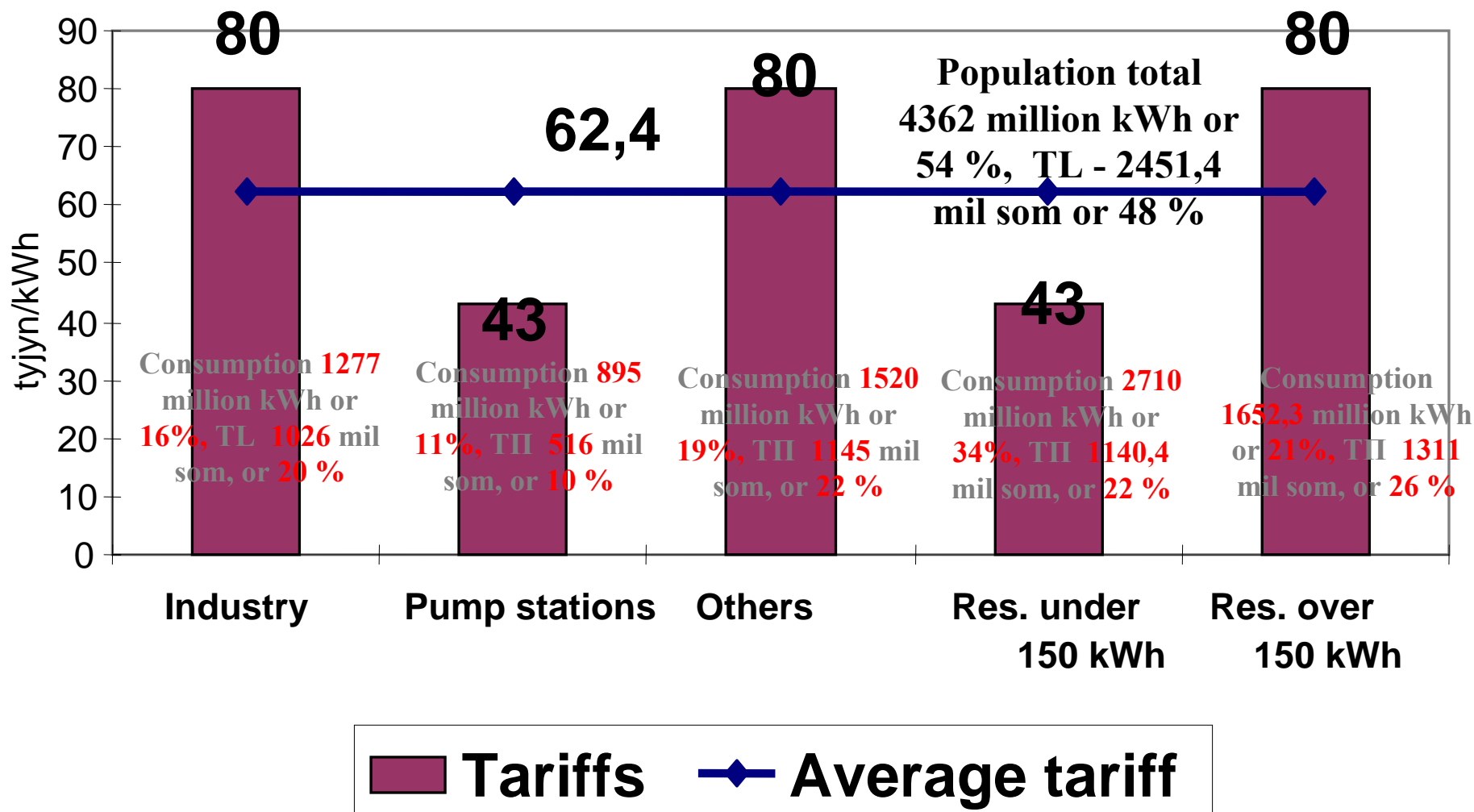


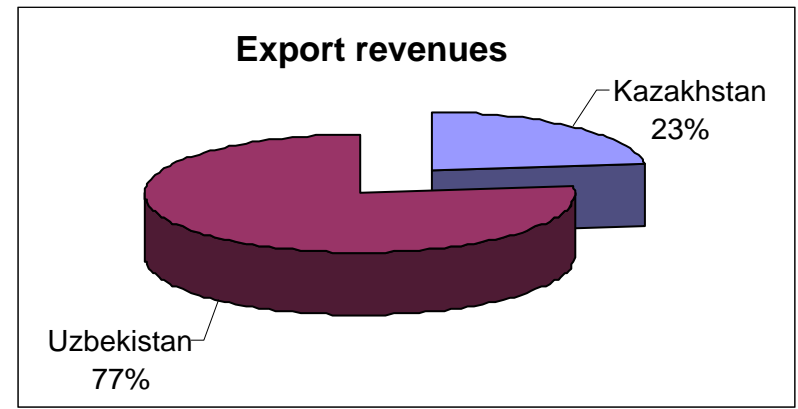
Existing hidden subsidies between different classes of consumers of electricity, heat and natural gas, such as:

