



**Charging Statement**  
**related to the**  
**IUK Access Agreement**  
**and**  
**IUK Access Code**  
**Issue 33**  
**Applicable from 10 March 2021**

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## 1. Introduction

This statement sets out the charges that Interconnector (UK) Limited (“IUK”) will apply from the publication date for transportation services provided under an IUK Access Agreement (the “IAA”) and the IUK Access Code (“IAC”). The statement will be revised and reissued when appropriate. These charges are consistent with the principles outlined in IUK’s Charging Methodology including its pricing publication timetable.

Entry and Exit Capacity is made available for sale by means of auctions on the PRISMA platform in accordance with Commission Regulation (EU) 2017/459 (“CAM Code”). In addition, capacity may be made available via an Implicit Allocation Mechanism using an Implicit Allocation Partner according to the rules set out in Annex B-3 of the IAC.

For all capacity offered the factors determining the prices are:

- Competitive forces and the prices of competing and complementary services;
- Operating costs for operating and maintaining the company and its assets;
- Capital expenditures required to maintain the service;
- Projected customer demand for IUK capacity and the forecast volume of both long term and short term sales under a range of market scenarios; and
- A risk premium applied to the yearly standard capacity product reflecting the benefits of certainty regarding the level of the price. The level of the premium has been set to zero.

IUK’s reserve prices for allocation through an auction or prices for allocation through implicit allocation are fixed at the time of allocation. For products to be used in a future year, this fixed price will be subject to annual indexation<sup>1</sup>. Any auction premium will be used by IUK to contribute to maintaining and operating the pipeline.

IUK offers capacity in kWh/h and all capacity related charges are calculated as p/(kWh/h)/h. For capacity products offered on PRISMA, the runtime price is calculated using the number of hours in the relevant runtime. Capacity offered via an Implicit Allocation Mechanism (“IAM”) will be in p/(kWh/h)/h or p/(kWh/h)/d. Capacity charges will be calculated using the relevant p/(kWh/h)/h and the hours in the billing period. Invoiced amounts will be either in Pounds sterling to the nearest penny or Euros to the nearest euro cent.

The absolute level of the price multipliers caps to be applied relative to the prices for firm Annual Capacity are:

Monthly	3
Daily	6
Within Day	6

Further information on the charges that apply for transportation services under an IAA is set out in Section F of the IAC and IUK’s Charging Methodology. The definitions of terms used in this document can be found in the IAA.

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<sup>1</sup> See IAC Section F paragraph 5.3. Indexation is based on RPI - “CHAW” Index numbers of consumer prices – “RPI All Items”.

Information about IUK and copies of the IAA, IAC and IUK's Charging Methodology can be found on the IUK website at <https://www.fluxys.com/en/company/interconnector-uk>.

IUK will notify any changes to the within day firm capacity prices at least one hour in advance of the relevant within day auction.

## 2. Reserve Prices for Capacity offered via PRISMA for use during the Gas Year 2020-21 and future Gas Years

The large price step in an auction is set at 5% of the applicable IUK reserve price published on the PRISMA platform.

### 2.1 Annual Firm Capacity

The prices to apply are as follows:

		2021-22 to 2024-25	2025-26 to 2035-36
		p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.017061	0.015355
	Zeebrugge Exit	0.017061	0.015355
BE to UK	Zeebrugge Entry	0.017061	0.015355
	Bacton Exit	0.017061	0.015355

Annual firm capacity prices are fixed. Prices are subject to indexation in accordance with Section F paragraph 5.3 of the IUK Access Code. See Appendix 1 for an example of how indexation is applied.

### 2.2 Quarterly Firm Capacity for Gas Year 2020-21

The prices to apply are as follows:

		Apr 21 – Jun 21 Q2 2021	Jul 21 – Sep 21 Q3 2021
		p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.025591	0.025591
	Zeebrugge Exit	0.025591	0.025591
BE to UK	Zeebrugge Entry	0.018767	0.018767
	Bacton Exit	0.018767	0.018767

Quarterly firm capacity prices are fixed for GY 20-21.

### 2.3 Monthly Firm Capacity for Gas Year 2020-21

The prices to apply are as follows:

		Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
		p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534
	Zeebrugge Exit	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534
BE to UK	Zeebrugge Entry	0.018767	0.018767	0.018767	0.018767	0.018767	0.018767
	Bacton Exit	0.018767	0.018767	0.018767	0.018767	0.018767	0.018767

IUK will notify any changes to the monthly firm capacity prices at least two weeks in advance of the relevant monthly auction.

## 2.4 Daily Firm Capacity for Gas Year 2020-21

The prices to apply are as follows:

		Mar 21
		p/(kWh/h)/h
UK to BE	Bacton Entry	0.037534
	Zeebrugge Exit	0.037534
BE to UK	Zeebrugge Entry	0.042652
	Bacton Exit	0.042652

		Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
		p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.051182	0.051182	0.051182	0.051182	0.051182	0.051182
	Zeebrugge Exit	0.051182	0.051182	0.051182	0.051182	0.051182	0.051182
BE to UK	Zeebrugge Entry	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534
	Bacton Exit	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534

IUK will notify any changes to the daily firm capacity prices at least six hours in advance of the relevant daily auction.

