



TRUNKLINE LNG
An ENERGY TRANSFER Company

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October 1, 2014

VIA ELECTRONIC MAIL

U.S. Department of Energy (FE-34)
Office of Fossil Energy
Office of Natural Gas Regulatory Activities
Attn: Natural Gas Reports
P.O. Box 44375
Washington, D.C. 20026-4375

Re: Trunkline LNG Export, LLC
FE Docket No. 13-04-LNG
DOE/FE Order No. 3252
Lake Charles LNG Terminal
Semi-Annual Report

To: Office of Natural Gas Regulatory Activities

In accordance with the conditions of DOE/FE Order No. 3252 issued March, 7, 2013, Trunkline LNG Export, LLC submits the semi-annual report as required by ordering paragraph I describing the progress of the proposed liquefaction facility project at the Lake Charles Terminal.

Any questions concerning this filing should be addressed to the undersigned at (713) 989-2024.

Respectfully,

TRUNKLINE LNG EXPORT, LLC

/s/ Stephen T. Veatch

Stephen T. Veatch
Senior Director, Certificates

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Regulatory

Trunkline LNG Export, LLC (“TLNG Export”) filed its Application with the Federal Energy Regulatory Commission (“FERC”) on March 25, 2014, for the LNG terminal facilities and the docket number assigned is CP14-120-000.

Activities since the last report are as follows:

On April 2, 2014; TLNG Export filed Supplemental Information re RR1 - Table 1.3-1 (Requested Deviations from the FERC Procedures).

On April 3, 2014; FERC issued its Notice of Applications for authorization to: (i) construct, install, and operate approximately 17.89 miles of pipeline; 119,075 horsepower (HP) of compression; various new meter stations; and appurtenances; (ii) remediate certain existing pipeline; (iii) modify station piping at four compressor stations and modify various meter stations; and (iv) abandon one 3,000 HP compressor unit, all within the States of Arkansas, Mississippi, and Louisiana (Pipeline Modification Project).

On April 21, 2014; TLNG Export filed Supplemental Information re Resource Report 11 (Modeling Assumption and Hazard Analysis Report).

On April 23, 2014; TLNG Export filed Supplemental Information re Resource Report 1, Appendix 1-B, Revised Page 1 of 21 (Elimination of the ACW Borrow Pit).

On April 25, 2014; FERC issued an Environmental Data Request.

On May 7, 2014; TLNG Export filed Supplemental Information re Resource Report 1, Appendix 1-I (Updated Landowner List).

On May 9, 2014; TLNG Export filed its Motion for Leave to Answer and Answer to 1) Motion for Leave to Intervene, Protest and Request for Technical Conference of Laclede Gas Company, Docket No. CP14-119-000 (filed Apr. 24, 2014) (“Laclede Protest”), and 2) Sierra Club’s Motion to Intervene and Protest, Docket Nos. CP14-119-000, CP14-120-000, CP14-122-000, PF12-8-000 (filed Apr. 24, 2014) (“Sierra Club Protest”).

On May 16, 2014; TLNG Export filed Responses to the FERC Environmental Data Request Dated April 25, 2014.

On May 22, 2014; TLNG Export filed Supplemental Information requested by FERC LNG Staff prior to the filing of the formal applications (PHAST Vapor Dispersion Hazard Footprint, FLACS Vapor Dispersion for Accidental Release Scenarios, and Vapor Cloud Overpressure Simulations).

On June 30, 2014; FERC issued a Data Request.

On July 3, 2014; FERC issued an Environmental Data Request.

On July 7, 2014; TLNG Export filed a Response to the FERC Data Request Dated June 30, 2014.

On July 10, 2014; TLNG Export filed Supplemental Information to clarify a Response to the FERC April 25, 2014 Data Request (Resource Report 3, Question 2).

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On July 24, 2014; TLNG Export filed Responses to the FERC Environmental Data Request Dated July 3, 2014.

On July 25, 2014; TLNG Export filed Supplemental Responses to the FERC Environmental Data Request Dated April 25, 2014.

On July 25, 2014; TLNG Export filed Supplemental Responses to the FERC Environmental Data Request Dated July 3, 2014.

