

INTERCONNECTOR (UK) LIMITED

Date: 19 April 2018

SALE OF IUK CAPACITY THROUGH IMPLICIT ALLOCATION

IUK is pleased to announce the successful launch of the new Implicit Allocation mechanism this morning. Through this offering, Shippers can access IUK capacity via HPC SA, IUK's Implicit Allocation Partner. All capacity made available for sale through this mechanism is advertised on the PleXHub Platform.

Shippers took advantage of the ability to buy IUK capacity well in advance of the utilisation date, with the highest demand so far today being for 6 monthly capacity for Summer 2019, followed by quarterly capacity for Q1 2019. At present, all capacity sold is for use within Gas Year 2018-19.

This high level of market interest in IUK capacity has shown the value of having the ability to offer capacity to the market outside of the auction timetable. Through this new process, Shippers can now access IUK capacity on an ongoing basis, whenever there is a market signal to do so.

Implicit Allocation is one of two possible routes for Shippers to buy IUK capacity, with the auctions on PRISMA remaining the primary method for offering IUK capacity. The next opportunity for Shippers to access IUK capacity through PRISMA will be the yearly Annual Capacity auction on 2 July 2018.

IUK will publish the aggregate sales information at the end of today's trading session, along with details of how much capacity will be made available for sale on 20 April. IUK is confident from the uptake of capacity today that Shippers will continue to capture value from this new service when the market incentives are there.

INTERCONNECTOR (UK) LIMITED - BACKGROUND

Interconnector (UK) Limited is a joint venture company that owns and operates the strategic bi-directional gas pipeline and terminal facilities linking the UK and continental European energy markets. The system is capable of transporting approximately 803 GWh/d from Zeebrugge to Bacton and 630 GWh/d in the opposite direction.

Further information on IUK can be obtained from www.interconnector.com or contact Steven De Ranter or Danielle Stoves on +44 (0) 20 3621 7800



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