

Under Decree No.147-r of the Government of the Russian Federation dated January 31, 2017, IDGC of the South implemented the Grid Connection target model in each covered regions in cooperation with regional executive authorities to simplify business processes and enhance the investment appeal of the Russian Federation constituent entities.

In 2018, the Company arranged:

Roadmap activities on the implementation of the target model with the grid organisation as a responsible party, and the submission of branches' quarterly reports to the regional executive bodies;  
Interaction with the regional executive bodies to take the necessary measures on implementing indicators of the roadmaps, achievement of which target indicators are under the responsibility of relevant ministries and municipal entities.

With a view to reaching the indicators of the Grid Connection target model, the Company developed and approved the order On Grid Connections of Doing Business Applicants. In the reporting year, the Company fulfilled 90 contracts for grid connection of Doing Business applicants. Rostovenergo provided power supply to 46 such enterprises, Astrakhanenergo connected 21 consumers, Kalmenergo and Volgogradenergo provided grid connection of 12 small business enterprises each.

Over 130 socially significant facilities with a total capacity of above 3.8 MW were connected to the distribution grid of IDGC of the South in 2018. Among them:

Remontnaya (Dubovsky District), Kolodezi (Millerovsky District), Kuteynikovo (Chertkovsky District) traction substations of Russian Railways (Rostov Region) – the required capacity was 57 MW;  
increase in power output of Rostov TPP-2 and the Central Boiler House of Rostov-on-Don;

Rostov Arena stadium with 14 MW connected capacity;  
the waste recycling plant in Volgograd's satellite town - Volzhsky,  
which will recycle up to 450 thous. tonnes of wastes a year and  
consume 1 MW of power;  
five solar power stations in the Astrakhan Region with a total  
capacity of above 100 MW;  
the kindergarten for 260 children in Sanatorny residential complex  
in the Volgograd's Kirovsky District with the connected capacity  
of 280 kW;  
the grain warehouse in the Volgograd's Leninsky District,  
warehouses of oil and gas equipment manufacturer.

## **Trends in demand for grid connection**

### **Structure of grid connection applications in 2018**

### **Dynamics of consumers' grid connections, pcs**

### **Dynamics of consumers' grid connection, MW**

### **Structure of grid connection applications by business categories**

### **Structure of signed grid connections contracts in 2018, %**

## **Structure of submitted applications for grid connection by industries**

### **Grid connection contracts completed in 2018, %**

### **Categories of applicants, number of applications, %**

By the end of 2018, IDGC of the South connected 13,628 consumers to the grid for the total capacity of 575,118 kW.