



Southern LNG
Company, L.L.C.
a Kinder Morgan company

September 29, 2017

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: Southern LNG Company, L.L.C.
DOE Semi-Annual Report No. 10
DOE/FE Order No. 3106 – FE Docket No. 12-54-LNG
DOE/FE Order No. 3956 – FE Docket No. 12-100-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. 12-54-LNG authorizing Southern LNG Company, L.L.C. (“SLNG”) to export domestically produced LNG by vessel from its Elba Island Terminal in Savannah, Georgia to any country with which the United States has, or in the future may enter into a Free Trade Agreement (“FTA Order”).¹ Additionally, on December 16, 2016, DOE/FE issued an order in Docket No. 12-100-LNG authorizing SLNG to export domestically produced LNG by vessel to non-FTA countries up to a volume equivalent (“Non-FTA Order”).² Paragraph (I) of the FTA Order and Paragraph O of the Non-FTA Order require that SLNG file with the Office of Natural Gas Regulatory Activities information on the progress of the proposed LNG liquefaction project at the Elba Island Terminal, 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. SLNG hereby submits this letter to provide the Semi-Annual Report for April 1, 2017 through September 29, 2017.

As stated in our previous report, on June 1, 2016, FERC issued the Order Granting Section 3 and Section 7 Authorizations (“FERC Order”). The FERC Order authorizes SLNG and Elba Liquefaction Company, L.L.C. (“ELC”) to construct, modify and operate the Elba Liquefaction Project at the existing Elba Island Terminal subject to conditions provided in Appendix B to the FERC Order. On June 27, 2016, ELC and SLNG filed their Implementation Plan with FERC (“June 27 IP”) pursuant to Condition 8 of Appendix B to the FERC Order. ELC and SLNG continued to file additional information to supplement the June 27 IP. SLNG and

¹ DOE/FE, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Elba Island Terminal in DOE/FE Docket No. 12-54-LNG (2012).

² DOE/FE, Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Elba Island Terminal in Chatham County, Georgia to Non-Free Trade Agreement Nations DOE/FE Docket No. 12-100-LNG (2016).

ELC also continued to respond to engineering data requests from FERC staff to further facilitate FERC's review and processing of the June 27 IP. ELC and SLNG received authorization to install the Movable Modular Liquefaction System ("MMLS") units 1 through 10 and other activities as further described in letter orders dated May 3, 2017, May 9, 2017, June 15, 2017, July 24, 2017, July 27, 2017, August 15, 2017, August 22, 2017, September 5, 2017, and September 18, 2017.

IHI E&C International Corporation, the EPC Contractor, has continued grading activities, pile installation, and foundation construction for the MMLS units and ancillary facilities. As MMLS foundation construction has been completed, MMLS equipment is being set and installed. Construction of the Control Building and installation of the Storm Surge Wall has also commenced. The electrical service provider is continuing construction of the utility power poles, conductors, and the new permanent substation.

SLNG and ELC anticipate first production from the Elba Liquefaction Project in mid-2018 ramping up to full production by mid 2019 for Shell NA LNG LLC which has fully subscribed for the liquefaction service for a 20 year term to be utilized in its global LNG portfolio.

Please let the undersigned know if you have any questions regarding this report.

Very truly yours,



Margaret G. Coffman
Assistant General Counsel
(205) 325-7424
meghan_coffman@kindermorgan.com

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