

# THE HISTORY OF CREATION AND DEVELOPMENT OF THE KUBAN ENERGY SYSTEM AND KUBANENERGO PJSC

## XIX CENTURY

The beginning of the creation of the Kuban energy system – the construction of small power plants in the region.

## 1920

The establishment of Soviet power in the Kuban and nationalization of all industrial enterprises.

## 1921

Organization of the Electric Department at the Kuban-Black Sea Economic Council in order to control the Kuban power facilities.

In total, 353 power plants with a total capacity of 13.7 MW operated in the Kuban territory; 16.2 thousand lighting lamps, 621 electric motors were connected to the electrical network.

The establishment of the "Voteltram" association, comprising the city and municipal services for water supply, transport (tram) and power supply of the Krasnodar City. The length of the power lines was 45 km, the electrical networks were designed for a voltage of 2 kV.

## 2004–2005

In the process of reforming the electric power industry of Russia, OJSC Kubanenergo is exempt from service and non-core activities and dispatching functions by separating them into separate enterprises: functions for operational dispatch management were transferred to JSC SO UES, with the establishment of open joint-stock companies Krasnodarenergoremont, Krasnodarenergosetremont, pensionate "Energetik", the Recreational Complex Flame and with the creation of the Non-governmental non-profit educational institution Educational Center Kubanenergo.

## 1993

As a part of privatization, the Production Association of Power and Electrification "Krasnodarenergo" was transformed into OJSC Kubanenergo. In addition to electric grid enterprises, Krasnodar CHP, Ergonadzor, repair and construction enterprises, training complex, recreation center, and a pioneer camp have become part of Kubanenergo OJSC as branch organizations.

49% of the Company's shares were transferred as payment for the authorized capital of RAO UES of Russia, the remaining 51% of shares were acquired by members of the labor collective and other persons eligible for benefits in accordance with the State Privatization Program.

## 1988

The abolition of the Krasnodarenergo REB and the creation on its basis of the Krasnodar Power Engineering and Electrification Production Enterprise Krasnodarenergo (Krasnodarenergo).

## 2006

As a part of the restructuring of the industry, OJSC Kuban Generating Company (generating capacities) was allocated from OJSC Kubanenergo, OJSC "Kuban backbone grids" (electric grid facilities), OJSC Kubanenergobyt (last resort provider, buying electricity on the wholesale market and supplying it to final consumers).

## 2008–2012

Since July 1, 2008 OJSC Kubanenergo becomes an affiliated company of JSC IDGC Holding, which has received a package of the Company voting shares in the succession on the spin-off balance sheet due to the reorganization of JSC RAO UES of Russia. In 2012, in connection with the acquisition of a package of additional shares of the Company JSC IDGC Holding, the Company became a subsidiary of JSC IDGC Holding.

The main function of the Company within the framework of JSC IDGC Holding is – participation in the formation of the energy industry in Russia in terms of the distribution grid complex.

## 2013

The joint company, managing the electric grid complex (including trunk and distribution electric grids) was formed on the basis of OJSC Rosseti. The company was designed for the coordination of all Russian network organizations in part of tariffs, technical policy, and investment planning, transparency of financial and business activities, as well as in part of anti-corruption policy.

The share of OJSC Rosseti in the authorized capital of the Company increased to 92.24%.



### 1930S

The creation of the North Caucasus Energy Department – Sevkavenergo, which was in charge of Kuban power facilities.

Division in 1934 The division of Sevkavenergo in 1934 into two independent departments – Azcherenergo (Rostov-on-Don) and Sevkavenergo (Pyatigorsk).

### 1944

Allocation of the Krasnodar Regional Electricity Board “Krasnodarenergo” (REB) from Azcherenergo; wherein production, distribution and sale of electricity and heat, restoration and development of power system, control of energy consumption and supervision of power facilities of Kuban enterprises became the core activities of Krasnodarenergo REB. Power stations, substations, power distribution zones, energy sales, repair and engineering works, central warehouse, design and survey bureau, production research laboratory came under the supervision of Krasnodarenergo REB as independent self-supporting enterprises.

### LATE 1950 – EARLY 1960S

The construction of transmission lines of 110 and 220 kV for communication with the power systems of southern Russia and the Caucasus, electrification of railways, networks of Krasnodar Region, construction of distribution grid facilities, electrification of rural settlements.

### 1970S–1980S

A significant increase in the construction of new power lines in connection with the rapid growth of electricity consumption. The total length of the lines increased to 90 thousand km, the number of 35–500 kV substations exceeded 700.

### 1972–1975

Assembling the first USSR two gas turbine units (GTU) with a capacity of 100 MW each at the Krasnodar CHP. The total capacity of the combined heat and power plant, unit and two GTUs has come up to 959 MW.

### 1963

The enterprises of the urban and rural power grids of Kuban were transferred from the regional farm to the Krasnodarenergo REB.

### 2015

The company’s name included an indication of its public status.

### 2017

The company has become a key participant in a national-scale project for the arrangement of modern energy infrastructure on the Taman Peninsula, necessary for local development, provision of electricity to the dry-cargo area of the Taman seaport, and for the construction of a transport crossing through the Kerch Strait.

Investments of Kubanenergo PJSC in the construction of Taman’s power facilities will be about 7 billion rubles.

### 2018

The share of PJSC Rosseti in the authorized capital of the Company increased to 92.78%.