



On approval of the Rules of admission for consideration, consideration and selection of investment programs for modernization, expansion, reconstruction and (or) renovation , conclusion of investment agreements for modernization, expansion, reconstruction and (or) renovation, the corresponding conclusion of agreements for the purchase of services to maintain the availability of electrical capacity and the establishment of individual tariffs for these agreements for the service to maintain the availability of electrical capacity, the volume and timing of the purchase of the service for maintaining the availability of electric power

Unofficial translation

Order of the Minister of Energy of the Republic of Kazakhstan dated November 28, 2017 No. 416. Registered with the Ministry of Justice of the Republic of Kazakhstan dated December 14, 2017 No. 16098.

Unofficial translation

In accordance with subparagraph 70-21) of Article 5 of the Law of the Republic of Kazakhstan dated July 9, 2004 "On Electric Power Industry" **I hereby ORDER:**

1. To approve the attached Admission Rules for consideration, consideration and selection of investment programs for modernization, expansion, reconstruction and (or) renovation, conclusion of investment agreements for modernization, expansion, reconstruction and (or) renovation,, the corresponding conclusion of agreements for the purchase of services to maintain the availability of electrical capacity and the establishment of these individual tariffs for these agreements for the service to maintain the availability of electrical capacity, the volume and timing of the purchase of the service for maintaining the availability of electric power.

2. The Department of Electric Power Industry and Coal Industry of the Ministry of Energy of the Republic of Kazakhstan, in accordance with the procedure established by the legislation of the Republic of Kazakhstan, shall ensure:

1) the state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;

2) within ten calendar days from the date of state registration of this order, sending its copy in paper and electronic form in the Kazakh and Russian languages to the Republican State Enterprise on the Right of Economic Management "Republican Center of Legal Information" of the Ministry of Justice of the Republic of Kazakhstan for official publication and inclusion in Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan;

3) within ten calendar days after the state registration of this order, sending a copy of it for official publication in periodicals;

4) the placement of this order on the Internet resource of the Ministry of Energy of the Republic of Kazakhstan;

5) within ten working days after the state registration of this order with the Ministry of Justice of the Republic of Kazakhstan, submission to the Legal Department of the Ministry of Energy of the Republic of Kazakhstan of information on the implementation of measures provided for in subparagraphs 2), 3) and 4) of this paragraph.

3. Control over the implementation of this order shall be entrusted to the supervising Vice Minister of Energy of the Republic of Kazakhstan.

4. This order shall enter into force on January 1, 2018 and shall be subject to official publication.

*Minister of Energy
of the Republic of Kazakhstan*

K. Bozumbayev

Approved
by Order № 416 of the Minister
of Energy of the
Republic of Kazakhstan
dated November 28, 2017

Rules of admission for consideration, consideration and selection of investment programs for modernization, expansion, reconstruction and (or) renovation , conclusion of investment agreements for modernization, expansion, reconstruction and (or) renovation, , the corresponding conclusion of agreements for the purchase of services to maintain the availability of electrical capacity and the establishment of individual tariffs for these agreements for the service to maintain the availability of electrical capacity, the volume and timing of the purchase of the service for maintaining the availability of electric power Chapter 1. General Provisions

1. These Admission Rules for consideration, consideration and selection of investment programs for modernization, expansion, reconstruction and (or) renovation , conclusion of investment agreements for modernization, expansion, reconstruction and (or) renovation, the corresponding conclusion of agreements for the purchase of services to maintain the availability of electrical capacity and the establishment of individual tariffs for these agreements for the service to maintain the availability of electrical capacity , the volume and timing of the purchase of the service for maintaining the availability of electric power (hereinafter referred to as the Rules) have been developed in accordance with subparagraph 70 -21) of Article 5 of the Law of the Republic of Kazakhstan of July 9, 2004 "On Electric Power Industry" (hereinafter - the Law) and determine the procedure for admission to consideration, consideration and selection of investment programs for modernization, expansion , reconstruction and (or) renovation, conclusion of investment contracts for modernization, expansion, reconstruction, and (or) renovation, corresponding conclusion of contracts for the purchase of services for maintaining the availability of electrical capacity and the establishment of individual tariffs for these contracts, for the service to maintain the

availability of electrical power, the volume and timing of the purchase of services to maintain the availability of electrical power.

In accordance with paragraph 1 of Article 15-4 of the Law, the investment agreements for modernization, expansion, reconstruction and (or) renovation shall be concluded only with respect to the main generating equipment of operating (existing) power plants of existing energy producing organizations.

