

RELIABILITY COMMITTEE

MEETING MINUTES No. KN-40 IDGC of Urals (OAO)

Meeting form: in-presentia (videoconference).

Meeting date: Jun. 03, 2016.

Minutes date: Jun. 06, 2016.

Meeting started at: 11:00 (Moscow time).

Meeting ended at: 12:30 (Moscow time).

Moscow location: Room A6-027, 4/1 Ulitsa Belovezhskaya.

Ekaterinburg location: 6th Floor Conference Room, Ulitsa Mamina Sibiryaka.

Attending members:

Farit Gabdulfatovich Shaydullin	Head of Analytical Directorate of Situation&Analitical Center at Rosseti (PAO) – the Chair;
Vladimir Anatolyevich Bolotin	Deputy Director – Chief Operating Officer of Chelyabenergo branch;
Yulia Vladimirovna Dobakhyants	Head of Directorate for Operating and Technological Management Development of Situation and Analytical Center at Rosseti (PAO);
Aleksandr Arsentyevich Nasonov	Head of Safety Supervision Section at Technical Supervision Center branch of Rosseti (PAO)

Members who submitted their ballots:

Aleksandr Vasilyevich Korotenko	Deputy Head of Section for Energy Sector Development of Energy Sector Development Department at the Russian Ministry of Energy;
Evgeny Rudolfovich Villevald	Project director at GK Renova (ZAO).

The number of members who attended the meeting is 6 out of 7. A quorum for decision-taking on all agenda issues is duly constituted.

Invitees from IDGC of Urals (OAO):

Aleksandr Valeryevich Mazikov	Acting First Deputy General Director – Chief Operating Officer at IDGC of Urals (OAO);
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Igor Nikolayevich Dmitriev Head of Technical Maintenance and Repair;
Sergey Vladimirovich Deputy Head of Production Safety and Oversight
Kolmakov Department.

Secretary:

Dmitry Vyacheslavovich Head of Corporate Events Section of Corporate Governance
Tikhanov and Stockholder Relations Department at IDGC of Urals
 (OAO).

Agenda:

1. Examination of the 1Q 2016 progress report with regard to industrial traumatism prevention and labor protection.
2. Examination of the 2015 and 1Q 2016 progress reports with regard to implementation and arrangement of computerized system registering incidents and calculating indicative reliability indicators and analysis whether registered parameters are complete and correct.
3. Examination of the progress report with regard to 2015/2016 autumn-winter operations.
4. Examination of the report with regard to the progress of the 2015 repair program and rolling out of the 2016 repair program.
5. Examination of the report with regard to 2016 thunderstorm and fire season preparation.
6. Examination of the report with regard to the efficiency of the internal technical oversight system.
7. Examination of the report with regard to the Company's equipment health recorded by the PAMS.

Issue No.1: Examination of the 1Q 2016 progress report with regard to industrial traumatism prevention and labor protection.

Report by: Aleksandr Valeryevich Mazikov - Acting First Deputy General Director – Chief Operating Officer at IDGC of Urals (OAO).

Resolution:

1. To take note of the 1Q 2016 progress report with regard to industrial traumatism prevention and labor protection in line with the Appendix hereof.
2. To entrust D.V. Tikhanov, the Committee Secretary, to distribute information, stated in clause 1 hereof, among the Committee members.

VOTING RESULTS:

“FOR” - 6 (Six) votes: F.G. Shaydullin, Y.V. Dobakhyants, E.R. Villevald, A.A. Nasonov, A.V. Korotenko, V.A. Bolotin.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Issue No.2: Examination of the 2015 and 1Q 2016 progress reports with regard to implementation and arrangement of computerized system registering incidents and calculating indicative reliability indicators and analysis whether registered parameters are complete and correct.

Report by: Aleksandr Valeryevich Mazikov - Acting First Deputy General Director – Chief Operating Officer at IDGC of Urals (OAO).

Resolution:

1. To take note of the 2015 and 1Q 2016 progress reports with regard to implementation and arrangement of computerized system registering incidents and calculating indicative reliability indicators and analysis whether registered parameters are complete and correct in line with the Appendix hereof.
2. To entrust D.V. Tikhanov, the Committee Secretary, to distribute information, stated in clause 1 hereof, among the Committee members.

VOTING RESULTS:

“FOR” - 6 (Six) votes: F.G. Shaydullin, Y.V. Dobakhyants, E.R. Villevald, A.A. Nasonov, A.V. Korotenko, V.A. Bolotin.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Issue No.3: Examination of the progress report with regard to 2015/2016 autumn-winter operations.

