric power), on the other hand - manufacturers and suppliers of the equipment and the services necessary for building and modernisation of network objects, and from the third party - the state - the basic investor in development UNEN, and also a regulator in relation to JSC «UNEN». After end of reforming as a part of shareholders of JSC «FGC UES», except the Russian Federation, will appear миноритарные shareholders of JSC RAO "UES OF Russia" and the main network companies. JSC «FGC UES» will be deduced on a stock exchange and, as the financial tool, should fill a niche formed after liquidation of JSC RAO "UES of Russia". These prospects oblige the Federal network company to develop interaction with investment community. Importance of such group stakeholder, as employees of JSC «FGC UES» will be traditionally high.

In connection with re-structuring of electric power industry and liquidation of JSC RAO "UES of Russia" a number of the important functions having sectoral value, will be distributed between the infrastructural organisations created on base

JSC RAO "UES of Russia", JSC «FGC UES» realises itself as the main assignee of JSC RAO "UES of Russia" and accepts obligations on creation of practice of regular interaction and dialogue with interested parties; under the annual (regular) not financial reporting under the international standards which were used in the Report of JSC RAO "UES of Russia" for 2004-2005; on creation and maintenance of an efficient control system with not financial risks in the company, ADS and operated societies.

11.2 Purposes and problems of JSC «FGC UES» in sphere of corporate social responsibility and management of not financial risks for 2007-2008

In connection with described in subsection 11.1. Factors the basic directions of work of JSC «FGC UES» in the field of corporate social responsibility becomes creation of a control system by corporate social responsibility (both in JSC «FGC UES» and in other network companies which are in management with JSC «FGC UES») and formings of mutual relations FGC UES with interested parties.

Problems of JSC «FGC UES» in sphere of corporate social responsibility and management of not financial risks:

1. To enter into corporate practice of the periodical of the document which in aggregate with the Annual report and the reporting on MSFA will give full

representation about the company, accepted in the international community (the report on social responsibility and corporate stability). In the second quarter 2008 release of the first not financial report of the Federal network company is planned.

2. Within the limits of management system engineering by not financial risks in JSC «FGC UES» to create conditions for preventive maintenance and the permission of potential conflicts and brave situations for the company, connected with interaction with interested parties, in particular:

- To spend an estimation of influence of the basic interested parties on activity OF JSC «FGC UES», to organise regular studying of opinions stakeholders by carrying out of dialogues, negotiations, seminars-meetings, working groups under the decision of concrete problems and constantly operating commissions;

- To define management priorities not financial risks of the company in intermediate term prospect;

- To develop feedback mechanisms with the consumers, allowing on the basis of feedback materials to provide changes in company activity in reply to expectations and requirements of consumers.

To create in the company mechanisms of gathering of the primary information necessary for the social reporting and to provide process of regular monitoring of values of these indicators in the company.

11.3 Basic results of management of not financial risks and interactions with stakeholders in 2006

In 2006 management of not financial risks were organised in JSC «FGC UES» in following basic directions:

1. Interaction with consumers: availability of joining to electric networks (including to networks of the distributive network companies).

2. Interaction with authorities: maintenance with a network infrastructure of growing regional economy.

11.3.1. Availability of joining to electric networks

In 2006 the Federal network company, with a view of increase of satisfaction of consumers by quality of services in technological joining, opened the internal project «Optimization of process of technological joining». The project purpose - increase of a system effectiveness of management by process of technological joining in JSC «FGC UES». Criteria of increase of efficiency:

- maintenance of business reputation of JSC «FGC UES»;
- increase of satisfaction of consumers from technological joining;

- reduction of imprisonment terms and execution of contracts of technological joining;
- increase of survivability and adaptability of a control system of activity on technical connection in JSC «FGC» (observability, controllability, localisation).

Within the limits of the project the Client policy of the company, system of a feedback with consumers, system of an estimation of satisfaction of consumers work FGC UES during technological joining, and also system of motivation of the employees participating in process of technological joining on realisation of the kliento-focused approach is developed. In 2007 is planned to finish the project.

As the operating company in relation to IDGC JSC «FGC UES» participated in 2006 in formation of techniques of interaction with consumers in the distributive network companies JSC experience «IDGC of the Center and the North Caucasus» on creation of model of interaction with consumers concerning technological joining on the basis of the servicing Centers (CSC) has been studied. IQOK allow to receive to the consumer a full complex of services in area electro-and heat supplies and works in close interaction with a regional Staff on work with consumers. At the moment in the distributive network companies openly more than 10 similar Centers. Within 2007 CSC will be opened in all distributive network companies which are under control of JSC «IDGC of the Center and Nothern». After working off this model of interaction with consumers will take root into all IDGC.

In 2006 under recommendations of the Federal network company - JSC "MPGC", JSC "MSPC", JSC "Lenenergo" - in introduction of the tariff for technological joining was realised by the distributive network companies of direct submission a complex of actions for informing of consumers and to creation of a feedback with them. Certifications of the personnel of Services of technological joining are spent, work of direct telephone lines, informing of consumers through mass-media (radio, TV, printing mass-media) about an order is organised and an operating time of client offices, an operating mode of the direct telephone line, a new order of technological joining and its advantages, sections on web-sites of the companies are opened, explanatory meetings are held, the detailed brochure explaining an order of technological joining is published and extended at client offices. In 2007 the specified list of measures will be recommended for realisation to all distributive network companies.

11.3.2. Interaction with authorities: maintenance with a network infrastructure of growing regional economy

For timely maintenance with a network infrastructure of growing regional economy of JSC «FGC UES» conducts work on synchronisation of development of electronetwork objects as a part of the Uniform national (all-Russian) electric network (UNEN) in these territories with plans of economic and social development of regions. Mutual interest in meaningful dialogue allowed JSC «FGC UES» and to enforcement authorities of subjects of the Russian Federation on places to organise an exchange of the necessary information. Answers to inquiry of JSC « FGC UES » are received from more than 60 subjects of the Russian Federation.

Most for acceptance of the proved decisions on input new, and also reconstruction and modernisations of existing electronetwork objects of JSC«FGC UES» the information on dynamics and scales of demand for the electric power on country regions has great value. This information played a key role at the conclusion of agreements between JSC RAO "UES of Russia", to one of which key participants is JSC «FGC UES», and administrations of some subjects of the Russian Federation about interaction at realisation of the joint Program of prime actions for building and reconstruction of electropower objects. In 2006 such agreements were signed with enforcement authorities of Moscow and the Moscow area, St.-Petersburg, the Tyumen area, Hunts-Mansijskogo and Yamal-Nenets autonomous regions (last three subjects of the Russian Federation have been united by the Agreement on development of the Tyumen power supply system), Sverdlovsk area, the Chelyabinsk area, the Nizhniy Novgorod area.

In 2006 cooperation agreements in the field of development of UNEN between JSC «FGC UES» and administrations of the Pskov area, Krasnoyarsk region, Primorye Territory, Hunts-Mansijskogo of autonomous region - Uugry are concluded also. In total during 2005-2006 of JSC «FGC UES» is concluded 31 agreement.

Under a methodical and organizational management of the Federal network company dialogue with the regional authorities is conducted in all distributive network companies. By results of this work schemes of perspective development of power supply systems of separate regions with horizon for 5 years are developed, agreements are entered into with administrations of regions. These documents are base for planning of perspective development, formation of investment programs and an establishment of a payment for technological joining for the distributive network companies.

