

February

Power engineers of IDGC of the South finished the works to improve power supply in 10 remote villages and settlements of the Salsky District, the Rostov Region.

March

IDGC of the South transferred all Astrakhan power grids to a higher voltage class, which significantly enhanced the quality and reliability of consumers' power supply in Kirovsky and Sovetsky Districts of Astrakhan.

Specialists of the Volgograd branch of IDGC of the South inspected 84 power grid facilities by means of thermal imagers. The facilities comprised 31 110 kV substations, including those supplying power to large-scale industrial enterprises and the major part of household consumers of the region (Serebryakovskaya, Mikhailovskaya, Bubnovskaya-2, and Uryupinskaya), as well as 10 distribution grid transformer substations and 43 sections of 35 kV and above PTLs.

May

IDGC of the South finished the preparation of own infrastructure for FIFA World Cup 2018. Within the period from 2014 to 2018, the Company constructed and reconstructed several own power facilities for servicing the FIFA World Cup events in Rostov-on-Don and Volgograd.

In Rostov-on-Don, power engineers built 110/10 kV Sportivnaya substation that supplies power to Rostov Arena Stadium and reconstructed 110/10 kV AS-10 substation, with 80% of its capacity being allocated to supply power to new Platov

International Airport in Rostov. In Volgograd, the Company reconstructed TDN substation supplying power to Volgograd Arena Stadium and 100/6 kV Aeroport substation providing lighting and electricity for Gumrak Airport.

Specialists of the Kalmykia branch of IDGC of the South replaced oil circuit-breakers with sulphur hexafluoride circuit-breakers to upgrade one of key republican substations – Elista-Zapadnaya.

June

Specialists of IDGC of the South ensured reliable power supply of the FIFA World Cup matches. Secure and uninterruptible power supply of stadiums during matches was supervised by FIFA World Cup situation-analytical centres in the Rostov and Volgograd branches of IDGC of the South. They worked in 24/7 mode until the end of the championship. Operation of IDGC of the South specialists was highly appreciated by Pavel Livinsky, General Director of ROSSETI, representatives of the Russian Ministry of Energy, heads of the Rostov and Volgograd Regions' administration.

September

Specialists of the Volgograd branch of IDGC of the South repaired 6.5 km of 110 kV OHLs supplying power to facilities of the Volga-Don Shipping Canal.

In 2018, the Kalmykia branch of IDGC of the South put on the books 230 ownerless facilities in Elista, most of which are extremely worn and require urgent repair.

The Company branch specialists repaired 33 power transformers, 2.4 thous. switchgears, 2.9 thous. km of overhead PTLs during the preparation for the autumn and winter period. IDGC of the South formed about 630 emergency and repair crews comprising over 3 thousand people and more than 1.5 thousand special vehicles.

October

On October 1, a new power grid company JSC VMES started its operations in Volgograd. The joint stock company assumed all responsibilities of its predecessor, the same-name enterprise in default, to regional consumers. As the major creditor of the municipal enterprise, IDGC of the South suggested the optimal solution – a bankruptcy proceeding through the transformation into a joint-stock company with replacing the assets. Thus, the jobs were retained and the employees enjoyed improved working conditions and social benefits. The assets were transferred to a new organisation, with the outstanding debts left for the predecessor.

December

During three months of the training held in Kalmykia, specialists of IDGC of the South outperformed a 3-year plan for clearing the PTL buffer zones from trees and shrubs by 30%. Over one thousand power industry facilities were upgraded for the digital power grid model. The personnel practiced and mastered actual cooperation during emergency recovery activities. IDGC of the South's drills held in Kalmykia involved over 270 specialists from all the Company's branches and 85 units of equipment.

By the end of 2018, the average duration of process upsets across all IDGC of the South's branches decreased by 14.6% year-on-year to less than two hours. The number of process upsets in the

Company's grids went down by 4.3%. The greatest decrease in failure rate (by 5.3%) was achieved by the employees of the Company's Astrakhan and Rostov branches.

PEAK COMMISSIONING OF NEW FACILITIES

IN 2018, THE "IDGC OF SOUTH", PJSC PUT INTO OPERATION 545 KM OF POWER LINES UNDER THE PLAN HAD BEEN SET AS 357 KM (152 % OF PLAN) AND 52 MVA OF TRANSFORMER CAPACITY UNDER THE PLAN OF 22 MVA (238 % OF PLAN). THE GROWTH COMPARED TO THE INDICATORS PLANNED DUE TO THE COMMITMENTS REGARDING THE CONSTRUCTION OF FACILITIES FOR TECHNOLOGICAL CONNECTION INTO ELECTRIC GRIDS OF IDGC OF SOUTH WITHIN ALL REGIONS WHERE THE COMPANY OPERATES. JUST TO CONNECT THE PREFERENTIAL CATEGORY CONSUMERS, THE ENERGY DEVELOPPERS CONSTRUCTED 171 KM OF POWER SUPPLY LINES AND INTRODUCED 9 MVA OF TRANSFORMER CAPACITY FROM THE BEGINNING OF THE YEAR. IN 2018, THE SPECIALISTS OF "IDGC OF THE SOUTH", PJSC PERFORMED

THE TECHNOLOGICAL CONNECTION OF MORE THAN 130 SOCIAL FACILITIES TO THE GRID NETWORKS IN ROSTOV, ASTRAKHAN, VOLGOGRAD REGIONS AND REPUBLIC OF KALMYKIA. AMONGST THE FACILITIES CONNECTED TO THE POWER GRIDS OF IDGC OF SOUTH WITHIN 2018, THERE ARE MORE THAN 60 MIDWIFE AND OBSTETRIC UNITS, MOST OF WHICH LOCATED IN ROSTOV REGION, HOSPITALS IN CHERNOYARSKY AND VOLODARSKY DISTRICTS OF ASTRAKHAN REGION, MORE THAN 20 CHILDREN'S EDUCATIONAL ESTABLISHMENTS, HOUSES OF CULTURE AND RURAL CLUBS WITHIN ALL REGIONS WHERE THE COMPANY OPERATES, AS WELL AS PLAYGROUNDS, LIBRARIES, MUSEUMS AND FIRE STATIONS. ALSO, LAST YEAR, IDGC OF SOUTH IMPLEMENTED A TECHNOLOGICAL CONNECTION OF LARGE FACILITIES - 5 SOLAR POWER PLANTS IN THE ASTRAKHAN REGION WITH THEIR TOTAL CAPACITY OVER 100 MW, THE TRACTION SUBSTATIONS IN ROSTOV REGION (ABOVE 230 MW), PROVIDED THE INCREASE OF THE GENERATED POWER OF THE ROSTOV CHP-2 AND THE CENTRAL

BOILER-HOUSE IN ROSTOV-ON-DON. IN THE LAST YEAR MARCH, THE SPECIALISTS OF IDGC OF SOUTH IMPLEMENTED TECHNOLOGICAL CONNECTION OF "ROSTOV-ARENA" STADIUM, THE CONNECTED CAPACITY WAS 14 MW.