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April 1, 2025

Via electronic filing

U.S. Department of Energy
Office of Fossil Energy & Carbon Management
Office of Regulation, Analysis, and Engagement
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P.O. Box 44375
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Attention: **Texas LNG Brownsville LLC, FE Docket No. 15-062-LNG,
Order Nos. 3716 and 4489 Semi-Annual Progress Report**

Dear Members of the Office of Regulation, Analysis, and Engagement:

By DOE/FE Order No. 3716, the U.S. Department of Energy Office of Fossil Energy (DOE) authorized Texas LNG Brownsville LLC (Texas LNG) to export approximately 204.4 Bcf/yr. of natural gas in the form of liquefied natural gas (LNG) produced from domestic sources from its proposed terminal at the Port of Brownsville, Texas (the Project) to any country with which the United States currently has, or in the future will have, a free trade agreement (FTA).

Subsequently, by DOE/FE Order No. 4489, DOE authorized Texas LNG to export that quantity of natural gas from the same facilities to any country with which the United States has not entered into an FTA requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy. The Orders were subject to certain conditions, including a requirement that Texas LNG submit semi-annual progress reports on the Project. Texas LNG submits this progress report pursuant to those Orders for activities conducted between October 1, 2024, and March 31, 2025.

As described herein, Texas LNG has made important advances during the last six months in the areas of: i) Project design and construction, ii) permitting and other regulatory matters, and iii) commercial negotiations.

Project Design, Construction, and Financing

A Final Investment Decision (FID) for the Project is dependent upon the completion of Front-End Engineering and Design (FEED) for the Project. Texas LNG completed the pre-FID engineering efforts with Technip Energies USA, Inc. and Samsung Engineering Co., Ltd. Texas LNG has contracted Kiewit Engineering Group Inc. to conduct a FEED Optimization and Value Engineering



efforts and deliver a Lump Sum Turnkey Estimate and EPC Schedule to meet the FID requirements.

Texas LNG intends to utilize a single Lump Sum, Turnkey EPC Contractor to construct and commission the facilities. This Contractor will self-perform the majority of site work, including marine, and manage major subcontractors for the balance, in particular the LNG tanks. Kiewit has been pre-selected as the EPC Contractor and is in the process of bidding out major equipment supply with Texas LNG.

Permitting and Regulatory Activities

Texas LNG is subject to a number of permitting requirements, and the FERC approval of construction of Texas LNG's export facilities is also subject to a number of environmental conditions. During the last six months, Texas LNG has continued to actively pursue compliance with key permitting and environmental conditions.

As Texas LNG has previously reported, on September 13, 2024, FERC issued a Notice of Intent (NOI) to prepare a Supplemental Environmental Impact Statement (SEIS) in response to the United States Court of Appeals for the District of Columbia Circuit's August 6, 2024, opinion to vacate and remand the FERC Commission's Order authorizing the construction and operation of the Texas LNG Project. According to FERC's NOI, the focus of the SEIS was to update the analysis of the environmental justice impacts and air quality impacts associated with the construction and operation of the Project.

On September 30, 2024, FERC issued Texas LNG an Environmental Information Request (EIR) consisting of 15 individual requests for updates to federally listed species, state-listed species, road and marine traffic impacts, environmental justice communities, cumulative air quality modeling, including hazardous air pollutant modeling, and cumulative geographic impact analysis. As requested, Texas LNG filed a complete response within the 20-day period on October 21, 2024. Texas LNG filed supplemental responses to the September 2024 EIR on December 20, 2024.

On November 26, FERC issued Texas LNG a second EIR consisting of three individual requests to update previous responses with new Species Lists issued on October 3 and 4, 2024, from the US Fish and Wildlife Services and the National Marine Fisheries. As requested, Texas LNG filed a complete response within the 20-day period on December 16, 2024. Texas LNG filed supplemental responses to the November 2024 EIR on February 21, 2025.

On January 7, 2025, FERC issued Texas LNG a third EIR consisting of seven individual requests for clarifications to previous responses regarding the Species Lists and air quality modeling, as well as providing an update to the Texas LNG water supply from the area water districts. As requested, Texas LNG filed a complete response within the 5-day period on January 13, 2025. Texas LNG filed supplemental responses to the January 2025 EIR on February 21, 2025.



As announced in the September 2024 FERC NOI, the Draft SEIS was issued on March 28, 2025. The FERC mailed a copy of the Notice of Availability of the Draft SEIS to federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American Tribes; potentially affected landowners and other interested individuals and groups; and newspapers and libraries in the project area. Any public comments on the Draft SEIS shall be filed with the FERC by 5 pm Eastern Time on May 19, 2025.

