

Interregional Distribution Grid Company of Volga

IDGC OF VOLGA

Open Joint Stock Company
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Minutes No. 2/2009 Of the annual General Shareholders Meeting of the Open Joint Stock Company “Interregional Distribution Grid Company of Volga”

Full name of the Company and the principle place of business of the company	Open Joint Stock Company “Interregional Distribution Grid Company of Volga” 410031, the Russian Federation, Pervomayskaya street 42/44
Form of the meeting	meeting
Type of meeting	Annual
Date the meeting took place	June 5, 2009
Place of the meeting	Saratov, Lunnaya street 27”A”, Sanatorium-preventorium “Sokol”
Time the registration began	09 hours 00 minutes
Time the meeting opened	12 hours 00 minutes
Time the registration stopped	12 hours 45 minutes
Time the counting of votes began	12 hours 50 minutes
Time the meeting was closed	1 hour 15 minutes
Postal address the filled bulletins were sent	105082, Moscow, Bolshaya Pochtovaya street, 34 building 8. OJSC “TSMD”

The list of persons who are entitled to take part in the annual General Shareholders meeting was made in compliance with the register of the shareholders of “IDGC of Volga” dd. April 24, 2009.

Ametov Iskander Dzangirovich, the member of the Board of Directors, General Director of the branch of OJSC “SO UES” ODU of the Middle Volga, executes the functions of the chairman of the annual General Shareholders Meeting because of the absence of the Chairman of the Board of Directors and the Deputy Chairman of the Board of Directors.

The secretary of the meeting is Rebrova Nataliya Leonidovna, acting Deputy Director General of the corporate management of “IDGC of Volga”.

In compliance with the article 56 of the Federal law No. 208-FZ dd. 26.12.1995 “On Joint Stock Companies” the registrar of the Company – Open Joint Stock Company “Central Moscow Depositarium” executes the functions of the accounting commission of the meeting. The location place of the registrar: 105078, Moscow, Orlikov Pereulok 3, building B. The authorized person of the registrar – Asmolova Marina Alexandrovna.

Agenda of the annual General Shareholders Meeting:

- 1. On approval of the annual report, annual accounting reporting, including the profit and losses report of the Company, and also on distribution of profit (including the dividends payment) and losses of the Company according to the results of 2008 financial year.**
- 2. On election of the members of the Board of Directors of the Company**
- 3. On election of the members of the revision commission of the Company**
- 4. On approval of the auditor of the Company.**

I.D. Ametov, who executes the functions of the chairman of the annual Shareholders Meeting of the Company, gave the floor to the authorized person of OJSC “Central Moscow Depositarium” Asmolova M.A. to give out the results of the registration and explain the order of voting on the questions of agenda.

The total number of outstanding shares of JSC “IDGC of Volga” which are entitled to vote at the annual general shareholders meeting of the Company is equal to 178 577 801 146. The persons who took part in the shareholders meeting possessed 141 146 391 34 outstanding shares as of the beginning of the meeting. It is equal to 79,0392 percent of the total number of the outstanding voting shares of JDC “IDGC of Volga”.

In compliance with the requirements of the article 58 of the Federal law “Concerning Joint Stock Companies” No. 208-FZ dd. 26.12.1995 and the Articles of association of the Company the quorum is present. The annual General Shareholders meeting is authorized to make the decisions on all questions of the agenda.

Question No. 1: On approval of the annual report, annual accounting reporting, including the profit and losses report of the Company, and also on distribution of profit (including the dividends payment) and losses of the Company according to the results of 2008 financial year.

The floor was given to Ryabikin Vladimir Anatolyevich, the General Director of JSC “IDGC of Volga”. The General Director in his report marked that 2008 became the first year of work of the operating company JSC “IDGC of Volga”. The management of the Company successfully carried out the planned figures of the operating, financing and economic activity.

The volume of electric energy transferred to the consumers in 2008 was equal to 58 485 million kWh. In comparison with 2007 it increased by 1,7 percent. The line losses from the grid output are equal to 6,88 percent. It is less than in 2007, when the similar index was equal to 7,6 percent. The positive dynamics of this index shows the permanent effective work of the Company devoted to decrease of losses, carrying out of the repair and investment programs.

