

JOINT-STOCK COMPANY “REGIONAL ELECTRIC NETWORKS”

“Regional electric networks” JSC

Approved by

Supervisory Board Meeting

Minutes No. 6 dated November 29, 2024

Business plan of the Joint-Stock Company “Regional electrical networks” for the Year 2025

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2. Appendix 2: List of Ongoing Investment Projects;
3. Appendix 3: Budget of Revenues and Expenses for JSC «Regional electrical networks» for 2025;
3a. Appendix 3a: Projected Revenues and Expenses for the Regional Enterprises of JSC «Regional electrical networks» for 2025;
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1. Introduction

Joint Stock Company «Regional electrical networks» (JSC) is an authorized entity for managing distribution and sales of electricity to end consumers, as well as overseeing system enterprises and regional branches.

JSC «Regional electrical networks» was established in accordance with the Decree of the President of the Republic of Uzbekistan No. PQ-4249 dated March 27, 2019, “On the Strategy for Further Development and Reform of the Electric Power Sector of the Republic of Uzbekistan,” and by Order No. 2k-PO of the State Assets Management Agency dated April 15, 2019.

The current organizational structure of JSC «Regional electrical networks» was approved by the Sole Shareholder’s resolution dated June 7, 2024.

The total staffing of the Central Office is 212 positions, while the total staffing for the enterprises and regional branches under the Company amounts to 29 625 positions (Appendix 1).

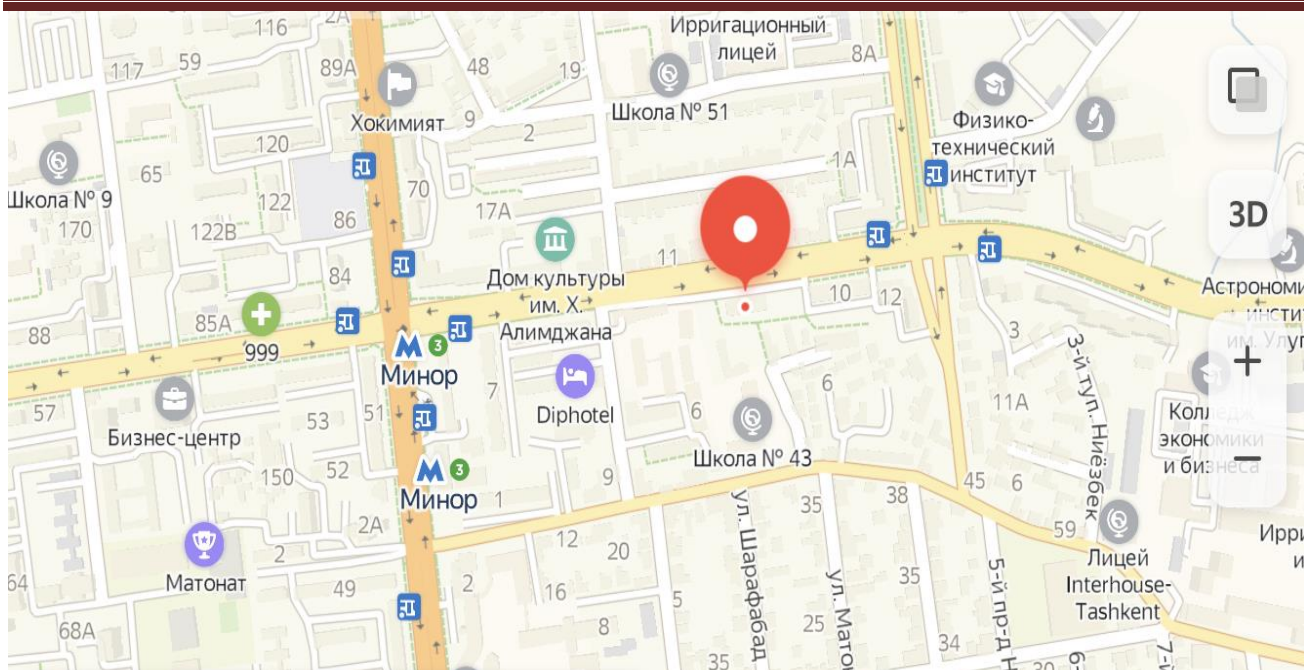
2. Information About the Company

2.1. General Information About the Company

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Ensuring the stable supply of electricity to the Republic’s economy and population, managing system enterprises, and regional branches, JSC «Regional electrical networks» has been implementing modernization and upgrades of distribution networks across the Republic based on State Programs. This is carried out using allocated funds from electricity sales in accordance with Protocol No. 20 of the Interdepartmental Tariff Commission under the Cabinet of Ministers of the Republic of Uzbekistan, dated May 15, 2024.

