



РОССЕТИ



КУБАНЬЭНЕРГО

ПУБЛИЧНОЕ АКЦИОНЕРНОЕ ОБЩЕСТВО
ЭНЕРГЕТИКИ И ЭЛЕКТРИФИКАЦИИ КУБАНИ
(ПАО «КУБАНЬЭНЕРГО»)

Minutes of the Board of Directors Meeting No. 282/2017

Public joint stock Company of power industry and electrification of Kuban

(Kubanenergo PJSC)

Date of the meeting:	25 July 2017
Form of the meeting:	in person and in absentia (as well as videoconference)
Place of vote counting:	Office A5-048, 4Belovezhskaya str., Moscow
The meeting started at:	12:00 p.m.
The meeting ended at:	13:30 p.m.
Date of drawing up minutes:	29 June 2017

In accordance with the requirements of clause 7.1 of the Regulations for the Board of Directors of Public joint stock Company of power industry and electrification of Kuban approved by the decision of the annual General Meeting of Shareholders of the Company on June 16, 2017 (Minutes of meeting No. 39 dated 20.06.2017), the meeting of the Board of Directors shall be opened by **Alexander Nikolevich Fadeyev**, Chairperson of the Board of Directors of Kubanenergo PJSC.

In accordance with the requirements of clause 7.3 of the Regulations for the Board of Directors of Public joint stock Company of power industry and electrification of Kuban, the floor is given to the Corporate Secretary of the Company **Russu Olga Vladimirovna** to determine the presence of a quorum for meeting of the Board of Directors Meeting. The quorum for holding meetings of the Board of Directors shall be no less than half of the elected members of the Board of Directors of the Company. According to paragraph 16.1 of the Charter of Kubanenergo PJSC, 11 (eleven) people were elected to the Company's Board of Directors.

Members present at the meeting: Fadeev A.N. (Chairperson of the BoD), Balayeva S.A., Varvarin A.V., Gavrilov A.I., Gritsenko V.F., Medvedev M.V., Osipova Ye.N., Tyurkin K.V., Khokholkova K.V., Shagina I.A.

Absent: Yefimov A.L.

The meeting is attended by 10 members of the Board of Directors of the Company, which is at least half of the membership of the Company's Board of Directors.

The required **quorum** for the meeting of the Board of Directors is **present**.

Members of the Board of Directors that submitted questionnaires: A.L.Yefimov.

Members of the Board of Directors that did not submit questionnaires: no

The agenda of the meeting includes the following items:

1. Discussion of a report on the results of implementation of the business plan of Kubanenergo PJSC in the 1st quarter of 2017.
2. Approval of report on the results of implementation of the investment programme of Kubanenergo PJSC in the 1st quarter of 2017.

According to the decisions of the Board of Directors of the Company, within the framework of item No.1 the following was discussed:

- a report on the results of implementation of the business plan of Kubanenergo PJSC in the 1st quarter of 2017;
- information on the key operational risks of the Company in the 1st quarter of 2017;
- a report on implementation of the Energy Efficiency and Energy Saving Programme of Kubanenergo PJSC for the 1st quarter of 2017.

In the course of discussion of the report on the results of the investment programme of Kubanenergo PJSC for the 1st quarter of 2017, the report on implementation of priority projects of the investment programme of Kubanenergo PJSC for the 1st quarter of 2017 was considered.

The first item of the agenda: **“Discussion of a report on the results of implementation of the business plan of Kubanenergo PJSC in the 1st quarter of 2017”**

Reports were made by:

- Ocheredko Olga Vyacheslavovna, Deputy General Director for Economics and Finance, Kubanenergo PJSC: on the results of implementation of the business plan and information on key operation risks as well as report on implementation of Future Development Plan;

- Kovalyov Valeriy Vladimirovich, Deputy Head of Energy Saving and Energy Efficiency Department, Kubanenergo PJSC: on the process of the Energy Saving and Energy Efficiency Programme of Kubanenergo PJSC in the 1st quarter of 2017.

Speakers:

- Fadeev Alexander Nikolayevich, Chairperson of the Board of Directors: on the need for clarification of the reasons for not including the risk of rejecting the amount of overdue accounts receivable from the critical value established in the business plan;

- Gavrilov Alexander Ilich, Member of the Board of Directors, General Director of the Company: on clarifications on the Company’s implementation of the plan for overdue accounts receivable and on achievement of the planned value of the level of payment from consumers of services for the transmission of electricity;

- Osipova Yelena Nikolaevna, Member of the Board of Directors: on loans attracted by the Company for operating activities; on the tariffs included in the Company’s business plan; on attribution of the Company based on the results of the first quarter of 2017 to the credit group “A”, recognition of the Company’s Long-term Development Plan and feasibility of adjusting the draft decision on the first issue;

- Balaeva Svetlana Alexandrovna, Member of the Board of Directors: on the risk of occurrence of an accident due to a fault of the Company;

- Shishigin Igor Nikolayevich, Deputy General Director for Technical Issues – Chief Engineer, Shmakov Igor Vladimirovich, Deputy General Director for Controlling: on explanations regarding the risk of an accident due to a fault of the Company.