2. The following concepts and definitions are used in these Rules:

1) investment programme of modernisation, expansion, reconstruction and/or renovation - a programme of modernisation, expansion, reconstruction and/or renovation, the activities of which cover the main generating equipment of one operating (existing) power plant of an operating power generating organisation;

2) investment agreement for modernisation, expansion, reconstruction and/or renovation - an agreement concluded by the authorised body with the existing power generating organization for the modernisation, expansion, reconstruction and/or renovation of existing power plants and including one or more investment programmes for modernisation, expansion, reconstruction and/or renovation;

3) the level of required annual return - annual income of the power generating organisation required for return of investment into implementation of measures of the investment programme of modernisation, expansion, reconstruction and/or renovation, which is determined by the product of the value of the individual tariff for the service of maintaining the availability of electric capacity and the value of the volume of the service of maintaining the availability of electric capacity of the given investment programme, as well as the value of the duration of the year expressed in months;

4) main generating equipment - boiler plant, turbine plant and electric generator;

5) permissible amount - the difference of 30 (thirty) percent of the investments amount in 2015 and the sum of the levels of the required annual return under investment programs of modernization, expansion, reconstruction and (or) renewal of existing investment agreements for modernization, expansion, reconstruction and (or) renewal, concluded in previous periods (years)

6) an authorised body - the state body responsible for the management of the electric power industry;

7) coincidence of points - the value of the number of points that are simultaneously collected by two or more investment programs based on the results of the points set by the authorized body in compliance with paragraph 8 of these Rules;

8) volume of investments in 2015 - the total volume of investments (excluding investments due to depreciation) made by power generating organisations in 2015 under agreements with the authorised body.

Other concepts and definitions used in these Rules shall be applied in conformity with the legislation of the Republic of Kazakhstan in the field of electric power industry.

Footnote. Paragraph 2 as amended by Order No.234 of the Minister of Energy of the Republic of Kazakhstan dated June 17, 2020 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 2. The procedure for admission to consideration of investment programs for modernization, expansion, reconstruction and (or) renovation

3. The existing energy producing organizations intending to conclude an investment agreement with the authorized body for modernization, reconstruction, expansion and (or) renovation (hereinafter referred to as the Agreement), before February 1, shall send investment programs of modernization, expansion, reconstruction and (or) renovation (hereinafter referred to as the - investment programs) on paper and electronic media together with the information on the main parameters of investment programs in the form, in accordance with Appendix 1 to these Rules. Together with the investment programs, the results of independent technical and financial audits conducted during the development of these investment programs shall also be entered into the Market Council.

4. The Market Council shall prepare a recommendation separately for each investment program on the expediency or in expediency of its implementation made in accordance with paragraph 3 of this Rules and complying with the admission criteria specified in Appendix 2 to this Rules. ,

5. Investment programs that have received a recommendation from the Market Council on the feasibility of implementation shall be admitted for consideration by the authorized body.

Investment programs approved for consideration by the authorized body, information on the main parameters of the investment program in the form according to the appendix, specified in paragraph 3 of these Rules, and the corresponding recommendation of the Market Council on the feasibility of implementation shall be submitted by the Market Council to the authorized body before April 1 of the year, in which the specified investment programs are submitted to the Market Council.

Conclusions on investment programs that have not received a recommendation from the Market Council on the feasibility of implementation shall be submitted to the authorized body for information.

Footnote. Paragraph 5 - as amended by Order No. 20 of the Minister of Energy of the Republic of Kazakhstan dated January 20, 2021 (shall be enforced upon expiry of ten calendar days after its first official publication).

6. The Market Council shall publish a list of investment programs approved and not authorized by the authorized body on its Internet resource by April 3 of the year, in which they are submitted to the Market Council.

Chapter 3. The procedure for consideration and selection of investment programs

7. When considering approved investment programs, the authorized body shall be guided simultaneously by the following selection criteria:

- 1) the individual tariff for the service for maintaining the availability of electric power (hereinafter referred to as the individual tariff);
- 2) type of electrical station.

8. The authorized body for each of the investment programs under consideration shall score points according to the selection criteria, in accordance with Appendix 3 to these Rules.

9. After scoring, the authorized body shall compile a ranked list of investment programs by the number of points scored in descending order of the number of points scored: from the investment program with the maximum number of points to the investment program with the minimum number of points.

At the same time, if as a result of scoring, carried out by the authorized body in accordance with paragraph 8 of these Rules, the points coincide, then when compiling a ranked list within each coincidence of points, an additional ranking of the relevant investment programs shall be carried out.

