



Gulf LNG Liquefaction
Company, LLC
a Kinder Morgan operated company

April 1, 2019

VIA EMAIL – fergas@hq.doe.gov

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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: Gulf LNG Liquefaction Company, LLC
DOE Semi-Annual Report No. 14
DOE/FE Order No. 3104 – FE Docket No. 12-47-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. 12-47-LNG authorizing Gulf LNG Liquefaction Company, LLC ("GLLC") to export domestically produced LNG by vessel from its Gulf LNG Energy, LLC Terminal in Pascagoula, Mississippi up to the equivalent of 547.5 Bcf per year of natural gas for a 25-year term ("FTA Order").¹ Paragraph (I) of the FTA Order requires that GLLC file with the Office of Natural Gas Regulatory Activities "information on the progress of the proposed LNG liquefaction project at the Gulf LNG Terminal liquefaction facility, 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." GLLC hereby submits this letter to provide the Semi-Annual Report for October 1, 2018 through March 31, 2019.

As reported in GLLC's Semi-Annual Reports No. 7 through No. 13, on June 19, 2015, GLLC and Gulf LNG Energy, LLC completed the pre-filing review process and filed an application pursuant to Section 3 of the Natural Gas Act, requesting authority to construct and operate new natural gas liquefaction and export facilities with the Federal Energy Regulatory Commission ("FERC") in Docket No. CP15-521-000. GLLC completed the first phase of front-end engineering and design ("FEED") work for its proposed liquefaction project concurrent with its filing of the FERC application discussed above. Since that time, GLLC and GLE have responded to data requests from FERC's staff to further facilitate the review and processing of the application. FERC Staff issued the Draft Environmental Impact Statement on November 15, 2018, which concluded that construction and operation of the Project in accordance with applicable laws and regulations, and implementation of GLLC and GLE's proposed mitigation and FERC's recommendations would ensure that impacts of the Project would be avoided or minimized and

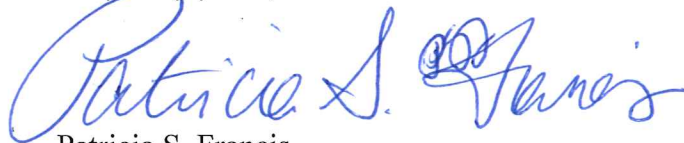
¹ DOE/FE, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Gulf LNG Energy, LLC Terminal to Free Trade Agreement Nations in DOE/FE Docket No. 12-47-LNG (2012).

would not be significant. On March 15, 2019, the Pipeline and Hazardous Materials Safety Administration issued its Letter of Determination for the Project, which determined that GLLC and GLE have demonstrated that the proposed siting of the Project complies with the Federal Pipeline Safety Standards set forth in Part 193, Subpart B. GLLC is working on an update to the Mississippi Department of Environmental Quality's Permit to Construct and Operate Air Emissions Equipment and an update to the U.S. Army Corps of Engineers' Application for Rivers and Harbors Act Section 10, Clean Water Act Section 404 Permit and Section 401 Water Quality Certification. FERC Staff (through its environmental contractor) is presently engaged in drafting the Final Environmental Impact Statement.

GLLC continues to pursue commercial agreements supporting the addition of long-term tolling liquefaction service or long-term LNG supply service at the Gulf LNG Terminal. Assuming the requisite commercial agreements can be reached—though they have not been reached to date—GLLC would anticipate placing Phase I and Phase II of the proposed Liquefaction Project in service before the end of 2024 and 2025, respectively. In any event, the Gulf LNG Terminal will also retain its current capability to receive, store, regasify, and deliver natural gas into the interstate pipeline system as originally constructed.

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

Very truly yours,



Patricia S. Francis
Assistant General Counsel
(205) 325-7696
patricia_francis@kindermorgan.com

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