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Department of Energy
Office of Oil and Gas Global Security and Supply
Docket Room 3E-042, FE-34
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585
United States of America

RECEIVED
By DOE at 11:00 am, Nov 19, 2015

Subject: Strom, Inc., FE Docket No. 14-56-LNG
Semi-annual report for the period ending September 30, 2015
Filed pursuant to Ordering Paragraph G of DOE/FE Order No. 3537

Pursuant to Ordering Paragraph G of Order No. 3537 (“Order”) granting long-term, multi-contract authorization to export natural gas to any country that currently has, or in the future will have, the capacity to import LNG via approved ISO IM07/TV AC-ASME LNG (ISO) containers transported on ocean-going carriers, and with which the United States has a free trade agreement (“FTA”) providing for national treatment for trade in natural gas, on October 1, 2015 (“Reporting Date”) in the above-referenced docket, Strom, Inc. (“Strom”) submits its semi-annual report for the period ending September 30, 2015. In particular, Ordering Paragraph G states:

“Strom shall 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 Project. The reports shall be filed on or by April 1 and October 1 of each year, and shall include information on the progress of the Project, 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.”

Any questions concerning this filing should be addressed to the undersigned at (240) 461-0201 or via email at dwallace@stromlng.com.

Respectfully Submitted,

Dean M. Wallace, PMP
President

Facility Progress Report



On April 18, 2014, Strom filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA) for long-term, multi-contract authorization to export liquefied natural gas (LNG) produced from domestic sources. Once in operation, based on conservative assumptions regarding construction contractor design margin and over-build, ambient air temperatures at the liquefaction project site, the quality of feed gas supplying the project and maintenance down-time, Strom expects that commercial LNG production available for export will be as much as approximately 28.21 billion cubic feet per year (Bcf/yr) of natural gas (0.08 Bcf per day). On October 21, 2014, Strom received authorization from DOE/FE via the Order to export domestically produced LNG by ISO containers on vessels from the proposed Project. The Project will be constructed on a property site approximately 15 acres in size, to be located at 6700 Tallahassee Road, Crystal River, Florida. Strom has submitted a letter of intent to purchase the property at the Project site, and is engaging in a purchase agreement to acquire adjacent properties to facilitate future expansion through the exercise of an option on land purchase.

The application filed by Strom with the DOE/FE on May 6, 2015 included an amended application for authorization to export U.S.-sourced natural gas as LNG to Non-FTA Countries. The application remains pending in Docket No. 15-78-LNG. As of this date, Strom has no information relating to the timing of the conclusion of the application.

Status of Long-term LNG Export Contracts

Strom will primarily engage in exports of LNG on its own behalf, and is currently in productive discussions with a variety of interested off-takers of LNG from the facility. Strom has not yet entered into long-term export contracts associated with this Project. In accordance with Ordering Paragraph D of the Order, Strom will file any such long-term contracts with the DOE/FE following their execution.

Status of Long-term Gas Supply Contracts

Strom has had productive negotiations with natural gas pipeline transportation companies regarding purchase of natural gas for export. As of the Reporting Date, Strom has not executed any contracts for the long-term supply of U.S.-sourced natural gas. In accordance with Ordering Paragraph D of the Order, Strom will file any such contracts associated with the long-term supply of natural gas to the Project with the DOE/FE following their execution.

Date Facility is Expected to be Operational

Strom's liquefaction facilities are expected to commence commercial operations in the second quarter of 2017.