



**Southern LNG  
Company, L.L.C.**  
a Kinder Morgan company

Rec'd DOE/FE via Email 09/30/16

September 30, 2016

**VIA EMAIL – fergas@hq.doe.gov**

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. 9  
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").<sup>1</sup> 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, 2016 through September 30, 2016.

Development activities continue to progress. As stated in our previous report, on February 5, 2016, the staff of the Federal Energy Regulatory Commission ("FERC") issued an Environmental Assessment ("EA") for the Elba Liquefaction Project. The EA concludes that approval of the Elba Liquefaction Project, with the appropriate mitigation measures described in the EA, would not constitute a major federal action significantly affecting the quality of the human environment. On June 1, 2016, FERC issued the Order Granting Section 3 and Section 7 Authorizations ("FERC Order"). The FERC Order agrees with the conclusions provided in the EA regarding the environmental impacts and authorizes SLNG and Elba Liquefaction Company, L.L.C. ("ELC") to construct, modify and operate the Elba Liquefaction Project at the existing Elba Island Terminal subject to conditions provided in Appendix B to the FERC Order.

On June 27, 2016, ELC and SLNG filed their Implementation Plan with FERC ("June 27 IP") pursuant to Condition 8 of Appendix B to the FERC Order. On June 28, 2016, July 26,

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<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).

2016, August 17, 2016, and August 22, 2016, ELC and SLNG filed information to supplement the June 27 IP. By letter order dated August 23, 2016, ELC and SLNG received authorization to use the Offsite Wareyard associated with the Elba Liquefaction Project. SLNG and ELC have responded to engineering data requests from FERC staff to further facilitate FERC's review and processing of the June 27 IP.

IHI E&C International Corporation, the EPC Contractor, is proceeding with advance design and planning. SLNG and ELC anticipate production from the Elba Liquefaction Project in mid-2018 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.

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

Very truly yours,



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