The organizational structure of the Company includes two regional electric network enterprises in the form of joint-stock companies, 12 regional branches, and additional branches such as “Energosavdo”, “Regional Construction and Installation Directorate”, “State Procurement Center”, and the “Center for Retraining and Professional Development of Personnel”.

Currently, the central executive office of the Company employs 212 staff members. Additionally, the “Energosavdo” branch employs 4 258 staff, the “Regional Construction and Installation Directorate” branch employs 122 staff, the “State Procurement Center” branch employs 110 staff, and the “Center for Retraining and Professional Development of Personnel” branch employs 10 staff. In the 12 regional branches of the Company, there are 18 331 employees, and 4 206 employees work in the two independent enterprises structured as joint-stock companies.

The existing capacity of distribution networks and substations in the Company enables the supply of 25,800 MVA of effective electricity to consumers. However, in the near future, transmission networks and the depreciation level of transformer points remains high. Without comprehensive modernization or the introduction of new equipment, certain issues regarding the reliability of electricity supply may arise.

The stable and proportional development of the Republic's economy and the resulting continuous increase in electricity demand necessitate consistent measures to further develop distribution networks. Analyses indicate that by 2030, electricity consumption is expected to increase by nearly 1,5 times.

Over the next 2-3 years, there is an increasing need within the management system of JSC «Regional electrical networks» to implement advanced technologies used in the energy sectors of developed countries. This includes “smart” technologies aimed at improving grid stability, reducing losses, and minimizing costs associated with technical and commercial metering for electricity consumers.

Currently, the Company operates over 280 511,9 km of 0,4-110 kV power lines, 1 800 substations with a voltage range of 35-110 kV, and 97 003 transformer points with a voltage range of 6-10 kV.

“Uzbekistan National Electric Networks” JSC supplies electricity from generation sources to distribution and sales companies through nearly 10 000 km of main power lines with a voltage range of 220-500 kV.

JSC «Regional electrical networks», along with its two regional electric network enterprises (structured as joint-stock companies) and 12 regional branches, delivers and sells electricity to consumers through its 280,51 thousand km of 0,4-110 kV power transmission networks.

According to the 2025 Business Plan of the Company, the following results are expected by the end of 2025:

- A total of 72,6 billion kWh of electricity will be supplied to consumers across the Republic;

