



# Company history

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### 17.12.2004

IDGC of Centre and North Caucasus, JSC was incorporated as a target company for the interregional integration of distribution grid facilities. The participatory interest of JSC RAO UES of Russia in the Company's share capital is 100%.

### 2006

The 110 kV Severnaya substation was put into operation in Belgorod.

### 2007

The final Company structure was approved. This structure is comprised of 11 regional grid companies (hereinafter referred to as RGCs): JSC Belgorodenergo, JSC Bryanskenergo, JSC Voronezhenergo, JSC Kostromaenergo, JSC Kurskenergo, JSC Lipetskenergo, JSC Orelenergo, JSC Tambovenergo, JSC Smolenskenergo, JSC Tverenergo, JSC Yarenergo.

IDGC of Centre and North Caucasus, JSC was renamed as IDGC of Centre, JSC.

IDGC of Centre, JSC was first assigned an NCGR 6+ rating (according to RID-Expert RA).

### 2008

Affiliation of RGC and change to single share. Transfer of RGC's assets to the balance of IDGC of Centre, JSC.

IDGC of Centre, JSC's shares started trading on MICEX (MRKC) and RTS (MRKC; MRKCG).

Termination of activities of RAO UES of Russia. JSC IDGC Holding became the Company's major shareholder, holding 50.23% of authorised capital.

### 2009

The Smart City innovative energy-saving project was launched in the Belgorodenergo Branch.

The following 100/10 kV substations were put into operation:

- Maiskaya substation with a capacity of 80 MVA in Belgorodenergo;
- Davydovskaya substation in Kostromaenergo;
- Universitetskaya substation in Lipetskenergo;
- Chaika substation in Yarenergo.

Three pilot branches of IDGC of Centre, JSC (Tverenergo, Lipetskenergo and Belgorodenergo) switched to RAB, the new method of tariff regulation system.

IDGC of Centre was assigned a BB-/B/ruAA— credit rating ("Stable") by Standard & Poor's for the first time.

### 2010

The following substations were put into operation:

- the 100 kV Krapivenskaya substation in Belgorodenergo,
- the 110 kV Kotorosl substation in Yarenergo providing large facilities with reliable electric energy supply which were built in honour of the 1,000th anniversary of Yaroslavl,
- the 110 kV Zapadnaya substation in Orelenergo.

The company acquired JSC Yargorelectroset. As a result of the transaction, the Company owns 90% power grid assets in the Yaroslavl Region.

## 2011

All branches of IDGC of Centre switched to a new method of tariff regulation system based on RAB methodology.

The following substations were put into operation:

- the 110/35/10 kV Pochevskaya substation in the Bryansk Region,
- the 110/10 kV Rodniki substation in Kursk,
- the 110 kV Kotelnaya substation in the Kursk Region.

The 110/10 PTF substation was put into operation, built for the purpose of the Inzhavinskaya poultry farm, which is one of the most modern poultry farms in Russia.

## 2012

The company purchased the power grid infrastructure in Stariy Oskol, making it possible to complete the process of power asset consolidation in the Belgorod Region.

The Lipetskenergo Branch completed the reconstruction of the oldest substation in the regional power grid system — the 110 kV Bugor substation. The installed capacity increased from 55 MVA to 126 MVA. These projects made it possible to increase the reliability of power supply in the central part of Lipetsk and provide spare capacity for connecting new users.

IDGC of Centre, JSC entered into the International Electricity Alliance CIRED in the status of a permanent organisation.

## 2013

In accordance with the resolution of the Ministry of Energy of the Russian Federation, IDGC of Centre, JSC became a last resort supplier in the Bryansk, Orel, Kursk, Tver and Smolensk Regions.

Comprehensive reconstruction of the 35/10 kV Zadonsk-Selskaya substation was completed in Lipetsk. The capacity of the power facility increased from 2.5 MVA to 4 MVA.

## 2014

IDGC of Centre provided the Motorinvest LLC car plant with power supply in the Lipetsk Region using unique modern power equipment — a mobile transferable 110 kV 25 MVA substation produced by Siemens.

The new 110/10 kV Vozrozhdenie substation was put into operation by IDGC of Centre in order to provide power to the facilities of Miratorg, a large Russian agricultural holding in the Kursk Region.

A trilateral agreement between IDGC of Centre, JSC Rosseti and the Yaroslavl Region Government on economic promotion of energy saving measures and improving energy efficiency was signed.

The reconstruction of the 110/35/10 kV KPD substation in Volgorechensk was completed. Modernisation of the substation was carried out in 2013-2014. The investment in the reconstruction of the KPD substation amounted to RUB 118 mln.

