



UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF OIL AND GAS GLOBAL SECURITY AND SUPPLY

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TEXAS LNG LLC ) FE DOCKET NO. 13-160-LNG  
\_\_\_\_\_)

SEMI-ANNUAL REPORT REGARDING TEXAS LNG TERMINAL  
IN BROWNSVILLE, TEXAS

DOE/FE ORDER NO. 3443

AS OF APRIL 1, 2015

## **I. BACKGROUND**

On June 11, 2014 by DOE/FE Order No. 3443, Texas LNG LLC (Texas LNG) was authorized to export by vessel certain volumes of liquefied natural gas (LNG) produced from domestic sources from its proposed Texas LNG Terminal at the Port of Brownsville, Texas (the Project) to any country with which the United States currently has, or in the future will have a free trade agreement (FTA), subject to certain conditions. Texas LNG is required to file with the Office of Oil and Gas Global Security and Supply, on a semi-annual basis, written reports describing the progress of the proposed Texas LNG Terminal.

## **II. INFORMATION ON THE PROGRESS OF THE TEXAS LNG TERMINAL.**

**General.** During the past six months, there has been progress on the Texas LNG Terminal project on a variety of fronts, including financing, engineering, pipeline supply, site analysis, and offtake agreement negotiations.

**Financing.** Texas LNG has completed a financial investment transaction with affiliates of Third Point LLC, a New York financial investment firm with over \$17 billion of assets. Third Point LLC and Texas LNG share ownership of Texas LNG Brownsville LLC, the project development company created to advance the Project.

**Engineering.** Texas LNG has retained Samsung Engineering (Samsung) to perform a variety of project engineering work in its Seoul, South Korea and Houston offices. Pre-Front-End Engineering Design (FEED) was performed between June and October 2014. Over 25 engineers were involved in this work. FEED commenced in November 2014 with a large, full-time staff of Samsung and Texas LNG engineers. Texas LNG has retained Braemar Engineering in Houston to provide technical support for FEED and Federal Energy Regulatory Commission (FERC) permitting work. To date, over 50,000 Pre-FEED and FEED engineering man hours have been expended.

**Long-term supply arrangements.** Texas LNG has had productive negotiations with several natural gas pipeline transportation companies regarding constructing an approximate 140 mile lateral

from the Agua Dulce Hub, near Corpus Christi, Texas to the Terminal site. No contracts have been executed yet.

**Long-term LNG purchase agreements.** Texas LNG has had productive discussions with a variety of interested offtakers of LNG from the facility, but the discussions have not yet advanced to the term sheet phase.

**Site Work.** The Project site has been moved and expanded to 625 acres through a new agreement with the Brownsville Navigation District. Site wetlands surveys have been completed along with a preliminary archeological investigation performed by Natural Resources Group of Duluth, Georgia. A Letter of Intent and a Preliminary Waterway Suitability Request has been submitted to the United States Coast Guard. Texas LNG also has retained Professional Services Industries of Oakbrook Terrace, Illinois to perform geotechnical survey work at the site.

**FERC Application.** After several meetings with FERC staff, on March 9, 2015 Texas LNG filed its request for FERC to commence a pre-filing process. The Project has been assigned Docket No. PF 15-14.

**Estimated operations date.** Texas LNG now is forecasting a commissioning of the Project in early 2020.

Respectfully submitted on behalf of  
Texas LNG LLC,

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