



## Interconnector (UK) Limited

[www.interconnector.com](http://www.interconnector.com)

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12 September 2006

### INTERCONNECTOR CAPACITY ENHANCEMENT

#### UK IMPORT CAPACITY THROUGH THE BELGIUM – UK GAS INTERCONNECTOR TO BE INCREASED AGAIN

Interconnector (UK) Limited is pleased to announce that it plans to proceed with a 3<sup>rd</sup> phase of enhancement to the UK import capacity of its gas pipeline system, which will add a further 2 bcm/yr.

Companies acquiring capacity in this 3<sup>rd</sup> phase are: Centrica, Eni, RWE and Gazprom. These customers will be able to use their increased capacity to import additional gas to the UK from a number of sources.

The 1<sup>st</sup> phase of the enhancement was successfully completed in November 2005 and Interconnector announced last week that the 2<sup>nd</sup> phase is now expected to be available from October 2006 – some 2 months ahead of schedule. The 3<sup>rd</sup> phase is scheduled for completion by 1<sup>st</sup> October 2007. The total cost of all three phases will be approximately £160 million.

Phases 1 and 2 included the installation of compression equipment at the Belgian end of the pipeline system to complement the existing compression in the UK. This 3<sup>rd</sup> phase of the Project will deliver a further increase to capacity by upgrading the system to allow operations at an increased pressure. Final approval from the relevant authorities is required for this change to the operating regime.

Interconnector's Managing Director, Roger Cornish, said today: "We are delighted to have secured the additional commitment from our customers to enable this further expansion of the Interconnector to proceed. This is the third phase of what will have been a 5 year development programme to upgrade the UK import capacity of the system threefold from an original maximum throughput of 8.5 bcm/yr to 25.5 bcm/yr on completion of the 3<sup>rd</sup> phase. We believe this reaffirms Interconnector's unique role as an import/export transportation service linking the UK and mainland European gas markets."

## **INTERCONNECTOR (UK) LIMITED – BACKGROUND**

Interconnector (UK) Ltd, or I(UK), 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 currently capable of transporting 20 billion cubic metres a year (bcm/yr) from Bacton to Zeebrugge and 16.5 bcm/yr in the opposite direction. The Zeebrugge to Bacton capacity will increase to 23.5 bcm/yr when the 2<sup>nd</sup> phase of the enhancement comes on line.

Owned by seven major companies I(UK) 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 I(UK) and its customers.

Information on I(UK) can be obtained from [www.interconnector.com](http://www.interconnector.com)

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