The plan of repair of the power grid facilities was fulfilled in full during 2008. The scope of repair was equal to 1 165,4 million rubles, 46 percent of which was fulfilled using the companies own resources. 16,5 thousand km of the power transmission lines (or 73 percent of all electrical network) 4 683 transformer substations or 68,3 thousand standard units of electrical facilities of the substations (this is over 15,7 percent of the total number of substations) was repaired and cleaning of 1 294 hectare of rides was made during the financial period.

The company fulfilled all necessary measures to prepare the power grids to the autumn and winter peak. All regions got the passports of preparedness for work during this period and all reliability indexes were carried out.

The last year for JSC “IDGC of Volga” became the year of growth of investments, total number of assimilation of capital investments in 2008 exceeded by a quarter the level of investments in 2007 and was equal to 6 653,9 million rubles. 4 354,1 million rubles of which was spent for technical re-equipment and reconstruction (or 65,4 percent), 1 705,3 – for new construction (or 25,6 percent).

Minutes of the annual General Shareholders Meeting of “IDGC of Volga”

The following largest objects of capital construction were put into operation by the company in 2008: power grid complex in Engels (Saratov region) substation “Tereshka” of 200/110 kV with aerial circuit overheads 11, 220 kV and capacity equal to 80 mV (the cost of substation is equal to 393,7 million rubles), and substations in Penza “Izumrudnaya” and “Narovchat-2” of 110/10 kV with capacity equal to 50 and 32 mV corresponding (the cost of substations is equal to 395 million rubles).

Besides the Company continued the construction of the following large objects:

in Chuvash Republic in Cheboksary – the substation “Novy gorod” of 110/10 kV with capacity of 80 MBA;

in Samara region in Novokuybishevsk – the substation “Tsentralnaya” of 110/6 kV with capacity equal to 80 mV, in Stavropolsky district - the substation “Yagodnoye” of 110/6 kV with capacity equal to 80 mV, in Samara - the substation “Tanayevskaya” of 110/6 kV with capacity equal to 80 mV;

in Saratov region in Saratov - the substation “Novosokolovogorskaya” (second extension) of 110/10 kV with capacity equal to 60 MBA.

Within the framework of the technical re-equipment and reconstruction program the Company reconstructed the following most important power grid objects:

Substation “Yuzhnaya” and “Strelka” of 110/10 kV in Cheboksary (new fixed assets were equal to 201 million rubles), substations “Vostochnaya” and “Yugo-Zapadnaya” of 110/6 kV in Saransk (new fixed assets were equal to 87 million rubles), substation “Sviyaga” of 110/6 kV in Ulyanovsk (new fixed assets were equal to 36 million rubles), substation “Tyulganskaya” of 110/35/10 kV in Orenburg region (new fixed assets were equal to 164 million rubles), substation “Kotelnaya” of 35/10 kV in Chapayevsk in Samara region (new fixed assets were equal to 90 million rubles).

The intensification of the investment program fulfillment essentially increased the productive capacity of the Company:

-length of the power transmission lines increased in 1 977,5 km;

-the volume of total capacity increased in 834,2 mV.

The size of earnings in 2008 is equal to 30 640 million rubles including for the transmission service – 27 254,4 million rubles, for technological connection – 1 606,7 million rubles.

Within the framework of the operating activity of the Company the size of earnings is equal to 22 614,5 million rubles, total profit – 2 712,6 million rubles, profit margin to the net cost of the commercial output – 13,6 percent, net profit – 808,1 million rubles.

Another controlled type of activity is service of technological connection to the power grids.

At present time the methodological basis of price formation for the technological connection allowed making this type of activity the one of the main investment resources of the power grid complex. The tariffs for the technological connection to the grids of the Company effective in 2008 allowed rising the volume of the financing of the investment program and put into operation the fresh capacity, that in its turn allowed providing the connection of 402,2 mV of capacity and exceed the level of 2007 in 2,5 times.