On July 29, 2014; TLNG Export filed its Answer in Opposition to the (doc-less) Out-of-Time Motion to Intervene of Magnolia LNG, LLC, Docket Nos. CP14-119-000, CP14-120-000 and CP14-122-000 (unconsolidated).

On August 8, 2014; TLNG Export filed Supplemental Responses to the FERC Environmental Data Request Dated April 25, 2014.

On August 13, 2014; TLNG Export filed Supplemental Responses to the FERC Environmental Data Request Dated April 25, 2014.

On August 22, 2014; TLNG Export filed Supplemental Information to the Proceeding Record (Previous submittals to PHMSA).

On August 22, 2014; FERC issued an Environmental Data Request.

On August 25, 2014; TLNG Export filed Supplemental Responses to the FERC Environmental Data Request Dated July 3, 2014.

On August 28, 2014; TLNG Export filed Supplemental Responses to the FERC Environmental Data Requests Dated April 25, 2014 and July 3, 2014.

On September 8, 2014; TLNG Export filed Responses to the FERC Environmental Data Request Dated August 22, 2014.

On September 9, 2014; TLNG Export filed Supplemental Responses to the FERC Environmental Data Requests Dated April 25, 2014, July 3, 2014, and August 22, 2014.

On September 15, 2014; TLNG Export filed Supplemental Information to the RR13 Narrative (Replacement of original pages 38, 87, and 174).

On September 17, 2014; TLNG Export filed Supplemental Information to the Proceeding Record (Previous submittals to PHMSA).

On September 19, 2014, PHMSA issued its Design Spill Determination to the FERC indicating that they have no objection to TLNG Export's methodology on determining a single accidental leakage source to establish the siting for its proposed LNG export facility.

On September 24, 2014; TLNG Export filed Supplemental Responses to the FERC Environmental Data Requests Dated July 3, 2014.

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Engineering

Technip has completed the FEED. An Invitation to Tender has been issued to three EPC contractor consortia. Bids are due in late November.

Environmental

Environmental continues to work on responding to the remaining FERC data requests. In addition, the wetland mitigation plan is being finalized with a summary plan to be filed with the FERC.

Status of Long-Term Contracts Associated with the Facility

TLNG Export currently has option agreements in place for the purchase/lease of all property comprising the Liquefaction Project and the agreements were finalized and executed during this reporting period.

TLNG Export, Trunkline LNG Company, LLC (“TLNG”), Trunkline Gas Company, LLC (“Trunkline Gas”), BG LNG Services, LLC (“BGLS”) and BG Energy Merchants, LLC (“BGEM”) have entered into a Project Development Agreement to jointly develop the Liquefaction Project.

Definitive agreements to implement the Liquefaction Project remain under development. TLNG Export and TLNG will own and TLNG Export will finance the Liquefaction Project, and BGLS Services, LLC will have a long-term tolling agreement with TLNG Export for liquefaction, storage, and loading service. TLNG Export and TLNG will enter into an agreement pursuant to which TLNG will provide storage and loading services to TLNG Export to facilitate TLNG Export’s tolling agreement with BGLS. BG Group will oversee the design and construction management of the proposed Liquefaction Project, and will operate the Liquefaction Project, including the existing LNG Terminal.

To allow BG Group’s sourcing of natural gas for the project, Trunkline Gas will provide pipeline transportation services to supply natural gas to the Liquefaction Project. Trunkline Gas and BGEM signed a Pipeline Precedent Agreement on February 25, 2014 regarding the scope and construction of the pipeline facilities and the rate to be paid by BGEM when service commences.

Date Facility is expected to Be Operational

The first train is expected to be operational in the 2nd quarter of 2019.

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Name Change

On September 19, 2014, Trunkline LNG Company, LLC and Trunkline LNG Export, LLC amended their Certificates of Formation with the state of Delaware in which the limited liabilities companies names have been amended to Lake Charles LNG Company, LLC and Lake Charles LNG Export Company, LLC. Lake Charles LNG Company, LLC will soon file with the FERC to revise the FERC Gas Tariff to reflect the name change. Lake Charles LNG Export Company, LLC will make the necessary filings with DOE/FE to reflect the name change.