Additionally, on March 18, 2025, the court partially granted rehearing of the August 2024 opinion and determined that vacatur was not appropriate because on balance “the seriousness of the [2023 Remand Order’s] deficiencies do not outweigh the disruptive effects of vacatur.” Therefore, the court remanded the case to the FERC without vacatur. In previous orders, the FERC concluded that the Texas LNG Project is not inconsistent with the public interest.

Concerning the Project air quality permit, Texas LNG was granted a third extension by the Texas Commission on Environmental Quality (TCEQ) on July 3, 2024, which states that construction must begin by May 12, 2026. As previously reported, on August 14, 2024, a Motion to Overturn (MTO) the TCEQ’s Executive Director’s decision on the extension was filed by the South Texas Environmental Justice Network (STEJN). The TCEQ Executive Director’s response to the TCEQ Commission was to deny all MTOs against the Executive Director’s decision on the extension to the start of construction for the Project as Texas LNG has met each element required for receiving the extension. On November 8, 2024, STEJN filed a petition with the United States Court of Appeals for the Fifth Circuit (Court) to review the TCEQ decision to extend the Texas LNG deadline to begin construction and denial of STEJN MTO the extension decision. On January 27, 2025, STEJN filed a request for a 30-day extension to present their brief to the Court. SETJN is scheduled to present their brief on April 2, 2025. The TCEQ will present their brief on May 2, 2025, and Texas LNG will present their brief on May 9, 2025.

Regarding the Federal Aviation Administration (FAA) Determination of No Hazard to Air Navigation, on September 27, 2024, Texas LNG filed a request for an extension of the effective period of the current Determination of No Hazard. The FAA granted the extension of the effective period until on April 09, 2026.

On January 23, 2024, the U.S. Army Corps of Engineers (USACE) issued Final Permit Authorization to Texas LNG for the construction and operations activities in Waters of the United States (under Section 10 of the Rivers and Harbors Act of 1899) and wetlands (under Section 404 of the Clean Water Act of 1972). With this USACE Permit, Texas LNG has obtained the required federal authorizations related to the Liquefaction Project, in compliance with the applicable conditions in the November 22, 2019, Order.

As previously reported, Texas LNG is consulting with Texas Parks and Wildlife Department (TPWD) regarding the development of a tortoise relocation for Texas tortoises found during pre-construction and construction activities. Texas LNG communicated with TPWD on January 8,

2025, and again on February 10, 2025, to discuss path forward with the development of the Tortoise Relocation Plan.

Commercial Negotiations

A project such as this entails reaching agreement on three key commercial matters: gas supply, gas transportation, and gas offtake (i.e., purchase commitments). As previously reported to DOE, because gas supplies in the region where the Project is located are plentiful, Texas LNG has concluded it is premature to contract for gas supplies. Also previously reported to DOE, Texas LNG has in place a 30-year (previously 20-year) precedent agreement to transport domestic natural gas to its export facilities on the Valley Crossing Pipeline, a subsidiary of Enbridge.

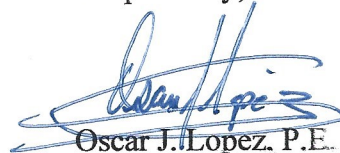
Gas off-take is the primary area of focus for commercial negotiations. As previously reported, Texas LNG has executed a binding LNG tolling services agreement with EQT (one of the largest gas producers in the U.S.) for half of the FERC-approved capacity at Texas LNG. In addition, Texas LNG executed heads of agreements for the remainder of the FERC-approved capacity that define the commercial terms for offtake agreements with Gunvor (one of the world's largest independent commodity traders), Macquarie (a large global diversified financial group involved in infrastructure, energy, technology, and commodities), and another large global investment-grade diversified energy company. Texas LNG will be reporting to the DOE as it finalizes contracts for the export of LNG.

Conclusion

As the foregoing demonstrates, over the last six months, the Texas LNG Project has continued to make progress across the major fronts that are essential to a successful LNG export project. Texas LNG would be happy to answer any questions DOE may have.

The undersigned requests notification of any further developments in this docket. If you have any questions regarding this semi-annual report, please contact me at (346) 359-4682 or at Oscar.lopez@aldermidstream.com.

Respectfully,



Oscar J. Lopez, P.E.

Regulatory & Permitting Director
Texas LNG Brownsville LLC