Report by: Aleksandr Valeryevich Mazikov - Acting First Deputy General Director – Chief Operating Officer at IDGC of Urals (OAO).

Resolution:

1. To take note of the progress report with regard to 2015/2016 autumn-winter operations in line with the Appendix hereof.
2. To entrust D.V. Tikhanov, the Committee Secretary, to distribute information, stated in clause 1 hereof, among the Committee members.

VOTING RESULTS:

“FOR” - 6 (Six) votes: F.G. Shaydullin, Y.V. Dobakhyants, E.R. Villevald, A.A. Nasonov, A.V. Korotenko, V.A. Bolotin.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Issue No.4: Examination of the report with regard to the progress of the 2015 repair program and rolling out of the 2016 repair program.

Report by: Aleksandr Valeryevich Mazikov - Acting First Deputy General Director – Chief Operating Officer at IDGC of Urals (OAO).

Resolution:

1. To take note of the report with regard to the progress of the 2015 repair program and rolling out of the 2016 repair program in line with the Appendix hereof.
2. To entrust D.V. Tikhanov, the Committee Secretary, to distribute information, stated in clause 1 hereof, among the Committee members.

VOTING RESULTS:

“FOR” - 6 (Six) votes: F.G. Shaydullin, Y.V. Dobakhyants, E.R. Villevald, A.A. Nasonov, A.V. Korotenko, V.A. Bolotin.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Issue No.5: Examination of the report with regard to 2016 thunderstorm and fire season preparation.

Report by: Aleksandr Valeryevich Mazikov - Acting First Deputy General Director – Chief Operating Officer at IDGC of Urals (OAO).

Resolution:

1. To take note of the report with regard to 2016 thunderstorm and fire season preparation in line with the Appendix hereof.
2. To entrust D.V. Tikhanov, the Committee Secretary, to distribute information, stated in clause 1 hereof, among the Committee members.

VOTING RESULTS:

“FOR” - 6 (Six) votes: F.G. Shaydullin, Y.V. Dobakhyants, E.R. Villevald, A.A. Nasonov, A.V. Korotenko, V.A. Bolotin.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Issue No.6: Examination of the report with regard to the efficiency of the internal technical oversight system.

Report by: Aleksandr Valeryevich Mazikov - Acting First Deputy General Director – Chief Operating Officer at IDGC of Urals (OAO).

Resolution:

1. To take note of the report with regard to the efficiency of the internal technical oversight system in line with the Appendix hereof.
2. To entrust D.V. Tikhanov, the Committee Secretary, to distribute information, stated in clause 1 hereof, among the Committee members.

VOTING RESULTS:

“FOR” - 5 (Five) votes: F.G. Shaydullin, Y.V. Dobakhyants, A.A. Nasonov, A.V. Korotenko, V.A. Bolotin.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 1 (One) vote: E.R. Villevald.

PASSED BY THE MAJORITY.

Issue No.7: Examination of the report with regard to the Company’s equipment health recorded by the PAMS.

Report by: Aleksandr Valeryevich Mazikov - Acting First Deputy General Director – Chief Operating Officer at IDGC of Urals (OAO).

Resolution:

1. To take note of the report with regard to the Company’s equipment health recorded by the PAMS in line with the Appendix hereof.
2. To entrust D.V. Tikhanov, the Committee Secretary, to distribute information, stated in clause 1 hereof, among the Committee members.

VOTING RESULTS:

“FOR” - 5 (Five) votes: F.G. Shaydullin, Y.V. Dobakhyants, A.A. Nasonov, A.V. Korotenko, V.A. Bolotin.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 1 (One) vote: E.R. Villevald.

PASSED BY THE MAJORITY.

Appendices:

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| Appendix No.1 | 1Q 2016 progress report with regard to industrial traumatism prevention and labor protection. |
| Appendix No.2 | 2015 and 1Q 2016 progress reports with regard to implementation and arrangement of computerized system registering incidents and calculating indicative reliability indicators and analysis whether registered parameters are complete and correct. |
| Appendix No.3 | Progress report with regard to 2015/2016 autumn-winter operations. |
| Appendix No.4 | Report with regard to the progress of the 2015 repair program and rolling out of the 2016 repair program. |
| Appendix No.5 | Report with regard to 2016 thunderstorm and fire season preparation. |

Appendix No.6 Report with regard to the efficiency of the internal technical oversight system.
Appendix No.7 Report with regard to the Company's equipment health recorded by the PAMS

The Chair

F.G. Shaydullin

The Secretary

D.V. Tikhanov