12. Appendices

The appendix 1

Branches of JSC «FGC UES» *(As of 04.04.2007)*

Branch of JSC «FGC UES» - the Main electric networks of the Center (MGC of the Center)
105318, Moscow, Tkatskaya street, 1

Branch of JSC «FGC UES» - the Main electric networks of the Northwest (Northwest MEN)
194223, St.-Petersburg, Kurchatova street, 1

Branch of JSC «FGC UES» - the Main electric networks of Volga (MEN Volga)
443100, Samara, Plevaya street, 5

Branch of JSC «FGC UES» - the Main electric networks of the South (MEN of the South)
357400, Zheleznovodsk, Inozemtsevo settlement, Darnitsky lane, 2

Branch of JSC «FGC UES» - the Main electric networks of Urals Mountains (MEN of Ural)
620219, Ekaterinburg, Tolmachyov street, 6

Branch of JSC «FGC UES» - the Main electric networks of Siberia (MEN of Siberia)
660099, Krasnoyarsk, Ady Lebedevoy street, 117

Branch of JSC «FGC UES» - the Main electric networks of the East (MEN UES)
630030, Khabarovsk, Sheronova street, 65

Branch of JSC «FGC UES» on special works in electric networks «Electrosetservice»
115035, Moscow, street Sadovnicheskaya, 27, bld. 8

Branch of JSC «FGC UES» - the Nizhegorodskoye enterprise of the main electric networks
603600, Nizhni Novgorod, Shlisselburgskaya street, 29

Branch of JSC «FGC UES» - Chernozemnoye enterprise of the main electric networks
305026, Kursk, Garazhnaya street, 1

Branch of JSC «FGC UES» - Volgo-Okskoe the enterprise of the main electric networks
600902, Vladimir, settlement Energetik, Energetikov street, 31

Branch of JSC «FGC UES» - the Volga-Donskoye enterprise of the main electric networks
400006, Volgograd, the avenue of Lenin, 221a

Branch of JSC «FGC UES» - the Vologodskoye enterprise of the main electric networks
160023, Vologda, Planernaya street, 18

Branch of JSC «FGC UES» - the Priokskoye enterprise of the main electric networks
300012, Tula, Timirjazeva street, 101A

Branch of JSC «FGC UES» - the Moscow enterprise of the main electric networks
141870, the Moscow region, Dmitrovsky district, Bely Rast, Sb 750 kv

Branch of JSC «FGC UES» - the Verhne-Donskoye enterprise of the main electric networks
392543, the Tambov region, Tambov district, settlement Komsomolets

Branch of JSC «FGC UES» - the Valdayskoye enterprise of the main electric networks
170001, Tver, Kalinin avenue, 55

Branch of JSC «FGC UES» - the Amurskoye enterprise of the main electric networks
676400, the Amurskaya region, Svobodniy, Shatkovskogo street, 101

Branch of JSC «FGC UES» - the Khabarovsk enterprise of the main electric networks
680032, Khabarovsk region, Khabarovsk, Tselinnaya street, 3

Branch of JSC «FGC UES» - the Seaside enterprise of the main electric networks
690000, Primorye Territory, Vladivostok, Mordovtseva street, 3

Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of the West
680032, Khabarovsk, Tselinnaya, 3

Branch of JSC «FGC UES» - the Krasnoyarsk enterprise of the main electric networks
660013, Krasnoyarsk, Tomsk street, 4a

Branch of JSC «FGC UES» - Zabaykalskoye enterprise of the main electric networks
670047, Republic Buryatiya, Ulan-Ude, Sahjanovoj street, 5

**Branch of JSC «FGC UES» - the Kuzbass enterprise of the main electric networks
650004, Kemerovo, Kirchanova street , 25a**

Branch of JSC «FGC UES» - the Omsk enterprise of the main electric networks
644035, Omsk, Gubkin's avenue, 4

Branch of JSC «FGC UES» - the Western-Siberian enterprise of the main electric networks
656002, Barnaul, Kalinina avenue, 17

Branch of JSC «FGC UES» - the Khakass enterprise of the main electric networks
655613, Republic Khakassia, Sayanogorsk, Industrialnaya street, 39

Branch of JSC «FGC UES» - the Sverdlovsk enterprise of the main electric networks
620085, Sverdlovsk region, Ekaterinburg, Malachitoviy lane, 3

Branch of JSC «FGC UES» - the Chelyabinsk enterprise of the main electric networks
454008, Chelyabinsk, the 2-d Zapadnyj journey, 6a

Branch of JSC «FGC UES» - the Perm enterprise of the main electric networks
614058, the Permskaya region, Perm, Visherskaya street, 34

Branch of JSC «FGC UES» - the Orenburg enterprise of the main electric networks
460048, Orenburg, Automatics journey, 15

Branch of JSC «FGC UES» - the Verhne-Volzhs koye enterprise of the main electric networks
425010, Mari El, the Volga area, Privolzhsky settlement

Branch of JSC «FGC UES» - the Sredne-Volzhskiye enterprise of the main electric networks
433100, the Ulyanovsk region, rs. Veshkayma, Energetikov street, 11

Branch of JSC «FGC UES» - the Samara enterprise of the main electric networks
443109, Samara, Zubchaninovsky highway, 130

Branch of JSC «FGC UES» - the Nizhne-Volga enterprise of the main electric networks
410038, Saratov, Sokolovaya mountain, 40

Branch of JSC «FGC UES» - the Stavropolskoye enterprise of the main electric networks
357400, Stavropol Territory, Zheleznovodsk, Promzona of the food enterprises

Branch of JSC «FGC UES» - the Kubanskoye enterprise of the main electric networks
350021, Krasnodar, Tramvaynaya street, 5

Branch of JSC «FGC UES» - the Rostov enterprise of the main electric networks
347349, the Rostov area, the Volgodonsk area, Salovsky settlement

Branch of JSC «FGC UES» - the Bryansk enterprise of the main electric networks
243360, Bryansk region, Vygonichi settlement, Novobryanskaya street

Branch of JSC «FGC UES» - the Vyborg enterprise of the main electric networks
188932, the Leningrad region, the Vyborg area, settlement Perovo

Branch of JSC «FGC UES» - the Novgorodskoye enterprise of the main electric networks
173021, the Novgorod region, the Novgorod area, Novaya Melnitsa country, 27a

**Branch of JSC «FGC UES» - the Karelian enterprise of the main electric networks
185013, Republic Kareliya, Petrozavodsk, Veterinary lane, 11**

Branch of JSC «FGC UES» - Specialized industrial base «Electrosetremont»
142408, the Moscow region, Noginsk, Parkovaya street, 1

Branch of JSC «FGC UES» - Mihajlovsky specialised industrial base of power service
391710, the Ryazan region, Mikhaylov, Electric settlement

Branch of JSC «FGC UES» - the Novgorod specialised industrial base of power service
173023, the Novgorod region, the Novgorod area, Novaya Melnitsa country, 27a

Branch of JSC «FGC UES» - Novosibirsk specialised industrial base of power service
630126, Novosibirsk, Klenovaya street, 10/1

Branch of JSC «FGC UES» - Srednevolzhsky specialised industrial base of power service
433200, the Ulyanovsk region, Veshkayma settlement, Veshkajmsky region, 40 years of October street, 101

Branch of JSC «FGC UES» - Specialized industrial base «Beliy Rast»
141870, the Moscow region, Dmitrovsky area, Beliy RAsT, Sb 750 «Beliy Rast»

Branch of JSC «FGC UES» - Southern specialised industrial base of power service
357519, Pyatigorsk, Lermontovsky travel, Promzona, 11

Branch of JSC «FGC UES» - the Main electric networks of Western Siberia
628406, the Tyumen area, Hunts-Mansijsky autonomous region,
Surgut, Universitetskaya street, 4

**Branch of JSC «FGC UES» - the Leningrad enterprise of the main electric networks
194233, St.-Petersburg Kurchatova street, 1.**

Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of the Center
105318, Moscow, Nkatskaya street

Branch of JSC «FGC UES» - the Tomsk enterprise of the main electric networks
634062, Tomsk, Energicheskaya street, 1

Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of Siberia
666013, Krasnoyarsk, Tomskaya street, 4a

Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of the South
357431, Stavropol Territory, Zheleznovodsk, Inozemtsevo settlement, Industrial zone the food enterprises, 2

Branch of JSC «FGc UES» on maintenance service and repair of the main electric networks of Urals Mountains and Western Siberia
620041, Ekaterinburg, Tolmachyov's street, д. 5

Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of the Northwest
194223, St.-Petersburg, Kurchatova street, 1

Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of Volga
443100, Samara, Poleyaya street, 5

Branch of JSC «FGC UES» - the Caspian enterprise of the main electric networks
367012, Republic Dagestan, Makhachkala, street Dahadaeva, 73a

Branch of JSC «FGC UES» - the Motor transportation enterprise of the main electric networks of Urals Mountains
620041, Ekaterinburg, Tolmacovo street, 5

Branch of JSC «FGC UES» - the Motor transportation enterprise of the main electric networks of the Northwest
194223, St.-Petersburg, Kurchatova street, 1