This additional ranking shall be carried out according to the values of the individual rate of these investment programs in order of increasing these values: from the investment program with the minimum value of the individual rate to the investment program with the maximum value of the individual rate.

10. After drawing up the ranked list, the authorized body shall calculate the sum of the levels of the necessary annual return of the investment programs under consideration, adding the corresponding levels of the required annual return into it in sequence, in order of increasing priority of these investment programs in the ranked list. The investment programs, the sum of the levels of the necessary annual return of which does not exceed the allowable amount, shall be recognized as selected.

11. With regard to existing energy producing organizations whose investment programs are recognized as selected, the authorized body decides to enter into Agreements with them, which include the relevant selected investment programs.

12. No later than forty calendar days from the day of publication by the Market Council of the list of investment programs, approved and not admitted for consideration to the authorized body, the authorized body shall publish on its Internet resource a list of existing energy producing organizations, with which the Agreements will be concluded, and the sum of the levels of necessary annual return on investment programs of these Agreements and all existing Agreements concluded in previous periods.

Chapter 4. Procedure for concluding individual investment agreements for modernisation, reconstruction, expansion and/or renovation of individual investment agreements for launched power plants

Footnote. The title of Chapter 4 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be enforced ten calendar days after the day of its first official publication).

Paragraph 1. Conclusion of Agreements

13. The existing energy producing organizations included in the list published on the Internet resource of the authorized body in accordance with paragraph 12 of these Rules, shall sign the relevant Agreements with the authorized body in the form according to Appendix 4 to these Rules within thirty calendar days from the date of the specified publication.

14. The investment programs included in the Agreements shall be drawn up as appendices to the Agreements.

15. The individual tariffs set forth in the Agreements, the volume of services for maintaining the availability of electrical power (hereinafter referred to as the scope of services) and the terms for purchasing the services for maintaining the availability of electrical capacity (hereinafter referred to as the terms for purchasing the service) shall not be subject to upward adjustments.

Paragraph 2: Conclusion of individual investment agreements for modernisation, reconstruction, expansion and/or renovation under a simplified procedure

Footnote. The title of Paragraph 2 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be enforced ten calendar days after the day of its first official publication).

16. Power generating organisations that have concluded agreements with the authorised authority and implemented large-scale investment programmes from 2009 to 2015 during the period of the electricity ceiling tariff programme, the cost of which, in addition to the investment component of the ceiling tariff, resulted in significant additional external financing (loans, credits), as well as loans (credits) and other money received for the purpose of refinancing and repayment of the principal of previously raised liabilities under projects included in development programmes approved by local executive bodies, shall enter into individual investment agreements with the authorised body for modernisation, expansion, reconstruction and/or renovation under a simplified procedure.

Footnote. Paragraph 16 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be enforced ten calendar days after the day of its first official publication).

17. The simplified procedure for entering into individual investment agreements for modernisation, expansion, reconstruction and/or renovation shall imply the conclusion of these agreements without submitting investment programmes and passing the admission and selection procedures to the authorised body, provided that the following materials and

information are submitted by the relevant energy production organisations to the authorised body before April 1, 2018:

- 1) act(s) of commissioning of the facility(s) for the acquisition (implementation) of which additional external financing (loans, credits) was raised in the period from 2009 to 2015;
- 2) documents confirming the availability of loans not repaid as of January 1, 2018;
- 3) information required for the conclusion of the relevant individual investment agreement on modernisation, expansion, reconstruction and/or renovation of the loans and facilities specified in sub-paragraph 1) of part one of this paragraph.

The simplified procedure for concluding individual investment agreements for modernisation, expansion, reconstruction and/or renovation for power generating organisations that have borrowed loans (credits) and other money received for the purpose of refinancing and repayment of the principal of previously borrowed obligations under projects included in development programmes approved by local executive bodies, shall imply the conclusion of such agreements without the need to submit investment programmes and pass the admission and selection procedures, subject to the submission of the following materials and information to the authorized body by the relevant energy producing organizations before September 1, 2019:

- 1) act(s) of commissioning in the period from 2009 to 2015 of the facility(s) of energy producing organizations that have borrowed loans (credits) and other money received for the purpose of refinancing and repayment of the principal debt of previously borrowed liabilities under projects included in development programs approved by local executive bodies;
- 2) documents confirming the existence of loans that have not been repaid as of the date of submission of information to the authorized body;
- 3) information on loans and facilities specified in sub-paragraph 1) of part two of this paragraph necessary for the conclusion of the relevant individual investment agreement on modernisation, expansion, reconstruction and/or updating.