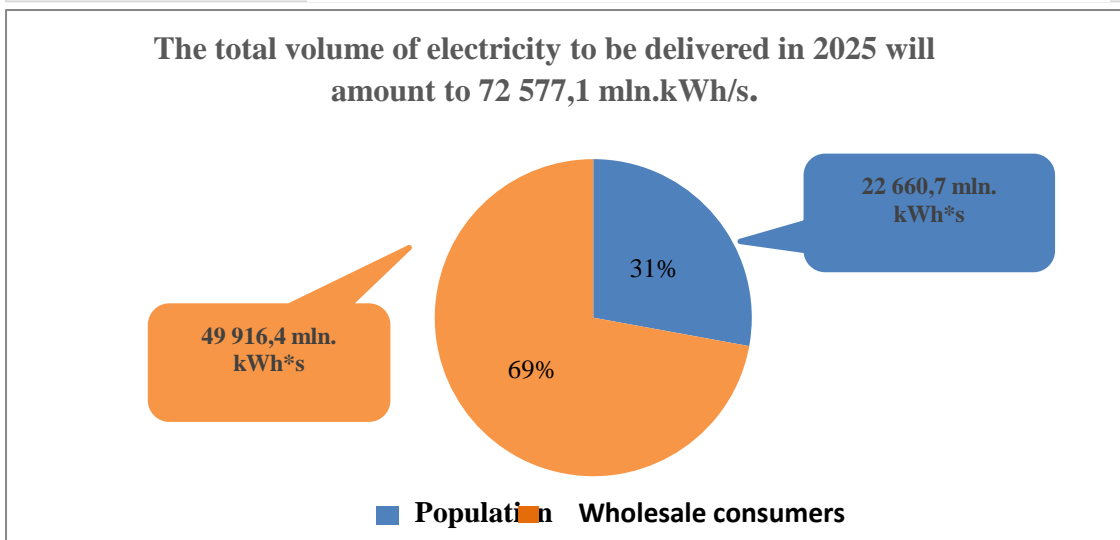
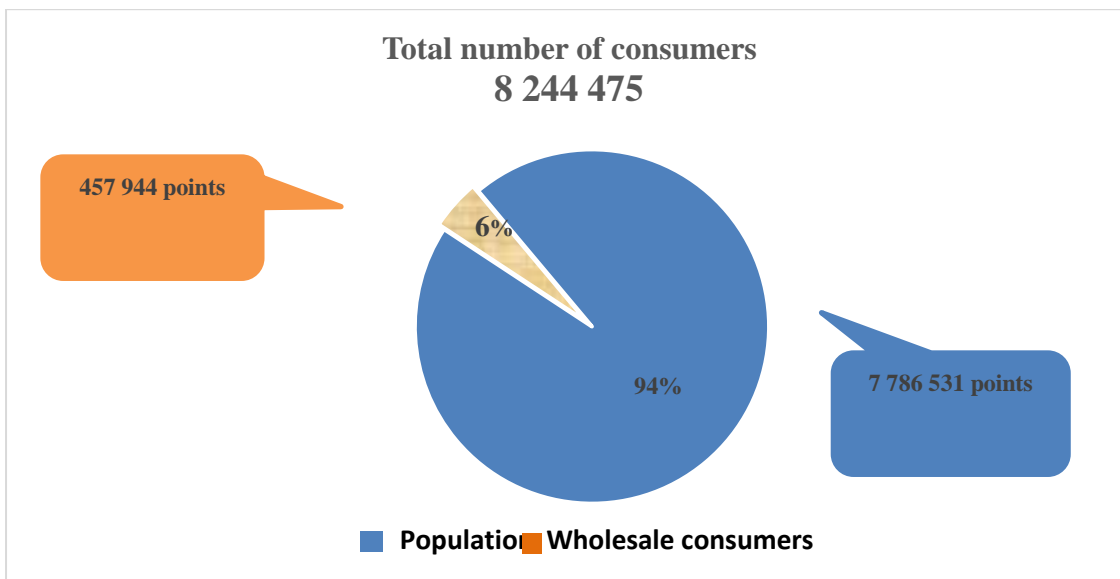
- 29 506,8 km of power transmission lines and 10 270 transformer points will undergo comprehensive maintenance;
- Capital investments amounting to a total of \$300 million will be utilized;
- Additionally, 5920,4 km of power transmission lines and 1 614 transformer points will be modernized and reconstructed;
- Approximately 30 substations with a voltage range of 35-110 kV will be upgraded, reconstructed, and modernized.

The number of existing electricity consumers (clients) served by JSC «Regional electrical networks», including its system enterprises and regional branches

№	Company name	Number of customers (subscribers), points	Including		Electricity Volume to be Delivered in 2025, million kWh	Including	
			Individual customers	Legal entities		Individual customers	Legal entities
1	Tashkent Regional Branch	772 345	739 839	32 506	10 908,5	2 088,7	8 819,8
2	Tashkent City Branch	746 650	711 536	35 114	8 413,8	2 124,9	6 288,9
3	Andijan Regional Branch	712 112	688 980	23 132	5 037,0	2 781,6	2 255,4
4	Samarkand Regional Branch	942 671	891 456	51 215	5 668,1	2 873,9	2 794,2
5	Surkhandarya Regional Branch	576 960	546 595	30 365	3 017,8	1 343,2	1 674,6
6	Namangan Regional Branch	665 706	632 250	33 456	5 282,8	2 184,2	3 098,6
7	Karakalpakstan Regional Branch	410 739	389 256	21 483	1 947,5	812,0	1 135,5
8	Kashkadarya Regional Branch	778 352	722 721	55 631	6 866,8	1 485,6	5 381,2
9	Jizzakh Regional Branch	304 669	284 194	20 475	2 441,5	848,9	1 592,6
10	Navoi Regional Branch	271 902	254 456	17 446	7 536,0	440,0	7 096,0
11	Sirdarya Regional Branch	206 187	189 126	17 061	1 735,4	670,8	1 064,6

12	Khorezm Regional Branch	446 010	414 978	31 032	2 576,2	1 168,4	1 407,8
13	“Bukhara Regional electrical networks Company” JSC	486 852	455 733	31 119	4 304,4	1 078,7	3 225,7
14	“Fergana Regional electrical networks Company” JSC	923 320	865 411	57 909	6 841,3	2 759,8	4 081,5
	Total:	8 244 475	7 786 531	457 944	72 577,1	22 660,7	49 916,4

Number of Consumers



Forecast for 2025 indicates that 72,6 billion kWh of electricity will be supplied to consumers in the Republic.