## 2.5 Within Day Firm Capacity for Gas Year 2020-21

The prices to apply are as follows:

		Mar 21
		p/(kWh/h)/h
UK to BE	Bacton Entry	0.037534
	Zeebrugge Exit	0.037534
BE to UK	Zeebrugge Entry	0.042652
	Bacton Exit	0.042652

		Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
		p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.051182	0.051182	0.051182	0.051182	0.051182	0.051182
	Zeebrugge Exit	0.051182	0.051182	0.051182	0.051182	0.051182	0.051182
BE to UK	Zeebrugge Entry	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534
	Bacton Exit	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534

IUK will notify any changes to the within day firm capacity prices at least one hour in advance of the relevant within day auction.

### 3. Prices for Firm Capacity offered via Implicit Allocation for use during the Gas Year 2020-21 and future Gas Years

#### 3.1 Annual Firm Capacity

Annual Firm Capacity may be offered for any of the following fifteen Gas Years. The fixed prices to apply are as follows:

		2021-22 to 2024-25	2025-26 to 2035-36
		p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.017061	0.015355
	Zeebrugge Exit	0.017061	0.015355
BE to UK	Zeebrugge Entry	0.017061	0.015355
	Bacton Exit	0.017061	0.015355

Annual firm capacity prices are fixed. Prices are subject to indexation in accordance with Section F paragraph 5.3 of the IUK Access Code. See Appendix 1 for an example of how indexation is applied.

#### 3.2 Seasonal Firm Capacity

Capacity may be offered for any two consecutive Quarters in the next fifteen years. The fixed prices to apply are as follows:

		Apr 21 – Sep 21 Summer 21	Jul 21 – Dec 21 H2 2021
		p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.023885	0.021326
	Zeebrugge Exit	0.023885	0.021326
BE to UK	Zeebrugge Entry	0.018767	0.021326
	Bacton Exit	0.018767	0.021326

		Oct 21 - Mar 22 to Oct 36 - Mar 37	Jan 22 - June 22 to Jan 36 - June 36	Apr 22 – Sep 22 to Apr 36 – Sep 36	Jul 22 – Dec 22 to Jul 36 – Dec 36
		p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.018767	0.021326	0.023885	0.021326
	Zeebrugge Exit	0.018767	0.021326	0.023885	0.021326
BE to UK	Zeebrugge Entry	0.023885	0.021326	0.018767	0.021326
	Bacton Exit	0.023885	0.021326	0.018767	0.021326

Seasonal firm capacity prices are fixed for Jan '21 – Jun '21 and Apr '21 – Sep '21. For products durations beyond this, IUK has the right to change the quarterly firm capacity prices with at least a week's notice ahead of the relevant Implicit Allocation offering.

For products that fall within GY 2021-22 and beyond, these prices are subject to indexation in accordance with Section F paragraph 5.3 of the IUK Access Code. See Appendix 1 for an example of how indexation is applied.

### 3.3 Quarterly Firm Capacity

Capacity may be offered for any of the four Quarters in the next fifteen years. The prices to apply are as follows:

		Apr 21 – Jun 21 Q2 2021	Jul 21 – Sep 21 Q3 2021
		p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.025591	0.025591
	Zeebrugge Exit	0.025591	0.025591
BE to UK	Zeebrugge Entry	0.018767	0.018767
	Bacton Exit	0.018767	0.018767

		Q4 2021 to Q4 2036	Q1 2022 to Q1 2036	Q2 2022 to Q2 2036	Q3 2023 to Q3 2036
		p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.018767	0.018767	0.025591	0.025591
	Zeebrugge Exit	0.018767	0.018767	0.025591	0.025591
BE to UK	Zeebrugge Entry	0.018767	0.025591	0.018767	0.018767
	Bacton Exit	0.018767	0.025591	0.018767	0.018767

Quarterly firm capacity prices are fixed for Jan-Mar 2021, Apr-Jun 2021 and Jul-Sep 2021 only. For products durations beyond this, IUK has the right to change the quarterly firm capacity prices with at least a week's notice ahead of the relevant Implicit Allocation offering.

For products falling in GY 2021-22 and beyond, prices are subject to indexation in accordance with Section F paragraph 5.3 of the IUK Access Code. See Appendix 1 for an example of how indexation is applied.

### 3.4 Monthly Firm Capacity

Capacity may be offered for any of the following eight months. The prices to apply are as follows:

		Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
		p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534
	Zeebrugge Exit	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534
BE to UK	Zeebrugge Entry	0.018767	0.018767	0.018767	0.018767	0.018767	0.018767
	Bacton Exit	0.018767	0.018767	0.018767	0.018767	0.018767	0.018767



		Oct 21	Nov 21	Dec 21
		p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.025591	0.018767	0.018767
	Zeebrugge Exit	0.025591	0.018767	0.018767
BE to UK	Zeebrugge Entry	0.018767	0.018767	0.025591
	Bacton Exit	0.018767	0.018767	0.025591

IUK has the right to change the monthly firm capacity prices with at least a day's notice ahead of the relevant Implicit Allocation offering.

### 3.5 Balance of Month Firm Capacity ("BOM")

Capacity may be offered two days in advance of the capacity start date for all remaining Gas Days within the current Month. The pricing will be based on a sliding scale between the relevant Monthly price and the relevant Daily price based on the number of days remaining in the month.

See Appendix 2 for the prices to be applied for the remainder of Q1-21 and for Q2-21.

IUK has the right to change the monthly firm capacity prices at least a day in advance of the relevant Implicit Allocation offering.

### 3.6 Half Month Firm Capacity

Capacity may be offered for the next available Front Half and Back Half of any month. Product durations are aligned with the contracts offered on the brokered Over The Counter ("OTC") gas commodity market<sup>2</sup>.

The pricing will be based on the Balance of Month Capacity calculation, using the number of days offered in the period.