Footnote. Paragraph 17 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be enforced ten calendar days after the day of its first official publication).

18. The list of power generating organisations entering into individual investment agreements for modernisation, expansion, reconstruction and/or renovation under a simplified procedure shall be published by the authorised body on its website within forty calendar days from the date of submission to the authorised body of the materials and information specified in the second part of paragraph 17 (2) of these Rules.

Footnote. Paragraph 18 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be enforced ten calendar days after the day of its first official publication).

19. Power generating organisations, included in the list published on the internet site of the authorised body in compliance with paragraph 18 of these Rules, shall sign individual

investment agreements with the authorised body for modernisation, expansion, reconstruction and/or renovation in the form pursuant to Annex 4 to these Rules within thirty calendar days from the date of the said publication.

Footnote. Paragraph 19 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be enforced ten calendar days after the day of its first official publication).

20. The individual tariffs, service volumes and terms of service purchase set in individual investment agreements for modernisation, expansion, reconstruction and/or renovation shall not be subject to upward adjustment.

Footnote. Paragraph 20 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be enforced ten calendar days after the day of its first official publication).

Paragraph 3. Conclusion of individual investment agreements for power plants launched in a simplified manner.

Footnote. Chapter 4 as supplemented by paragraph 3 in compliance with Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be effective upon expiry of ten calendar days from the date of its first official publication).

20-1. Power generating companies the power plants of which were put into operation between 2009 and 2015, for the construction of which borrowed financing (loans, credits) was raised up to 2015, as well as loans (credits) and other money received for the purpose of refinancing and repayment of the principal debt of previously raised liabilities with the purpose of financing the construction of the power plant, and concluded investment agreements with the authorized body and the state body responsible for management in the areas of natural monopolies, shall conclude individual investment agreements with the authorized body on commissioned power plants in a simplified manner.

20-2. The simplified procedure for entering into individual investment agreements for power plants put into operation shall imply the conclusion of these agreements without submitting investment programmes and passing the admission and selection procedures to the authorised body, provided that the following materials and information are submitted by the power production organisations 2019 to the authorised body before September 1,:

1) act(s) of putting into operation of the facility(ies) for the construction of which credits, loans and other money (hereinafter referred to as loans) specified in paragraph 20-1 of these Rules have been raised;

2) documents confirming the availability of loans that have not been repaid as of the date of submission of information to the authorized body;

3) the information required for the conclusion of the relevant individual investment agreement on the launched power plants regarding the loans and facilities specified in sub-paragraph 1) of this paragraph.

20-3. The list of power generating organisations concluding individual investment agreements on the launched power plants under a simplified procedure shall be published by the authorized body on its website within forty calendar days from the date of submission to the authorized body of the materials and information specified in paragraph 20-2 of these Rules.

20-4. Power generating companies included in the list published on the Internet site of the authorized body pursuant to paragraph 20-3 of these Rules shall sign individual investment agreements with the authorized body on power plants put into operation in the form in line with Annex 4 to these Rules within thirty calendar days from the date of publication.

20-5. The individual tariffs, service volumes and terms of service purchase established in individual investment agreements for the launched power plants shall not be subject to upward adjustment.

Chapter 5. The procedure for concluding agreements for the purchase of services to maintain the availability of electrical capacity and the establishment of individual tariffs for these agreements , the volume of services and the terms of service purchase

21. In compliance with the first part of paragraph 7 of article 15-4 of the Law, after the authorized body concludes the Agreement with the existing energy producing organisation, a single purchaser shall conclude a contract for the purchase of the service for maintaining the electric power with the given power generating organisation at an individual tariff in the amount and for the terms set by the authorized body.

Following the conclusion by the authorised body of an individual investment agreement for the modernisation, expansion, reconstruction and/or renovation of the launched power plants under a simplified procedure with the existing power production organisation, the single purchaser shall enter into an agreement for the purchase of the service for maintaining the electric capacity with the given power production organisation under an individual tariff in the amount and for the period set by the authorised body.

Footnote. Paragraph 21 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be effective upon expiry of ten calendar days from the date of its first official publication).

22. The conclusion of a purchase agreement of the service for maintaining the availability of electrical power shall be carried out within ninety calendar days from the date of signing the relevant Agreement, the individual investment agreement for the modernisation, expansion, reconstruction and/or renovation, and the individual investment agreement for the launched power plants.

Footnote. Paragraph 22 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be effective upon expiry of ten calendar days from the date of its first official publication).

