

September 29, 2023

U.S. Department of Energy Office of Fossil Energy and Carbon Management Natural Gas Regulatory Activities P.O. Box 44375 Washington, D.C. 20026-4375 Attention: Docket Room FE-34

> Re: ECA Liquefaction, S. de R.L. de C.V. (originally issued to Energía Costa Azul, S. de R.L. de C.V.) *ECA Mid-Scale Project* DOE/FE Order Nos. 4317, 4364, 4317-A, 4364-A FE Docket No. 18-144-LNG Semi-Annual Report

Dear FERC Docket Room,

On January 25, 2019, in DOE/FE Order No. 4317, the U.S. Department of Energy, Office of Fossil Energy and Carbon Management ("DOE/FE"), granted to Energía Costa Azul, S. de R.L. de C.V. ("Energía Costa Azul") a long-term, multi-contract authorization to export natural gas to Mexico and to re-export liquefied natural gas ("LNG") from its proposed ECA Mid-Scale Project to nations that have free trade agreements with the United States requiring national treatment in the trade of natural gas ("FTA countries"). On March 29, 2019, in DOE/FE Order No. 4364, the DOE/FE granted to Energía Costa Azul a long-term, multicontract authorization to export natural gas to Mexico and to re-export LNG from the ECA Mid-Scale Project to Non-FTA countries. On October 7, 2019, in DOE/FE Order Nos. 4317-A and 4364-A, the DOE/FE approved the transfer of the authorizations granted in DOE/FE Order Nos. 4317 and 4364 from Energía Costa Azul to its affiliate, ECA Liquefaction, S. de R.L. de C.V. ("ECA Liquefaction"). On December 10, 2020, in DOE/FE Order Nos. 4317-B and 4364-B, the DOE/FE extended natural gas export authorizations to Non-free Trade Agreement Countries through the year 2050. One of the conditions of the DOE/FE's authorizations, as transferred to ECA Liquefaction, is that ECA Liquefaction file semi-annual written reports (on or before April 1 and October 1 of each year) describing the progress of the planned ECA Mid-Scale Project. ECA Liquefaction hereby submits the semi-annual report covering the period April 1, 2023 through September 29, 2023.

ECA Liquefaction remains in compliance with all federal, state, and local Mexican authorizations necessary to construct and operate the liquefaction terminal facilities for the ECA Mid-Scale Project.

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There are no changes to the executed LNG sale and purchase agreements with Total Gas & Power, Asia Private Limited and Mitsui & Co., Ltd., which have been filed with the DOE/FE. ECA Liquefaction took a final investment (FID) decision in November 2020 which marked the start of the construction phase of the project.

During the reporting period, engineering activities and procurement activities from the home office continued supporting construction activities. Vertical construction continues, key heavy load equipment was installed, Structural Steel installation have been increased, including platforms and stairs in the installed equipment. Equipment, spare parts and other accessories continue arriving to site to be storage in the climate-controlled warehouses.

As part of the contract administration and construction supervision, the possible impact on the project schedule continues being reviewed. This is due to the fact that some delays have been detected in certain activities on the critical path, mainly derived from delays in the supply chain caused by the COVID-19 pandemic, which could result in a variation in the work execution program indicated in the Authorization. Currently, the Project Control and Administration team, together with the Main Contractor, is carrying out a detailed analysis, including planned versus actual performance, to verify the measures to be implemented to minimize the possible impact and, where appropriate, recover construction progress. Once the impact to the program has been dimensioned, this will be reported to the DOE/FE.

Please contact me with any questions regarding this filing.

Respectfully submitted,

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cc: Benjamin Nussdorf