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By Electronic Mail

U.S. Department of Energy
Office of Fossil Energy
Office of Oil and Gas Global Security and Supply
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Attention: Delfin LNG, LLC, FE Docket Nos. 13-129-LNG and 13-147-LNG
Order No. 4028, Order Condition O, and Order No. 3393, Order Condition J
Semi-annual progress report

Dear Sirs:

Delfin LNG, LLC ("Delfin") hereby submits this semi-annual progress report in compliance with ordering paragraph O of Order No. 4028 issued in FE Docket No. 13-147-LNG on June 1, 2017, as well as ordering paragraph J of Order No. 3393 issued in FE Docket No. 13-129-LNG on February 20, 2014. Order No. 4028 authorizes Delfin to export domestically produced LNG by marine vessel from its proposed floating liquefaction project to be located in the Gulf of Mexico (the "Project") to countries with which the United States does not have a Free-Trade Agreement requiring the national treatment of natural gas ("FTA"). Order No. 3393 authorizes Delfin to export LNG from the Project to countries with which the United States does have, or in the future will have, an FTA.

a) Progress of the Project:

- As noted in Delfin's prior reports, the Executive Director of the Maritime Administration, acting pursuant to authority delegated by the Secretary of Transportation, authorized the issuance subject to certain conditions of a License for the Port Delfin Project under the Deepwater Port Act of 1974 as amended on March 13, 2017. "Secretary's Decision on the Deepwater Port License Application of Delfin LNG, LLC," in Docket USCG-2015-0472. Delfin continues to work to satisfy the conditions for a License set forth in that Decision.
- As noted in Delfin's prior reports, the Federal Energy Regulatory Commission ("FERC") on September 28, 2017, issued an order (1) granting Delfin a certificate of public convenience and necessity to construct, operate, and maintain the proposed onshore facilities for the Project and (2) authorizing High Island Offshore System, LLC ("HIOS") authority to abandon FERC-jurisdictional services on its off-shore pipeline facilities and instead use the facilities solely to transport gas for Delfin. *Delfin LNG LLC*, 160 FERC ¶ 61,130 (2017). On April 19,



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2018, the FERC denied requests for rehearing of the HIOS-related aspects of that order. *High Island Offshore System, LLC*, 163 FERC ¶ 61,040 (2018).

- As noted in Delfin's prior reports, Delfin Midstream and Golar LNG Limited announced on June 21, 2017, that they had executed a joint development agreement to develop the Project, utilizing Golar's floating liquefaction technology. Delfin is continuing to work with Golar LNG in developing the Front End Engineering Design for the project's first Floating LNG Vessel.
- On July 10, 2018, Delfin filed with DOE/FE information related to certain changes in the indirect ownership interests in Delfin. In accordance with the DOE/FE Change in Control Procedures, DOE/FE gave immediate effect to the change in control and took no further action with regard to Delfin's non-FTA authorization, as reflected in a letter issued by DOE/FE on August 23, 2018. With regard to Delfin's non-FTA authorization, DOE issued, also on August 23, 2018, public notice of the change in control filing, explaining that the change would be deemed granted 30 days after publication of the notice in the Federal Register (which occurred on August 29, 2018), if no protests were filed and DOE/FE took no action on its own motion within that period. No protests were filed and DOE/FE took no further action, making the change in control effective for purpose of both the FTA and non-FTA authorizations.

b) Date the Project is expected to be operational:

- Delfin anticipates that, subject to obtaining all necessary regulatory approvals and financing, it will begin operation of its first FLNGV in 2022. Delfin will sequence the start-up of its additional three FLNGVs in accordance with contracted customer demand.

c) Status of the long-term contracts associated with the long-term export of LNG and any long-term supply contracts:

- Delfin has not yet entered into any binding contracts with customers associated with the export of LNG from its Project, but continues to make significant progress in negotiations with potential customers. Delfin will file all long-term, binding contracts for the export of LNG from its facility once executed, in accordance with the requirements of DOE/FE Order No. 3393.

We hope this update provides you with sufficient detail regarding the status of the Port Delfin Project in compliance with Order No. 3393. Please feel free to contact our counsel, Patrick Nevins of



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Latham & Watkins at (202) 637-3363 or Patrick.Nevins@LW, if you have any questions or require additional information.

Respectfully submitted,

A handwritten signature in black ink that reads "W. H. Daughdrill". The signature is written in a cursive style with a large, looped "D".

William H. Daughdrill
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