- Electricity export subsidizes consumers in the domestic market both in terms of the electricity and heat
- The state budget subsidizes natural gas consumers
- Industrial consumers subsidize the population and rural consumers of electricity
- Urban consumers subsidize rural consumers. Existing mechanisms of hidden cross-subsidies distort the real picture
- Consumers are not interested in saving energy and reducing costs

Tariffs by consumer groups, valid since March 15, 2002



Export revenues under intergovernmental agreements



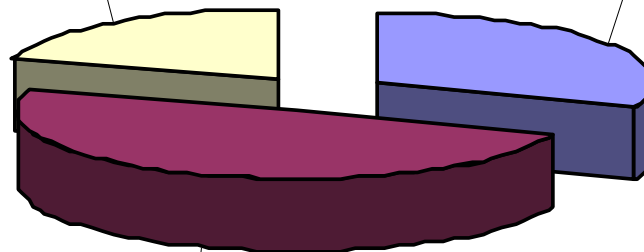
Countries	volume	tariff	revenue	Exch.rate	\$ revenue
	million kW	cent/kWh	mil \$	som/\$	Mil som
TOTAL	2,000	2.17	43	49	2,127
Kazakhstan	1,000	1.00	10	49	490
Uzbekistan	1,000	3.34	33	49	1,637

Subsidies for the domestic market from export revenues

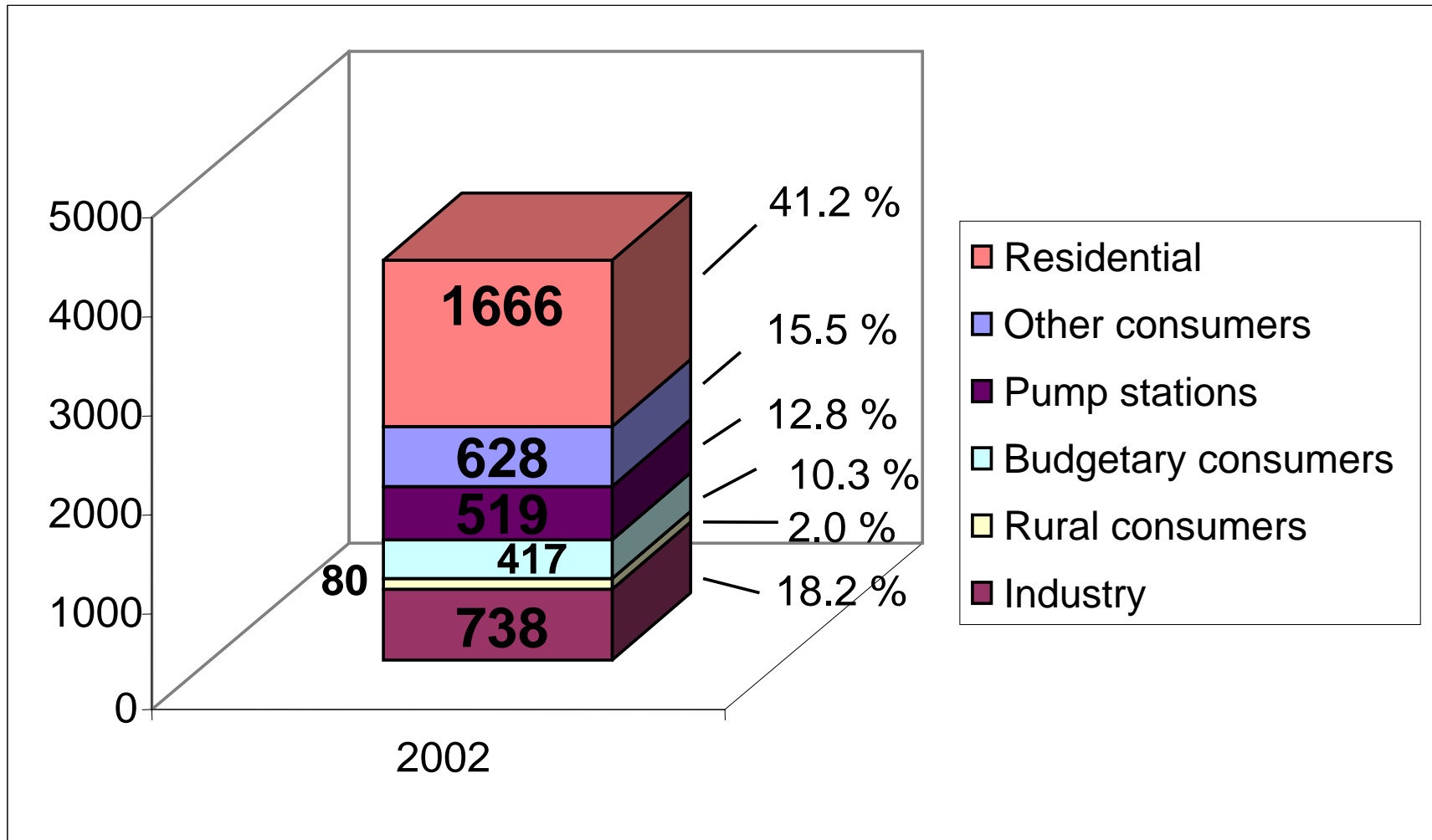
**Subsidies for
electricity for
domestic
consumers
424 mil som
(20%)**

