

**Public Limited Company “Interregional Distribution Grid Company of the
Center and North Caucasus”
170001, 55, Kalinin Ave, City of Tver**

MINUTES
of the meeting of the Board of Directors of
IDGC of Center and North Caucasus, plc
(in the form of postal voting)

January 31, 2006

No002/06

Moscow

Holding form: **postal voting**

Total number of the members of the Board of Directors: **9**

Participated in the voting: **A.N. Rappoport, D. A. Burnashev, A. M. Branis, A. A. Demin, E. F. Makarov, A. E. Nikulov, M. Y. Tuzov, A. V. Chikunov, A. N. Chistyakov**

Didn't submit enquiry lists: **none**

Quorum secured

The written opinion of Ms. I. S. Demina, representative of the FAS of Russia, Head of the DFAS of Tver Region was taken into account while compiling the given Minutes.

Agenda:

1. On the approval of the Standards of dividend policy of IDGC of the Center and North Caucasus, plc.
2. On the approval of the insurers selected by the Captive broker.
3. On the approval of the target values of key indices of effectiveness of IDGC of the Center and North Caucasus, plc in 2006.

ITEM No1: On the approval of the Standards of dividend policy of IDGC of the Center and North Caucasus, plc.

RESOLUTION:

To approve the Standards of dividend policy of IDGC of the Center and North Caucasus, plc regarding affiliates and dependent companies as stated in Annex No1 of the present Minutes.

Voting results:

Andrey Natanovich Rappoport	- “yes”
Dmitry Alexandrovich Burnashev	- “yes”
Alexandr Markovich Branis	- “yes”
Andrey Alexandrovich Demin	- “yes”
Evgeny Fedorovich Makarov	- “yes”

Alexandr Evgenievich Nikulov - “yes”
Mikhail Yurievich Tuzov - “yes”
Alexandr Vasilievich Chikunov - “yes”
Alexandr Nikolaevich Chistyakov - “yes”

There are no objections to the draft resolution from the representative of the FAS of Russia, Head of the DFAS of Tver Region.

Total:

“YES”	9
“NO”	0
“ABSTAINED”	0

The resolution is agreed.

ITEM No2: On the approval of the insurers selected by the Captive broker.

RESOLUTION:

To approve RIPC, plc as the insurer of the Company for the conclusion of the contracts on accident and health insurance.

Voting results:

Andrey Natanovich Rappoport - “yes”
Dmitry Alexandrovich Burnashev - “yes”
Alexandr Markovich Branis - “abstained”
Andrey Alexandrovich Demin - “yes”
Evgeny Fedorovich Makarov - “yes”
Alexandr Evgenievich Nikulov - “yes”
Mikhail Yurievich Tuzov - “yes”
Alexandr Vasilievich Chikunov - “yes”
Alexandr Nikolaevich Chistyakov - “yes”

There are no objections to the draft resolution from the representative of the FAS of Russia, Head of the DFAS of Tver Region.

Total:

“YES”	8
“NO”	0
“ABSTAINED”	1

The resolution is agreed.

ITEM No3: On the approval of the target values of key indices of effectiveness of IDGC of the Center and North Caucasus, plc in 2006.

RESOLUTION:

1. To approve the following values of annual key indices of effectiveness for IDGC of the Center and North Caucasus, plc in 2006.

Name	Weighted average value of return on equity, ROE, %	Overall power losses in proportion to the total amount of power in a grid of affiliate RGC, %	Casualty (breakdown) excess avoidance as stipulated in article 2.1. of the Instruction Manual	Receiving (availability) of the readiness certificate at the stated time,%	Implementation of KIE by dependent ADC, %	Total shareholder return (TSR) (except for managing companies)
IDGC of the Center and North Caucasus, plc	0.00	16.5	0	100	100	106
IDGC of the Center and North Caucasus, plc – in affiliate (managed) companies, without the parent company	3.45					

2. To approve the following values of the quarterly key indices of effectiveness for IDGC of the Center and North Caucasus, plc.

Name	Amount of the dependent ADC with the violation of urgent liquidity ratio (DI)				Implementation of the reliability criterion in the managed ADC				Receiving (availability) of the readiness certificate at the stated time,%		Implementation of the restructuring schedule, %			
	1 quar	2 quar	3 quar	4 quar	1 quar	2 quar	3 quar	4 quar	1 quar	4 quar	1quar	2quar	3quar	4 quar
IDGC of the Center and North Caucasus, plc	1	1	1	1	100	100	100	100	100	100	100	100	100	100

Voting results:

Andrey Natanovich Rappoport - “yes”
Dmitry Alexandrovich Burnashev - “yes”
Alexandr Markovich Branis - “yes”
Andrey Alexandrovich Demin - “yes”
Evgeny Fedorovich Makarov - “yes”
Alexandr Evgenievich Nikulov - “yes”
Mikhail Yurievich Tuzov - “yes”
Alexandr Vasilievich Chikunov - “yes”
Alexandr Nikolaevich Chistyakov - “yes”

There are no objections to the draft resolution from the representative of the FAS of Russia, Head of the DFAS of Tver Region.

Total:

“YES” 9
“NO” 0
“ABSTAINED” 0

The resolution is agreed.

Chairman of the Board of Directors

A.N. Rappoport

Secretary of the Board of Directors

K.V. Kotikov