See Appendix 3 for the prices to be applied for the remainder of Q1-21 and for Q2-21.

IUK has the right to change the Half Month firm capacity prices at least a day in advance of the relevant Implicit Allocation offering.

### 3.7 Working Days Next Week Firm Capacity ("WDNW")

Capacity may be offered for the following week (Monday-Friday). UK Bank Holidays will be excluded from the WDNW product and instead treated as a Weekend product. The pricing will be based on the Balance of Month Capacity calculation, using the number of days offered in the period.

See Appendix 4 for the prices to be applied for the remainder of Q1-21 and for Q2-21.

IUK has the right to change the WDNW firm capacity prices at least a day in advance of the relevant Implicit Allocation offering.

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<sup>2</sup> Typically the Front Half/Back Half split will be calculated by the number of days in the month divided by 2, where the Front Half adopts the extra day in the case of odd numbered days. This methodology can be overturned by committee and as a result, IUK will align, in advance of the period, with the OTC defined periods.

### 3.8 Weekend Firm Capacity (“WE”)

Capacity may be offered for the following Weekend (Saturday-Sunday) assuming no UK Bank Holidays fall either side of these days. Where they do, they will be included in the Weekend product.

The prices to apply are based on the Daily tariff with prices to be applied for the remainder of Q1-21 and for Q2-21 in Appendix 4. IUK has the right to change the WE firm capacity prices at least a day in advance of the relevant Implicit Allocation offering.

### 3.9 Daily Firm Capacity (“DA”)

Capacity may be offered on any UK working day (Monday-Friday) for the following working day. DA capacity will not be offered for use on Saturday, Sunday or UK Bank Holidays via the DA IAM product.

IUK has the right to change the DA Firm capacity prices at least a day in advance of the relevant Implicit Allocation offering

		Mar 21
		p/(kWh/h)/h
UK to BE	Bacton Entry	0.037534
	Zeebrugge Exit	0.037534
BE to UK	Zeebrugge Entry	0.042652
	Bacton Exit	0.042652

		Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21
		p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.051182	0.051182	0.051182	0.051182	0.051182	0.051182
	Zeebrugge Exit	0.051182	0.051182	0.051182	0.051182	0.051182	0.051182
BE to UK	Zeebrugge Entry	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534
	Bacton Exit	0.037534	0.037534	0.037534	0.037534	0.037534	0.037534

## 4. Booking Incentive

IUK’s booking incentive structure is for long term products to be offered at a lower tariff to the shorter term products. IUK is able to offer booking incentives in line with 2.2.4 of the Charging Methodology.

### 4.1 Bespoke Quarterly Product

Shippers who purchase three consecutive months of capacity in the same flow direction via IUK’s Implicit Allocation Mechanism or via PRISMA will qualify for this booking incentive. The booking incentive will be applied to the lowest matching volume across the three month period. Capacity for the defined three month periods must be purchased prior to the first gas day on which the capacity

can be utilised.<sup>3</sup> This incentive may not be used alongside any other incentives offered by IUK for the same period.

The following prices will be applied to Capacity Transactions which meet the above criteria;

		May 21 – Jul 21	Jun 21 – Aug 21
		p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry	0.025591	0.025591
	Zeebrugge Exit	0.025591	0.025591
BE to UK	Zeebrugge Entry	0.018767	0.018767
	Bacton Exit	0.018767	0.018767

## 4.2 Bespoke Summer Quarterly Product

Shippers who purchase three or more months of capacity in the same flow direction within the Q2 and Q3 2021 period only, via IUK's Implicit Allocation Mechanism or via PRISMA, will qualify for this booking incentive.

The incentive can be constructed using any combination of Standard Monthly or Standard Quarterly Capacity products falling within the Q2 and Q3 2021 period. For example;

- A Shipper could purchase Monthly capacity for e.g. April, July and August 2021.
- A Shipper could purchase e.g. Monthly capacity for April 2021 combined with a Standard Quarterly product for Q3 2021.

The incentive will be applied to the lowest matching volumes across the Capacity Transactions and all of the Capacity Transactions forming the incentive period must be purchased prior to the first gas day on which the capacity can be utilised.

The following prices will be applied to the Capacity Transactions for an incentive period falling within the Q2 2021 and Q3 2021 period, which meets the above criteria;

This incentive may not be used alongside any other incentives offered by IUK for the same period.

		Apr 21 – Sep 21
		p/(kWh/h)/h
UK to BE	Bacton Entry	0.025591
	Zeebrugge Exit	0.025591
BE to UK	Zeebrugge Entry	0.018767
	Bacton Exit	0.018767

<sup>3</sup> Where Monthly capacity is purchased via PRISMA to form a booking incentive as described in either paragraph 4.1 or 4.2, the Shipper will be required to combine the Monthly capacity booked on PRISMA with Monthly capacity purchased via IUK's Implicit Allocation Mechanism. This is in order to meet the requirement of purchasing all capacity before the first gas day the capacity can be utilised, as only M+1 Monthly Capacity is offered via PRISMA.

IUK has the right to change the price offered at least a week in advance of the relevant Implicit Allocation offering.

### 4.3 Cross-Season Quarterly Product

IUK will also offer an incentive for Shippers who book cross-seasonal Quarterly products. This will be applied specifically to a combination of Q2 2021 or Q3 2021 UK to Belgium capacity + Q1 2022 Belgium to UK capacity. Capacity for both quarters must be purchased prior to the first day on which the capacity can be utilised and the incentive will be applied to the lowest matching capacity. This incentive may not be used alongside any other incentives offered by IUK for the same period.

