### Rec'd DOE/FE via FERGA 09.27.2018

## LATHAM & WATKINS LLP

September 27, 2018

#### **By Electronic Mail**

U.S. Department of Energy Office of Fossil Energy Office of Oil and Gas Global Security and Supply fergas@hq.doe.gov P.O. Box 44375 Washington, D.C. 20026-4375 555 Eleventh Street, N.W., Suite 1000 Washington, D.C. 20004-1304 Tel: +1.202.637.2200 Fax: +1.202.637.2201 www.lw.com

FIRM / AFFILIATE OFFICES Beijing Moscow Boston Munich Brussels New York Century City Orange County Paris Chicago Dubai Riyadh Düsseldorf Rome Frankfurt San Diego Hamburg San Francisco Hong Kong Seoul Houston Shanghai London Silicon Valley Los Angeles Singapore Madrid Tokyo Milan Washington, D.C.

Attention:Venture Global Plaquemines LNG, LLCFE Docket No. 16-28-LNGOrder No. 3866, Order Condition J – Semi-annual Progress Report

Dear Sirs & Madams:

Venture Global Plaquemines LNG, LLC ("Plaquemines LNG") hereby submits to the Department of Energy, Office of Fossil Energy ("DOE/FE") this semi-annual report in compliance with ordering paragraph J of Order No. 3866 issued in FE Docket No. 16-28-LNG on July 21, 2016. The order grants long-term, multi-contract authorization to export liquefied natural gas ("LNG") to countries with which the United States currently has, or in the future will have, a Free-Trade Agreement ("FTA") requiring the national treatment of natural gas from the proposed liquefaction and LNG export project being developed by Plaquemines LNG on the west bank of the Mississippi River in Plaquemines Parish, Louisiana (the "Project"). Plaquemines LNG's application for authorization to export LNG from the Project to nations with which the United States does not have such a FTA, but with which trade is not prohibited, is pending in the same proceeding.

#### a) Progress of the Project:

- Plaquemines LNG and its pipeline affiliate, Venture Global Gator Express, LLC, (together referred to as "Applicants") submitted to the Federal Energy Regulatory Commission ("FERC") its formal application for the Project on February 28, 2017 (the "Application"). Progress continues in the FERC proceedings, which are pending in FERC Docket Nos. CP17-66-000 and CP17-67-000. Applicants continue to submit supplemental information and updates to FERC regarding the Project.
- Of particular importance, the FERC issued on August 31, 2018, its "Notice of Schedule for Environmental Review" of the Project. The Notice states that FERC Staff anticipates issuing a draft Environmental Impact Statement ("EIS") for the Project in November 2018 and the

#### 

final EIS by May 3, 2019, and reflects a Federal Authorization Deadline of August 1, 2019. Other developments since the most recent semi-annual report are summarized below.

- On April 6 and April 18, 2018, Applicants filed supplemental responses to FERC Staff's December 11, 2017 Environmental Information Request.
- On April 16, 2018, Applicants responded to FERC Staff's March 27, 2018 Environmental Information Request.
- On June 4, 2018, the Office of the Assistant Secretary of Defense submitted a letter to FERC stating that the informal review by the Department of Defense concluded that the location of the Project will have minimal impact on military training and operations in the area.
- On June 21 and June 29, 2018, Applicants responded to FERC Staff's June 15, 2018 Environmental Information Request.
- On August 6, 2018, Applicants filed with FERC its U.S. Coast Guard Letter of Recommendation, 2018 Annual Update, and Waterway Suitability Assessment.
- On August 9, 2018, Applicants responded to FERC Staff's July 30, 2018 Environmental Information Request.
- On August 14, 2018, Applicants received a memorandum from the Pipeline Hazardous Materials Safety Administration ("PHMSA") stating that PHMSA will be responsible for evaluating the Project's compliance with the siting requirements in Part 193, Subpart B, of Title 49, and directing the Applicants to submit Design Spill Package documentation to PHMSA. On August 15, 2018, Applicants submitted the PHMSA memo to FERC, noting that they had provided the requisite documentation to PHMSA.
- On August 15, 2018, Gator Express responded to FERC Staff's June 13, 2018 data request, providing requested information regarding the use of a price index in the Tariff of Gator Express Pipeline.
- The Applicants received Engineering Information Requests from FERC Staff on September 20 and 26, 2018, and are currently preparing responses to those requests.

#### b) Date the Project is expected to be operational:

• Plaquemines LNG anticipates that, following the completion of the FERC and DOE approval process, it will commence operation of Phase 1 in late 2022, and operation of both Phase 1 and Phase 2 in late 2023.

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

• Plaquemines LNG continues to negotiate Sales and Purchase Agreements with potential customers for the export of LNG from the Project. Plaquemines LNG will file all long-term,

#### LATHAM&WATKINSLLP

binding contracts associated with the export of LNG from its facility once executed, in accordance with the requirements of its DOE/FE authorization.

We hope this update provides you with sufficient detail regarding the status of the Project in compliance with Order No. 3866. Please feel free to contact the undersigned if you have any questions or require additional information.

Sincerely,

/s/ J. Patrick Nevins

J. Patrick Nevins Latham & Watkins LLP Partner Patrick.Nevins@LW.com D (202) 637-3363