23. The individual tariffs, service volumes and terms of service purchase for the service purchase agreement for maintaining the availability of electric power shall be set by the authorised body in accordance with the relevant Agreement, the individual investment agreement for the modernisation, expansion, reconstruction and/or renovation, and the individual investment agreement for the launched power plants.

Footnote. Paragraph 23 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be effective upon expiry of ten calendar days from the date of its first official publication).

Appendix 1
to the Rules of Admission for
consideration,
consideration and selection of
investment programs for
modernization, expansion,
reconstruction and (or)
renovation, conclusion of investment
agreements for modernization,
expansion, reconstruction and
(or) renovation, the corresponding
conclusion of agreements for the purchase of
services to maintain the
availability of
electrical capacity and the
establishment of
individual
tariffs for these agreements for the
maintenance of
electric power availability,
amount and timing of the purchase
of services for
maintaining the availability of
electric power
Document form

Information on the main parameters of the investment program of modernization, expansion, reconstruction and / or renovation

1. The name of the power plant (specify the name), which is covered by the activities planned for the implementation as part of the investment program.

2. General information about the activities planned for the implementation as part of the investment program *

No	Event name	Event start date (month, year)	Date of completion of the event (month, year)	Cost, (KZT mln.)	Technical parameters of the launched generating equipment	
					Installed electric power, (MW)	Installed heat output, (Gcal / h)
1	2	3	4	5	6	7
Replacement of the existing main generating equipment of the operating (existing) power plant						

1						
2						
...						
Restoration of the previously decommissioned main generating equipment of the operating (existing) power plant						
1						
2						
...						
Introduction of additional main generating equipment at the operating (existing) power plant (expansion)						
1						
2						
...						

Note:

* - the numerical values of the parameters of the table shall be reflected to the nearest tenths.

3. Information about the parameters of the power plant (specify the name) before and after the implementation of the investment program *.

No	Installed power		Average annual available power		Specific consumption of fuel equivalent for vacation **	
	Electric (MW)	Thermal (Gcal / hr)	Electric (MW)	Thermal (Gcal / hr)	Electric power (goe / kWh)	Heat energy (kgoe / Gcal)
1	2	3	4	5	6	7
Prior to the implementation of the investment program						
1						
After the implementation of the investment program						
2						

Note:

* - the numerical values of the parameters of the table shall be reflected to the nearest tenths.

** - in the nominal mode of operation of the power plant

4. Information on the return of investments in the power plant (specify the name) as part of the investment program *.

No	Individual tariff for the service of maintaining the availability of electric power, KZT thous. / (MW * month)	Scope of services to maintain the availability of electric power, MW	The term of purchase services to maintain the availability of electrical power, year	Level of required annual return, KZT thousand / year
1	2	3	4	5
1				

Note:

* - the numerical values of the parameters of the table shall be reflected to the nearest tenths.

consideration and selection of investment programs for modernization, expansion, reconstruction and (or) renovation, conclusion of investment agreements for modernization, expansion, reconstruction and (or) renewal, the corresponding conclusion of agreements for the purchase of services to maintain the availability of electrical capacity and the establishment of individual tariffs for these agreements for the service of maintaining the availability of electrical capacity, the volumes and timing of the purchase of the service for maintaining the availability of electric power

Admission criteria

Footnote. Appendix 2- as amended by Order No. 20 of the Minister of Energy of the Republic of Kazakhstan dated January 20, 2021 (shall be enforced upon expiry of ten calendar days after its first official publication).

1. The investment program of modernization, expansion, reconstruction and (or) renovation shall include the actions of one or several of the following types:

1) replacement of the existing main generating equipment of the operating (existing) power plant with new one, provided, that the main generating equipment of the power plant, planned to be replaced, has at least 100 (one hundred) percentage output of the assigned individual resource by the beginning of installation work of the equipment being put into operation, which is new and has a higher technical and technological parameters than the equipment being replaced;

2) restoration of the previously decommissioned main generating equipment of the operating (existing) power plant, provided that the equipment being introduced is new and has higher technical and technological parameters than the existing equipment;

3) launch of additional main generating equipment at the operating (existing) power plant (expansion), provided that the equipment being launched is new and has higher technical and technological parameters than the existing equipment.