**Costs of generation
and transit
of electricity
for export 663 mil som
(31%)**

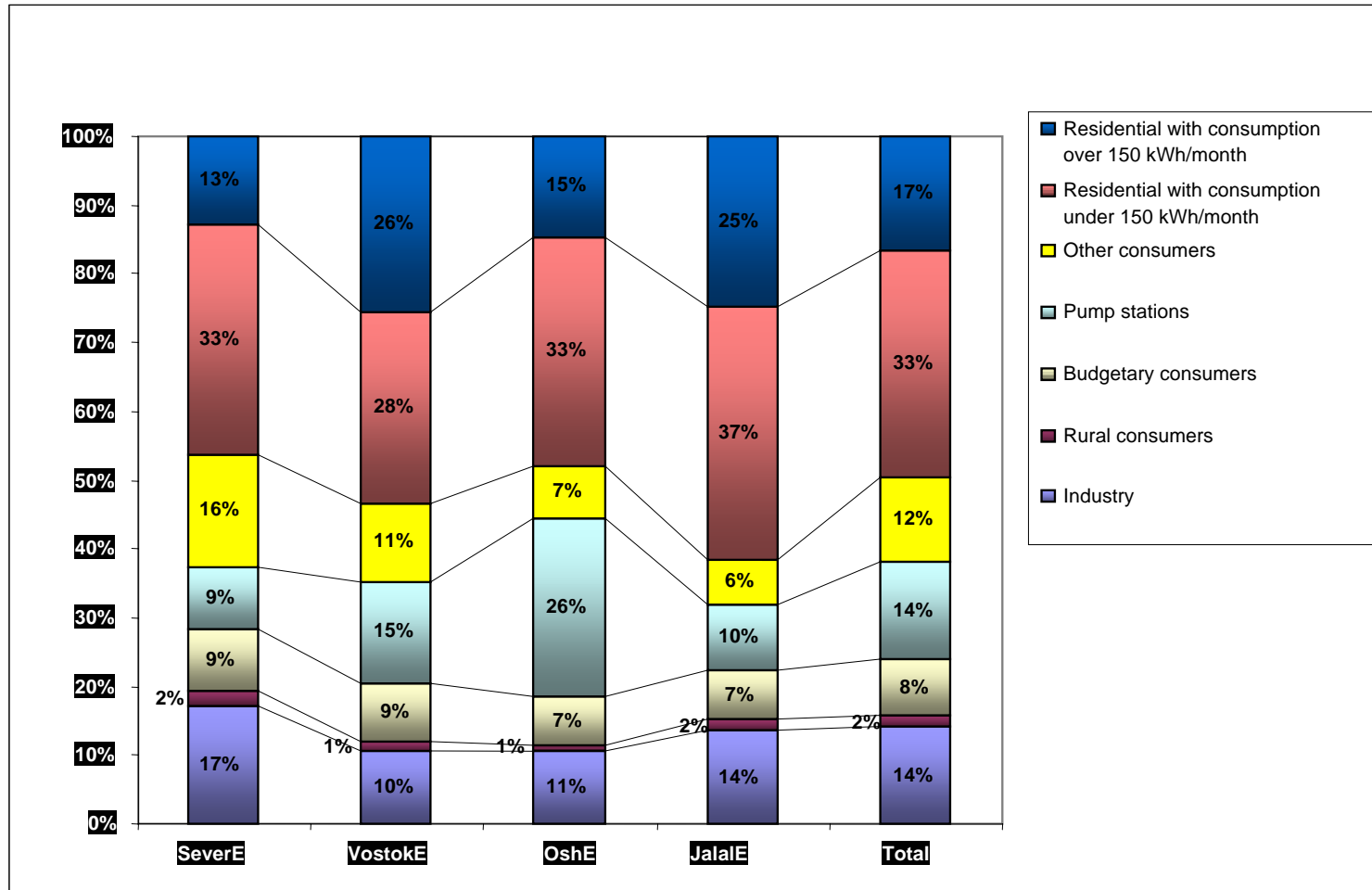
**Subsidies for
covering losses
from heat
and water
1040 mil som
(49%)**



