

Media Release



Interconnector (UK) Limited

www.iuk-isis.com

1st October 2002

Interconnector today announced that it has secured financial commitment from certain Shippers to proceed with the first phase of a project to increase the reverse flow capacity of the pipeline system with effect from December 2005. The reverse capacity of the line from Belgium to the UK will be increased from the current 8.5 bcm/y to 16.5 bcm/y as a result of this first phase. Engineering of this enhancement phase will facilitate further enhancements in the future.

Shippers acquiring capacity in this phase of the expansion are: BG Group, Centrica, Distrigas, Gaz de France, Gazprom and Ruhrgas.

The Project involves the installation of gas compression facilities at the Company's terminal at Zeebrugge and some modifications/additions to its terminal at Bacton, Norfolk. Work on preliminary engineering and consultation with the relevant authorities in respect of the necessary consents and approvals is well advanced. The project will now move to the detailed engineering and procurement phase.

Interconnector's Managing Director Roger Cornish said "This enhancement phase will enable us to provide the capacity to import up to 12% of the UK's gas requirement on a typical winter day. I believe it confirms Interconnector's critical role as a major piece of privately financed infrastructure, essential to the security of supply of the UK. This and subsequent enhancement phases will play an important part in satisfying the UK's gas import requirements for the foreseeable future."

INTERCONNECTOR (UK) LIMITED – BACKGROUND

Interconnector (UK) Ltd, or IUK, operates a sub-sea pipeline and terminal facilities connecting the UK and continental Europe. The company's 40" diameter carbon steel pipeline stretches 230 kilometres between Bacton in north Norfolk and Zeebrugge in Belgium. It is capable of transporting 20 billion cubic metres a year (bcm/yr) from Bacton to Zeebrugge and 8.5 bcm/yr in the opposite direction.

Owned by ten major companies IUK has sold capacity in the pipeline to gas shippers. A dedicated and award winning IT system, ISIS, manages the volumes and flows and provides constantly updated information to IUK and its customers.

Further information on IUK can be obtained from www.iuk-isis.com

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