The following prices will be applied to Capacity Transactions which meet the above criteria;

		Apr 21 – Jun 21 Q2 2021	Jan 22 – Mar 22 Q1 2022
		p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry Zeebrugge Exit	0.023885 0.023885	Not Offered
BE to UK	Zeebrugge Entry Bacton Exit	Not Offered	0.023885 0.023885

		Jul 21 – Sep 21 Q3 2021	Jan 22 – Mar 22 Q1 2022
		p/(kWh/h)/h	p/(kWh/h)/h
UK to BE	Bacton Entry Zeebrugge Exit	0.023885 0.023885	Not Offered
BE to UK	Zeebrugge Entry Bacton Exit	Not Offered	0.023885 0.023885

IUK has the right to change the price offered at least a week in advance of the relevant Implicit Allocation offering.

## 5. Conditional Firm Capacity (CF1) Products

IUK shall offer Conditional Firm (CF1) capacity products falling within Q4 and Q1 in the UK import direction, for up to 30% of IUK's technical UK import capacity.

Conditional Firm CF1 capacity tariffs will be the same as the corresponding Firm products. If a Demand Response event is called by IUK's Electricity Supplier for the next calendar day, IUK will notify the market via its website and an Urgent Market Message (UMM). Holders of Conditional Firm CF1 Registered Capacity can then make the choice to either pay the Exceptional Commodity Charge (as described in Paragraph 6.2) or reduce their gas flow nominations for the affected gas day(s).

Shippers who hold Registered Conditional Firm (CF1) Capacity on a gas day where a Demand Response has been called will receive a 100% rebate of the relevant Zeebrugge Entry Capacity tariff and Bacton Exit Capacity tariffs only for all hours of the affected gas day(s), reflected in their next invoice.

## 6. Standard Interruptible Capacity Products

IUK will offer daily interruptible capacity if the corresponding daily standard firm capacity product was sold at an auction premium, was sold out, or was not offered. The daily interruptible capacity reserve prices will be at a 10% discount to the prevailing daily standard firm product reserve prices.

IUK may offer annual, quarterly, monthly and within day interruptible capacity if the corresponding standard firm capacity product was sold at an auction premium, was sold out, or was not offered. If offered, the interruptible capacity reserve prices will be at a 10% discount to the corresponding standard firm product of the same period.

The interruptible capacity discount has been set to 10% to the corresponding standard firm capacity product to signal that this capacity may be interrupted<sup>4</sup>.

## 7. Commodity Charges

### 7.1 Commodity Charges for the Gas Year 2020-21

In accordance with Section F paragraph 9.3 of the IAC, IUK will invoice each Shipper with a Monthly Commodity Charge which covers the cost of flowing gas taking into account shrinkage.

The commodity unit costs to be applied from 1 October 2020 are calculated using the following formulae:

Commodity Unit Cost (Bacton) in p/kWh =  $0.0001452 * ICE (M+1) NBP (p/th)$

Commodity Unit Cost (Zeebrugge) in p/kWh =  $0.0068243 + [ 0.0002252 * ICE (M+1) NBP (p/th) ]$

Where:

(i) ICE (M+1) NBP means the monthly Natural Gas Index price listed for the ICE UK Natural Gas Futures Contract at the National Balancing Point.

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<sup>4</sup> In last 10 years there have been very few interruptions to firm capacity rights as shown in the table below:

Year	Hours Lost	Hours in Year
2010/11	0	8,760
2011/12	0	8,784
2012/13	9	8,760
2013/14	0	8,760
2014/15	0	8,760
2015/16	20	8,784
2016/17	15	8,760
2017/18	11	8,759
2018/19	0	8,760
2019/20	0	8,784
<b>Total (10 years)</b>	<b>55</b>	<b>87,671</b>

Whilst this suggests a very low discount relative to standard firm products, in a situation when the corresponding standard firm capacity has all been sold out, given IUK is a single asset without access to a wider system, IUK's capacity is limited by its interconnection point technical capacity. There will therefore be a higher risk of interruption than suggested by looking at just historical hours lost. IUK has hence rounded the discount to 10%.

The commodity unit costs for the following month will be calculated and fixed on the first trading day of the month preceding the month for which the commodity charge applies, and published on IUK's website at [https://www.fluxys.com/en/products-services/empowering-you/tariffs/tariff\\_interconnector](https://www.fluxys.com/en/products-services/empowering-you/tariffs/tariff_interconnector).

## 7.2 Exceptional Commodity Charge during Q1 and Q4 of any calendar year

For holders of Conditional Firm (CF1) Capacity during Q1 and Q4 of any calendar year, the Commodity Charges will be supplemented by an exceptional charge in the event that IUK's electricity supplier for its Zeebrugge terminal calls for a demand response. This charge will only be applicable to those who choose to flow during the affected gas day(s).

Specifically, upon receipt of such demand response notification for the next calendar day, IUK will notify the market via its website and via an Urgent Market Message (UMM), indicating the hours during which the demand response applies.

Such demand response hours are:

- (a) 3 consecutive hours;
- (b) with a possibility for a second activation of 3 consecutive hours on days for which:
  - (i) a brown-out has been announced for the Belgian market, or
  - (ii) the BELPEX day-ahead market has cleared above 2,000EUR/MWh for at least two non-consecutive hours).

