

David Wochner david.wochner@klgates.com

T +1 202 778 9014 F +1 202 778 9100

October 6, 2020

**K&L GATES** 

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 DOE/FE Docket No. 15-190-LNG

To: Office of Natural Gas Regulatory Activities:

Pursuant to Ordering Paragraph J of DOE/FE Order 3869 and Ordering Paragraph M of DOE/FE Order 4992, please accept the following progress report for Rio Grande LNG, LLC ("Rio Grande LNG" or the "Project"). This report covers the period from April 1, 2020 through September 30, 2020.

- On May 14, 2020, Rio Grande LNG filed a motion for leave to intervene with the U.S. Court of Appeals for the Fifth Circuit in the proceeding, *Sierra Club v. U.S. Dep't of the Interior*, no. 20-60299.
- On May 18, 2020, Rio Grande LNG announced that, due to the effects of the COVID-19 pandemic on the liquefied natural gas ("LNG") market conditions, a final investment decision ("FID") for Rio Grande LNG is now expected in 2021 and that Rio Grande LNG has sufficient pre-FID liquidity to operate through year-end 2021.
- On July 14, 2020, Rio Grande LNG filed a response to a data request from the Federal Energy Regulatory Commission ("FERC") explaining that the project is now capable of exporting the FERC and DOE-authorized volume of 27 million tonnes per annum ("MTPA") of LNG with five LNG trains, instead of the six trains originally approved by FERC.
- On July 31, 2020, the U.S. Court of Appeals for the Fifth Circuit upheld the Texas Commission on Environmental Quality's grant of air permits for the construction of the Rio Grande LNG facility and export terminal, rejecting the petitioners' appeal based on standing. *Shrimpers & Fishermen of RGV v. Texas Comm'n on Envtl. Quality*, 968 F.3d 419, 421 (5th Cir. 2020).

- On August 6, 2020, U.S. Army Corps of Engineers, Galveston District, granted Rio Grande LNG's August 5, 2020, request for temporary suspension of Permit No. SWG-2015-00114 pending modification of the permit to incorporate certain design changes, which include a reduction in the number of liquefaction trains from six to five, and the associated positive impacts. The Corps continues to assess whether to modify the permit.
- On August 13, 2020, FERC approved the proposed design changes reducing the number of liquefaction trains from six to five and increasing the liquefaction capacity of each of the five remaining trains from 4.5 MTPA to 5.4 MTPA, while keeping the total export capacity of 27 MTPA, as authorized by FERC and DOE ("Design Change Approval").
- On August 18, 2020, Rio Grande LNG filed a Joint Answering Brief for Respondent-Intervenors with the U.S. Court of Appeals for the Fifth Circuit in the proceeding, *Shrimpers and Fishermen of the RGV v. U.S. Army Corps of Engineers*, no. 20-60281.
- On August 20, 2020, Rio Grande LNG requested DOE authorization to extend its 20-year term authorization to export LNG to non-FTA nations through December 31, 2050. This remains pending.
- On August 24, 2020, Rio Grande LNG and Rio Bravo Pipeline Company, LLC ("Rio Bravo Pipeline") filed a Joint Answering Brief for Respondent-Intervenors with the U.S. Court of Appeals for the District of Columbia Circuit in the proceeding, *Vecinos para el Bienestar, et al v. FER*C, no. 20-145.
- On September 8, 2020, several parties, including Sierra Club, filed a request for rehearing of the order approving FERC's Design Change Approval.
- On September 22, 2020, Rio Grande LNG filed a Joint Answering Brief for Respondent-Intervenors with the U.S. Court of Appeals for the Fifth Circuit in the proceeding, *Sierra Club v. U.S. Dep't of the Interior*, no. 20-60299.

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 <u>david.wochner@klgates.com</u>.

Best regards,

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David L. Wochner Counsel for Rio Grande LNG, LLC