Appendix 2

Share of JSC «FGC UES» in authorised capitals and voting shares of joint-stock companies on the 31-st of December, 2006

| № | Society | Share in the authorised capitals, % | Share of voices, % |
|----|------------------------|-------------------------------------|--------------------|
| 1. | JSC «Nurenergo» | 76, 99 | 76, 99 |
| 2. | JSC «MUS Energetiky» | 99, 99 | 99, 99 |
| 3. | JSC «Power Market» | 8, 5 | 8, 5 |
| 4. | JSC «IDGC «Center» | 15 | 15 |
| 5. | JSC « «South» | 15 | 15 |
| 6. | JSC «IMNC «North-West» | 15 | 15 |
| 7. | JSC «IMNC «Volga» | 15 | 15 |

| | | | |
|-----|--|-------------------|-------------------|
| 8. | JSC «IMNC «Ural» | 15 | 15 |
| 9. | JSC «IMNC«Siberia» | 15 | 15 |
| 10. | JSC «IMNC «West» | 15 | 15 |
| 11. | JSC «Arhannelskaya main grid company» | 49 | 59,05 |
| 12. | JSC «Arhangel'skie main networks» | 48,66 | 48,66 |
| 13. | JSC «Belgorodskaya main company» | 49 | 65,29 |
| 14. | JSC «Bryanskaya main network company» | 49,00 | 65,22 |
| 15. | JSC «Vladimirskie main networks» | 49 | 49 |
| 16. | JSC «Volgogradskie main networks» | 48,99 | 61,33 |
| 17. | JSC «Vologodskie main networks» | 49 | 49 |
| 18. | JSC «Voronezhskaya main network company» | 49,01 | 65,35 |
| 19. | JSC «Dagestanskije main networks » | 51 | 51 |
| 20. | JSC «Ivanovskie main networks» | 49,66 | 56,55 |
| 21. | JSC «Kaluzhskaya main network company» | 52,25 | 52,25 |
| 22. | JSC «Karelskie main networks» | 100 минус 1 акция | 100 минус 1 акция |
| 23. | JSC «Kirovskie main power networks» | 48,17 | 63,96 |
| 24. | JSC «Kolskie main networks» | 49,21 | 65,52 |
| 25. | JSC «Kostromskie main networks» | 49 | 65,33 |

| | | | |
|------------|--|-------------------|-------------------|
| 26. | JSC «Krasnoyarskie main networks» | 51,75 | 66,33 |
| 27. | JSC «Kurskie main networks» | 49 | 59,47 |
| 28. | JSC «Lipetskie main networks» | 49,02 | 49,02 |
| 29. | JSC «Main network company Ristovenergo» | 48,43 | 62,76 |
| 30. | JSC «Main network company» | 50,90 | 50,90 |
| 31. | JSC «Mariskie main company» | 64,44 | 70,07 |
| 32. | JSC «Mordovskaya main company» | 53,14 | 53,14 |
| 33. | JSC «Nizhegorodskaya main network company» | 49 | 62,30 |
| 34. | JSC «Omskaya main network company» | 49 | 60,386 |
| 35. | JSC «Orenburskie main network company» | 100 minus 1 share | 100 minus 1 share |
| 36. | JSC «Orlovskie main network company» | 49 | 60,35 |
| 37. | JSC «Penzenskaya main network company» | 49 | 60,21 |
| 38. | JSC «Permskaya main network company » | 49 | 64,36 |
| 39. | JSC «Peterburgskie main networks» | 49 | 57,40 |
| 40. | JSC «Ryazanskie main networks» | 49 | 49 |

| | | | |
|-----|---|-------------------|-------------------|
| 41. | JSC «Sverdlovskie main networks» | 49 | 65,33 |
| 42. | JSC «Smolenskie main power networks» | 48,68 | 59,26 |
| 43. | JSC «Tambovskaya main network company» | 49,01 | 56,01 |
| 44. | JSC «Tverskie main networks» | 49 | 65,33 |
| 45. | JSC «Tomskie main networks» | 52,03 | 59,88 |
| 46. | JSC «Tulskie main networks company» | 49 | 49 |
| 47. | JSC «Tumenskaya main networks company» | 100 minus 1 share | 100 minus 1 share |
| 48. | JSC «Udmurskie main networks» | 49 | 55,39 |
| 49. | JSC «Khakasskaya main network» | 100 minus 1 share | 100 minus 1 share |
| 50. | JSC «Chelyabinskie main power networks» | 49 | 58,06 |
| 51. | JSC «Chuvashskie main networks» | 100 minus 1 share | 100 minus 1 share |
| 52. | JSC «Yaroslavskie main networks » | 47,36 | 59,81 |
| 53. | JSC "CC of Power" | 50 | 50 |
| 54. | JSC "SANGTUDINSKAYA hps-1" | 21,16 | 21,16 |

Share of JSC «FGC UES» in authorised capitals and voting shares of joint-stock companies on the 31-st of December, 2006

The information which is subject to disclosing according to the current legislation of the Russian Federation «About securities»

The message on an essential fact “Data on release by the emitter of securities”

1. The general data

- 1.1. The full company name of the emitter joint-stock company «Federal network company of the Uniform power system»
- 1.2. The reduced company name of the emitter JSC «FGC UES»
- 1.3. The location of the emitter 117630, Moscow, street of Academician Chelomeya, 5a
- 1.4. ОГРН the emitter 1024701893336
- 1.5. the VAT of the emitter 4716016979
- 1.6. The unique code of the emitter appropriated by registering body 65018-D
- 1.7. The address of Internet page used by the emitter for disclosing of the information www.fsk-ees.ru
- 1.8. The name of the periodic printing edition (editions) used by the emitter for publication of the information the newspaper of "Izvestiya" (the Moscow release), «the Appendix to Vestnik of FSFM»

1.9. An essential fact code 0565018D27012006

2. The message content

2.4. Data on the state registration of the report on results of securities release:

- 2.4.1. A kind, a category (type), a series and other identification signs of securities: documentary percentage unconvertible bearer bonds with the obligatory centralised storage of a series 03 (further - Bonds).
- 2.4.2. Repayment term - in 1 092nd day (One thousand ninety second) day from a date started of placing of Bonds.
- 2.4.3. State registration number of release of securities and date of the state registration - 4-03-65018D dtd 24.11.05
- 2.4.4. The name of the registering body which carried out the state registration of release of securities - FSFM of Russia.
- 2.4.5. Quantity of the placed securities and a face-value of each valuable paper - 7 000 000 (Seven millions) pieces; a face-value 1 000 (One thousand) roubles for everyone.
- 2.4.6. A share of actually placed securities from total of securities of the release which was subject to placing - 100 %.
- 2.4.7. A way of placing of securities - an open subscription.
- 2.4.8. Date of the actual beginning of placing of securities: on the 16-th of December, , 2005.
- 2.4.9. Date of the actual termination of placing of securities: on the 16-th of December, 2005.
- 2.4.10. Date of the state registration of the report on results of release of securities - on the 24-th of January, 2006.
- 2.4.11. The name of the registering body which carried out the state registration of the report on results of securities release - FSFM of Russia.
- 2.4.12. The fact of registration of the prospectus of securities simultaneously with the state registration of release of these securities - the prospectus of securities is registered simultaneously with the state registration of release of these securities.
- 2.4.13. An order of providing of access to the information containing in the report on results of securities release :
In time no more than 3 days from the date of reception by the Emitter of the notice in writing of registering body about the state registration of the report on results of securities release of the Emitter publishes the text of the registered report on results of release of securities on page in Internet (www.fsk-ees.ru).
The text of the registered report on results of release of securities should be accessible on page in Internet (www.fsk-ees.ru) within not less than 6 months from the date of its publication in Internet.

From the date of the publication the message by the Emitter about the state registration of the Report on results of the securities release, all interested persons can familiarise with the text of the Report on results of release and receive its copy to following addresses:

JSC «FGC UES»

The Russian Federation, 117630, fMoscow, Academician Chelomeya street, 5a

Phone: (095 710 9037

Fax: (095 710 9696

Page in Internet: www.fsk-ees.ru

"Gazprombank" (Joint-Stock Company)

The Russian Federation 117418 Moscow, Novocheremushkinskaya street, 63

Phone: (095 913-7861

Fax: (095 719-6165

Page in Internet: <http://www.gazprombank.ru>

The emitter is obliged to give copies of the specified document to owners of securities of the Emitter and other interested persons under their requirement for a payment which is not exceeding expenses on manufacturing of such copy, in time no more than 7 days from the date of a requirement presentation.

