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U.S. Department of Energy (FE-34)
Office of Fossil Energy
Office of Natural Gas Regulatory Activities
P.O. Box 44375
Washington, DC 20026-4375
Attention: Natural Gas Reports

**Re: SCT&E LNG LLC
DOE Semi-Annual Report
DOE/FE Order No. 3566, FE Docket No. 14-89-LNG**

To: Office of Natural Gas Regulatory Activities

Pursuant to Ordering Paragraph J of the above-referenced DOE/FE Order, please accept this progress report for SCT&E LNG LLC ("SCT&E LNG"). This report covers the period from April 1, 2015 through September 30, 2015. Consistent with Ordering Paragraph J, SCT&E LNG will continue to file semi-annual reports with the Department.

Any questions regarding this correspondence may be directed to the undersigned at 202.772.9178 or sandra.safro@klgates.com.

Best regards,

/s/ Sandra E. Safro
Sandra E. Safro
Counsel for SCT&E LNG LLC

Enclosure

SCT&E LNG, LLC
FE Docket No. 14-89-LNG
DOE/FE Order No. 3566
Semi-Annual Report
Period Ending September 30, 2015

Progress of the Proposed Monkey Island LNG Terminal

In April 2015, SCT&E LNG augmented its executive team by hiring Eric Smith in the capacity of Executive Director of Business Development.

On May 19, 2015, SCT&E LNG signed a Memorandum of Understanding (MOU) with a sizable U.S. upstream natural gas supplier for its liquefied natural gas (LNG) project on Monkey Island in Cameron Parish, Louisiana. The agreement provides sufficient natural gas to enable the company to produce 4 million tons per annum (mtpa) of LNG.

In July 2015, SCT&E LNG contracted PROES Consultores S.A. (Proes), a Spanish marine and environmental consultancy contractor, to develop a Waterway Suitability Assessment (WSA) and related marine and environmental studies (i.e., storm surge study). The WSA and related studies were completed in September 2015.

SCT&E LNG has conducted interviews and received proposals from Engineering, Procurement & Construction (EPC) contractors to support the feasibility studies and the Front End Engineering & Design (FEED) and FERC process.

SC&TE LNG opened a Friends and Family private stock offering.

Status of Long-Term LNG Offtake Agreements

In August 2015 and September 2015, respectively, SCT&E LNG signed two non-binding MOUs for a total capacity of 1.7 mtpa. Contract negotiations for long-term offtake agreements continue to progress. SCT&E LNG will file a copy of any long-term contracts, including long-term supply contracts, within 30 days of execution in accordance with DOE/FE Orders 3566.