Additionally, the following measures are planned for 2025:

- Renovation, reconstruction, and modernization of more than 5920,4 km of 0,4-110 kV distribution power networks;
- Renovation, reconstruction, and modernization of more than 1614 0,4-10 kV transformer points;
- Renovation, reconstruction, and modernization of 30 substations with a voltage range of 35-110 kV.

3. GOVERNANCE OF THE COMPANY

The governing bodies of JSC «Regional electrical networks» include the General Meeting of Shareholders, the Supervisory Board, and the Company's Executive Board.

The General Meeting of Shareholders is the highest governing body of the Company. In JSC «Regional electrical networks», all voting shares are owned by a single shareholder, the State. Decisions falling under the competence of the General Meeting of Shareholders, as provided by the Laws of the Republic of Uzbekistan and the Company's Charter, are made by the sole owner of all voting shares of the Company – the Ministry of Finance of the Republic of Uzbekistan – and are documented in writing.

The Supervisory Board of JSC «Regional electrical networks» consists of nine members, whose composition is approved by the decision of the sole owner of all voting shares of the Company.

The day-to-day management of the Company is carried out by the Executive Body – the Company's Executive Board. The Board consists of six members, including the Chairman and five deputies, whose appointments are approved by the decision of the sole owner of the Company's voting shares.

The current charter capital of the Company amounts to **8 464 424 484 600 UZS**, divided into 84 618 347 341 ordinary shares and 25 897 505 preferred shares, each with a nominal value of 100 UZS.

4. COMPLIANCE OF PRODUCTS WITH INTERNATIONAL STANDARDS

The Company's 12 regional branches and 2 joint-stock enterprises ensure the supply and sale of electricity to consumers with a voltage range of 0,4 to 110 kV. Based on Resolution No. 173 dated June 19, 2009, of the Cabinet of Ministers of the Republic of Uzbekistan, the Company holds a compliance certificate for a quality management system that meets **ISO 9001:2009 international standards**, which ensures proper technical regulation of document management.

In accordance with Resolution No. 69 dated October 18, 2020, of the Cabinet of Ministers of the Republic of Uzbekistan on the “Approval of the Rules for Technical

Operation of Power Plants and Networks in the Republic of Uzbekistan”, all electrical facilities conduct operations related to the technical maintenance of electrical equipment.

5. SUPPLY AND CONSUMPTION OF ENERGY RESOURCES

To implement Resolution No. 57 dated February 16, 2023, by the President of the Republic of Uzbekistan on the “Measures to Accelerate the Implementation of Renewable Energy Sources and Energy-Saving Technologies in 2023”, JSC «Regional electrical networks» plans to achieve economic efficiency in 2025 by installing solar panels at its district and city administrative buildings.

Expected savings from renewable energy projects, including the installation of solar panels, are projected to reach **2 238,9 thousand kWh of electricity or 2 015,0 million UZS**. The total installed capacity of solar panels in the Company’s enterprises is **1 465,0 kWh**, with an average annual output of **2 601,0 kWh**.

EXPECTED ECONOMIC EFFICIENCY FOR 2025 FROM SOLAR PANELS INSTALLED ON THE DISTRICT AND CITY ADMINISTRATIVE BUILDINGS OF JSC «Regional electrical networks»

№	Region name	Project Cost for Solar Panel Installation (million UZS)	Funding Sources		Area for Solar Panel Installation (thousand m ²)	Solar Panel Capacity		Savings		Sales to REN (if applicable)	
			Own Funds	Other Funds (foreign investments, banks, loans)		kWh/hour (capacity)	kWh/hour	Quantity, thousand kWh/year (kWh for one year)	Amount (UZS)	quantity, thousand kWh/hour for one year	Amount (UZS)
Total:		13 256,9			7,23	1 465,0	2 601,0	2 238,9	2 014 969 248,7	362,1	260 744 601,0
1	Republic of Karakalpakstan	737,6	Own funds	Own funds	0,53	105	189	143,01	128 709 000,0	45,99	33 112 800,0
2	Andijan Region	471,0	Own funds	Own funds	0,53	105	189	188,8	169 920 000	0,20	144 000,0
3	Bukhara Region	1 064,5	Own funds	Own funds	0,55	110	198	134,19	120 771 000,0	63,81	45 943 200,0
4	Jizzakh Region	487,5	Own funds	Own funds	0,43	85	153	153	137 700 000,0	0,00	0,0