2.4.14. The report on results of securities release was signed by the financial adviser on a securities market: the full and reduced company names of the financial adviser on a securities market, its location: joint-stock company «Investment company" Horizon ". The reduced company name: JSC" IC "Horizont»; the adress: 117884, Moscow, Nametkina street, 16.

3. The signature

3.1. The assistant chairman of Board of JSC «FGC UES»

(On the basis of the power of attorney № 80-05 dtd 26.05.2005) _____ M.J.Tuzov

3.2. On the 2-th of January, 2006

The message on an essential fact

«Data on decisions of general meetings»

1. The general data

1.1. The full company name of the emitter (for the noncommercial organisation - the name)

JSC «Federal Grid Company UES»

1.2. The reduced company name of the emitter of JSC «FGC UES»

1.3. The adress of the emitter 117630, Moscow, Academician Chelomeya street, 5a

1.4. OIIPH the emitter 1024701893336

1.5. VAT of the emitter 4716016979

1.6. The unique code of the emitter appropriated by registering body 65018-D

1.7. The page address in Internet used by the emitter for disclosing of the information www.fsk-ees.ru

1.8. The name of the periodic printing edition (editions) used by the emitter for publication of the information «the Appendix to Bulletin of FSFN»

1.9. A code (codes) of an essential fact (facts) 1065018D01032006

2. The message content

2.1. A general meeting kind: extraordinary (according to item 11.1 of article 11 of the Charter of JSC «FGC UES» function of general meeting of shareholders of JSC «FGC UES» executes by the Board of directors of JSC RAO "UES of Russia").

2.2. The form of carrying out of general meeting: joint presence.

2.3. Date and a place of carrying out of general meeting: 26.02.2006, a place of carrying out of meeting: Moscow, Vernadsky's avenue, 101, a building 3.

2.3. Quorum of general meeting: in voting 12 of 15 members of Board of directors of JSC RAO "United Power Systems" took part, the quorum for decision-making is available.

2.4. The questions put on voting, and results of voting by them:

Performance of functions of general meeting of shareholders of JSC «FGC UES».

Voting results: pro - 12 voices;

Contra - 0 voices;

"refrained" - 0 voices.

It was accepted the majority of voices.

2.5. Formulations of the decisions accepted by general meeting: to bring in the Charter of JSC «FGC UES» changes and additions according to the appendix to the present decision.

3. The signature

3.1. The assistant

The chairman of Board of JSC «FGC UES» M.J.Tuzov

(On the basis of the power of attorney № 80-05 dtd 26.05.2005)

3.2. On the 1-st of March, 2006 .

The message on an essential fact

“Data on release by the emitter of securities”

1. The general data

1.1. The full company name of the emitter (for the noncommercial organisation - the name) joint-stock company «Federal grid company of the Uniform energy system»

1.2. The reduced company name of the emitter JSC «FGC UES»

1.3. The address of the emitter 117630, Moscow, Academician Chelomeya street, 5a

1.4. OIIPH of the emitter 1024701893336

1.5. INN of the emitter 4716016979

1.6. The unique code of the emitter, appropriated by registering body 65018-D

1.7. The page address in Internet, used by the emitter for disclosing of the information www.fsk-ees.ru

1.8. The name of the periodic printing edition (editions) used by the emitter for publication of the information «the Appendix to Vesnic of FSFN»

1.9. A code (codes) of an essential fact (facts) 0565018D27032006

2. The message content

2.2. Data on the state registration of securities release:

2.2.1. A kind, a category (type), a series and other identification signs of securities: ordinary nominal paperless shares.

2.2.2. Repayment term: it is not underlined for a share issue

2.2.3. State registration number of release of securities and date of the state registration: 1-01-65018-D-001D dtd 21.03.2006

2.2.4. The name of the registering body which carried out the state registration of securities release: Federal service on the financial markets.

2.2.5. Quantity of placed securities and a face-value of each placed valuable paper: 160 000 000 000 (Hundred sixty billions) pieces a face-value 50 (fifty) copecks everyone.

2.2.6. A way of securities placing: the closed subscription, a circle of potential purchasers: JSC RAO "UES of Russia".

2.2.7. Granting to shareholders (participants) of the emitter and-or other persons of the right of priority of acquisition of securities: the Right of priority of acquisition is not provided by shareholders of release securities because there are no the shareholders who were voting against or not accepting participations in voting of placing by means of the closed subscription of ordinary registered stocks.

2.2.8. The price of placing of securities or an order of its definition: the Price of placing - 50 (fifty) copecks for each ordinary registered stock of release.

The price of placing of additional ordinary registered stocks remains invariable for the purchaser of share during all term of placing.

2.2.9. Term of placing of securities or an order of its definition:

Placing date started, or order of its definition:

The next day after the state registration of securities realize.

Placing date closed, or order of its definition:

Date of entering into the register of owners of shares of the Society of record about transition of the property right to last action of release to the purchaser, but not later than 1 (one) year from the date of the state registration of additional release of securities. In a case if this date is necessary on a day off the placing date closed considers the next working day following it.

2.2.10. The emitter does not register the prospectus of securities.

3. The signature

3.1. Acting Chairman of the Board of JSC «FGC UES» _____ A.N.Chistjakov

3.2. On the 27-th of March, 2006

The message on data,

Which can make essential impact on cost of securities of joint-stock company

1. The general data

1.1. The full company name of the emitter joint-stock company «Federal grid company of the Uniform energy system»

1.2. The reduced company name of the emitter of JSC «FGC UES»

1.3. The address of the emitter 117630, Moscow, Academician Chelomeya street, 5a

1.4. OIIPH of the emitter 1024701893336

1.5. INN of the emitter 4716016979

1.6. The unique code of the emitter appropriated by registering body 65018-D

1.7. The page address in the network the Internet used by the emitter for disclosing of the information www.fsk-ees.ru

1.8. The name of the periodic printing edition (editions) used by the emitter for publication of the information «the Appendix to Vestnik of FSFN»

2. The message content

The information about the decision on creation of branches, accepted by JSC «FGC UES»

Date of carrying out of Board of directors session on which the corresponding decision was accepted: 04.04.2006;

Date of drawing up and number of the report of session of Board of directors on which the corresponding decision was accepted: the report dtd 04.04.2006 № 33;

The content of the decision, accepted by Board of directors:

1. To create the following branches of JSC «FGC UES»:

§ Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of Siberia,

§ Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of Volga,

§ Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of the South,

§ Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of Urals Mountains and Western Siberia,

§ Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of the Northwest.

2. To rename Branch of JSC "FGC UES" - East industrial-repair enterprise of the main electric networks in Branch of JSC «FGC UES» on maintenance service and repair of the main electric networks of the East.

3. To make changes to Charter of JSC «FGC UES», connected with creation and renaming of branches of JSC«FGC UES».

3. The signature

3.1. The assistant

The chairman of Board

JSC «FGC UES»

(On the basis of the power of attorney № 80-05 dtd 26.05.2005) _____ M.J.Tuzov

3.2. On the 4-th of April, 2006

The message on data,

Which can make essential impact on cost of securities of joint-stock company

1. The general data

- 1.1. The full company name of the issuer joint-stock company «Federal grid company of the Uniform energy system»
- 1.2. The reduced company name of the issuer of JSc «FGC UES»
- 1.3. The address of the issuer 117630, Moscow, Academician Chelomeya street, 5a
- 1.4. OGRN of the issuer 1024701893336
- 1.5. INN of the issuer 4716016979
- 1.6. The unique code of the issuer, appropriated by registering body 65018-D
- 1.7. The page address in the network the Internet used by the issuer for disclosing of the information www.fsk-ees.ru
- 1.8. The name of the periodic printing edition (editions) used by the issuer for publication of the information «the Appendix to Vestnik of FSFN»

2. The message content

About acquisition by joint-stock company of a share of participation in the authorised capital of other commercial organisation making not less of 5 percent, or shares of ordinary actions of other joint-stock company, a component not less than 5 percent, and also about changes of such share if thus it becomes above or more low 5, 10, 15, 20, 25, 30, 50 and 75 percent

The full company name, the location of the commercial organisation, share of participation in the authorised capital (ordinary shares) which is got by JSC «FGC UES»: joint-stock company HPS «Sangtudinsky -1» (JSC«Sangtudinsky ГЭС-1»), Republic Tajikistan, 734026, of Dushanbe, I.Somoni's street, 64. The society is the non-resident, is created under the Republic Tajikistan legislation.