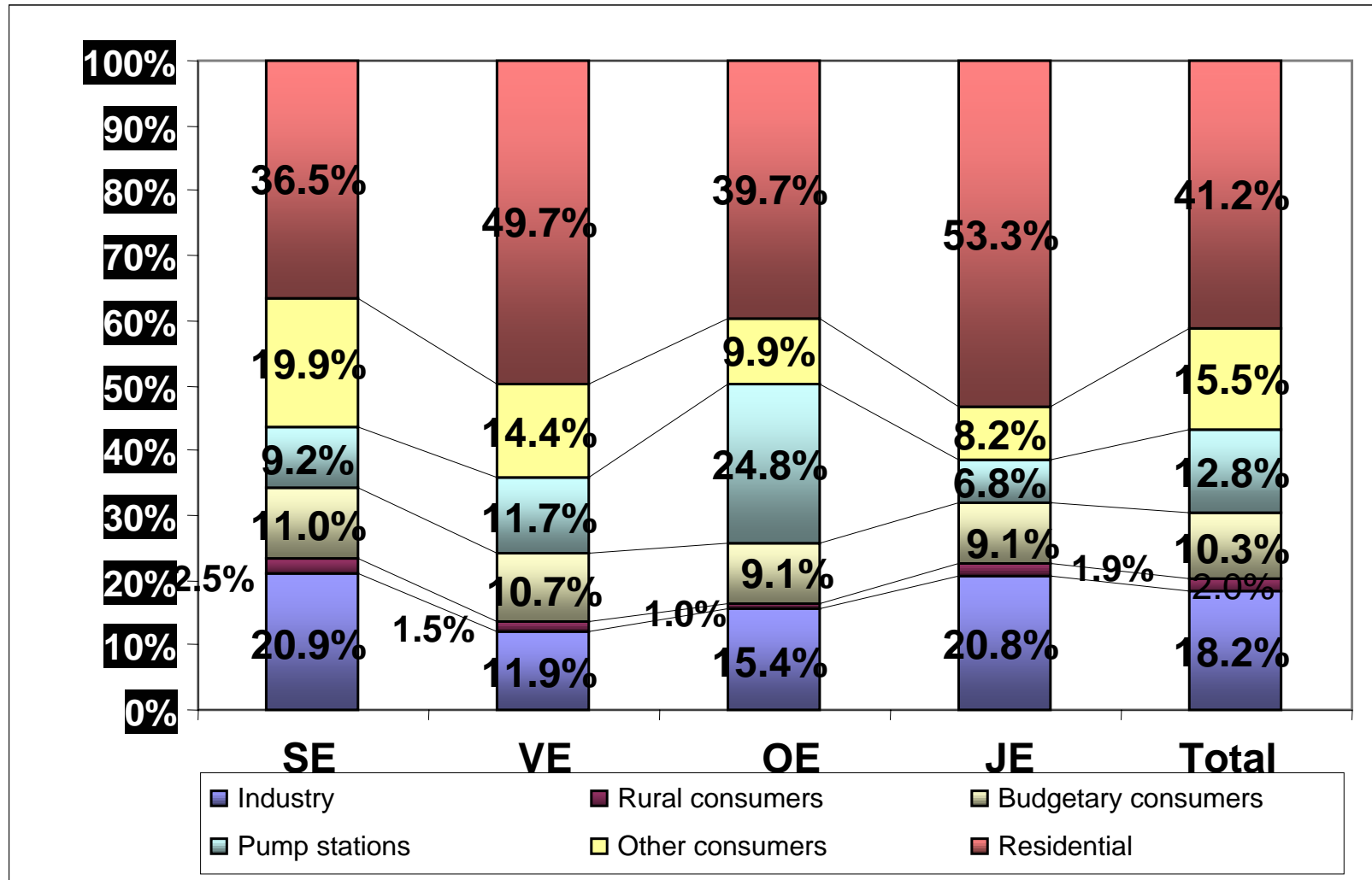
General structure of revenues by different consumer groups in calculating tariffs for 2002



