Federal Hydrogeneration Company
HydroOGK

JSC «Nizhne-Bureiskaya HPP»

Victor Minakov
RusHydro – Hydro GenCo
Created in the Process of RAO UES Reform

- Largest generator of electricity in Russia and the #2 hydro genco in the world in terms of installed capacity
- RusHydro operates 49 hydro power plants with 23.7 GW capacity (total of 6m for 2007)
- Key Contributor to the Development of Eco-Electricity Generation in Russia (wind, small hydro, tidal)
- Total production output for Y2006 was 80 TWh with revenues of up to 1 bn USD
- More than 50% + 1 share are to be held by the Russian Federation after RAO UES reorganization is completed
- Listed at the stock markets in Y2008
- Rating: Baa3 (Investment Grade) – Moody’s
- Number of employees – 8 200 (average)
Potential for Growth

- In terms of hydro power resources, Russia ranks 2\textsuperscript{nd} in the World behind China.
- Russian feasible hydro power resources amount to 853 TWh (approximately 8.3\% of total hydro power resources in the World).
- Russia lags significantly behind other developed countries in terms of the hydro power implementation rate. Most of the G8 countries have tapped more than 80\% of their hydro power potential.

Hydro power resources implementation rate in Russia and other G8 countries:

- Russia: 20\%
- Canada: 65\%
- Japan: 84\%
- France: 95\%
- USA: 82\%
- UK: 90\%
- Germany: 95\%
- Italy: 95\%
- European Part of Russia: about 50\%
- Siberia: about 20\%
- Far East: about 3\%
Investment Program: Key Projects

- In 2006-2010 hydro commissioning capacity will reach 4.9 GW
- HydroOGK Investment Program (2006-2010) has been approved by RAO UES Management Board to the sum of $12.4 bn, including $2.28 bn to be allocated in Y2007

<table>
<thead>
<tr>
<th>Project</th>
<th>Plant design installed capacity (MW)</th>
<th>Capex required in 2006-2010 ($ bn)</th>
<th>To be commissioned in (as planned)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Projects to be completed</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bureiskaya HPP</td>
<td>2,000</td>
<td>1.36</td>
<td>2007-2009</td>
</tr>
<tr>
<td>Boguchanskaya HPP + Aluminium Smelter</td>
<td>3,000</td>
<td>2.59</td>
<td>2009-2012</td>
</tr>
<tr>
<td>Irganaiskaya HPP</td>
<td>400</td>
<td>0.23</td>
<td>2007</td>
</tr>
<tr>
<td>Zelenchukskiye HPPs</td>
<td>320</td>
<td>0.05</td>
<td>2006</td>
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<tr>
<td>Zaramagskiye HPPs</td>
<td>352</td>
<td>0.29</td>
<td>2007-2010</td>
</tr>
<tr>
<td>Cascade of Nizhnecherekskiye HPPs (Kashkhatau HPP)</td>
<td>65</td>
<td>0.19</td>
<td>2008</td>
</tr>
<tr>
<td>Shore Spillway at Sayano-Shushenskaya HPP</td>
<td>-</td>
<td>0.21</td>
<td>2010</td>
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<td><strong>New projects</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zagorskaya pump storage plant No. 2</td>
<td>840</td>
<td>0.88</td>
<td>2010-2012</td>
</tr>
<tr>
<td>Nizhnebureiskaya HPP</td>
<td>324</td>
<td>0.73</td>
<td>2010-2011</td>
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<td>Gotsatlinskaya HPP</td>
<td>100</td>
<td>0.20</td>
<td>2010</td>
</tr>
<tr>
<td>Small-capacity HPPs</td>
<td>300</td>
<td>0.33</td>
<td>2006-2010</td>
</tr>
</tbody>
</table>

¹The figures are from HydroOGK’s 2006-2010 Investment Program (as approved by the RAO UES Management Board)
²Including the Rehabilitation Capex and R&D for new projects

Rehabilitation and Modernization Capex

Total Rehabilitation Capex for Y2006-2010 estimated in amount of $1.6 bn, which includes $308 mln to be allocated in Y2007. As the result of implementation of Y2006-2010 Rehab program the total installed capacity of HydroOGK facilities will increase by 160 MW.
Схема расположения объектов гидроэнергетики РФ по состоянию на 2007 г.
# Private Investments: Basic Approach

**Regions**
- Large & Medium Scale HPPs: Siberia, Far East
- Small HPPs (up to 25 MW): Caucasus, Central Russia, Ural, North-west region

**Potential Investors**
- Large & Medium Scale HPPs: Large industry players, other stakeholders
- Small HPPs (up to 25 MW): Regional Investors and other stakeholders

**Project Packaging**
- Large & Medium Scale HPPs: Each Project implemented independently
- Small HPPs (up to 25 MW): Projects implemented independently or several projects are being combined

**Target Financing Structure**
- 70% - Debt, 30% - Equity

**Target Ownership Structure**
- HydroOGK 51%
- Investors 49%

**Target Management Structure**
- HydroOGK administers and operates hydro power facilities utilizing the Company’s knowledge, experience, and technologies

*After construction completed HydroOGK has an option to sell its stake in the project*