№	Region name	Project Cost for Solar Panel Installation (million UZS)	Funding Sources		Area for Solar Panel Installation (thousand m ²)	Solar Panel Capacity		Savings		Sales to REN (if applicable)	
			Own Funds	Other Funds (foreign investments, banks, loans)		kWh/hour (capacity)	kWh/hour	Quantity, thousand kWh/year (kWh for one year)	Amount (UZS)	quantity, thousand kWh/hour for one year	Amount (UZS)
5	Kashkadarya Region	1 149,5	Own funds	Own funds	0,53	105	189	164,1	147 690 000,0	24,90	17 928 000,0
6	Navoi Region	1 456,0	Own funds	Own funds	0,80	160	288,0	266,2	239 580 000,0	21,80	15 696 000,0
7	Namangan Region	850,0	Own funds	Own funds	0,43	85	153	142,8	128 520 000,0	10,20	7 344 000,0
8	Samarkand Region	1 226,0	Own funds	Own funds	0,54	107	192,6	178,016	160 214 400,0	14,58	10 500 480,0
9	Surkhandarya Region	1 365,7	Own funds	Own funds	0,68	135	243	220,2	198 180 000,0	22,80	16 416 000,0
10	Sirdarya Region	684,3	Own funds	Own funds	0,38	85	135	93,3	83 970 000,0	41,70	30 024 000,0

№	Region name	Project Cost for Solar Panel Installation (million UZS)	Funding Sources		Area for Solar Panel Installation (thousand m ²)	Solar Panel Capacity		Savings		Sales to REN (if applicable)	
			Own Funds	Other Funds (foreign investments, banks, loans)		kWh/hour (capacity)	kWh/hour	Quantity, thousand kWh/year (kWh for one year)	Amount (UZS)	quantity, thousand kWh/hour for one year	Amount (UZS)
11	Tashkent Region	1 030,0	Own funds	Own funds	0,50	100	180	121,4	109 260 000,0	58,60	42 192 000,0
12	Fergana Region	1 455,1	Own funds	Own funds	0,60	120	216	209,6	188 640 000,0	6,40	4 608 000,0
13	Khorezm Region	779,7	Own funds	Own funds	0,52	103	185,4	134,9	121 444 848,7	50,46	36 332 121,0
14	Tashkent City	500,0	Own funds	Own funds	0,25	60	90	89,3	80 370 000,0	0,70	504 000,0

6. INVESTMENT PLAN

In accordance with Presidential decrees of the Republic of Uzbekistan, during the period of 2024–2030, within the framework of implementing State Programs, JSC «Regional electrical networks» plans to carry out investment projects for the construction and reconstruction of electricity distribution networks and substations.

The total value of these projects is estimated at USD 1 905,5 million, including:

- New construction: USD \$256 million;

Modernization and reconstruction under the “Development and Modernization of 0,4-6-110 kV Distribution Networks and Electricity Supply Facilities Nationwide” project: USD 1 649,5 million.

JSC «Regional electrical networks» has developed detailed schedules for all investment projects, specifying work volumes, deadlines, and responsible executors.

In compliance with resolutions by the President and the Cabinet of Ministers of the Republic of Uzbekistan, as part of the implementation of investment and other sectoral projects, JSC «Regional electrical networks» will execute projects in 2025 for the construction and modernization of distribution networks and the introduction of new technologies, with a total value of USD 300 million. The financing sources include:

- Foreign investments: USD \$200 million;
- Internal funds: USD \$100 million.

JSC «Regional electrical networks» is taking all necessary measures to implement investment projects aimed at ensuring the stable supply of electricity to consumers, improving the electricity metering system, and further developing electricity distribution networks.

To successfully implement investment projects aimed at developing the Company’s system enterprises and regional branches, efforts will focus on increasing electricity revenue, including utilizing internal resources.

Additionally, in accordance with the resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated March 19, 2024, the private limited company “BIO-PELLET,” which produces pellet products, and the resolution No. 426 dated July 16, 2024, establishing the “Fuel and Energy Sector Personnel Retraining and Advanced Training Center” under the Ministry of Energy, identify JSC «Regional electrical networks» as a co-founder alongside other enterprises in the energy sector.

To ensure the implementation of these resolutions, in 2025 the Company plans

to allocate UZS 8,0 billion as a contribution to “BIO-PELLET” LLC and UZS 2,6 billion as a contribution to the “Fuel and Energy Sector Personnel Retraining and Advanced Training Center” LLC.