Based on the results of the discussion, the following decision is proposed for voting on item No. 1:

1. To take into consideration the report on implementation of the business plan of Kubanenergo PJSC for the 1st quarter of 2017, in accordance with Appendices No.1-5 to this decision of the Board of Directors of the Company.

2. To note, that by the results of the 1st quarter of 2017, the company performed an assessment of implementation of the key operational risks of the Company, given in Appendix No 6 to this decision of the Board of Directors of the Company.

3. To note that Kubanenergo PJSC according to the results of the first quarter of 2017 in accordance with the Regulation on the Credit policy of Kubanenergo PJSC, approved by the decision of the Board of Directors on October 18, 2013 (Minutes No.173/2013 of 21.03.2013), refers to the creditworthiness group “A”.

4. Instruct the General Director of Kubanenergo PJSC:

4.1. To submit for consideration of the Committee for Strategy, Development, Investments and Reform under the Board of Directors of the Company information on implementation of the instruction of the Board of Directors dated 27.04.2017 on item No.1 (paragraph 3 of the Protocol of 28.04.2017 No. 272/2017) regarding measures taken to prevent occurrence of risks that have a significant level of materiality.

4.2. When preparing the maintenance and repair plan (hereinafter – MRO) of Kubanenergo PJSC for 2018, to ensure an increase in maintenance costs relative to the level of expenditures that occurred in 2015-2017, taking into account the maintenance costs, provided for in tariff-balance decisions of the Company for 2018.

5. With regard to paragraph 3 of this decision, to consider the Long-term Development Plan of Kubanenergo 2014-2018, approved by the decision of the Board of Directors of the Company on 07.02.2014 (Minutes of meeting No.180/2014 of 10.02.2014), as implemented.

6. Subject to paragraph 5 of this decision, the decision of the Board of Directors on item No.1 taken on 07.02.2014 (Minutes of meeting dated 10.02.2014 No.180/2014) shall cease to be effective.

Voting results:

FOR - Fadeev A.N. (Chairperson of the BoD), Balayeva S.A., Varvarin A.V., Gavrilov A.I., Gritsenko V.F., Medvedev M.V., Osipova Ye.N., Tyurkin K.V., Khokholkova K.V., Shagina I.A.Yefimov A.L.

AGAINST - none

ABSTAINED - none

Thus, the decision proposed on the first item was adopted unanimously by the members of the Board of Directors participating in the meeting.

The second item of agenda: **“Approval of report on the results of implementation of the investment programme of Kubanenergo PJSC in the 1st quarter of 2017”**

Reports were made by:

- Golova Andrey Valerevich, Deputy General Director for Investment Activity of Kubanenergo PJSC: in part of the report on the results of implementation of the investment programme and the report on implementation of priority projects of the investment programme of Kubanenergo PJSC for the 1st quarter of 2017.

Speakers:

- Balaeva Svetlana Alexandrovna, Member of the Board of Directors: on the risk of non-fulfillment of the main parameters of the investment programme; on implementation of 29 unscheduled investment projects; on adjusted investment programme of the Company;

- Osipova Yelena Nikolaevna, Member of the Board of Directors: on providing additional information on development of preferential technological connection for the first quarter of 2017;

- Gavrilov Alexander Ilich, Member of the Board of Directors, General Director of the Company: on the fact that the decision of the Company’s Board approved the amount of funding for technological connection of applicants of a preferential category for 2017 in the context of the Company’s branches; on strengthening control over spending of funds for this category of applicants.

Based on the results of the discussion, the following decision is proposed for voting on item No. 2:

1. To approve the report on the results of implementation of the investment programme of Kubanenergo PJSC in the 1st quarter of 2017, in accordance with Appendix No.7 to this decision of the Board of Directors of the Company.
2. Confidential.
3. Confidential.

Voting results:

FOR - Fadeev A.N. (Chairperson of the BoD), Balayeva S.A., Varvarin A.V., Gavrilov A.I., Gritsenko V.F., Medvedev M.V., Osipova Ye.N., Tyurkin K.V., Khokholkova K.V., Shagina I.A.Yefimov A.L.

AGAINST - none

ABSTAINED - none

Thus, the decision proposed on the second item was adopted unanimously by the members of the Board of Directors participating in the meeting.

Chairperson

Fadeev A.N.

Corporate secretary

Russu O.V.