2. Information on the main parameters of the investment program for modernization, expansion, reconstruction and (or) renovation, drawn up in the form, in accordance with Appendix 1 to the Rules for admission to consideration, consideration and selection of investment programs for modernization, expansion, reconstruction and (or) renovation, conclusion of investment agreements for modernization, expansion, reconstruction and (or) renewal, the corresponding conclusion of agreements for the purchase of services for

maintaining the availability of electrical capacity and the establishment for these agreements of individual tariffs for the service of maintaining the availability of electrical capacity, the volumes and timing of the purchase of the service for maintaining the availability of electrical capacity, approved by Order No. 416 of the Minister of Energy of the Republic of Kazakhstan dated November 28, 2017 (registered in the Register of State Registration of Regulatory Legal Acts under No. 16098) and submitted to the Market Council, in accordance with the information reflected in the investment program, and the numerical the values of the parameters of the tables contained in it are reflected to the nearest tenth.

Appendix 3 to the Rules for admission to consideration, consideration and selection of investment programs for modernization, expansion, reconstruction and (or) renovation, conclusion of investment agreements for modernization, expansion, reconstruction and (or) renewal, the corresponding conclusion of agreements for the purchase of services to maintain the availability of electrical capacity and the establishment of individual tariffs for these agreements for the service of maintaining the availability of electrical capacity, the volumes and timing of the purchase of the service for maintaining the availability of electric power

Scores by selection criteria

Footnote. Appendix 3 as amended by Order No. 20 of the Minister of Energy of the Republic of Kazakhstan dated January 20, 2021 (shall be enforced upon expiry of ten calendar days after its first official publication).

№	Name of the criterion	Criterion dimension	Value	Score	Criterion weight
1	2	3	4	5	6
1	Individual tariff for the service of maintaining electric power availability	%*	50,0 ÷ 200,0	5,0	0,6
			200,1 and 300,0	4,5	
			300,1 and 400,0	4,0	
			400,1 and 500,0	3,5	
			500,1 and 600,0	3,0	

		600,1 and 700,0	2,5	
		700,1 and 800,0	2,0	

Note:

*: percentage of the value of the marginal tariff for the electric power availability maintenance service approved by the authorized body;

** : CHP - combined heat and power plant, hydroelectric station - hydroelectric station,

CPS - condensation power station,

SGPP - steam-gas power plant,

GTEPS - gas-turbine electric power station.

Appendix 4
to the Rules of admission
for consideration,
consideration and selection
of investment modernization
programs, expansion,
reconstruction and (or) renovation,
conclusion investment agreements
for modernization,
expansion, reconstruction and (or)
renovation, appropriate conclusion
of agreements on purchase a
preparedness service
electrical power and setting for
these agreements of individual
tariffs for availability maintenance
service of electric power, volumes
and terms purchase of
preparedness services electrical
power
Document form.

Investment agreement for modernisation, reconstruction, expansion and (or) update/individual investment agreement for modernisation, reconstruction, expansion and/or renovation/Individual investment agreement on the launched power plant

Footnote. Annex 4 as reworded by Order of the Minister of Energy of the Republic of Kazakhstan No. 263 dated 26.07.2019 (shall be effective upon expiry of ten calendar days from the date of its first official publication).

_____ " ____ " ____ 20 ____
(city of signing) (date of conclusion)

(name of the government agency)

represented by _____
(position, full name of the authorised person)

acting under _____,
(provision or order)

hereinafter referred to as the authorised body and (name of the energy producing organization)

represented by _____,
(position, full name of the authorised person)

acting under _____,
(charter or power of attorney)

hereinafter referred to as the energy producing organization as the party of the one part, hereinafter jointly referred to as the "Parties", in line with the Law of the Republic of Kazakhstan dated July 9, 2004 "On Electric Power Industry" (hereinafter referred to as the Law) have entered into this investment agreement for modernization, reconstruction, expansion and/or renovation/individual investment agreement for modernization, reconstruction, expansion and/or renovation/individual investment agreement for the launched power plant (hereinafter referred to as the Agreement).

1. The following terms are used in the Agreement:

1) Loans:

significant additional external financing (loans, credits), as well as loans (credits) and other money received for the purpose of refinancing and repayment of the principal debt of previously raised obligations under projects included in development programs approved by local executive bodies, in addition to the investment component of the ceiling tariff, raised by the energy production organization under agreements with the authorized body for the implementation of large-scale investment programs during the period of the ceiling tariff program for electric power stations.

borrowed financing (loans, credits) raised up to 2015 for the construction of the power plant commissioned from 2009 to 2015, as well as loans (credits) and other money received for the purpose of refinancing and repayment of the principal debt of previously raised obligations with the purpose of financing the construction of the power plant of the energy producing company, which entered into investment agreements with the authorized body and the state body managing natural monopolies;

2) Facilities - facilities for the acquisition (implementation) of which Loans were used.

