



ELECTRICITY TRANSMISSION

FY 2016 operating performance

	Total supply, kWh	Net supply*, kWh	Losses	
			kWh	%
Permenergo	17,733,536,695	15,798,258,738	1,935,277,957	10.91
Sverdlovenegero	29,371,150,416	27,588,004,433	1,783,145,983	6.07
Chelyabenergo	20,939,564,238	19,321,432,556	1,618,131,682	7.73
IDGC of Urals	68,044,251,349	62,707,695,727	5,336,555,622	7.84

* Electricity supply to consumers and regional grid operators at the boundaries of operational responsibility area

In 2016 the Company's net supply to consumers and regional grid operators at the boundaries of operational responsibility area amounted to 62,707 million kWh (-1,484 million kWh or -2.31% YoY, if compared to FY2015 64,192 million kWh transmission). Key factor of the decline is reduced con-

sumption of the following large-scale consumers: Lukoil (OOO) (-246 million kWh due to increased output of own generating facilities), SFZ (AO) (-366 million kWh) and NTMK (AO) (-439 million kWh due to decline of production).

Real losses of electricity in 2015-2016

	Electricity losses						
	2015		2016		Change*		
	Million kWh	%	Million kWh	%	Million kWh (under comparable conditions)**	Million kWh	%
Permenergo	1,986	10.95	1,935	10.91	10.80	-51	-0.04
Sverdlovenegero	1,816	5.88	1,783	6.07	5.82	-33	0.19
Chelyabenergo	1,607	7.80	1,618	7.73	7.75	11	-0.07
IDGC of Urals	5,408	7.77	5,336	7.84	7.70	-72	0.07

* Calculated as the difference between 2016 values and 2015 values.

**Electricity losses in 2016 are calculated under conditions, comparable to 2015. For more details, see relevant notes below the figure.

Real losses of electricity in the Company's networks totaled 5,336 million kWh or 7.84% of the total supply.

If compared to 2015, 2.24% decrease of the total supply resulted in 72 million kWh (or 0.07%) decline of electricity losses.

REDUCTION OF ELECTRICITY LOSSES

The Company implements a series of activities to optimize (reduce) energy losses as one of its priorities.

Loss-reducing activities in 2016 resulted in 162.8 million kWh (RUB 423.5 million) economy.

With administrative activities contributing 102.107 million kWh (RUB 291.05 million), technical activities saving 1.178 million kWh (RUB 2.31 million) and enhanced metering economizing 59.477 million kWh (RUB 130.16 million). 2016 upgrade target comprised 22,721 metering devices and RUB 475.69 million expenses, while real upgrade figures totaled 21,522 metering devices and RUB 397.87 million expenses. 16,006 metering devices provided remote collection of data, with 18,772 metering devices set as a target. Reduction of losses targets was reached in 2016 (in physical terms).