

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)

October 18, 2006 No009/06

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 the consideration of the General Director[’s report on AGSM resolutions on the payment of dividends.

RESOLUTION:

To take note of the General Director’s report on AGSM resolutions on payment of dividends.

The resolution is agreed.

ITEM No2: On considering the information of the Reliability Committee on the state of DGC power units fixed assets for the 2nd quarter of 2006.

RESOLUTION:

To take note of the Company Board of Directors Reliability Committee report on the state of DGC power units fixed assets of “IDGC of Center and North Caucasus” plc responsibility zone for the 2nd quarter of 2006.

The resolution is agreed.

ITEM No3: On considering the report of the General Director on the execution of the Company’s business plan for the 2nd quarter of 2006.

RESOLUTION: To take note of the General Director’s report on the execution of the Company’s business plan for the 2nd quarter of 2006.

The resolution is agreed.

ITEM No4: On the determination of the Company priority areas: main assets accumulation depreciation and the evaluation of Company assets in accordance with IFRS reporting requirements.

RESOLUTION:

1. To determine the Company priority areas as being the depreciation of main assets and the evaluation of “IDGC of Center and North Caucasus” plc assets in accordance with IFRS reporting requirements.
2. To instruct the general director of “IDGC of Center and North Caucasus” plc to conclude an agreement with RAO UERS with an intent to reevaluate the main assets and assess the Company main assets in accordance with IFRS requirements.

The resolution is agreed by a majority of votes.

ITEM No5: The item is taken off the agenda.

ITEM No6: Commercial secrets.

ITEM No.7: On the approval of the Regulations on establishing preferences in favor of certain suppliers while implementing competitive purchases for “IDGC of Center and North Caucasus” plc needs (on sales promotion).

RESOLUTION:

To approve the Regulations on establishing preferences in favor of certain suppliers while implementing competitive purchases for “IDGC of Center and North Caucasus” plc needs (on sales promotion) with comments in accordance with the appendix to the present resolution of the Board of Directors.

The resolution is agreed.

ITEM No 8: On the approval of the “IDGC of Center and North Caucasus” plc Corporate Management Code.

RESOLUTION:

1. To approve the “IDGC of Center and North Caucasus” plc Corporate Management Code in accordance with appendix to the present resolution of the Board of Directors.
2. To obligate the Company general director:
 - submitting for approval to the Company Board of Directors the report on abiding by the Code in accordance with the Appendix to the present resolution of the Board of Directors twice a year following the semi-annual results (upon the expiry of 2 (two) months from the expiration date of the calendar year) and annually (as an attachment to the Company annual report).
 - Placing it on in the Company web-site 15 days from the date of the Company Code approval by the Board of Directors;
 - Placing in the reports on abiding by the Code on Company web-site 15 days from the date approved by the Company Board of Directors.

The resolution is agreed.

ITEM No9: On the approval of “IDGC of Center and North Caucasus” plc Regulations on Information Policy.

RESOLUTION:

To approve “IDGC of Center and North Caucasus” plc Regulations on Information Policy in accordance with the Appendix to the present resolution of the Company Board of Directors.

The resolution is agreed.

ITEM No10: On the approval of “IDGC of Center and North Caucasus” plc Regulations on the Corporate Secretary.

RESOLUTION: To approve “IDGC of Center and North Caucasus” plc Regulations on the Corporate Secretary in accordance with the Appendix to the present resolution of the Company Board of Directors.

The resolution is agreed.

Chairman of the Board of Directors A.N. Rappoport

Secretary of the Board of Directors N.U. Kashtanova