For electricity consumed during the demand response hours IUK will incur costs at the negative imbalance tariff as published by the Belgian electricity transmission grid operator, Elia (<https://www.elia.be/en/grid-data/balancing/current-system-imbalance>). IUK will allocate these costs as an exceptional charge to the holders of Conditional Firm (CF1) Capacity who flow during the affected gas day(s), pro-rated to the sum of their Entry Allocations at the Zeebrugge Entry Point on the affected Gas Day.

## 8. Initial Registration Fee

The Initial Registration Fee charged by IUK for any new Shippers signing an IAA during the Gas Year 2020-21 is set to zero.

## 9. Monthly Administration Fee

The Monthly Administration Fee payable by each Shipper under an IAA during the Gas Year 2020-21 is £575. The fee for future Gas Years will be calculated as set out in Appendix 1.

## 10. Maximum Buy-back Price

When IUK implements the Buy-back procedure as set out in the IAC Section C paragraph 3.1, it will accept offers from shippers subject to paying no more than the Maximum Buy-back Price. This is the aggregate price that IUK will pay for offered Entry Capacity and Exit Capacity and will be calculated as

the weighted average price paid for that day's Entry Capacity and Exit Capacity plus a premium of 0.039270 p/(kWh/h)/h for Gas Year 2020-21. The premium for future Gas Years will be calculated as set out in Appendix 1.

## **11. Forced Buy-back Price**

When IUK implements the Forced Buy-back procedure set out in the IAC Section C paragraph 3.2, it will pay a Shipper for the reduction in Entry Capacity and Exit Capacity at the Forced Buy-back Price. This price shall be the price paid by the Shipper for such capacity plus a premium equal to 5% of the weighted average price paid for all Entry Capacity and Exit Capacity for that day.

## **12. Net OS Revenue Account**

IUK will keep track of the revenue from IAA Capacity sales that originated from oversubscription on a cumulative basis over the Gas Year, minus any payments made for Buy-back during that time. The net amount will be allowed to go negative up to a limit, the "**Maximum Deficit**", of £100,000. At this level, if further Buy-back is required, IUK will implement the Forced Buy-back procedure.

At the end of the Gas Year, if the balance in the Net OS Revenue Account is positive, then 75% of this amount (the "**Net Revenue Share**") will be distributed to all shippers based on their allocated flow over the year. If the balance in the Net OS Revenue Account is negative, the amount to be distributed shall be zero.

## **13. Balancing Charges**

A Shipper has an obligation to be in balance on an hourly basis such that its Intended Inputs equal its Intended Outputs. Intended Inputs and Intended Outputs take into account the Shipper's Confirmed Nomination Quantities for Entry and Exit and additionally any Acquiring or Disposing Trade Notifications.

Any differences that occur between allocated Inputs and Outputs (such differences only arise during exceptional circumstances), are allowed to accumulate from one day to the next without any penalty or recompense within an allowed cumulative tolerance ("**Allowed Tolerance**") for each Shipper of  $\pm 560,000$  kWh.

On any Gas Day on which the Shipper's accumulated imbalance exceeds the Allowed Tolerance, a Balancing Charge shall apply as detailed in the IAC Section E and Section F.

## Appendix 1 – Indexation

### 1 Indexation Factor

The following prices and fees are indexed using an Indexation Factor defined below:

- (a) The Contracted Capacity Price for Capacity Products that cover multiple Gas Years, in accordance with Section F paragraphs 5.1 to 5.3 of the IUK Access Code;
- (b) Monthly Administration Fee;
- (c) Maximum Buy-back Price premium.

“**Indexation Factor**” means for Gas Year Y the ratio of  $RPI_Y/RPI_0$  where:

- (i) RPI means the “CHAW” Index numbers of consumer prices – “RPI All Items” as published by the Office for National Statistics in the monthly Consumer Price Inflation Reference Tables (or any successor to such Index published by such Office or any other department of HM Government) at [www.ons.gov.uk](http://www.ons.gov.uk);
- (ii)  $RPI_Y$  = the average value of the RPI for the twelve month period ending on 30 June immediately prior to the commencement of Gas Year Y;
- (iii)  $RPI_0$  = average RPI for twelve months ending 30 June prior to the commencement of the Initial Gas Year, such value to be revised by IUK in the event of the index being updated or replaced.

The values of RPI are follows:

Base 1987=100														
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Avg	$RPI_Y$
<b>2013-14</b>	249.1	251	251.9	251.9	252.1	235.4	252.6	254.2	254.8	255.7	255.9	256.3	<b>253.2917</b>	$RPI_{14}$
<b>2014-15</b>	256	257	257.6	257.7	257.1	257.5	255.4	256.7	257.1	258	258.5	258.9	<b>257.2917</b>	$RPI_{15}$
<b>2015-16</b>	258.6	259.8	259.6	259.5	259.8	260.6	258.8	260	261.1	261.4	262.1	263.1	<b>260.3667</b>	$RPI_{16}$
<b>2016-17</b>	263.4	264.4	264.9	264.8	265.5	267.1	265.5	268.4	269.3	270.6	271.7	272.3	<b>267.325</b>	$RPI_{17}$
<b>2017-18</b>	272.9	274.7	275.1	275.3	275.8	278.1	276	278.1	278.3	279.7	280.7	281.5	<b>277.1833</b>	$RPI_{18}$
<b>2018-19</b>	281.7	284.2	284.1	284.5	284.6	285.6	283	285	285.1	288.2	289.2	289.6	<b>285.400</b>	$RPI_{19}$
<b>2019-20</b>	289.5	291.7	291	290.4	291	291.9	290.6	292	292.6	292.6	292.2	292.7	<b>291.517</b>	$RPI_{20}$

