

**Information on the expected compliance with the tariff estimate (based on operational data)
for the regulated service of oil transportation through Kenkiyak-Kumkol pipeline of
Kazakhstan-China Pipeline LLP within the domestic market in 2 half year of 2018**

Index ITC-1

Periodicity: 6 month

Represent: natural monopoly entities, with the exception of the regional power grid company

Where the form is presented: Committee on regulation of natural monopolies, protection of competition and consumer rights of the Ministry of National Economy of the Republic of Kazakhstan

Deadline - one per half year

No.	Tariff estimate indicators	Unit of measure	Included in the approved tariff estimate	Expected indicators of the tariff estimate for 2018 year	Deviation %	Reasons of deviation
1	2	3	4	5	7	7
I	Costs for production of goods and provision of services	thousand tenge	10 740 503	10 632 129	-1%	
	including:					
I	Material costs, total	-/-		58 072	-70%	
	including:					
1.1	raw materials and inventory	-/-	2 110	19 225	811%	
1.2	POI	-/-	1 512	1 918	27%	
1.3	power	-/-	192 864	36 929	-81%	Cost savings due to the reduction in the volume of regulated services provided for reasons beyond the control of the Partnership. According to the approved investment program of the Partnership for 2015-2019, in 2016 it was planned to complete the reconstruction of the Kenkiyak PS, Kumkol PS and the construction of Aralsk PS, in 2018, the completion of the construction of Shalkar PS. " PS 4 ", external power supply and reconstruction of Aralsk PS. However, the decision made by the Investment Committee of JSC NC "KazMunayGas" during the meeting dated April 23, 2015 №7-15 was taken suspend until the issue of the resource base is resolved, the further implementation of the project "The second stage of the second phase of the Kazakhstan-China oil pipeline construction. Performance increase up to 20 million tons / year. According to the approved tariff estimate, electricity consumption was 12,187,075 kW * hour, taking into account consumption of electricity at Aralsk PS 10,007,966 kW * hour. The expected power consumption will be 2,286,073 kWh. The average cost of electricity will be 16.15 tenge / kWh. "
2	Payroll costs, total	-/-	127 224	141 324	11%	
	including:	-/-				
2.1	salary	-/-	115 763	130 473	13%	
2.2	social tax	-/-	11 461	10 851	-5%	

No.	Tariff estimate indicators	Unit of measure	Included in the approved tariff estimate	Expected indicators of the tariff estimate for 2018 year	Deviation %	Reasons of deviation
1	2	3	4	5	7	7
3	Amortization		5 826 633	4 369 785	-25%	According to the approved investment program of the Partnership for 2015-2019, in 2016 it was planned to complete the reconstruction of the Kenkiyak PS, Kumkol PS and the construction of the Aralsk PS, in 2018 the construction of the Shalkar PS, PS 4, external power supply and reconstruction of Aralsk PS. However, the decision of the meeting of the Investment Committee of JSC NC "KazMunayGas" dated April 23, 2015 No. 7-15 was decided to be suspended until the issue of the resource base was resolved, the further implementation of the project "The second stage of the second phase of the construction of the Kazakhstan-China pipeline. Increase productivity to 20 million tons / year. The planned annual indicators were foreseen taking into account the input of assets for the reconstruction of the Kenkiyak PS, the Kumkol PS, the Aralsk PS (replacement of impellers), the construction of the Aralsk PS, the Shalkar PS, and external power supply. The article is adjusted downwards to the amount of 1 461 292 thousand tenge.
		-//-				
4	Repair, total	-//-	80 223	164 313	105%	
	including:					
4.1	major overhaul without the increase of fixed assets value	-//-	80 223	164 313	105%	
5	Other costs, total	-//-	4 509 937	5 898 634	31%	
	including:					
5.1	security and fire protection	-//-	291 679	368 988	27%	
5.2	other costs, total	-//-	4 218 258	5 529 647	31%	
	including:					
5.2.1	air services	-//-	77 568	73 745	-5%	
5.2.2	O&M services	-//-	1 880 341	2 761 245	47%	
5.2.3	metrology		3 984	3 555	-11%	Rational use of funds as a result of competitive (tender) procedures. The planned amount of purchases for the calibration services for measuring the measuring system of quantity and quality indicators for oil Kenkiyak and Kumkol amounted to a total of 7,078.9 thousand tenge (4 lots) without VAT. According to the results of the open tender (Minutes of the results of the number PPI-359173-3 with the use of bidding for the reduction of 21.02.2018), the price for services is determined in the amount of 3,460 thousand tenge. Savings as a result of competitive procedures amounted to 3,618.9 thousand tenge.
		-//-				
5.2.4	diagnostics	-//-	479 279	1 134 331	137%	
5.2.5	technical maintenance of equipment and meters	-//-	21 645	27 513	27%	
5.2.6	maintenance of telecom systems	-//-	82 736	130 953	58%	
5.2.7	taxes and fees		1 574 690	1 248 786	-21%	Cost savings due to reduction in the volume of regulated services provided for reasons beyond the control of the Partnership. The planned annual figures for tax payments were provided for taking into account the input of assets in 2016 after the reconstruction of the Kenkiyak PS, the Kumkol PS and the construction of the Aralsk PS, in 2018 after the construction of the Shalkar PS power supply and reconstruction of Aralsk PS and, respectively, with the accrual from 2017 of property tax on newly commissioned assets.
		-//-				
5.2.8	environmental monitoring and protection	-//-	4 391	8 833	101%	