Share of participation of JSC «FGC UES» in the authorised capital of the specified organisation before change: 0 %, a share of ordinary actions of such joint-stock company belonging to it before change: 0 %

Share of participation of JSC «FGC UES» in the authorised capital of the specified organisation after change: 14,91 %, also a share of ordinary shares belonging to it after change: 14,91 %

Date in which the joint-stock company has learnt about approach of the specified event: 05.05.2006 (the Agency letter under securities and foreign investments at the Ministry of Finance of Republic Tajikistan of JSC«Sangtudinsky HPS-1» № 425-D-55 dtd 05.05.2006)

Date from which the share of participation of JSC «FGC UES» in the authorised capital of the specified organisation changed: 12.04.2006

In case if change of a share of actions of other joint-stock company belonging to joint-stock company occurs as a result of placing of additional shares of such joint-stock company, disclosing of data is carried out after the state registration of the report on results of a share issue of such joint-stock company: Change of a share of belonging to JSC «GSC UES» shares of JSC «Sangtudinskaya HPS-1» occurred as a result of placing of additional shares of JSC «Sangtudinskaya HPS-1». According to the law of Republic Tajikistan dtd 08.12.2003 № 68 «About securities and stock exchanges», release of securities is considered taken place in case within 10 working days, since the day following day of representation of the report on results of securities release in registering financial body, this body didn't not informed on a recognition of release of securities are not taken place. The report on results of securities release of JSC «Sangtudinsky HPS-1» was presented to registering organ 17.04.2006.

3. The signature

3.1. The vice-president of Board

JSC «FGC UES» _____ D.V.Vinogradov

3.2. On the 5-th of May, 2006

The message on data,

Which can make essential impact on cost of securities of joint-stock company

1. The general data

- 1.1. The full company name of the issuer joint-stock company «Federal network company of the Uniform energy system»
- 1.2. The reduced company name of the issuer JSC «FGC UES»
- 1.3. The address of the issuer 117630, Moscow, Academician Chelomeya street, 5a
- 1.4. OGRN of the issuer 1024701893336

- 1.5. INN of the issuer 4716016979
- 1.6. The unique code of the issuer, appropriated by registering body 65018-D
- 1.7. The page address in Internet used by the issuer for disclosing of the information www.fsk-ees.ru
- 1.8. The name of the periodic printing edition (editions) used by the issuer for publication of the information «the Appendix to Vestnik of FSFN»

2. The message content

About acquisition by joint-stock company of a share of participation in the authorised capital of other commercial organisation making not less than 5 percent, or shares of ordinary shares of other joint-stock company, a component not less than 5 percent, and also about changes of such share if thus it becomes low or more than 5, 10, 15, 20, 25, 30, 50 and 75 percent

The full company name, the address of the commercial organisation, share of participation in the authorised capital (ordinary actions) which was got by JSC «FGC UES»: JSC "Nurenergo" (JSC "Nurenergo"), the Chechen Republic, Grozny, Staropromyslovsky highway, 6.

Share of participation of JSC «FGC UES» in the authorised capital of the specified organisation before change: 61,54 %, a share of ordinary shares of such joint-stock company belonging to it before change: 61,54 %

Share of participation of JSC «FGC UES» in the authorised capital of the specified organisation after change: 76,99 %, also a share of ordinary shares belonging to it after change: 76,99 %

Date from which the share of participation of joint-stock company in the authorised capital of the specified organisation changed: 25.05.2006.

3. The signature

3.1. The vice-president of Board

JSC «FGC UES» _____ D.V.Vinogradov

3.2. On the 26-th of May, 2006

The message on essential facts

“Data about added and (or) the paid incomes on the valuable papers of the issuer ”

“Data on dates of performance of obligations of the issuer before owners of Securities ”

1. The general data

1.1. The full company name of the issuer joint-stock company «Federal network company of the Uniform energy system»

1.2. The reduced company name of the issuer JSC «FGC UES»

1.3. The address of the issuer 117630, Moscow, Academician Chelomeya street, 5a

1.4. OIIPH of the issuer 1024701893336

1.5. INN of the issuer 4716016979

1.6. The unique code of the issuer, appropriated by registering body 65018-D

1.7. The page address in Internet used by the issuer for disclosing of the information www.fsk-ees.ru

1.8. The name of the periodic printing edition (editions) used by the issuer for publication of the information «the Appendix to Vestnik of FSFN»

1.9. Codes of essential facts 0665018D16062006, 0965018D16062006

2. The message content

2.1. A kind, a category (type), a series and other identification signs of securities: documentary percentage unconvertible bearer bonds with the obligatory centralised storage of a series 03 (further - Bonds).

2.2. State registration number of release of securities: 4-03-65018-D, date of the state registration: 24.11.2005

2.3. The name of the registering body which carried out the state registration of release of securities: FSFN of Russia.

2.4. Controls of the issuer, made the decision on definition of the size (an order of definition of the size) percent (coupon) on bonds of the issuer: (coupon) interest rate under Bonds of a series 03 was defined according to the Decision on release of the Bonds, the confirmed Board of directors of JSC «FGC UES» (the Report dtd11.10.2005 №

- 27). The rate of the first coupon 7,10 (Seven whole ten 100-th) annual interest rates is confirmed by an individual executive office (the Chairman of Board) JSC «FGC UES».
- 2.5. Date of decision-making on definition of the size (an order of definition of the size) percent (coupon) on bonds of the issuer: 16.12.2005.
- 2.6. Date of drawing up of the report of meeting (session) of the authorised controls of the issuer on which the decision on definition of the size (an order of definition of the size) percent (coupon) on bonds of the issuer was accepted: 16.12.2005 (the Order № 330 dtd 16.12.2005).
- 2.7. The maintenance of the obligation of the issuer: income payment under the first coupon of Bonds of a series 03.
- 2.8. The general size of percent and (or) other income, subject to payment under Bonds of the issuer of a series 03 under the first coupon: 247 800 000 (Two hundred forty seven millions eight hundred thousand) roubles, and the size of percent and (or) other income, subject to payment under one Bond of the issuer of a series 03 under the first coupon: 35 (Thirty five) roubles of 40 copecks.
- 2.9. The form of payment of incomes under securities of the issuer: money resources in roubles of the Russian Federation in a non-cash order.
- 2.10. Date, in which the obligation on payment of incomes under securities of the issuer (incomes (percent, a face-value) under bonds) should be executed: 16.06.2006
- 2.11. The general size of percent and (or) other income paid under Bonds of the issuer of a series 03: 247 800 000 (Two hundred forty seven millions eight hundred thousand) roubles.
- 2.12. The fact of execution of the obligation of the issuer: the obligation is executed in full.

3. The signature

- 3.1. The first vice-president of Board
JSC «FGC UES» _____ A.N.Chistjakov
- 3.2. On the 16-h of June, 2006

The message on essential facts

“Data about added and (or) the paid incomes on the valuable

To papers of the issuer ”

“Data on dates of performance of obligations of the issuer before owners Securities ”

1. The general data

- 1.1. The full company name of the issuer joint-stock company «Federal network company of the Uniform energy system»
- 1.2. The reduced company name of the issuer JSC «FGC UES»
- 1.3. The address of the issuer 117630, Moscow, Academician Chelomeya street, 5a
- 1.4. OIIPH of the issuer 1024701893336
- 1.5. INN of the issuer 4716016979
- 1.6. The unique code of the issuer, appropriated by registering body 65018-D
- 1.7. The page address in Internet used by the issuer for disclosing of the information www.fsk-ees.ru
- 1.8. The name of the periodic printing edition (editions) used by the issuer for publication of the information «the Appendix to Vestnik of FSFN»

1.9. Codes of essential facts 0665018D16062006, 0965018D16062006

2. The message content

- 2.1. A kind, a category (type), a series and other identification signs of securities: documentary percentage unconvertible bearer bonds with the obligatory centralised storage of a series 01 (further - Bonds).
- 2.2. State registration number of release of securities: 4-01-65018-D, date of the state registration: 02.12.2004
- 2.3. The name of the registering body which carried out the state registration of release of securities: FSFN of Russia.
- 2.4. Controls of the issuer, made the decision on definition of the size (an order of definition of the size) percent (coupon) on bonds of the issuer: (coupon) interest rate under Bonds of a series 01 is defined according to the Decision on release of the Bonds, confirmed by Board of directors of JSC «FGC UES» (the Report dtd 29.10.2004 № 19). The rate of the coupon 8,80 (Eight whole eighty 100-th) annual interest rates is confirmed by an individual executive office (the Chairman of Board) JSC «FGC UES».