2-APPENDIX: “List of Implemented Investment Projects”

**Dynamics of Investment in New Distribution Network Facilities,
Modernization, and Reconstruction Projects for 2024–2025
(in USD million)**

Name	According to Government Decisions for 2024		According to Government Decisions for 2025		Actual Implementation in 10 Months of 2024
	Total Investments for 2024	Including from Own Funds	Total Investments for 2025	Including from Own Funds	
Total:	219,0	65	300	100	139,52
New Construction	53,7	3,7	100	0	8,42
Modernization and Reconstruction	161,3	61,3	200	100	131,1

7. FINANCIAL PLAN

In accordance with the minutes No. 02-02/1-1438 of the Cabinet of Ministers of the Republic of Uzbekistan dated August 2, 2021, and the minutes No. 24 of the Interdepartmental Tariff Commission under the Cabinet of Ministers of the Republic of Uzbekistan dated November 6, 2024, the procedure for distributing revenues from the sale of electricity among energy companies has been established.

According to this procedure, 6,17% of the revenue is allocated to JSC «Regional electrical networks» and its regional branches.

Based on the above, the primary funding sources for the operation of electricity infrastructure, as well as the financial resources planned for 2025, include:

Implementation of business activities by JSC «Regional electrical networks», Sale of electricity to consumers, Provision of related services, Revenue in the form of dividends allocated to the Company's share.

2025 FORECASTED FINANCIAL INDICATORS

(in million Uzbek soms)

№	Name	2024 (expected)	2025 (planned)
I	REVENUE		
1.	Net Revenue from Electricity Sales by JSC «Regional electrical networks» Branches	42 620 380,4	53 687 606,4
2.	Other Revenue from Main Activities	918 580,1	836 188,2
3.	Other Revenue from Financial Activities, including	1 321 653,2	2 943,9
3.1	Dividend Revenue	2 132,0	2 943,9
	Total:	44 860 613,7	54 526 737,5
II	EXPENSES		
1.	Cost of Goods and Services Sold	35 521 543,4	43 101 684,0
1.1.	Purchased Electricity (Excluding VAT and Technical Losses)	33 235 610,0	40 038 076,0
1.2.	Services from Other Organizations	32 276,3	40 345,4
1.3.	Auxiliary Materials	18 868,7	23 586,0
1.4.	Fuel and Lubricants	43 756,9	65 147,7
1.5.	Salary Fund with Unified Social Payment	1 153 760,9	1 623 730,7
1.6.	Depreciation of Fixed Assets	792 135,6	1 029 474,1
1.7.	Repair Fund	192 544,6	217 138,5

1.8.	Other expenses	52 590,4	64 185,6
2.	Expenses of the Period	6 941 315,9	9 556 105,2
2.1.	Services from Other Organizations	1 342,1	1 705,9
2.2.	Auxiliary Materials	1 686,9	2 162,6
2.3.	Fuel and Lubricants	5 770,3	7 323,5
2.4.	Salary Fund with Unified Social Payment	1 221 388,6	2 957 885,2
2.5.	Depreciation of Fixed Assets Асосий	338 101,9	422 533,5
2.6.	Repair Fund	3 763,5	73 040,4
2.7.	Other expenses	5 369 262,6	6 091 454,1
2.7.1	Including taxes	85 656,4	106 175,3
3.	Financial Activity Expenses (Interest on Reissued Loans and Losses from Currency Exchange Rate Differences)	2 101 892,3	1 610 356,4
4.	Total expenses	44 564 751,6	54 268 145,6
5.	Profit before income tax	295 862,1	258 291,9
6.	Income tax	68 500,3	65 081,8
7.	Net profit (or loss)	227 361,8	193 510,1

At the same time, JSC «Regional electrical networks» plans to account for at least 50% of the net profit of its enterprises with separate legal entity status, attributable to the Company's share in their charter capital, as dividends during 2025.

**Schedule of Dividends Planned for Allocation to the Share of JSC
«Regional electrical networks» in 2025**

№	Company name	Expected Net Profit for 2024 (million UZS)	Forecasted Dividends Allocated to JSC «Regional electrical networks» Share in 2025 (million UZS)
1	“Bukhara RENC” JSC		

2	“Fergana RENC” JSC	12 391,2	2 942,9
	Total:	12 391,2	2 942,9

Thus, during 2025, revenue from the sale of electricity is expected to amount to **53 687,6** billion UZS, while revenue from services is projected to reach **836,2** billion UZS.

At the same time:

The cost of sold products and services is estimated at **43 101,7** billion UZS;

Operating expenses are projected at **9 556,1** billion UZS;

Financial activity expenses will amount to **1 610,4** billion UZS.

