

# ELECTRICITY DELIVERY

## 22.6 bln kWh

of the Company's electricity transmission services (+3.1% vs. 2022)

## 9.49 %

electricity transmission losses in the Company's grids in 2023

## Key indicators

### Results of the Company's production activities for 2021–2023

Indicator	2021	2022	2023	Change 2023/2022 (%)
Delivery to the grid, mln kWh	25,221.7	26,062.3	26,860.4	+3.1%
Electricity delivered from the grid to customers and related territorial grid organisations within the area of balance and operational responsibility, mln kWh	22,719.6	23,582.8	24,312.0	+3.1%
<b>Losses of electricity in transmission:</b>				
mln kWh	2,502.1	2,479.5	2,548.4	+2.8%
%	9.920	9.514	9.488	-0.03 p.p.
<b>Volume of electricity transmission services provided:</b>				
mln kWh	21,004.5	21,947.8	22,624.4	+3.1%
RUB mln	54,526.3	61,452.9	71,207.1	+15.9%

The Company's operations in 2023 resulted in total volume of electricity transmission services of 22,624 million kWh, up 677 million kWh, or 3.1% year-on-year.

## -0.03 p. p.

year-on-year reduction in the relative level of losses. The loss rate for the year was met

In the reporting year, actual electricity losses in the power grids of Rosseti Kuban amounted to 2,548 million kWh, or 9.49% of the delivery to the grid.



Every year, loss reduction actions are taken in order to satisfy the predetermined parameters.



Rosseti Kuban's core business is associated with the delivery and distribution of electricity to customers via 110 kV or below voltage grids. The Company's share in the regional electricity transmission market in 2023 was 77.1% (of the regional required gross revenue).

In 2023, electricity transmission losses in the Company's grids totalled 9.49%, which is 0.39 p.p. lower than the value set by the business plan.

In 2023, the loss reduction efforts had an effect of 42 million kWh.

**OLEG NISHCHUK**

Deputy General Director for Service Sales

## Electricity loss reduction measures

Reducing electricity losses is one of the Company's primary activities.

In the future, the efforts in this area will be continued.

By year-end 2023, the effect of steps taken to reduce electricity transmission losses totalled 42 million kWh (RUB 224 million), including:

- Organisational measures — 37 million kWh (RUB 199 million)
- Technical measures — 6 million kWh (RUB 25 million)

## 42 mln kWh

of electricity worth RUB 224 mln saved in 2023 due to loss reduction measures



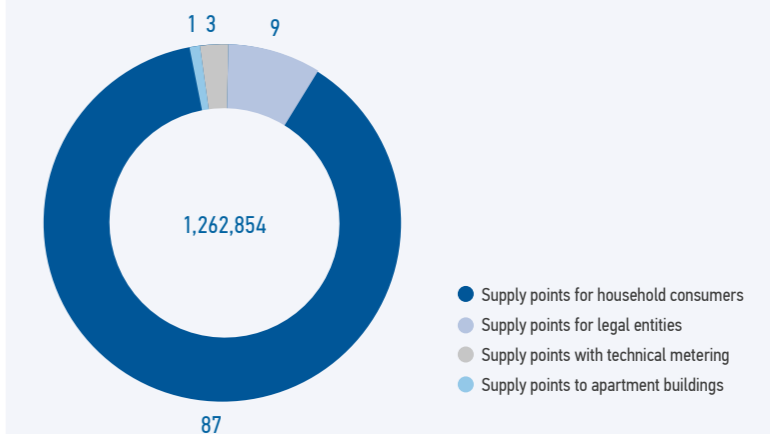
The electricity loss reduction programme was implemented, and the programme's target — level of electricity losses — was achieved.

## Electricity metering

As of the end of the reporting year, there are 1,262,854 power supply points in the Company's area of operations.

Pursuant to Federal Law No. 522-FZ "On Amending Certain Legislative Acts of the Russian Federation in Connection with the Development of Electricity (Capacity) Metering Systems in the Russian Federation" dated 27 December 2018, the Concept for the Development of Smart Metering of Electricity of Rosseti, PJSC in the Retail Markets approved by the decision of the Management Board of Rosseti, PJSC (Minutes No. 885pr/1 dated 26 June 2019), the Company takes measures to develop smart electricity metering by replacing (installing, verifying) metering devices.

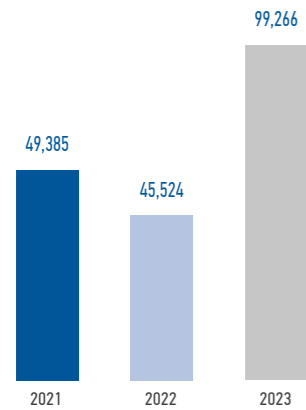
### Structure of electricity supply points to the Company's consumers (%)



## Results of the smart metering development programme in 2021–2023, metering points

Indicator	2021	2022	Plan 2023	Actual 2023
<b>Volumes of implementation (introduction, fulfilment) of measures, including:</b>	<b>49,385</b>	<b>45,524</b>	<b>55,893</b>	<b>99,266</b>
Installation/replacement of technical electricity meters	2,646	1,950	0	0
Installation/replacement of commercial electricity meters within the grid connection framework, under the Investment Programme	20,389	27,890	22,589	27,745
Installation/replacement of commercial electricity meters in case of absence or breakdown, or expiry of the calibration interval/service life of meters, under the Investment Programme	6,221	8,386	12,836	14,889
Installation/replacement of commercial electricity meters in case of absence or breakdown, or expiry of the calibration interval / service life of meters, under the Repair Programme	6,848	7,298	9,216	27,210
Installation/replacement of electricity meters under energy service agreements	13,281	0	0	12,183
Verification of fiscal electricity metering devices upon expiry of their verification interval under operating activities	0	0	11,252	17,239

