

April 1, 2020

## 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: <u>fergas@hq.doe.gov</u>

Re: Gulf LNG Liquefaction Company, LLC

DOE Semi-Annual Report No. 16

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"). 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"). 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 October 1, 2019 through March 31, 2020.

As reported in GLLC's Semi-Annual Reports No. 7 through No. 15, 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 frontend engineering and design ("FEED") work for its proposed liquefaction project concurrent with

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<sup>&</sup>lt;sup>1</sup> 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)

<sup>&</sup>lt;sup>2</sup> 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. On March 15, 2019, the Pipeline and Hazardous 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. On July 15, 2019, the U.S. Army Corps of Engineers issued a provisional Section 404 permit. On July 16, 2019, FERC issued the Order Granting Authorization under Section 3 of the Natural Gas Act ("FERC Order"). On January 21, 2020, the Mississippi Department of Marine Resources conditionally approved GLLC's Application for a Coastal Wetlands Permit.

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 2025 and 2026, 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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c: Natalie Wood (natalie.wood@hq.doe.gov)