According to the results of the year the Company carried out the quarter and annual key performance indicators (KPI) stated by the shareholders in full. The performance benchmark - the return on equity (ROE) is exceeded in comparison with the stated ROE of 1,64 percent and in equal to 1,98 percent.

The questions of the corporate activity of the Company, integrated system of quality management and social policy were covered in the report.

The General Director named the goals of the Company for 2009 year.

Tamlyenova Irina Alekseyebna, Chief Accountant – Head of the accounting and reporting department of JSC “IDGC of Volga” represented to the attendees the main indexed of the

balance sheet and profit and losses report of JSC “IDGC of Volga” at the end of 2008 year. She also told about the recommendations of the Board of Directors to the annual General Shareholders meeting concerning the profit distribution of the Company for 2008 and dividends payment.

The Chairman proposed to vote for the first question of the agenda of the annual Shareholders meeting of the Company.

The draft resolution on the question No.1 of the agenda of the annual General Shareholders Meeting of the Company:

1. To approve the annual report of the Company, annual accounting reporting, including the profit and losses report of the Company according to the results of 2008 financial year.
2. To approve the following distribution of profit (losses) of the Company according to the results of 2008 financial year:

	(thousand rubles)
Undistributed profit (losses) of the financial period	808 083
To distribute for: Reserve fund	40 404
Development of production	767 679
Dividends	0
Repayment of losses of previous years	0

3. Do not pay the dividends on the ordinary shares of the Company according to the results of 2008 year.

Question No.2: on election of the members of the Board of Directors of the Company.

The floor was given to Rebrova Nataliya Leonidovna, acting the Deputy General Director for Corporate governance of JSC “IDGC of Volga” who told about the order of formation of the list of candidates for election of the Membership of the Board of Directors of the Company and represented the candidates.

The Chairman proposed to vote for the second question of the agenda of the annual Shareholders meeting of the Company.

The draft resolution on the question No.2 of the agenda of the annual General Shareholders Meeting of the Company put to vote:

To elect the Board of Directors of the Company in the following membership:

1.	Okley Pavel Ivanovich	Deputy Director General – Technical Director of JSC “IDGC of Volga”
2.	Popovsky Sergey Nikolayevich	The representative of NP ATS
3.	Tihonova Maria Gennadyevna	Head of Department of the Ministry of Energy of Russia
4.	Ivanov Sergey Nikolayevich	First Deputy Chairman of the Management Board of “FSC UES”
5.	Ametov Iskander Dzhangirovich	General Director of the Branch of JSC “SO UES” ODU of the Middle Volga
6.	Inozemtsev Vladimir Vyacheslavovich	Head of the Department of Power energy transmission and Interaction with Clients of JSC “IDGC holding”
7.	Galka Vadim Vadimovich	Department of Transport, Power energy and Interaction with Clients of JSC “IDGC holding”

8.	Ryabikin Vladimir Anatolyevich	General Director of JSC “IDGC of Volga”
9.	Vinogradova Tatyana Viktorovna	Deputy Head of Property Management Department of JSC “IDGC Holding”
10.	Katina Anna Yuryevna	Head of the Analyses and Control division of the Corporate Governance and Interaction with Shareholders Department of JSC “IDGC holding”
11.	Sauh Maxim Mihaylovich	First Deputy Head of the Corporate Governance and Interaction with Shareholders Department of JSC “IDGC holding”
12.	Glushchenko Aleksey Dmitriyevich	Senior vice-president – Head of the Center of the strategies fulfillment of CJSC “Complex power energy systems”
13.	Gromov Maxim Yevgenyevich	First Deputy Director General of JSC ‘SMUEK’

Question No.3: On election of the revision committee of the Company.

The floor was given to Rebrova Nataliya Leonidovna, acting the Deputy General Director for Corporate governance of JSC “IDGC of Volga” who told about the order of formation of the list of candidates for election of the Membership of the Revision Committee of the Company and represented the candidates.

The Chairman proposed to vote for the third question of the agenda of the annual Shareholders meeting of the Company.