Delivery on measures of the smart metering development programme (metering points)



**2,276.65**  
RUB mln

expenses for measures to replace (install, verify) electricity metering devices in 2023 (excl. VAT)

**453,573**  
smart meters

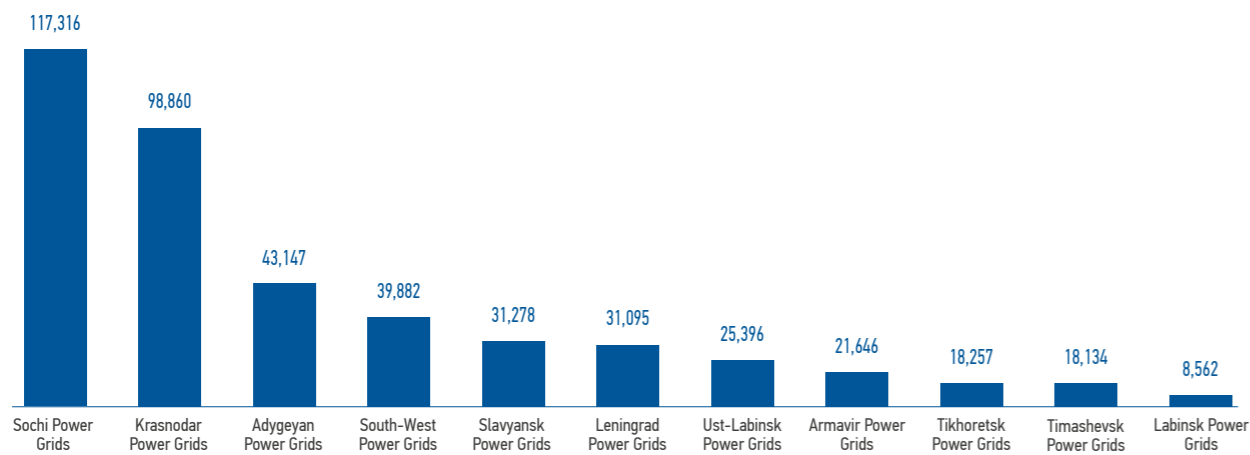
installed by the end of 2023 (36.24% of the total number)

**73,171**  
electricity meters

were automated in 2023

As of 31 December 2023, the amount of electricity metering devices with remote data collection was 453,573, or 36.24% of the total number of supply points. In 2023, 73,171 electricity metering devices were automated.

Total automated metering devices with remote data collection as of 31 December 2023 by branches of Rosseti Kuban, PJSC



In 2024, it is planned to continue the installation/replacement and automation of commercial electricity meters in the absence, breakdown, expiry of the calibration interval / service life

of electricity meters, as well as during grid connection, in order to create a smart electricity metering system to meet the requirements of the Federal Law "On Amending Certain Legislative Acts

of the Russian Federation in Connection with the Development of Electricity (Power) Metering Systems in the Russian Federation" No. 522-FZ dated 27 December 2018.

# GRID CONNECTION SERVICES



The Company supervises the execution of the grid connection procedure at all its stages and levels and implements organisational and technical corrective actions in order to ensure quick processing of applications and completion of grid connection agreements.

Given the well-established cooperation between utility providers and regional and local authorities, the Company will continue to work on continuous improvement of its grid connection performance going forward, thus strengthening its image as a customer-oriented company.

**ALEXANDER CHEPUSOV**  
Deputy General Director for Development and Power Grid Connection

Based on the 2023 results, the approved grid connection targets were over-achieved over the year. The demand for grid connections has continued to be quite strong. In the reporting period — on average, at least 40,000 applications are received per year. the Company concluded more than 32,000 contracts for grid connection with a total capacity of more than 859 MW, 35,000 contracts were executed for a connected capacity of 845 MW.

Rendering high-quality services for applicants, ensuring the availability of the electric power infrastructure in terms of grid connection of consumers, developing the power grid complex, and eliminating power grid restrictions for grid connection of new consumers and providing high-quality and reliable power supply to existing electricity consumers are the near-term grid connection goals of Rosseti Kuban.

**>32,000**

grid connection contracts concluded

**35,000**

contracts executed

**845** MW

of connected capacity (+140% vs. plan, +6% vs. 2022)

The key documents, which regulate the Company's activities related to grid connection of consumer terminals (power installations) of legal entities and individuals to Rosseti Kuban's power grids:

- Federal Law No. 35-FZ "On Electric Power Industry" dated 26 March 2003
- Rules for Grid Connection of Consumer Terminals of Electricity Consumers, Generating Facilities and Grid Facilities Owned by Grid Organisations and Other Entities to Power Grids approved by Decree No. 861 of the Government of the Russian Federation dated 27 December 2004
- Decree of the Government of the Russian Federation On Pricing in the Field of Regulated Prices (Tariffs) in the Electric Power Industry No. 1178 dated 29 December 2011
- Order of the Federal Antimonopoly Service (FAS) of Russia "On Approval of the Guidelines for Determining the Grid Connection Fee" No. 490/22 dated 30 June 2022

A complete list of regulatory legal documents, detailed information on the grid connection procedure in Rosseti Kuban is publicly available on the Company's website [www.rosseti-kuban.ru](http://www.rosseti-kuban.ru) in the To Consumers / Grid Connection section.

Changes in indicators on grid connection of consumers for 2021–2023 are given in Appendix 6 to this Report.