The net profit of the company by the end of 2025 is expected to be 193,5 billion UZS.

The financial resource forecast for 2025 for the JSC «Regional electrical networks» and its subsidiary enterprises is provided in the annex.

8. COMPANY’S CREDIT LIABILITIES

Information on the use and implementation stages of credits:

As of January 1, 2025, the total debt of JSC «Regional electrical networks» to international financial institutions (IFIs) and commercial banks is 5 717 008,0 million UZS, with no overdue debts.

The amount of credit liabilities to be repaid in 2024 are 600 586 196 thousands UZS, 71 490 thousands USD in foreign currency loans. 4 359 816.5 thousands RUB in loans in Russian rubles.

9. Delivering Electricity and Collecting Receivables

As of January 1, 2024, the total receivables for delivered electricity amount to 3 378,8 billion soums, including 1 943,2 billion soums from legal entities and 1 435,6 billion soums from household consumers.

In 2025, the enterprises of JSC «Regional electrical networks» are expected to deliver 53 687,6 billion soums worth of electricity.

Efforts have been made to introduce modern metering systems. To date, 8,4 million advanced electronic meters compatible with the AMR (Automated Meter Reading) system have been installed. This ensures full implementation of billing systems nationwide and facilitates pre-payment for consumed electricity.

To improve the mechanism of settlements with electricity consumers and prevent debt growth, priority will be given in 2025 to the following measures:

1. Developing proposals for government decisions that include:

1.1. Financing electricity expenses of water users' associations from the state budget.

1.2. Establishing a procedure for proportional allocation of funds received in the accounts of utility companies (water and heating supply enterprises) to cover a portion of electricity costs, based on its share in the cost structure of utility services.

1.3. Fully covering the existing debt of farms for electricity consumption and preventing future arrears.

2. Approving a regulation prohibiting the liquidation of enterprises, regardless of ownership, until all outstanding electricity debts are settled.

10. Cost Optimization Measures in 2025

Planned cost optimization measures in 2025 are expected to save 923,2 billion soums, including:

- Reducing technological and other losses: 360,6 billion soums.
- Optimizing procurement, transportation, and storage costs: 185,0 billion soums.
- Optimizing expenses for raw materials and materials: 93,0 billion soums.
- Saving energy resources: 35,1 billion soums.
- Improving the efficiency of fixed assets and labor productivity: 125,3 billion soums.
- Digitalizing processes: 86,3 billion soums.
- Reducing other costs through optimization: 37,9 billion soums.

11. Company Evaluation Criteria

In accordance with the Presidential Decree of April 24, 2015, No. 4720, “On Measures to Introduce Modern Corporate Governance Methods in Joint-Stock Companies”, and the Cabinet of Ministers Resolution No. 207, dated July 28, 2015, “On Criteria for Assessing the Performance of Joint-Stock Companies and Other Enterprises with State Participation”, JSC «Regional electrical networks» has implemented performance evaluation criteria. The execution of these criteria is reviewed quarterly. Performance evaluation criteria and key indicators for JSC «Regional electrical networks» are attached (Appendix 5).

12. HR Policy and Salary Expenses

12.1. HR Policy JSC «Regional electrical networks» is actively preparing qualified personnel for the energy sector and enhancing the qualifications of its employees. As of now, the total number of actual employees within the JSC «Regional electrical networks» system is 27 249.

Information about the number of employees actually working at 'Regional Electric Networks' JSC and its subsidiaries.