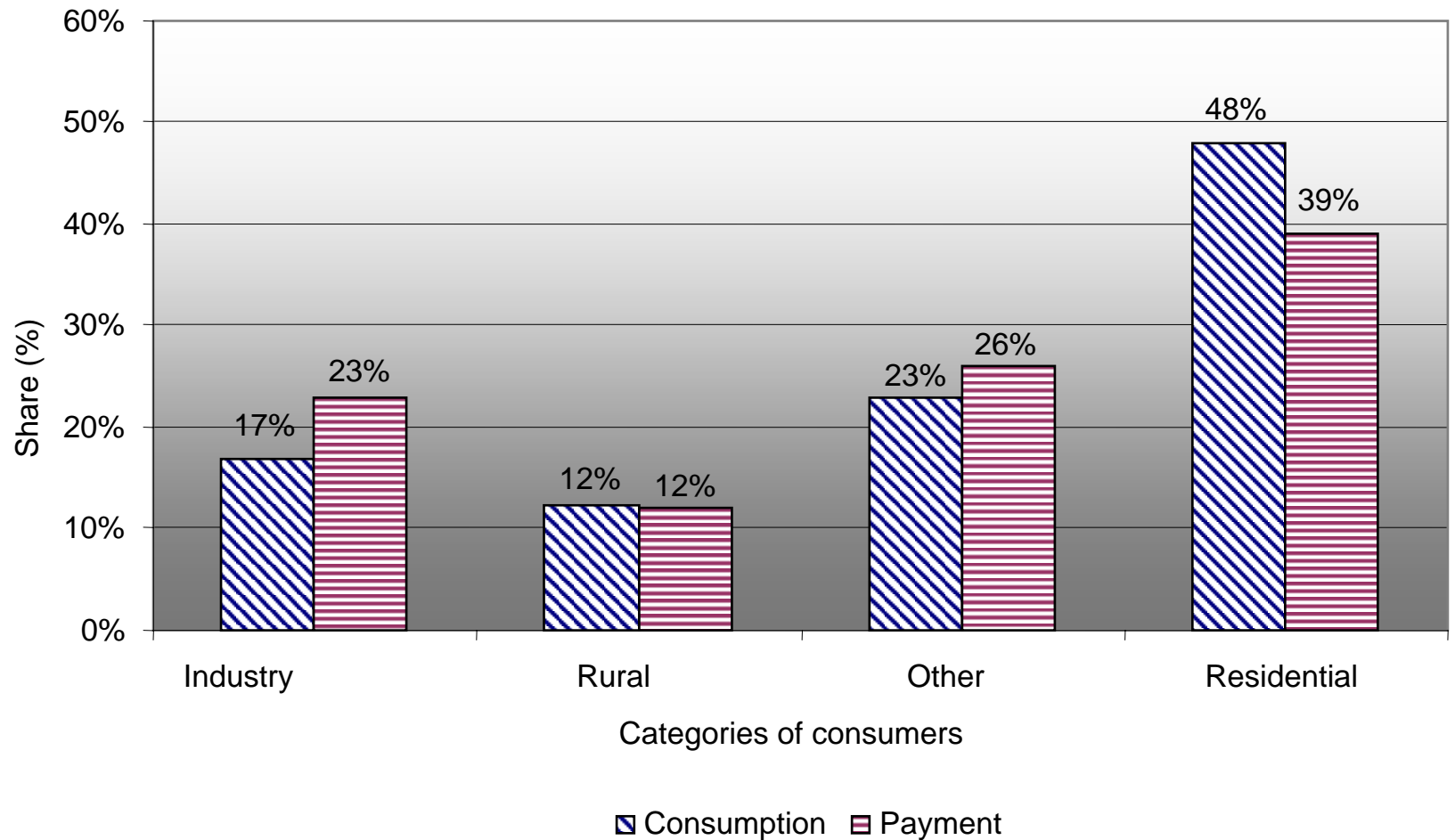
Share of various consumer groups in the total consumption by distribution companies