No.	Tariff estimate indicators	Unit of measure	Included in the approved tariff estimate	Expected indicators of the tariff estimate for 2018 year	Deviation %	Reasons of deviation
1	2	3	4	5	7	7
5.2.9	costs for maintenance of security-fire alarm	-//-	34 612	48 536	-40%	
5.2.10	repair and maintenance of cars	-//-	1 955	2 656	-36%	
5.2.11	M&R of office equipment, software and climate control systems	-//-	11 566	21 661	-87%	
5.2.12	Repair and maintenance of oil metering stations	-//-	21 264	27 989	-32%	
5.2.13	telecom services	-//-	19 863	19 599	-1%	
5.2.14	accommodation, f&b for shift workers	-//-	1 029	15 200	-1377%	
5.2.15	insurance	-//-	2 058	2 897	-41%	
5.2.16	training and advance training	-//-	1 276	2 145	-68%	
II	Period costs, total	-//-	840 542	8 647 171	929%	
	including:					
6	General and administrative costs	-//-	474 926	1 006 211	112%	
	including:	-//-				
6.1	salary of administrative personnel	-//-	218 869	226 670	-4%	
6.2	salary of administrative personnel	-//-	21 668	28 257	-30%	
6.3	bank services	-//-	2 151	1 228	-43%	Savings as a result of measures taken in connection with a reduction in the money transfer rate from 0.5% to 0.25% (introduction of more efficient methods and technologies for the provision of regulated services).
6.4	amortization	-//-	17 939	35 878	-100%	
6.5	external services, total	-//-	3 230	6 746	-109%	
	including:					
6.5.1	procurement of POL	-//-	1 457	2 129	-46%	
6.5.2	transportation services	-//-	1 774	4 617	-160%	
6.6	travelling services	-//-	26 039	37 652	-45%	
6.7	telecom services	-//-	3 173	3 239	-2%	
6.8	taxes	-//-	33 306	25 107	-25%	Cost savings due to reduction in the volume of regulated services provided for reasons beyond the control of the Partnership. To calculate the taxable base for the payment of VAT to the budget, income from oil transportation is used.
6.9	other expenses, total	-//-	148 551	641 433	-332%	
	including:					
6.9.1	audit services	-//-	3 960	5 031	-27%	
6.9.2	legal services	-//-	956	2 005	-110%	
6.9.3	notary services	-//-	355	511	-44%	
6.9.4	consulting services	-//-	2 205	5 509	-150%	
6.9.5	maintenance of office equipment and software	-//-	2 412	5 990	-148%	
6.9.6	insurance	-//-	543	784	-44%	
6.9.7	courier services, mail	-//-	605	641	-6%	
6.9.8	maintenance of administrative buildings	-//-	5 058	6 280	-24%	
6.9.9	financing expenses	-//-	132 458	614 682	-364%	
7	Expenses for payment of interest	-//-	365 616	7 640 960	-1990%	

No.	Tariff estimate indicators	Unit of measure	Included in the approved tariff estimate	Expected indicators of the tariff estimate for 2018 year	Deviation %	Reasons of deviation
1	2	3	4	5	7	7
III	Total costs for services	-//-	11 581 045	19 279 300	66%	
IV	Income/Loss	-//-	15 922 463	3 476 343	-78%	Reduction in the volume of rendered regulated services for reasons beyond the control of the Partnership and an increase in the total cost of providing services.
V	Total income	-//-	27 503 508	22 755 642	-17%	Reduction in the volume of rendered regulated services for reasons beyond the control of the Partnership.
VI	Volume of services provided	thousand tons.	5 661	4 526	-20%	Reduction in the volume of rendered regulated services for reasons beyond the control of the Partnership.
VII	Normative technical losses	thousand tons.	4,495	2,105	-53%	
VIII	Cargo turnover	mln tkm	4 227	3 497	-17%	Reduction in the volume of rendered regulated services for reasons beyond the control of the Partnership.
IX	Domestic tariff (without VAT)	tenge per 1 ton for 1000km	6 507,28	6 507,28	0%	

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