

October 1, 2015

## VIA EMAIL - fergas@hq.doe.gov

**RECEIVED**By DOE/FE at 4:04 pm, Oct 01, 2015

U.S. Department of Energy (FE-34)
Office of Fossil Energy
Office of Natural Gas Regulatory Activities
P. O. Box 44375
Washington, DC 20026-4375
Attention: fergas@hq.doe.gov

Re: Southern LNG Company, L.L.C.

DOE Semi-Annual Report No. 7

DOE/FE Order No. 3106 - FE Docket No. 12-54-LNG

To: Office of Natural Gas Regulatory Activities

On June 15, 2012, the Department of Energy's Office of Fossil Energy ("DOE/FE") issued an order in Docket No. 12-54-LNG authorizing Southern LNG Company, L.L.C. ("SLNG") to export domestically produced LNG by vessel from its Elba Island Terminal in Savannah, Georgia up to the equivalent of 182.5 Bcf per year of natural gas for a 25-year term ("FTA Order"). Paragraph (I) of the FTA Order requires that SLNG file with the Office of Natural Gas Regulatory Activities "information on the progress of the proposed LNG liquefaction project at the Elba Island Terminal, the date the facility is expected to be operational, and the status of the long-term contracts associated with the long-term export of LNG and any long-term supply contracts." SLNG hereby submits this letter to provide the Semi-Annual Report for April 1, 2015 through September 30, 2015.

Development activities continue to progress. As stated in previous reports, SLNG and Elba Liquefaction Company, L.L.C. ("ELC") filed their application with the Federal Energy Regulatory Commission ("FERC") for NGA Section 3 authority to construct and operate the liquefaction project on March 10, 2014. SLNG and ELC have responded to data requests from FERC staff to further facilitate FERC's review and processing of the application. FERC (through its environmental contractor) is presently engaged in the preparation of an environmental assessment and SLNG and ELC are in the process of soliciting bids to select an EPC contractor.

SLNG and ELC anticipate initial production from the Elba Liquefaction Project in 2017 for Shell NA LNG LLC which has fully subscribed for the liquefaction service for a 20 year term to be utilized in its global LNG portfolio. SLNG also advises DOE that on July 15, 2015, Kinder

<sup>&</sup>lt;sup>1</sup> DOE/FE, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Elba Island Terminal in DOE/FE Docket No. 12-54-LNG (2012).

Morgan purchased Shell's 49% equity interest in ELC. ELC, like SLNG, is now a whollyowned subsidiary of Kinder Morgan.

Please let the undersigned know if you have any questions regarding this report.

Very truly yours,

Margaret G. Coffman Assistant General Counsel

(205) 325-7424

meghan coffman@kindermorgan.com

Margaret D. Cofhman

cc: Larine Moore (larine.moore@hq.doe.gov)