01.11.2024 year

No	Region Name	Total:	out of which: by position categories							
			Head and their deputies	Director and deputies of T(Sh)ETK	Chief engineer and deputies	Department, division, and service heads and deputies	Specialists	Non-industrial workers	Production workers	Service personnel (drivers, gardeners, cleaners, guards, and others)
1	"Regional Electric Networks" JSC	212	9	0	0	52	100,0	0	0,0	51,0
2	Republic of Karakalpakstan	1 482	5	34	1	22	331,0	6	817,0	266,0
3	Andijan region	1 619	6	22	22	31	457,0	4	796,0	281,0
4	Bukhara region	1 541	5	24	15	117	370,0	3	711,0	296,0
5	Jizzakh region	1 426	3,0	0,0	0,0	18,0	267,5	0,0	687,5	450,0
6	Kashkadarya region	2 132	3	13	17	35	264,0	0	1 483,0	317,0
7	Navoi region	981	3	11	10	29	139,0	2	721,0	66,0
8	Namangan region	1 761	4	14	14	46	325,0	0	1 111,0	247,0
9	Samarkand region	1 970	7	13	19	43	426,0	3	995,0	464,0
10	Surkhandarya region	1 410	4	15	18	30	233,0	4	879,0	227,0
11	Syrdarya region	830	8	11	13	30	211,0	0	396,0	161,0
12	Tashkent region	2 097	2	18	22	119	460,0	0	1 014,0	462,0
13	Fergana region	2 665	5	40	22	166	584,0	2	1 368,0	478,0
14	Khorezm region	1 101	6	13	13	32	209,0	1	548,0	279,0
15	Tashkent City	1 522	5	11	23	34	340,0	0	816,0	293,0
16	Energy Trade branch	4 258	23	346	2	165	2 685,0	0	630,0	407,0
17	State Procurement Center branch	110	3	0	0	8	38,0	0	43,0	18,0
18	Construction and Installation Directorate	122	2	0	2	16	41,0	0	39,0	22,0
19	Center for Retraining and Professional Development of Personnel branch	10				1	9,0			
TOTAL:		27 249	103	585	213	994	7 490	25	13 055	4 785

To enhance the qualifications of employees, adapt the training and retraining system for industry professionals to modern standards, and assess the suitability of employees for sectoral services, it has been determined that every three years, employees will be trained according to a specialized training program.

The professional development and retraining courses will incorporate modern teaching methods, advanced pedagogical and information technologies, ensuring the integration of theoretical knowledge with practical application. During 2025, the professional skills of 6 240 employees are planned to be upgraded. Additionally, in collaboration with higher educational institutions in the Republic, bachelor's and master's degree specialists will be trained for the energy sector.

As of 2024, the central office of JSC «Regional electrical networks» employs 212 staff members. For 2025, the total planned salary fund for the JSC «Regional electrical networks», its 12 regional branches, and the following divisions: “Energosavdo”, “Regional Construction and Installation Directorate”, “State Procurement Center”, and “Personnel Retraining and Advanced Training Center” is projected to be 4 090,7 billion UZS.

13. SPONSORSHIP SUPPORT

According to the Presidential Decree of the Republic of Uzbekistan No. PP-4350, dated June 4, 2019, on establishing a branch of the National Research University “MPEI” in Tashkent, Clause 7 stipulates the financing of organizational measures, including construction, reconstruction, and equipping the branch with modern laboratory and educational equipment.

Based on the resolutions of the Cabinet of Ministers dated June 18, 2019 (No. 01-06/1-1172) and the Ministry of Energy dated April 27, 2022 (No. 02-18-8), JSC «Regional electrical networks» allocated 5,4 billion UZS for organizing the branch’s activities and its reconstruction.

Furthermore:

According to government decisions and presidential directives during regional visits, an additional 60,0 billion UZS is planned for sponsorship activities.

Based on the Presidential Assistant's instruction dated October 17, 2024 (No. 03-PA 2/1-2934/17), 2,0 billion UZS will be allocated for establishing an engineering school in cooperation with Tashkent State Technical University in 2025.

As part of innovative projects with higher education institutions, 5,0 billion UZS is allocated as per the directives issued during an extended video conference chaired by the President on June 20, 2024.

It is planned to provide sponsorship in the amount of 2,4 billion soums based on other protocols and government decisions.

14. CONCLUSION

The implementation of planned measures for 2025 is expected to achieve:

- Delivery of 72,6 billion kWh of electricity to consumers;
- Overhaul of 29 506,8 km of distribution networks and 10 270 transformer substations;
- Modernization and reconstruction of 5 920,4 km of transmission networks and 1614 transformer substations;
- Upgrading, reconstruction, and modernization of around 30 substations with voltage levels of 35-110 kV;
- Implementation of distribution network construction and modernization projects totaling 300 million USD, funded as follows:

200 million USD from foreign investments;

100 million USD from internal funds;

- Total cost reductions of 923,2 billion UZS, including:

Reducing technological and other losses: 360,6 billion UZS;

Optimizing procurement, transportation, and storage costs: 185 billion UZS;

Optimizing raw material and material costs: 93 billion UZS;

Saving energy resources: 35,1 billion UZS;

Improving the efficiency of fixed assets and labor productivity: 125,3 billion UZS;

Digitizing processes: 86,3 billion UZS;

Reducing and optimizing other costs: 37,9 billion UZS.

- Additionally:

Financial stabilization and economic sustainability of JSC “Regional electrical networks” and its structural divisions;

- 193,5 billion UZS in net profit for the reporting year.