

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 the Center and North Caucasus, plc
(in the form of postal voting)

November 30, 2006 No011/06

Moscow

Holding form: **postal voting**

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

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

Didn't submit enquiry lists:

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 (Appendix 1).

ITEM No1: On setting a corrected value of annual key performance indicators of “IDGC of Center and North Caucasus” plc for 2006.

RESOLUTION:

To approve KPI for 2006.

Key performance indicators:

Annual:

- ROE (for parent company),%: 1,66
- ROE (weighted average),%: 2,74
- Power energy net losses to net amounts to DGC grids,%:10,9

Quarterly:

- Amount of subordinated SDCs in contravention of acid-test ratio for 1-4 quarter: 1;1;1;1.
- Implementation of reliability criteria in controlled SDCs for 1-4 quarters: 100;100;100;100.
- Receiving of operability certificate at fixed date,% 1,4 quarters: 100.
- Restructuring schedule fulfillment,% 1-4 quarter: 100;100;100;100.

The resolution is agreed.

ITEM No2: On considering information of the Reliability Committee on the state of DGC power units fixed assets for the 3rd quarter of 2006.

RESOLUTION:

To take note of epy Company Board of Directors Reliability Committee report on the state of DGC (PLC-energo) power units fixed assets of “IDGC of Center and North Caucasus” plc responsibility zone for the 3rd quarter of 2006.

The resolution is agreed.

ITEM No3: On the approval of “IDGC of center and North Caucasus” plc Dividend Policy Regulations.

RESOLUTION:

To approve “IDGC of Center and North Caucasus” plc Dividend Policy Regulations in accordance with the Appendix to the present Minutes.

The resolution is agreed by a majority of votes.

ITEM No4: On the approval of the candidates of the insurers, selected by the captive broker.

RESOLUTION:

To approve “ROSNO” plc (Russian Insurance Public Company) as the Company Insurer to sign an insurance policy on:

- voluntary health insurance;
- personal accident and sickness insurance.

The resolution is agreed.

ITEM No5: On considering the report of the General Director on the Company’s preparation work for the 2006-2007 autumn and winter period.

RESOLUTION: To take note of the General Director’s report on the Company’s preparation work for the 2006-207 autumn and winter period.

The resolution is agreed.

ITEM No6: On the approval of “IDGC of Center and North Caucasus” plc Optional Program Regulations.

RESOLUTION: To approve the “IDGC of Center and North Caucasus” plc Optional Program Regulations in accordance with appendix to the present minutes.

The resolution is agreed by a majority of votes.

Chairman of the Board of Directors A.N. Rappoport

Secretary of the Board of Directors N.U. Kashtanova