2. The Agreement shall provide for the obligations and rights of the Parties to the Agreement to implement the measures of the investment programme (programmes) of modernisation, expansion, reconstruction and/or renovation.

3. The power generating organisation shall undertake:

1) to implement measures of the investment program(s) of modernization, expansion, reconstruction and (or) renovation in compliance with Annex 1 to this Agreement;

2) annually, no later than 31 March of the year following the reporting year, submit to the authorized body a report on the achievement of the indicators (indicators) specified in Annex 2 to this Agreement, confirmed by an independent energy expertise.

The requirement of paragraph 3 of this Agreement shall not apply to power generating organisations that are subject to paragraphs 9 and 9-1 of Article 15-4 of the Law. However, Annexes 1 and 2 to this Agreement shall not be completed.

4. The power generating organisation shall have the right to:

1) receive payment for the service of maintaining the availability of electric capacity pursuant to the Law and this Agreement;

2) exercise other rights in conformity with the legislation of the Republic of Kazakhstan and the Agreement.

5. The authorised body shall be obliged:

1) in case of conclusion of an investment agreement on modernisation, reconstruction, expansion and/or renovation, to establish, in compliance with Annex 3 to this Agreement:

an individual tariff for the service to maintain the availability of electric capacity for each year, represented by the weighted average values of individual tariffs included in the Investment Programme Agreement;

volume of the service for maintenance of the availability of electric capacity by years, represented by the sums of service volumes corresponding to these years for all investment programmes included in the Agreement;

the period of purchase of the service to maintain the availability of electrical power represented by the longest period of purchase of the service included in the Investment Programmes Agreement;

2) in the event of an individual investment agreement for the modernisation, reconstruction, expansion and/or renovation/individual investment agreement for the power plant commissioned, to establish, in accordance with Annex 3 to this Agreement:

the individual tariff for the service of maintaining the availability of electric capacity by years, calculated on the basis of the need to cover the annual principal payments on the outstanding Loans starting from January 1, 2019;

individual tariff for the service to maintain the availability of electric capacity by years / individual tariff for the service to maintain the availability of electric capacity for the power plants commissioned by years, calculated on the basis of the need to cover the annual principal payments on outstanding loans received for refinancing purposes as of January 1, 2020;

the scope of services to maintain the availability of electrical capacity for years equal to the available electrical capacity of the Facilities. However, if the Facilities include only the main generating equipment or, in addition to the main generating equipment also include

other process facilities for the generation of electricity and/or heat, the scope of the service for the individual Agreement shall be the available electric capacity corresponding to this main generating equipment.

If the Facilities do not include the main generating equipment, the scope of services for the individual Agreement shall be the full available electrical capacity of the existing power plants where the Facilities have been put into operation;

the term for the purchase of the service for maintaining the availability of electric capacity determined by the duration, starting from January 1, 2019, of the remaining repayment period of the principal debt under the outstanding Borrowings of the energy producing company;

the term of purchase of the service for maintaining the readiness of electric capacity determined by the duration, starting from January 1, 2020, of the remaining repayment period of the principal debt on the outstanding Loans received for refinancing purposes, the energy producing company;

3) establish targets for this Agreement for each year on the following indicators: specific fuel consumption for the supply of electric and (or) thermal energy; available electric capacity ; service life of the main generating equipment; degree of deterioration of the main generating equipment; environmental indicators.

The requirements of subparagraph 3) of this paragraph shall not apply to energy production organisations that are subject to paragraphs 9 and 9-1 of article 15-4 of the Law.

6. The authorised body shall have the right to:

1) request and receive from the power generating organisation information and documents confirming the fulfilment of the obligations assumed under this Agreement;

2) to terminate this Agreement or to change the individual tariff for the service of maintaining the availability of electric power, the scope and terms of purchase of the service for maintaining the availability of electric power with the notification of the system operator, in case of failure to achieve the target indicators established in the Agreement, as well as in case of violation of the terms of implementation of measures of the investment programme (programmes) for modernization, expansion, reconstruction and (or) renovation, specified in Annex 1 to this Agreement;

3) exercise other rights in line with the legislation of the Republic of Kazakhstan and the Agreement.

7. On all issues not regulated by the Agreement, the Parties shall be governed by the laws of the Republic of Kazakhstan in the field of electric power industry and civil legislation.

8. Disputes and disagreements on the Agreement shall be resolved through negotiations. If it is impossible to settle disputes by negotiation, such disputes shall be settled in court.