- 2.5. Date of decision-making on definition of the size (an order of definition of the size) percent (coupon) on bonds of the issuer: 21.12.2004.
- 2.6. Date of drawing up of the report of meeting (session) of the authorized controls of the issuer on which the decision on definition of the size (an order of definition of the size) percent (coupon) on bonds of the issuer was accepted: 21.12.2004 (the Order № 373 dtd 21.12.2004).
- 2.7. The content of the obligation of the issuer: income payment under the third coupon of Bonds of a series 01.
- 2.8. The general size of percent and (or) other income, subject to payment under Bonds of the issuer of a series 01 under the third coupon: 219 400 000 (Two hundred nineteen millions four hundred thousand) roubles of 00 copecks, and the size of percent and (or) other income, subject to payment under one Bond of the issuer of a series 01 under the third coupon: 43 (Forty three) rouble of 88 copecks.
- 2.9. The form of payment of incomes under securities of the issuer: money resources in roubles of the Russian Federation in a non-cash order.
- 2.10. Date, in which the obligation on payment of incomes under securities of the issuer (incomes (percent, a face-value) under bonds) should be executed: 20.06.2006
- 2.11. The general size of percent and (or) other income paid under Bonds of the issuer of a series 01: 658 200 000 (Six hundred fifty eight millions two hundred thousand) roubles of 00 copecks.
- 2.12. The fact of execution of the obligation of the issuer: the obligation is executed in full volume.

3. The signature

3.1. The vice-president of Board

JSC «FGC UES»

(On the basis of the power of attorney № 80-06 dtd 18.05.2006) _____ M.J.Tuzov

3.2. On the 20-th of June, 2006

The message on an essential fact

«Data on decisions of general meetings»

«Data on the added and-or paid incomes under securities of the issuer»

1. The general data

- 1.1. The full company name of the issuer joint-stock company «Federal network company of the Uniform energy system»
- 1.2. The reduced company name of the issuer JSC «FGC UES»
- 1.3. The address of the issuer 117630, Moscow, Academician Chelomeya street, 5a
- 1.4. ОГРН of the issuer 1024701893336
- 1.5. INN of the issuer 4716016979
- 1.6. The unique code of the issuer, appropriated by registering body 65018-D
- 1.7. The page address in Internet used by the issuer for disclosing of the information www.fsk-ees.ru
- 1.8. The name of the periodic printing edition (editions) used by the issuer for publication of the information «the Appendix to Vestnik of FSN»

1.9. Codes of essential facts 0665018D16062006, 0965018D16062006

2. The message content

- 2.1. A general meeting kind: annual (according to item 11.1 article 11 of the Charter of JSC «FGC UES» function of general meeting of shareholders of JSC «FGC UES» executes the Board of directors of JSC RAO "UES of Russia").
- 2.2. The form of carrying out of general meeting: joint presence.
- 2.3. Date and a place of carrying out of general meeting: 23.06.2006, Moscow, Vernadsky's avenue, 101, building 3.
- 2.4. Quorum of general meeting: in voting 14 from 15 members of Board of directors of JSC RAO "UES of Russia" took part on quorum, the quorum for decision-making is available.
- 2.5. The questions put on voting, and results of voting by them: Performance of functions of annual general meeting of shareholders of JSC «FGC UES». According to item 11.1 of article 11 of the Charter of JSC «FGC UES» function of annual general meeting of shareholders of JSC «FGC UES» executes Board of directors of JSC RAO "UES f Russia" voting results: concerning 1: it is accepted to a question 2: it is accepted единогласно to a question 3: it is accepted единогласно to a question 4: it is accepted unanimous on a question 5: it is accepted единогласно to a question 6: it is accepted единогласно to a question 7: it was accepted unanimous to a question 8: it was accepted unanimously

2.6. Formulations of the decisions accepted by general meeting. Within the limits of realisation of the above-stated functions the Board of directors of JSC RAO "UES of Russia" made following decisions:

1. To confirm the annual report of JSC «FGC UES» following the results of 2005.
2. To confirm the annual accounting reporting of JSC «FGC UES» following the results of 2005.
3. To confirm the report on profits and losses of JSC «FGC UES» following the results of 2005.
4. To confirm following distribution of profit (losses) of JSC «FGC UES» for 2005: (thousand rbl.)

Net profit (loss) of the accounting period: 1 997 066

To distribute on: Reserve fund 1 629 773

Dividends 367 293

Repayment of losses of last years -

5. To pay dividends under ordinary shares of the Society following the results of 2005 at a rate of 0,00151016 rbl. on one ordinary action of the Society in the monetary form within 60 days from the date of decision-making on their payment.

6. To elect the Board of directors of JSC «FGC UES» in following structure:

1. Khristenko Victor Borisovich, Ministry of the industry and power of the Russian Federation
2. Ajuev Boris Ilich, a member of management of JSC RAO "UES of Russia", the Chairman of Board of JSC «SO-CDC UES»
3. Voloshin Alexander Stalevich Predsedatel n of Russian Open Society "United Power Systems" Open Society
4. Gref Herman Oskarovich n n
5. Ivanov Sergey Nikolaevich 1st assistant to the General director of Concern "Rosenergoatom"
6. Ponomaryov Dmitry Valerevich NP "automatic telephone exchange"
7. Rappoport Andrey Natanovich a member of Board of JSC RAO "UES of Russia", the Chairman of Board of JSC «FGC UES»

8. Udaltsov Jury Arkadevich, a member of Board of JSC RAO "UES of Russia", the head of Control centre of reform of JSC RAO "UES of Russia"

9. Chubays Anatoly Borisovich a chairmain of Board of JSC RAO "UES f Russia"

7. To elect Revision committee of JSC «FGC UES» in following structure:

1. Sidorov Sergey Borisovich, a chief of Department of internal audit of the Corporate centre of JSC RAO "UES of Russia"
2. Morozov Michael Afanasevich, a deputy Chief of Departament of internal audit of the Corporate centre of JSC RAO "United Power Systems" - the chief of department of carrying out of audit
3. Gabov Andrey Vladimirovich, the chief of Department of a corporate governance of the Corporate centre of JSC RAO "UES of Russia"
4. Baitov Anantoliy Vaerievich the Head of Management of the financial control and internal audit of JSC «FGC UES»
5. Lelekova Marina Alekseevna, the deputy dirrector of the financial control and internal audit of JSC «FGC UES»

8. To confirm the auditor of JSC «FGC UES" Joint-Stock Company "PrajsvoterhausKupers Audit» (the licence № E000376 dtd 20.05.2002 for a period of 5 years).

2.7. A kind, a category (type), a series and other identification signs of securities: ordinary registered stocks.

2.8. State registration number of release (additional release) securities: 1-01-65018-D, date of the state registration: 10.09.2002.

2.9. The name of the registering body which has carried out the state registration of release of securities: Federal Commission on Securities of Russia.

2.10. Controls of the emitter, made the decision on payment (announcement) of dividends under shares of the emitter: general meeting of shareholders.

2.11. Date of decision-making on payment (announcement) of dividends under shares of the emitter: 23.06.2006.

2.12. Date of drawing up of the report of meeting (session) of the authorised controls of the emitter on which the decision on payment (announcement) of dividends under shares of the emitter was accepted: 26.06.2006.

2.13. The general size of the dividends added on ordinary shares of the emitter: 367 293 thousand roubles, and the size of the dividend added on one ordinary action: 0,00151016 roubles.

