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Gulf LNG Liquefaction
Company, LLC
a Kinder Morgan operated company

October 1, 2019

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: Gulf LNG Liquefaction Company, LLC
DOE Semi-Annual Report No. 15
DOE/FE Order No. 3104 – FE Docket No. 12-47-LNG
DOE/FE Order No. 4410 – FE Docket No. 12-101-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 Additionally, on July 31, 2019, DOE/FE issued an order in Docket No. 12-101-LNG authorizing GLLC to export domestically produced LNG by vessel for a 20-year term ("Non-FTA Order").² Paragraph (I) of the FTA Order and Paragraph M of the Non-FTA Order each require 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 April 1, 2019 through September 30, 2019.

As reported in GLLC's Semi-Annual Reports No. 7 through No. 14, 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

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).

² DOE/FE, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non- Free Trade Agreement Nations in DOE/FE Docket No. 12-101-LNG (July 2019).

its filing of the FERC application discussed above. Since that time, FERC Staff issued the Draft Environmental Impact Statement (“EIS”) on November 15, 2018 and Final EIS on April 17, 2019. Both the Draft and Final EIS 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 would not be significant. On July 16, 2019, FERC issued the Order Granting Authorization under Section 3 of the Natural Gas Act (“FERC Order”). The FERC Order agrees with the conclusions provided in the Final EIS regarding the environmental impacts and authorizes GLLC to construct and operate the Project subject to the environmental conditions attached to the FERC Order. 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.

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. If the requisite commercial agreements can be obtained—though they have not been reached to date—and upon receipt of all necessary consents and approvals, 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,



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