### 2 Application

#### 2.1 Contracted Capacity Price

**Example** : calculation of the indexed Contracted Capacity Price in Gas Year 2020-21

Suppose Annual Capacity (Entry or Exit) was allocated in the auction in March 2016 with a Contracted Capacity Price ( $CCP_{16}$ ) of 0.018767 p/(kWh/h)/h, i.e. no IUK Auction Premium, with the Capacity Period starting on 1 October 2020:

The indicative payable price for Gas Year 2020-21 is calculated as follows –



Gas Year	Calculation method	RPI	Indexation Factor	Indicative Payable Price		
				p/(kWh/h)/h		
2016-17	CCP <sub>16</sub>	No indexation	RPI <sub>0</sub> = 260.3667	-	0.018767	No capacity held
2017-18	CCP <sub>17</sub>	CCP <sub>16</sub> X IF <sub>17</sub>	RPI <sub>17</sub> = 267.325	1.026725	0.019269	No capacity held
2018-19	<b>CCP<sub>18</sub></b>	CCP <sub>16</sub> X IF <sub>18</sub>	RPI <sub>18</sub> = 277.1833	1.064588	0.019979	
2019-20	<b>CCP<sub>19</sub></b>	CCP <sub>16</sub> X IF <sub>19</sub>	RPI <sub>19</sub> = 285.4	1.096146	0.020571	
2020-21	<b>CCP<sub>20</sub></b>	CCP <sub>16</sub> X IF <sub>20</sub>	RPI <sub>20</sub> = 291.517	1.119639	<b>0.021012</b>	<b>Price applicable to Contracted Capacity</b>

Note : the above payable prices are for illustration only, the invoiced capacity charges will be calculated in accordance with the IAC Section F paragraph 5.

## 2.2 Monthly Administration Fee (“MAF”)

The fee will be calculated as (RPI<sub>0</sub> being RPI<sub>14</sub>):

$$MAF_Y = \text{£}500 * RPI_Y / 253.2917$$

## 2.3 Maximum Buy-back Price premium (“MBPP”)

The premium will be calculated as (RPI<sub>0</sub> being RPI<sub>14</sub>):

$$MBBP_Y = 0.034121 * RPI_Y / 253.2917 \quad (\text{expressed in p/(kWh/h)/h})$$

## Appendix 2 – Prices of Balance of Month Firm Capacity

The prices to apply are as follows:

### March 2021

Booking Date	Capacity Start Date	Product Duration (days)	UK to BE		BE to UK	
			Bacton Entry	Zeebrugge Exit	Zeebrugge Entry	Bacton Exit
			p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
28/02/2021	Not Offered					
01/03/2021	03/03/2021	29	0.020643	0.020643	0.037534	0.037534
02/03/2021	04/03/2021	28	0.020643	0.020643	0.037534	0.037534
03/03/2021	05/03/2021	27	0.020643	0.020643	0.037534	0.037534
04/03/2021	06/03/2021	26	0.020643	0.020643	0.037534	0.037534
05/03/2021	08/03/2021	24	0.021194	0.021194	0.037701	0.037701
06/03/2021	Not Offered					
07/03/2021	Not Offered					
08/03/2021	10/03/2021	22	0.022295	0.022295	0.038034	0.038034
09/03/2021	11/03/2021	21	0.022995	0.022995	0.038246	0.038246
10/03/2021	12/03/2021	20	0.023778	0.023778	0.038483	0.038483
11/03/2021	13/03/2021	19	0.024632	0.024632	0.038742	0.038742
12/03/2021	15/03/2021	17	0.026499	0.026499	0.039308	0.039308
13/03/2021	Not Offered					
14/03/2021	Not Offered					
15/03/2021	17/03/2021	15	0.028496	0.028496	0.039913	0.039913
16/03/2021	18/03/2021	14	0.029510	0.029510	0.040220	0.040220
17/03/2021	19/03/2021	13	0.030519	0.030519	0.040526	0.040526
18/03/2021	20/03/2021	12	0.031509	0.031509	0.040826	0.040826
19/03/2021	22/03/2021	10	0.033382	0.033382	0.041394	0.041394
20/03/2021	Not Offered					
21/03/2021	Not Offered					
22/03/2021	24/03/2021	8	0.035028	0.035028	0.041893	0.041893
23/03/2021	25/03/2021	7	0.035734	0.035734	0.042106	0.042106
24/03/2021	26/03/2021	6	0.036345	0.036345	0.042292	0.042292
25/03/2021	27/03/2021	5	0.036848	0.036848	0.042444	0.042444
26/03/2021	29/03/2021	3	0.037534	0.037534	0.042652	0.042652
27/03/2021	Not Offered					
28/03/2021	Not Offered					
29/03/2021	31/03/2021	1	0.037534	0.037534	0.042652	0.042652
30/03/2021	Not Offered					
31/03/2021	Not Offered					