The draft resolution on the question No.3 of the agenda of the annual General shareholders meeting of the Company put to vote:

To elect the Revision Committee of the Company in the following membership:

1.	Sidorov Sergey Borisovich	Head of the Internal Audit Department of JSC “IDGC holding”
2.	Rohlina Olga Vladimirovna	Examiner-in-chief of the Internal Audit Department of JSC “IDGC holding”
3.	Bedridinova Yelena Sergeyevna	Leading expert of the Internal Audit Department of JSC “IDGC holding”
4.	Ivanova Kseniya Valeryevna	Head of the Corporate Governance and Interaction with Shareholders Department of JSC “IDGC holding”
5.	Puchkova Irina Yuryevna	Head of the Economics Department of JSC “IDGC holding”

Question No.4: On approval of an auditor of the Company.

The floor was given to Tamlyenova Irina Alekseyevna, Chief Accountant – Head of the accounting and reporting department of JSC “IDGC of Volga” who represented the candidate for election of the auditor of the Company.

The Chairman proposed to vote for the third question of the agenda of the annual Shareholders meeting of the Company.

The draft resolution on the question No.4 of the agenda of the annual General shareholders meeting of the Company put to vote:
To approve LLC “Nexia Pacholi”, license No. E000733 period of validity until June 25, 2012, as the auditor of the Company.

The Chairman D.I. Ametov marked the end of consideration of all questions of agenda of the annual general shareholders meeting of “IDGC of Volga”, JSC and gave the time to finish the voting procedure of all the questions of agenda. Afterwards he took a recess for counting of votes.

The results of voting and resolutions of the questions of agenda of the annual General shareholders meeting of JSC “IDGC of Volga”:

On question No.1: On approval of the annual report, annual accounting reporting, including the profit and losses report of the Company, and also on distribution of profit (including the dividends payment) and losses of the Company according to the results of 2008 financial year.

Number of votes which were possessed by the persons included in the list of persons authorized to take part in the general meeting (owners of the outstanding voting shares)	178 577 801 146
Number of votes which were possessed by the persons authorized to vote on this question and took part in the meeting	141 146 391 034
Quorum (%)	79,0392

Variants for voting	Number of votes	Per cent (from the persons took part in the meeting)
“FOR”	121 173 309 200	85,8494
“AGAINST”	19 921 098 365	14,1138
“ABSTAIN”	48 328 933	0,0342

Resolution made by the annual general shareholders meeting on the first question of agenda:

- To approve the annual report, annual accounting reporting of the Company, including the profit and losses report of the Company according to the results of 2008 financial year.**
- To approve the following distribution of profit (losses) of the Company according to the results of 2008 financial year:**

	(thousand rubles)
Undistributed profit (losses) of the financial period	808 083
To distribute for: Reserve fund	40 404
Development of production	767 679
Dividends	0
Repayment of losses of previous years	0

- Do not pay the dividends on the ordinary shares of the Company according to the results of 2008 year.**

On the question No.2: On election of the members of the Board of Directors of the Company.

Number of votes which were possessed by the persons included in the list of persons authorized to take part in the general meeting	1 964 355 812 606
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(owners of the outstanding voting shares)		
Number of votes which were possessed by the persons authorized to vote on this question and took part in the meeting		1 552 610 301 374
Quorum (%)		79,0392

Line No.	Last name, first name, patronymic of the candidate	Number of votes for cumulative voting	Percent (%)*
“FOR” , distribution of votes for the candidates			
1	Gromov Maxim Yevgenyevich	218 117 571 470	14.0484
2	Ryabikin Vladimir Anatolyevich	137 155 833 432	8.8339
3	Ametov Iskander Dzhangirovich	133 383 382 691	8.5909
4	Okley Pavel Ivanovich	133 299 556 263	8.5855
5	Tihonova Maria Gennadyevna	133 130 002 172	8.5746
6	Ivanov Sergey Nikolayevich	133 116 909 542	8.5737
7	Inozemtsev Vladimir Vyacheslavovich	133 108 516 088	8.5732
8	Vinogradova Tatyana Viktorovna	133 078 060 186	8.5712
9	Sauh Maxim Mihaylovich	133 068 373 864	8.5706
10	Popovsky Sergey Nikolayevich	133 064 972 256	8.5704
11	Katina Anna Yuryevna	131 081 467 903	8.4427
12	Galka Vadim Vadimovich	32 749 876	0.0021
13	Glushchenko Aleksey Dmitriyevich	16 859 921	0.0011
“AGAINST” of all candidates		17 217 233	0.0011
“ABSTAIN” of all candidates		220 475 057	0.0142

* The percent of persons who took part in the voting.