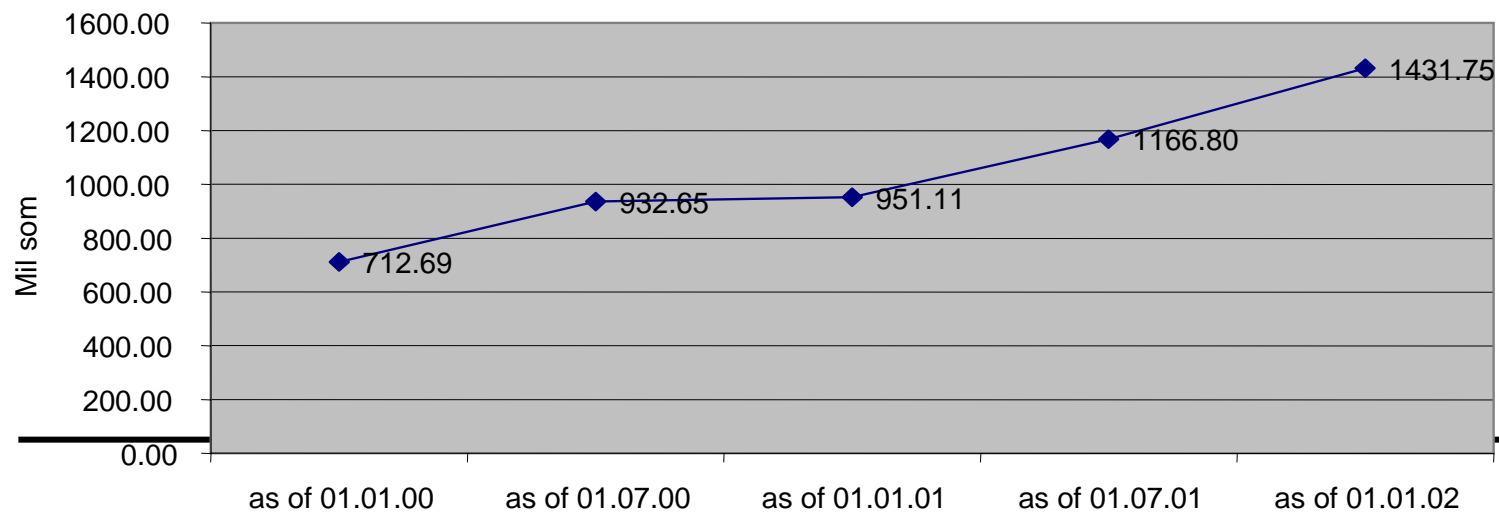
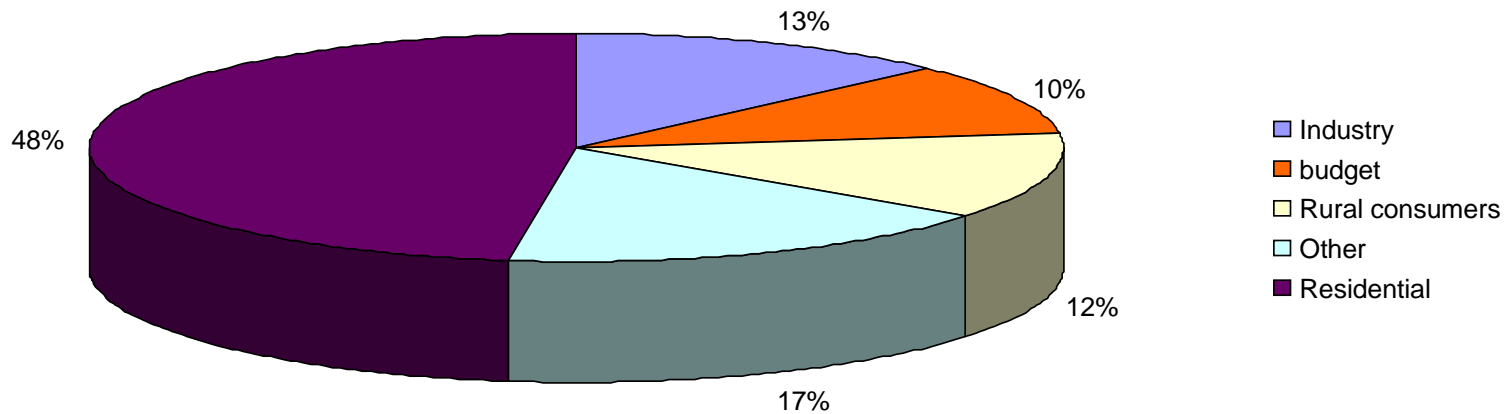
Share of various consumer groups in the total income of distribution companies