The Kurskenergo Branch completed construction of the 35/10 kV Mansurovo substation in the Soviet District of the Kursk Region. The new supply centre was constructed with the aim of ensuring the connection to the electric grids of the large facilities at CJSC Agrocomplex Mansurovo, which is one of the largest agricultural investment projects in the region.

## Milestones of 2015

### 1Q 2015

Electric grid assets of the affiliated company JSC YarEGC were transferred to IDGC of Centre with the prospect of their further liquidation. IDGC of Centre accepted all rights and liabilities of JSC YarEGC related to implementation of the electric grid company's operations and the timely execution of its liabilities to counterparties. The personnel of the affiliated party was transferred into the staff of the Company.

S & P assigned to IDGC of Centre a credit rating "BB-/B/ruAA-" with a Stable outlook. The rating agency revised the credit rating of IDGC of Centre due to the changes of the macroeconomic situation, resulting in the reduction of the rating of the Russian Federation.

IDGC of Centre performed the grid connection of a plant for the production of drilling rigs in the Kostroma Region. The plant currently under construction is included in the list of investment projects ensuring the most favourable environment and is also of great importance for the economy and the development of the region. The enterprise is expected to manufacture drilling rigs, equipment for the maintenance of wells and other drilling equipment to serve the needs of the Russian oil and gas market and exports to the world market.

## 2Q 2015

IDGC of Centre performed a grid connection of a new region in the Leninskoe settlement in the Tambov Region. The project was implemented within the framework of the regional programme of housing provision to residents instead of slums and substandard housing.

The project of an electricity creation metering system with data collection using the consumers' intelligent metering devices. The purpose of this system is to improve the efficiency of power transmission, to control electric power consumption, to reduce purchase costs losses and to reduce costs related to checking the metering devices' readings.

IDGC of Centre joined the Anti-Corruption Charter of Russian Business.

IDGC of Centre and the Administration of the Tambov Region signed a concession agreement for the electrification of the sites of "Tambov Turkey" LLC and OJSC "Tokarevskaya Poultry Plant". The signed concession agreement will be the first experience of public-private partnership in the electric grid sector. The agreement is for a 20-year period and allows the attraction of investments for the construction and operation of power grid facilities of the Tambov Region to a volume of RUB 1.2 bln. The terms and conditions of the concession agreement are innovative to the electric grid complex and allow the increase of the availability of new electric grid facilities to consumers while reducing the risks of the project implementation.

IDGC of Centre and Siemens signed a cooperation agreement for the implementation of a comprehensive programme of modernisation of electric grids. The parties intend to develop the cooperation in the field of modernisation of the electric grid infrastructure, including the implementation of elements for intelligent networks (Smart Grid).

IDGC of Centre placed the exchange-traded bonds of series BO-02 with a total nominal value of 5 billion rubles. The maturity for the issue is 10 years; there is an option of 3 years for the issue from the date of placement. The coupon rate for increasing the offer is determined on the basis of bookbinding and is set at 12.42% per annum.

The Annual General Shareholder Meeting of IDGC of Centre was held. Shareholders resolved to allocate 25% of the retained earnings for 2014 to be paid as dividends.

## 3Q 2015

The change of the Company's name. Pursuant to the resolution of the Annual General Meeting of Shareholders, the Company's name was changed to "Interregional Distribution Grid Company of Centre", Public Joint-Stock Company (IDGC of Centre, PJSC).

The Russian Institute of Directors once again confirmed the corporate governance rating of IDGC of Centre at NCGR 7+ "Developed practice of corporate governance".

IDGC of Centre performed the connection of the elevator at Poultry Tsarstvo JSC in the Lipetsk Region. An elevator with a capacity of over 200 thousand tons is located in a special economic industrial and production area "Eletsprom".

## 4Q 2015

IDGC of Centre completed the connection of the largest sports and recreation camp "Tambov Artek" in the Tambov Region.

IDGC of Centre redeemed bonds of series BO-01.

IDGC of Centre placed exchange-traded bonds from the series BO-03 and BO-04 with a total nominal value of 10 billion rubles. The maturity of the issue is 10 years. For bonds of the series BO-03, a put option after 5 years from the date of placement is provided, as well as the possibility of an early redemption after 2 years. The coupon rate is set at 11.8% per annum. For bonds of the series BO-04, a put option after 7 years from the date of placement is provided, as well as the possibility of early redemption after 4 years. The rate of 1-14 coupons is set at 11.58% per annum.

IDGC of Centre completed the connection to the grids of a sports and fitness centre in the settlement of Kshensky in the Kursk Region.

IDGC of Centre purchased electric grids assets ensuring the power supply to the city of Uglich. 250 km of electric grids, 67 transformer substations with total capacity of 32.4 MVA were included in the Company's assets.

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