April 2021

Booking Date	Capacity Start Date	Product Duration (days)	UK to BE		BE to UK	
			Bacton Entry	Zeebrugge Exit	Zeebrugge Entry	Bacton Exit
			p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
31/03/2021	02/04/2021	29	0.041287	0.041287	0.020643	0.020643
01/04/2021	06/04/2021	25	0.041287	0.041287	0.020643	0.020643
02/04/2021	Not Offered					
03/04/2021	Not Offered					
04/04/2021	Not Offered					
05/04/2021	Not Offered					
06/04/2021	08/04/2021	23	0.041637	0.041637	0.021240	0.021240
07/04/2021	09/04/2021	22	0.041950	0.041950	0.021775	0.021775
08/04/2021	10/04/2021	21	0.042330	0.042330	0.022424	0.022424
09/04/2021	12/04/2021	19	0.043261	0.043261	0.024012	0.024012
10/04/2021	Not Offered					
11/04/2021	Not Offered					
12/04/2021	14/04/2021	17	0.044360	0.044360	0.025889	0.025889
13/04/2021	15/04/2021	16	0.044953	0.044953	0.026900	0.026900
14/04/2021	16/04/2021	15	0.045562	0.045562	0.027941	0.027941
15/04/2021	17/04/2021	14	0.046180	0.046180	0.028996	0.028996
16/04/2021	19/04/2021	12	0.047409	0.047409	0.031093	0.031093
17/04/2021	Not Offered					
18/04/2021	Not Offered					
19/04/2021	21/04/2021	10	0.048571	0.048571	0.033077	0.033077
20/04/2021	22/04/2021	9	0.049107	0.049107	0.033991	0.033991
21/04/2021	23/04/2021	8	0.049600	0.049600	0.034833	0.034833
22/04/2021	24/04/2021	7	0.050044	0.050044	0.035590	0.035590
23/04/2021	26/04/2021	5	0.050747	0.050747	0.036790	0.036790
24/04/2021	Not Offered					
25/04/2021	Not Offered					
26/04/2021	28/04/2021	3	0.051182	0.051182	0.037534	0.037534
27/04/2021	29/04/2021	2	0.051182	0.051182	0.037534	0.037534
28/04/2021	30/04/2021	1	0.051182	0.051182	0.037534	0.037534
29/04/2021	Not Offered					
30/04/2021	Not Offered					

## May 2021

Booking Date	Capacity Start Date	Product Duration (days)	UK to BE		BE to UK	
			Bacton Entry	Zeebrugge Exit	Zeebrugge Entry	Bacton Exit
			p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
30/04/2021	04/05/2021	28	0.041287	0.041287	0.020643	0.020643
01/05/2021	Not Offered					
02/05/2021	Not Offered					
03/05/2021	Not Offered					
04/05/2021	06/05/2021	26	0.041287	0.041287	0.020643	0.020643
05/05/2021	07/05/2021	25	0.041287	0.041287	0.020643	0.020643
06/05/2021	08/05/2021	24	0.041610	0.041610	0.021194	0.021194
07/05/2021	10/05/2021	22	0.042254	0.042254	0.022295	0.022295
08/05/2021	Not Offered					
09/05/2021	Not Offered					
10/05/2021	12/05/2021	20	0.043123	0.043123	0.023778	0.023778
11/05/2021	13/05/2021	19	0.043623	0.043623	0.024632	0.024632
12/05/2021	14/05/2021	18	0.044157	0.044157	0.025543	0.025543
13/05/2021	15/05/2021	17	0.044718	0.044718	0.026499	0.026499
14/05/2021	17/05/2021	15	0.045887	0.045887	0.028496	0.028496
15/05/2021	Not Offered					
16/05/2021	Not Offered					
17/05/2021	19/05/2021	13	0.047073	0.047073	0.030519	0.030519
18/05/2021	20/05/2021	12	0.047653	0.047653	0.031509	0.031509
19/05/2021	21/05/2021	11	0.048214	0.048214	0.032468	0.032468
20/05/2021	22/05/2021	10	0.048750	0.048750	0.033382	0.033382
21/05/2021	24/05/2021	8	0.049714	0.049714	0.035028	0.035028
22/05/2021	Not Offered					
23/05/2021	Not Offered					
24/05/2021	26/05/2021	6	0.050486	0.050486	0.036345	0.036345
25/05/2021	27/05/2021	5	0.050781	0.050781	0.036848	0.036848
26/05/2021	28/05/2021	4	0.051005	0.051005	0.037231	0.037231
27/05/2021	29/05/2021	3	0.051182	0.051182	0.037534	0.037534
28/05/2021	Not Offered					
29/05/2021	Not Offered					
30/05/2021	Not Offered					

## June 2021

Booking Date	Capacity Start Date	Product Duration (days)	UK to BE		BE to UK	
			Bacton Entry	Zeebrugge Exit	Zeebrugge Entry	Bacton Exit
			p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
31/05/2021	Not Offered					
01/06/2021	03/06/2021	28	0.037534	0.037534	0.018767	0.018767
02/06/2021	04/06/2021	27	0.037534	0.037534	0.018767	0.018767
03/06/2021	05/06/2021	26	0.037534	0.037534	0.018767	0.018767
04/06/2021	07/06/2021	24	0.037534	0.037534	0.018767	0.018767
05/06/2021	Not Offered					
06/06/2021	Not Offered					
07/06/2021	09/06/2021	22	0.037534	0.037534	0.018767	0.018767
08/06/2021	10/06/2021	21	0.037534	0.037534	0.018767	0.018767
09/06/2021	11/06/2021	20	0.037534	0.037534	0.018767	0.018767
10/06/2021	12/06/2021	19	0.037534	0.037534	0.018767	0.018767
11/06/2021	14/06/2021	17	0.037534	0.037534	0.018767	0.018767
12/06/2021	Not Offered					
13/06/2021	Not Offered					
14/06/2021	16/06/2021	15	0.037534	0.037534	0.018767	0.018767
15/06/2021	17/06/2021	14	0.044283	0.044283	0.028047	0.028047
16/06/2021	18/06/2021	13	0.045136	0.045136	0.029220	0.029220
17/06/2021	19/06/2021	12	0.045977	0.045977	0.030377	0.030377
18/06/2021	21/06/2021	10	0.047581	0.047581	0.032582	0.032582
19/06/2021	Not Offered					
20/06/2021	Not Offered					
21/06/2021	23/06/2021	8	0.049000	0.049000	0.034533	0.034533
22/06/2021	24/06/2021	7	0.049612	0.049612	0.035374	0.035374
23/06/2021	25/06/2021	6	0.050143	0.050143	0.036104	0.036104
24/06/2021	26/06/2021	5	0.050581	0.050581	0.036707	0.036707
25/06/2021	28/06/2021	3	0.051182	0.051182	0.037534	0.037534
26/06/2021	Not Offered					
27/06/2021	Not Offered					
28/06/2021	30/06/2021	1	0.051182	0.051182	0.037534	0.037534