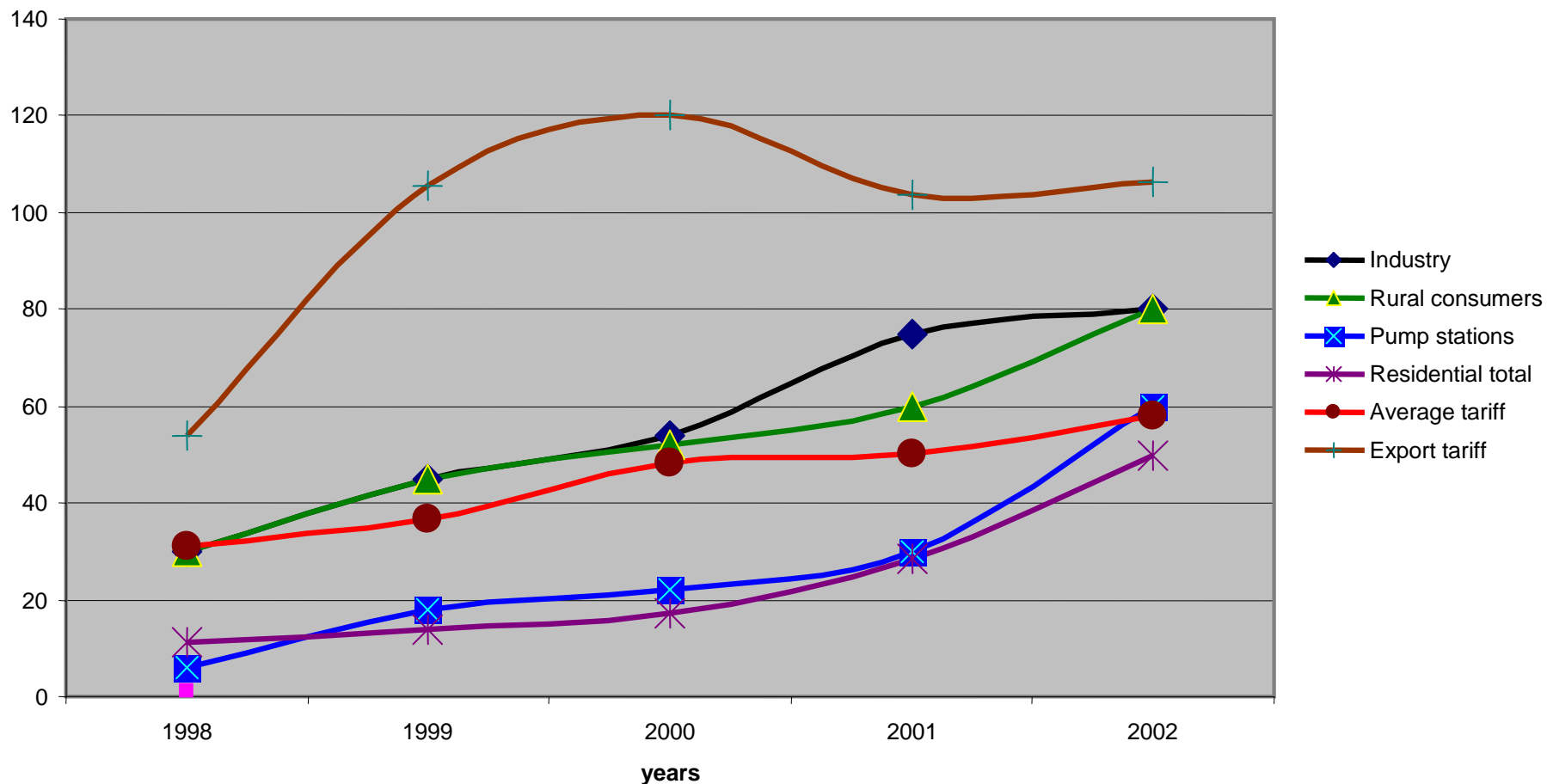
Consumption and payment in 2002



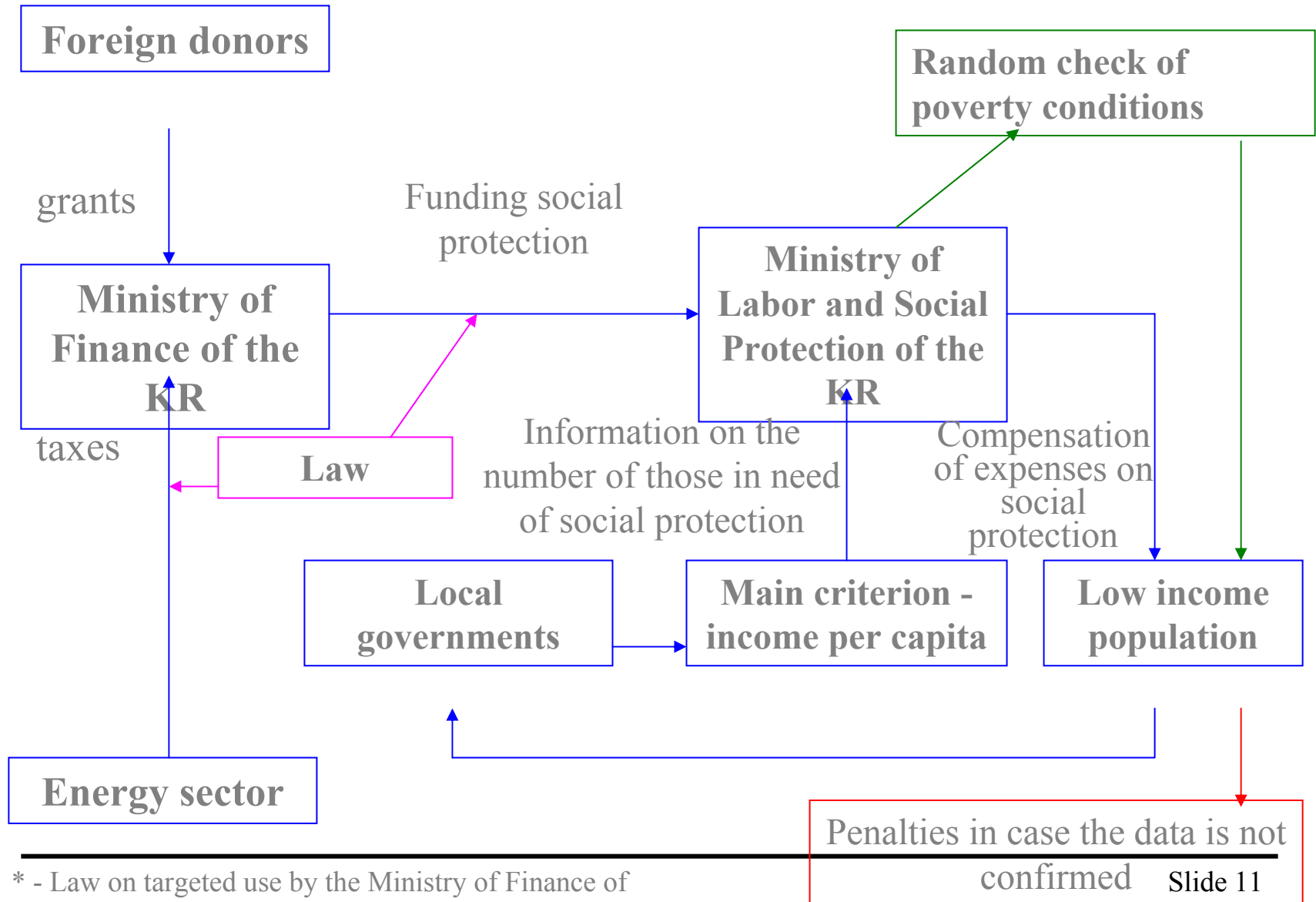
Structure of receivables by consumer categories and their dynamics of receivables



Dynamics of growth in tariffs by consumer categories



SOCIAL PROTECTION OF LOW INCOME RESIDENTIAL CONSUMERS



Electricity tariffs

To the consumer pocket

compensation

saving

25c

5,2

18,9

38,7

13,7

Independent payment

new

under 90 kWh

From the consumer pocket

compensation

saving

25c

2,2

41,7

39,5

Independent payment

new

from 90 to 150 kWh