2.14. The form of payment of incomes under securities of the emitter: money resources.

2.15. Date in which the obligation on payment of incomes under securities of the emitter (dividends under shares, incomes (percent, a face-value) under bonds) should be executed, and in case the obligation on payment of incomes under securities should be executed the emitter during certain term (time period), - a date closed of this term: within 60 days from the date of decision-making on their payment (21.08.2006).

2.16. The general size of the dividends paid under ordinary actishares of the emitter: 0 roubles.

3. The signature

3.1. Vice-chairman of the Board of JSC «FGC UES» (on the basis of the power of attorney № 80-06 dtd 18.05.2006)

M.J.Tuzov

3.2. On the 26-th of June, 2006

The message on essential facts

**The message on data,
which can make essential impact on cost of joint-stock company securities**

1. The general data

1.1. The full company name of the emitter joint-stock company «Federal network company of the Uniform energy system»

1.2. The reduced company name of the emitter JSC «FGC UES»

1.3. The address of the emitter 117630, Moscow, Academician Chelomeya street, 5a

1.4. ОГРН of the emitter 1024701893336

1.5. INN of the emitter 4716016979

1.6. The unique code of the emitter, appropriated by registering body 65018-D

1.7. The page address in Internet used by the emitter for disclosing of the information www.fsk-ees.ru

1.8. The name of the periodic printing edition (editions) used by the emitter for publication of the information «the Appendix to Vestnik of FSFN»

1.9. Codes of essential facts 0665018D16062006, 0965018D16062006

2. The message content

About acquisition by joint-stock company of a share of participation in authorised capital (share fund) other commercial organisation making not less of 5 percent, or a share of ordinary share of other joint-stock company, a component not less than 5 percent, and also about changes of such share if thus it becomes above or more low 5, 10, 15, 20, 25, 30, 50 and 75 percent.

The full company name, the location of the commercial organisation, share of participation in the authorised capital (ordinary shares) which was got by joint-stock company,

Share of participation of joint-stock company in the authorised capital of the specified organisation before change, and also a share of ordinary share of such joint-stock company belonging to it before change, Share of participation of joint-stock company in the authorised capital of the specified organisation after change, and also a share of ordinary shares of such joint-stock company belonging to it after changes:

| The full company name | adress | Share of patisipation in the authorized capital | Share of ordinary shares before chanes | Share of participation in the authorized capital after changes | Share of ordinary shares after changes |
|---|---|---|--|--|--|
| JSC “Arkhangelskaya main network company” | The Russian Federation, Arkhangelsk, Surovo street, 35. blt 1 | 0 | 0 | 49,000% | 59,050% |
| JSC “Astrakhanskie main networks” | 414032, Astrakhan, Kramatorskaya, 204 | 0 | 0 | 48,663% | 48,663% |
| JSC “Belgorodskaya main networks company” | The Russian Federation, Belgorod, Kommunistichskay a street, 42 | 0 | 0 | 49,000% | 65,293% |
| JSC “Bryanskaya | The Russian | 0 | 0 | 49,000% | 65,223% |

| | | | | | |
|---|---|---|---|---------------------------|------------------------|
| main network company” | Federation, Bryansk, Krasnoarmeyskaya , 138 | | | | |
| JSC “Vladimirskie main networks” | Russia, Vladimir, Bolshaya Nizhegorodskaya, 108 | 0 | 0 | 49,000% | 49,000% |
| JSC “Volgogradskie main networks” | Russia Federation, 400066, Volgograd, Lenina lane, 15 | 0 | 0 | 48,989% | 61,329% |
| JSC “Vologodskie main networks” | 160022, Russian Federation, Vologodskaya area, Vologda, Peshehodnoye high way, 40-a | 0 | 0 | 49,000% | 49,000% |
| JSC “Voronezhskaya main network company” | Russian Federation, 394033, Voronezh, Arzamasskaya, 2 | 0 | 0 | 49,011% | 65,348% |
| JSC “Dagestanskiya main networks” | The Russian Federation, Makhachkala, Dakhadaeva, 73 a | 0 | 0 | 51,000% | 51,000% |
| JSC “Ivanovskiye main networks” | The Russian Federation, Ivanovo, Kalinina, 9/21 | 0 | 0 | 49,659% | 56,546% |
| ОАО «Калужская магистральная сетевая компания» JSC “Kaluzhskaya main networks” | The Russian Federation 248009, Kaluga, Grabtsevskoye high way, 35 | 0 | 0 | 52,251% | 52,251% |
| ОАО «Карельские магистральные сети» JSC “Karelskie main networks” | Petrozavodsk | 0 | 0 | 100,000% Minus 1 share | 100,000% minus 1 share |
| JSC “Kirovskie main power networks” | The Russian Federarion , Kirov (area) Drelevskogo, 51 | 0 | 0 | 48,173% | 63,959% |
| JSC “Kolskiye main networks” | 184355, Murmanskaua area, Murmashi, Kirova, 2 | 0 | 0 | 49,205% | 65,517% |
| ОАО «Костромские магистральные сети» JSC “Kostromskie main networks” | The Russian Federarion, Kostroma, Mira lane, 53 | 0 | 0 | 49,000% | 65,333% |
| JSC | 660021, | 0 | 0 | 51,678% | 66,330% |

| | | | | | |
|---|---|---|---|----------------------|------------------------|
| “Krasnoyarskie main networks” | The Russian Federation, Krasnoyarsk, Bograda, 144A | | | | |
| ОАО «Курские магистральные сети» JSC “Kurskie main networks” | The Russian Federation, 305029, Kursk, Marksa, 27 | 0 | 0 | 49,000% | 59,469% |
| JSC “Lipetskie main netorks” | The Russian Federation, 398001, Lipetsk, Sovetskaya, 66 | 0 | 0 | 49,017% | 49,017% |
| JSC “Main network company Rostovenergo” | The Russian Federation, 344064, Rostov-na-Donu, Radiatorniy, 10 | 0 | 0 | 48,428% | 62,757% |
| JSC “Main network company” | 115035 Moscow, Raushskaya wharf, 8 | 0 | 0 | 50,901% | 50,901% |
| JSC “Mariyskie main networks” | The Russian Federation, Republic Mari-El, Ioshkar-Ola, Kokshayskiy alley, 45 | 0 | 0 | 64,437% | 70,070% |
| JSC “Mordovskaya main network company” | Republic Mordoviya, Saransk, Lenina lane, 50 | 0 | 0 | 53,141% | 53,141% |
| JSC “Nezhegorodskaya main network company” | The Russian Federation, Nizhniy Novgorod, Rozhdestvenskaya, 33 | 0 | 0 | 49,000% | 62,296% |
| JSC “Orenburgskie main power netwrk” | The Russian Federation, Orenburg, Manezhnaya, 26 | 0 | 0 | 100,000% минус акция | 100,000% минус 1 акция |
| JSC “Orlovskaya main network company” | The Russian Federation, 302030, Oryol, Mira square, 2 | 0 | 0 | 49,000% | 60,347% |
| JSC “Penzenskaya main network company” | 442336, Russia, Penzenskaya area, Salovka, Sb-500 kv, “Penza – 2”, building of cambina” | 0 | 0 | 49,000% | 60,206% |
| JSC “Permskaya main network company” | the Russian Federation, Perm, Komsomolskiy prospect, 48 | 0 | 0 | 49,000% | 64,363% |
| JSC “Peterburgskie main networks” | The Russian Federation, St. | 0 | 0 | 49,000% | 57,400% |