### Appendix 3 – Prices of Half Month Firm Capacity

The prices to apply are as follows:

Month	Product Type	Capacity Duration	UK to BE		BE to UK	
			Bacton Entry	Zeebrugge Exit	Zeebrugge Entry	Bacton Exit
			p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
Mar-21	Back Half	17/03 - 31/03/2021	0.028496	0.028496	0.039913	0.039913
Apr-21	Front Half	01/04 - 15/04/2021	0.045562	0.045562	0.027941	0.027941
	Back Half	16/04 – 30/04/2021	0.045562	0.045562	0.027941	0.027941
May-21	Front Half	01/05 – 16/05/2021	0.045297	0.045297	0.027488	0.027488
	Back Half	17/05 – 31/05/2021	0.045887	0.045887	0.028496	0.028496
Jun-21	Front Half	01/06 – 15/06/2021	0.037534	0.037534	0.018767	0.018767
	Back Half	16/06 – 30/06/2021	0.037534	0.037534	0.018767	0.018767

### Appendix 4 – Prices of Working Days Next Week and Weekend Firm Capacity

The prices to apply are as follows:

Week	Product Type	Capacity Duration	UK to BE		BE to UK	
			Bacton Entry	Zeebrugge Exit	Zeebrugge Entry	Bacton Exit
			p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h	p/(kWh/h)/h
Week 10	WE	13/03 - 14/03/2021	0.037534	0.037534	0.042652	0.042652
Week 11	WDNW	15/03 - 19/03/2021	0.036848	0.036848	0.042444	0.042444
	WE	20/03 - 21/03/2021	0.037534	0.037534	0.042652	0.042652
Week 12	WDNW	22/03 - 26/03/2021	0.036848	0.036848	0.042444	0.042444
	WE	27/03 - 28/03/2021	0.037534	0.037534	0.042652	0.042652
Week 13	WDNW*	29/03 - 01/04/2021	0.044358	0.044358	0.040093	0.040093
	WE*	02/04 - 05/04/2021	0.050989	0.050989	0.037204	0.037204
Week 14	WDNW	06/04 - 09/04/2021	0.050989	0.050989	0.037204	0.037204
	WE	10/04 - 11/04/2021	0.051182	0.051182	0.037534	0.037534
Week 15	WDNW	12/04 - 16/04/2021	0.050747	0.050747	0.036790	0.036790
	WE	17/04 - 18/04/2021	0.051182	0.051182	0.037534	0.037534
Week 16	WDNW	19/04 - 23/04/2021	0.050747	0.050747	0.036790	0.036790
	WE	24/04 - 25/04/2021	0.051182	0.051182	0.037534	0.037534
Week 17	WDNW	26/04 - 30/04/2021	0.050747	0.050747	0.036790	0.036790
	WE*	01/05 - 03/05/2021	0.051182	0.051182	0.037534	0.037534
Week 18	WDNW*	04/05 - 07/05/2021	0.051005	0.051005	0.037231	0.037231
	WE	08/05 - 09/05/2021	0.051182	0.051182	0.037534	0.037534
Week 19	WDNW	10/05 - 14/05/2021	0.050781	0.050781	0.036848	0.036848
	WE	15/05 - 16/05/2021	0.051182	0.051182	0.037534	0.037534
Week 20	WDNW	17/05 - 21/05/2021	0.050781	0.050781	0.036848	0.036848
	WE	22/05 - 23/05/2021	0.051182	0.051182	0.037534	0.037534
Week 21	WDNW	24/05 - 28/05/2021	0.050781	0.050781	0.036848	0.036848
	WE*	29/05 - 31/05/2021	0.051182	0.051182	0.037534	0.037534
Week 22	WDNW	01/06 - 04/06/2021	0.050916	0.050916	0.037167	0.037167
	WE	05/06 - 06/06/2021	0.051182	0.051182	0.037534	0.037534
Week 23	WDNW	07/06 - 11/06/2021	0.050581	0.050581	0.036707	0.036707
	WE	12/06 - 13/06/2021	0.051182	0.051182	0.037534	0.037534
Week 24	WDNW	14/06 - 18/06/2021	0.050581	0.050581	0.036707	0.036707
	WE	19/06 - 20/06/2021	0.051182	0.051182	0.037534	0.037534
Week 25	WDNW	21/06 - 25/06/2021	0.050581	0.050581	0.036707	0.036707
	WE	26/06 - 27/06/2021	0.051182	0.051182	0.037534	0.037534
Week 26	WDNW	28/06 - 02/07/2021	0.051182	0.051182	0.037534	0.037534

\*Bank Holidays are included within the Weekend product