

BRIEF ON KEY BUSINESS ISSUES

№4/2017 03.03.2017 Kyiv

Coal stocks at power plants

No anthracite is supplied to Ukrainian TPPs since February, 11th. Full railway blockade of coal supplies from the NCT continues. The emergency state introduced in the energy sector by the Cabinet of Ministers of Ukraine on February 15th allowed to keep strict control over depletion of coal stocks at TPPs.

	01.03. 2016	01.03. 2017	03.03. 2017	2017/ 2016, %	03.03.2017/ 01.03.2017, % increase	min level of stocks*	2017/min stocks, %	Work without supply, days
DTEK TPPs	1 751	1 181	1 196	-32%	1%	840	142%	27
G+DG grade including:	1 310	620	653	-50%	5%	560	117%	19
<i>Zaporiz'ka</i>	251	128	126	-50%	-1%	100	126%	25
<i>Ladyzhins'ka</i>	190	76	84	-56%	11%	100	84%	17
<i>Burshtyns'ka</i>	296	151	162	-45%	7%	100	162%	15
<i>Dobrotvirs'ka</i>	108	50	52	-52%	4%	40	130%	15
<i>Zuyivs'ka</i>	116	29	25	-78%	-13%	120	21%	10
<i>Kurahivs'ka</i>	348	187	204	-41%	9%	100	204%	27
A+T grade including:	442	561	543	23%	-3%	280	194%	58
<i>Krivorijs'ka</i>	173	105	100	-42%	-5%	120	83%	32
<i>Prydniprov's'ka</i>	98	100	96	-2%	-4%	80	120%	39
<i>Luhans'ka</i>	170	357	347	104%	-3%	80	434%	92
Other Ukrainian TPPs**	833	526	525	-37%	0%	420	125%	34
G+DG grade	319	217	222	-30%	2%	100	222%	47
A+T grade	514	309	303	-41%	-2%	320	95%	29
All Ukrainian TPPs	2 584	1 707	1 721	-33%	1%	1 260	137%	29
G+DG grade	1 629	836	875	-46%	5%	660	133%	22
A+T grade	955	870	846	-11%	-3%	600	141%	43

* - level of coal stocks for 01.03.2017 according to the enactment of National Energy and Utilities regulatory commission degree №1971 dated 9th of November, 2016

** - including TPPs situated in the non-controlled areas

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SCM Group [statement](#) about developments in the non-government controlled areas in Donetsk and Luhansk oblasts (NGCA)

SCM Group has always been working only within the laws of Ukraine, including our businesses in the NGCA. No pressure can make us change the jurisdiction of our assets.

We provide jobs to hundreds of thousands of people across the country, from the west to the east, including in the NGCA. We supply heating, electricity and gas to millions of Ukrainian households.

SCM is one of few links between the government controlled areas and non-government controlled areas of Ukraine.

Despite the challenging political situation in the country and the ongoing hostilities, all SCM Group companies pay taxes and duties in full to the Ukrainian budget.

Since the conflict in Donbas broke out, SCM Group has paid over UAH 100 billion in taxes to the national budget, of which 10% are attributable to the businesses in the NGCA.

We believe that private property is sovereign, and the demands of re-registration of our companies and payment of taxes to self-proclaimed DNR and LNR are unacceptable.