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October 3, 2018

U.S. Department of Energy  
Office of Fossil Energy  
Office of Natural Gas Regulatory Activities  
P.O. Box 44375  
Washington, DC 20026-4375  
Attention: Natural Gas Reports

**Re: Rio Grande LNG, LLC – Semi-Annual Progress Report & Change of Address**  
**DOE/FE Docket No. 15-190-LNG**

To: Office of Natural Gas Regulatory Activities:

Pursuant to Ordering Paragraph J of DOE/FE Order 3869, please accept the following progress report for Rio Grande LNG, LLC ("Rio Grande LNG"). This report covers the period from April 1, 2018 through September 30, 2018.

- Rio Grande LNG continues to progress through the Federal Energy Regulatory Commission's ("FERC") approval process and engage in commercial discussions for long-term LNG sales contracts. On August 31, 2018, FERC issued a Notice of Schedule for Environmental Review of the Rio Grande LNG Project (Docket Nos. CP16-454-000 and CP16-455-000). The Notice of Schedule indicates that the Draft Environmental Impact Statement ("DEIS") for the Rio Grande LNG project will issue in October 2018, with FERC issuing the Final Environmental Impact Statement ("FEIS") on April 26, 2019. A final order is expected in July 2019.
- On September 4, 2018, NextDecade Corporation ("NextDecade"), Rio Grande LNG's ultimate parent, announced that it launched a competitive engineering, procurement, and construction ("EPC") bid process to maintain Rio Grande LNG's projected commercial operation date in 2023. NextDecade received expressions of interest ("EOIs") from multiple EPC contractors to participate in the competitive EPC process and reviewed the EOIs against a series of selection criteria to ensure a rigorous competitive bid process. This process will provide NextDecade with front-end engineering and design verification ("FEED") and a final lump-sum turnkey ("LSTK") EPC contract based on the existing Rio Grande LNG FEED, which was completed by McDermott International, Inc. ("McDermott") in late 2017. At the conclusion of the review, NextDecade issued formal invitations to bid to Bechtel Oil, Gas & Chemicals, Inc., Fluor Corporation, and McDermott. NextDecade anticipates executing a final LSTK EPC contract in Q3 of 2019.

- NextDecade entered into agreements with two unaffiliated third parties in Q3 for the issuance of Series A and Series B Convertible Preferred Stock. The combined percentage of equivalent common shares to be issued under these agreements equates to approximately 3.127% of the voting rights of NextDecade and does not amount to a change in control as set forth in the DOE/FE procedures.<sup>1</sup> Additional details may be found in NextDecade's public filings with the U.S. Securities and Exchange Commission (<https://www.next-decade.com/investors/sec-fillings/>).
- Rio Grande LNG also informs DOE/FE that as of October 1, 2018, its executive offices have been relocated to **1000 Louisiana St., 39th floor, Houston, Texas 77002**, and requests DOE/FE to update the communications and correspondence information of its existing export authorization in DOE/FE Order No. 3869 and pending application export liquefied gas to non-free trade agreement countries in FE Docket No. 15-190-LNG, accordingly.
- Rio Grande LNG further requests DOE/FE to update the official service lists in the above-referenced proceeding to reflect the following addition:

**ADD**

S. Diane Neal  
Associate General Counsel, Regulatory  
NextDecade Corporation  
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Houston, TX 77002  
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Consistent with Ordering Paragraph J, Rio Grande LNG will continue to file semi-annual reports with DOE. If you have any questions regarding this filing, please contact me at (202) 778-9014 or at [david.wochner@klgates.com](mailto:david.wochner@klgates.com).

Best regards,



David Wochner  
*Counsel for Rio Grande LNG, LLC*

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<sup>1</sup> 79 Fed. Reg. 65541, 65542.