

Date: 21 March 2018

IMPLICIT ALLOCATION: PARTNER AND NEXT STEPS

Earlier this month we received the necessary regulatory approvals to enable IUK capacity to be sold through an Implicit Allocation Mechanism. This allows capacity to be offered to the market on an ongoing basis along with a matching quantity of natural gas.

Danielle Stoves, Commercial Manager, says "IUK has pipeline capacity to offer to the market but not gas, so we are delighted to announce HPC SA (OtcexGroup) will take on the role of our Implicit Allocation Partner with IUK capacity advertised on the PleXHub platform."

From 19 April, this ground-breaking partnership will enable shippers to purchase annual, seasonal and quarterly capacity for the period from 1 October 2018, providing them with access to IUK's highly responsive, strategic energy link.

Andy Mason, Head of the Structured Products & Options Desk at HPC SA, sees this "as an important opportunity to partner with IUK to align pipeline capacity with the products traded in the structured and vanilla energy space. We've seen strong appetite from a wide range of our clients for this new offering. Innovations like this take time to put together but can have a real lasting impact on the market."

Tim Namsoo, PleXHub's Managing Director, describes the partnership with IUK and HPC as "an exciting opportunity to provide our clients with visibility on a significant innovation within the European gas market. Transparency, increased market dynamism and sophistication are all at the heart of our mission at PleXHub."

Interested parties are invited to a workshop hosted by IUK, HPC and PleXHub in London on the morning of 4 April 2018. During this session, we will provide an overview of each company, along with a detailed explanation of how the process will work.

If you would like to attend, please contact sales@interconnector.com.

BACKGROUND

Interconnector (UK) Limited 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.

PleXHub Ltd owns and operates the PleXHub platform, providing data and facilitating trading within the European wholesale gas and power derivatives markets. The platform supports a range of contracts including forward profiles, beach entry products, vanilla and time-spread options and structured products such as gas swings and virtual transport.

HPC SA through its structured products and options desk acts as a broker and Organised Market Place for all structured products and options listed on PleXHub, working with over 100 counterparties across the European energy market.