

The growth of electricity losses is within permitted value and is mainly due to increased electricity supply and placement of new grid facilities on the books. A considerable rise of in-house load of substations was impacted by more severe conditions in winter of 2021: average temperature in 1Q 2021 was -8.7°C below average temperature in 1Q 2020. Low temperatures and, therefore, more days with temperature below -25°C have a direct influence on running hours of the heating system for drives, tanks and poles of switching units, RPA cabinets, transformer OLTC. The growth of consumption of resources for economic needs, besides the temperature factor, was due to termination of remote working and return of employees to offices and production sites. This factor shall continue to influence final values of target indicators depending on remote working periods in 2022. Lease of new facilities became an additional factor for the growth.

A target indicator "Equipment with LED energy-saving lighting facilities" was included into Energy-saving program in 2017. In 2020 it totaled 82%, the target value was outperformed. Nevertheless, we continued our efforts, with the target totaling 91% in 2021. The majority of target-oriented and side activities of the Energy-saving Program was completed. We also performed unscheduled activities focusing on reduction of electricity losses and consumption of resources for economic needs.

Total effect from target-oriented activities under the Energy-saving Program for 2021 totaled 52.2 million kWh, 1,154.6 GCal, 0.3 thousand m^3 of water and 348.3 thousand liters of gasoline and diesel or RUB 192.7 million in money terms. Total effect from target-oriented activities of the Energy-saving Program, Reduction of Losses Program and other side activities in 2021 reached 31,170 tfoe or RUB 843.2 million in money terms.

Consumption of energy resources in 2021

Resources	MU	2021 target value	2021 actual value	Variance, %
Nuclear energy	N.A.			
Thermal power	GCal	43 646,4	49 020,5	12,3
	RUB million	74,3	71,8	-3,3
Electricity	million kWh	4 157,3	4 287,5	3,1
	RUB million	12 019,1	12 140,3	1,0
Electromagnetic energy	N.A.			
Oil	N.A.			
Gasoline	thousand liters	5 877,0	5 693,9	-3,1
	RUB million	229,0	209,4	-8,6
Diesel	thousand liters	6 020,1	6 148,3	2,1
	RUB million	250,4	257,0	2,6
Mazut	N.A.			
Natural gas	thousand m^3	512,0	579,7	13,2
	RUB million	3,0	2,9	-3,1
Coal	N.A.			
Oil shales	N.A.			
Peat	N.A.			
Others	N.A.			

Consumption of fuel and energy resources for economic needs (office and production buildings)

MU	2019	2020	2021	2021/2020, %
Thousand tfoe	16.6	15.6	16.7	7.0
RUB million	309.3	345.8	380.6	10.0

MANAGEMENT SYSTEMS

The Company has four management systems in force, compliant with international and national standards ISO 9001:2015 (GOST R ISO 9001), ISO 50001:2018 (GOST R ISO 50001), ISO 14001:2015 (GOST R ISO 14001), ISO 45001:2018 (GOST R ISO 45001-2020):



Quality Management System³⁷

A component of the Company’s comprehensive management system with its organizational structure, processes, procedures and resources required for the overall supervision of quality.

Environment Management System³⁸

An element of the Company’s comprehensive management system with its organizational structure, mechanisms, procedures and resources required for managing environmental aspects by developing and achieving the goals of environmental policy.

Energy Management System³⁹

A part of the Company’s comprehensive management system that has a well-defined structure and aims at achieving provisions from the energy policy by implementing energy-saving and enhanced efficiency programs.

Occupational Health and Safety Management System⁴⁰

A component of the Company’s comprehensive management system, which helps manage risks and improve OH&SM performance indicators.

Division	Management systems / Certificate validity period			
	ISO 9001	ISO 50001	ISO 14001	ISO 45001
HQ	No. 20829/0	No. 00178/0	No. 03657/0	No. 00025/0
Perm-energo	No. 20829/2	No. 00178/2	No. 03657/2	No. 00025/2
Sverdlov-energo	No. 20829/1	No. 00178/1	No. 03657/1	No. 00025/1
Chelyab-energo	No. 20829/3	No. 00178/3	No. 03657/3	No. 00025/3

Certificates issued 21.07.2021, valid through 09.07.2024.

Certification authority: 000 Russian Certification Technologies (000 Rostechsert).

Generally, the Company’s management systems reported positive performance during the reported period. Primary results of management system performance are disclosed below:

- “Network Exploitation” (enhanced reliability and quality of supply; better supply safety);
- “Environment Protection” (enforcement of environmental safety and environment protection);
- “Technological Connection” (better quality of connection services);
- “Energy consumption and energy saving” (enhancement of energy efficiency);
- “Occupational health and safety” (enforcement of occupational health and safety during operations).

During 2021 efforts were made to design and implement Innovative Management System in compliance with GOST⁴¹ and recommendations of ISO 56002:2019. Relevant certification procedures are scheduled for 3Q 2022.

PROCUREMENTS

Purchase activities during the reported period were regulated by the Rosseti’s Single Purchase Standard (Procurement Regulations)⁴².

Principles for building-up purchase activities of the Company:

1. Information transparency of tenders — enforcement of the transparency of purchase activities in compliance with the laws of the Russian Federation to the extent, required and sufficient for potential contractors to decide on tender bidding.
2. Equal rights, lack of discrimination and unwarranted competitiveness restrictions towards tender bidders — provision of non-discriminatory access of suppliers (contractors) to tenders is preferential; suppliers (contractors) are selected mainly via tenders with equal opportunities, lack of discrimination and unwarranted restrictions toward tender bidders, in compliance with reasonable demand to potential tender bidders and purchased goods, works and services, keeping in mind, if required, product life cycle; discontinuation of single-source contract practices.
3. Appropriate and efficient expenditures on goods, works and services, implementation of cost-cutting measures — offers are selected through a totality of predefined price and non-price criteria defining economic and other efficiency of a tender.
4. Unrestricted access to a tender by setting immeasurable requirements for bidders.
5. Transparency and controllability of purchasing activities — planning, accounting, monitoring, control and audit of purchasing activities on all stages.
6. Professionalism and competency of employees engaged in purchasing activities — personal responsibility of officials for efficient arrangement of tenders and their decisions on tenders; flawless performance of actions prescribed in documents regulating tenders; evaluation and retraining of the personnel, liable for purchasing activities;
7. Compliance with the laws regulating purchasing activities and combating corruption, incl. Anti-corruption Tender Regulations