| | | | | | |
|--|--|---|---|------------------------------|---------------------------|
| | Petersburg, Marsovo field, 1 | | | | |
| JSC "Ryazanskie main networks" | Ryazan, Stroykova, 39 | 0 | 0 | 49,000% | 49,000% |
| JSC "Sverdlovskie main networks" | 620017, The Russian Federation, Ekaterinburg, Kosmonavtov, 17a | 0 | 0 | 49,000% | 65,333% |
| JSC "Smolenskie main power networks" | Smolenskaya area, Yarstevo, Octyaberskaya, 4 | 0 | 0 | 48,680% | 59,260% |
| JSC "Tambovskaya main network company" | Tambov, Sovetskaya,22 | 0 | 0 | 49,013% | 56,014% |
| JSC "Tverskie main networks" | 170006, г. Тверь, ул. Бебеля, д.1 Tver, bebelya street,1 | 0 | 0 | 49,000% | 65,333% |
| JSC "Tomskie main networks" | 634041, Tomsk, Kirova, 36 | 0 | 0 | 52,025% | 59,881% |
| JSC "Tulskaya main networks" | 300600, Tula, Timiryazevskaya, 101-a | 0 | 0 | 49,000% | 49,000% |
| JSC "Tyumenskaya main network company" | The Russian Federation, Tumen, Daudelnaya, 44 | 0 | 0 | 100,000% минус 1 акция | 100,000% минус 1 акция |
| JSC "Udmurtskie main network" | Российская Федерация, г. Ижевск, Воткинское шоссе, д. 105 The Russian Federation, Izhevsk, Votkinskoye high way, 105 | 0 | 0 | 49,000% | 55,391% |
| JSC "Khakasskaya main networks" | The Russian Federation, Republic Khakassia, Sayanogorsk, Uspenskogo, 6 | 0 | 0 | 100,000% минус 1 акция | 100,000% минус 1 акция |
| JSC "Chelyabinsk main network company" | 454000, Chelyabinsk, Revolution square, 5 | 0 | 0 | 49,000% | 58,059% |
| JSC "Chuvashskie main networks" | Chuvashskaya republic, Kanash, Zheleznodorozhnyaya, 267 a | 0 | 0 | 100,000% minus 1 share | 100,000% minus 1 share |
| JSC "Yaroslavskie main networks" | Yaroslavl', Octyabrya avenue, 42 | 0 | 0 | 47,357% | 59,808% |

the date, from which the share of participation of joint stock company in the authorized capital of the specified organization: 04.08.2006

3. Signature

Deputy Chairman of the Board of JSC "FGC UES"

3.1. On the basis of power of attorney № 80-06 dtd 18.05.2006) _____ M.Y. Tuzov

3.2. «04» august 2006

The message on essential facts

"Data about added and (or) paid incomes on the valuable

To papers of the emitter "

"Data on dates of obligations execution of the emitter before Securities owners "

1. The general data

1.1. The full company name of the emitter joint-stock company «Federal network company of the Uniform energy system»

1.2. The reduced company name of the emitter JSC «FGC UES»

1.3. The address of the emitter 117630, Moscow, Academician Chelomeya street, 5a

1.4. OGRN of the emitter 1024701893336

1.5. INN of the emitter 4716016979

1.6. The unique code of the emitter, appropriated by registering body 65018-D

1.7. The page address in Internet used by the emitter for disclosing of the information www.fsk-ees.ru

1.8. The name of the periodic printing edition (editions) used by the emitter for publication of the information «the Appendix to Vestnik of FSFN»

1.9. Codes of essential facts 0665018D16062006, 0965018D16062006

2. The message content

2.1. A kind, a category (type), a series and other identification signs of securities: documentary percentage unconvertible bearer bonds with the obligatory centralised storage of a series 02 (further - Bonds)

2.2. State registration number of release of securities: 4-02-65018-D, date of the state registration: 11.05.2005

2.3. The name of the registering body which carried out the state registration of release of securities: FSFN of Russia.

2.4. Controls of the emitter, made the decision on definition of the size (an order of definition of the size) percent (coupon) on bonds of the emitter: (coupon) interest rate under Bonds of a series 02 is defined according to the Decision on release of the securities, the confirmed Board of directors of JSC «FGC UES» (the Report № 21 dtd 21.03.2005). The rate of the coupon 8,25 (Eight whole twenty five 100-th) annual interest rates is confirmed by an individual executive office (the Chairman of Board) JSC «FGC UES».

2.5. Date of decision-making on definition of the size (an order of definition of the size) percent (coupon) on bonds of the emitter: 28.06.2005.

2.6. Date of drawing up of the report of meeting (session) of the authorised controls of the emitter on which the decision on definition of the size (an order of definition of the size) percent (coupon) on bonds of the emitter was accepted: 28.06.2005 (the Order № 151 dtd 28.06.2005).

2.7. The maintenance of the obligation of the emitter: income payment under the third coupon of Bonds of a series 02.

2.8. The general size of percent and (or) other income, subject to payment under Bonds of the emitter of a series 02 under the third coupon: 287 980 000 (Two hundred eighty seven millions nine hundred eighty thousand) roubles of 00 copecks, and the size of percent and (or) other income, subject to payment under one Bond of the emitter of a series 02 under the third coupon: 41 (Forty one) rouble 14 copecks.

2.9. The form of payment of incomes under securities of the emitter: money resources in roubles of the Russian Federation in a non-cash order.

2.10. Date, in which the obligation on payment of incomes under securities of the emitter (incomes (percent, a face-value) under bonds) should be executed: 26.12.2006

2.11. The general size of percent and (or) other income paid under Bonds of the emitter of a series 02: 863 940 000 (Eight hundred sixty three million nine hundred forty thousand) roubles of 00 copecks.

2.12. The fact of execution of the obligation of the emitter: the obligation is executed in full volume.

3. The signature

3.1. The vice-president of Board of JSC «FGC UES»

(On the basis of the power of attorney № 80-06 dtd 18.05.2006) _____ M.J. Tuzov

3.2. On the 26-th of December, 2006

The address: 117630, Moscow, street Academician Chelomeya, 5A
The post address: 117630, Moscow, street Ak. Chelomeya street, 5A

Phone: 710-90-00 Факс: 710-96-55

E-mail: info@fsk-ees.ru <<mailto:info@fsk-ees.ru>>

Data on the auditor (auditors) of the emitter

On annual general meeting of shareholders JSC «FGC UES», took place 23.06.2006, the auditor of a society for the period before following annual general meeting of shareholders was confirmed Joint-Stock Company "PricewaterhouseCoopers" Audit.

Full and reduced company organisation names:

Joint-Stock Company «PricewaterhouseCoopers Audit»

ZAO "PricewaterhouseCoopers Audit"

Site: 115054 Kosmodamianskaya emb., 52., bld. 5.

Phone number and a fax: Tel (095 967 6000, a fax (095 967 6001.

E-mail address - [www.pwc](http://www.pwc.com) <[http://www.pwc](http://www.pwc.com)>.com

Number, date of delivery and term of the licence for realisation of the auditor activity, the organ which granted the specified licence:

The licence for realisation of auditor activity - E000376, the Order of

The Ministries of Finance of the Russian Federation № 98 dtd the 20-th of May, 2002 for the term of five years from the specific date.

Data on the appraiser of the emitter

For revaluation of the basic means as of 31.12.2006г. With the emitter - a society with limited liability the independent appraiser was involved "(JSC" Co-INVEST ").

The address of the appraiser - 117133, Moscow, Ak Vargy street, 22- 20

Ph. 133-25-31, fax 133-25-98

E-mail address - info@coinvest.ru <<mailto:info@coinvest.ru>>

Number, date of licensing for realisation of estimated activity - №000025 dtd 06.08.2001.

Licence period of validity - 01.07.2007г.

The agency which granted the specified licence - the Ministry of property relations of the Russian Federation.

The information on services in an estimation, rendered by the appraiser - the appraiser was made work by definition of regenerative cost of the basic means of JSC «DGC UES» as of 01.01.2007, the full sum of expenses which their proprietor for the

purpose of restoration (replacement) by their similar new basic means for the market prices operating for date of carrying out of revaluation according to the Order of the Ministry of Finance of the Russian Federation dtd 30.03.2001 № 26H.

Data on the registrar

The person who is carrying out conducting of the register of owners of nominal securities of the emitter (the emitter, the registrar) - joint-stock company «Central Moscow Depository» (JSC "CMD")

The Adress: 105082, Moscow, B.Pochtovaja's street, 34, bld. 8

The post address: 107078, the Russian Federation, Moscow, Orlikov lane, 3, a building B

Ph.: (095 221-13-33 Fax: (095 221-13-83

E-mail address: mcdepo@dol.ru <mailto:mcdepo@dol.ru>

The licence:

Licence number: 10-000-1-00255

Delivery date: 13.09.2002

Period of validity: it is not established

The agency which granted the licence: the Federal commission on a securities market
Date, from which conducting the register of nominal securities of the emitter, is carried out by the specified registrar: 27.11.2002