9. The provisions of the Agreement, information received or acquired by any Party in the process of implementation of the Agreement shall be confidential by decision of the Parties.

10. Confidential information shall not be transferred by one party to third parties without the consent of the other party except in cases:

1) submission of information to the requests of judicial or law enforcement bodies in the manner prescribed by the legislation of the Republic of Kazakhstan;

2) when the information is provided to state bodies which are authorized to receive financial and other reports pursuant to the legislation of the Republic of Kazakhstan.

11. The date of entry into force of the Agreement shall be the date of its signing.

12. The Agreement has been concluded for the period of _____ (___) years.

13. The Parties by mutual consent shall amend and supplement the Agreement by signing additional agreements in writing.

14. All additional agreements shall be signed by authorized representatives of the Parties.

15. Any correspondence under the Agreement shall be sent to the following addresses:

Authorised body _____

Energy Producing Organization _____

16. The agreement shall be terminated in cases of:

1) expiration of the term of validity;

2) termination;

3) court decisions;

4) in other cases stipulated by the legislation of the Republic of Kazakhstan in the electric power industry, civil legislation and the Agreement.

17. Changes in the legal status or legal form of the Parties shall not terminate the Agreement, and all rights and obligations shall be transferred to the respective successors, unless the Agreement is terminated, amended by mutual consent of the Parties, or the rules of law require its rewriting.

The Parties shall inform each other about changes in their legal status, location and other details within 3 days in writing from the date of such events.

18. The Agreement has been drawn up in the state and Russian languages in two original copies, for each of the Parties and having equal legal force.

19. Responsibility of the energy production organisation:

In case of non-fulfillment or improper fulfillment of obligations under the Agreement, the energy producing organization shall be responsible in accordance with the legislation of the Republic of Kazakhstan in the field of electric power industry.

Authorised body:	Energy producing organization:
_____	_____
_____	_____

Annex 1
to the Form of investment
agreement for modernization,
reconstruction, expansion and (or)
renovation /of an individual
investment agreement for

Investment programmes of modernisation, expansion, reconstruction and/or renovation (each investment programme is issued separately in accordance with the format below) Investment programme No. ____ (specify a sequence number starting from number one).

1. Name of the power plant (specify the name), which covers the activities planned under the investment programme.

2. General information on the events planned under the investment programme*.

№	Name of the event	Start date of the event (month, year)	Date of event completion (month, year)	Cost, (KZT million)	Technical parameters of the main generating equipment to be commissioned	
					Installed electrical capacity, (MW)	Installed thermal capacity, (Gcal/h)
1	2	3	4	5	6	7
Replacement of the existing main generating equipment of the operating (existing) power plant						
1.						
2.						
...						
Restoration of previously decommissioned main generating equipment of the operating (existing) power plant						
1.						
2.						
...						
Introduction of additional main generating equipment at the existing power plant (expansion)						
1.						
2.						
...						

Note:

* - numeric values of the table parameters shall be reflected with the accuracy of tenths.

Information on the power plant operation parameters (specify name) before and after implementation of the investment programme*.

№	Installed capacity,		Average annual available capacity,		Specific reference fuel consumption for issue**	
	Electric (MW)	Heat (Gcal/h)	Electric (MW)	Heat (Gcal/h)	Electric energy (goe/kW)	Thermal energy (kgoe/Gcal)
1	2	3	4	5	6	7
Before the investment programme is implemented						
1						
After implementation of the investment programme						
2						

Note:

* - numeric values of the table parameters shall be reflected with the accuracy of tenths.

** - target indicators for these indicators shall be established with due regard for the requirements of environmental legislation of the Republic of Kazakhstan.

Annex 3
to the Investment Agreement Form
for Modernisation, Reconstruction,
Expansion and/or Renovation /
Individual Investment Agreement
Form for Modernisation,
Reconstruction, Expansion and/or
Renovation

Individual tariff for the service to maintain the readiness of electric capacity, the scope and term of purchase of the service to maintain the readiness of electric capacity under the Investment Agreement on Modernisation, Reconstruction, Expansion and/or Renovation/ Individual investment agreement for modernization, reconstruction, expansion and (or) renovation / Individual investment agreement for the commissioned power plant*

No	Period, year	Individual tariff for the service of maintaining the readiness of electric power, thousand tenge / (MW * months)	Scope of services for maintaining the readiness of electric power, MW	Terms of purchase of services for maintaining the readiness of electric power, year
1	2	3	4	5
1.				
...				
...				

Note:

* - numeric values of the table parameters shall be reflected with the accuracy of tenths.