The Resolution made by the annual General Shareholders Meeting on the second question of agenda:

To elect the Board of Directors of the Company in the following membership: Gromov Maxim Yevgenyevich, Ryabikin Vladimir Anatolyevich, Ametov Iskander Dzhangirovich, Okley Pavel Ivanovich, Tihonova Maria Gennadyevna, Ivanov Sergey Nikolayevich, Inozemtsev Vladimir Vyacheslavovich, Vinogradova Tatyana Viktorovna, Sauh Maxim Mihaylovich, Popovsky Sergey Nikolayevich, Katina Anna Yuryevna.

On the question No.3: On election of the members of the Revision Commission of the Company.

Number of votes which were possessed by the persons included in the list of persons authorized to take part in the general meeting (owners of the outstanding voting shares)	178 577 729 531
Number of votes which were possessed by the persons authorized to vote on this question and took part in the meeting	141 146 320 474
Quorum (%)	79,0392

Line No.	Last name, first name, patronymic of the candidate	“FOR”		“AGAINST”	“ABSTAIN”
		Number of votes	Per cent*	Number of votes	Number of votes
1	Puchkova Irina Yuryevna	140 737 595 312	99,7104	337 306 425	40 634 406

2	Ivanova Kseniya Valeryevna	140 737 911 930	99,7078	335 338 237	47 733 489
3	Sidorov Sergey Borisovich	140 729 751 613	99,7049	338 746 186	41 544 329
4	Rohlina Olga Vladimirovna	140 725 678 503	99,7020	337 109 662	47 269 361
5	Bedridinova Yelena Sergeevna	140 725 453 953	99,7018	343 614 622	40 649 394

* The percent of persons who took part in the voting.

The Resolution made by the annual General Shareholders Meeting on the third question of agenda:

To elect the Revision Commission of the Company in the following membership: Puchkova Irina Yuryevna, Ivanova Kseniya Valeryevna, Sidorov Sergey Borisovich, Rohlina Olga Vladimirovna, Bedridinova Yelena Sergeevna.

On the question No.4: On approval of the auditor of the Company.

Number of votes which were possessed by the persons included in the list of persons authorized to take part in the general meeting (owners of the outstanding voting shares)	178 577 801 146
Number of votes which were possessed by the persons authorized to vote on this question and took part in the meeting	141 146 391 034
Quorum (%)	79,0392

Voting options	Number of votes	Per cent (from the persons took part in the meeting)
“FOR”	121 277 166 541	85,9230
“AGAINST”	334 728 657	0,2371
“ABSTAIN”	19 526 442 544	13,8342

The Resolution made by the annual General Shareholders Meeting on the fourth question of agenda: **To approve LLC “Nexia Pacholi”, license No.E000733, period of validity until June 25, 2012 as the auditor of the Company.**

The counting commission announces the results of voting at the expiration of time given for counting of votes. Chairman I.D.Ametov adjourns the annual General Shareholders Meeting of JSC “IDGC of Volga”.

Attachments:

- Minutes of the accounting commission on the results of voting at the annual General Shareholders Meeting of JSC “IDGC of Volga”.
 - Annual report of “IDGC of Volga”, JSC for 2008 (*667MB)
 - Annual accounting reporting of “IDGC of Volga”, JSC for 2008 (*2,95MB)
- *Represented in electronic format.

Date on which the document was compiled – June 10, 2009.

Chairman of the meeting /signature/ I.D.Ametov

Secretary of the meeting /signature/ N.L.Rebrova