

U.S. LNG Export Projects Update

CHENIERE ENERGY

■ Cheniere Sabine Pass (Louisiana)

Cheniere Energy said on Oct. 13 that “substantial completion of Train 4 of the Sabine Pass liquefaction project was achieved on Oct. 09. Commissioning was completed and Cheniere’s EPC partner (Bechtel Oil, Gas and Chemicals) had turned over care, custody, and control of Train 4 to Cheniere. Under a sale and purchase agreement (SPA) with GAIL (India) Ltd., the date of first commercial delivery for Train 4 is expected in March 2018, upon which the SPA’s 20-year term commences. Earlier, on Oct. 05, the Federal Energy Regulatory Commission (FERC) authorized Sabine Pass LNG to commence liquefaction and export activities from Train 4.

■ Cheniere Corpus Christi (Texas)

In its most recent progress report to FERC (Oct. 23), Cheniere reported that the Corpus Christi “jobsite was closed from Aug. 24 to Sept. 10. Upon return, construction started recovery effort from Hurricane Harvey impact and continued progressing permanent plant concrete, structural steel, above ground pipe, electrical, and equipment installation. Major highlights for September included preassembly of the flare and commencement of stacking, compressor lube oil pipe tests, and the 3 systems which were turned over to startup... The overall project has progressed to 72.4% complete.”

SEMPRA LNG & MIDSTREAM

■ Cameron LNG (Louisiana)

In its most recent progress report to FERC (Oct. 23), Cameron LNG stated that “construction activities continued through the month of September and consisted of civil works, structural steel erection, painting/insulation/fireproofing, installation of equipment, tanks, piping, electrical, and instrumentation, as well as tie-in work within the existing facility. Commenced flushing the new BOG compressors’ lube oil circuits and completed



shoreline protection installation along the eastern ship channel boundary. Permanent road construction is in progress throughout Train 1.”

■ Port Arthur LNG (Texas)

Port Arthur Pipeline filed an application with FERC on Oct. 16 to construct, own, and operate the Louisiana Connector Project, which consists of 131 miles of new 42-inch-diameter pipeline and other facilities to deliver up to 2 billion cubic feet per day (bcf/d) of gas to the Port Arthur LNG project being developed by Sempra LNG & Midstream and Woodside Petroleum south of Port Arthur, Texas. The project will extend from an interconnect with Columbia Gas Transmission located northeast of Eunice, Louisiana, and terminate at the proposed Port Arthur LNG project.

DELFIN MIDSTREAM

■ Delfin LNG (Offshore Louisiana)

FERC gave approval on Sept. 27 to Delfin’s application to reactivate and construct facilities on its onshore pipeline in Cameron Parish, Louisiana, that would enable Delfin LNG to transport gas to its proposed deepwater port LNG export terminal, to be located ~50 miles offshore. The order also authorizes High Island Offshore System (HIOS) to abandon certain offshore pipeline facilities which will be utilized by Delfin.

PEMBINA PIPELINE CORP.■ **Corporate News**

Pembina announced on Oct. 02 that it had completed its business combination with Veresen Inc., thereby “creating one of the largest energy infrastructure companies in Canada.” Pembina continues to vigorously pursue the Jordan Cove LNG project.

■ **Jordan Cove LNG (Oregon)**

Jordan Cove Energy Project (wholly-owned by Pembina Pipeline Corp.) filed an application with FERC on Sept. 22 for authorization to site, construct, and operate a natural gas liquefaction and LNG export terminal located in Coos Bay, Oregon. The terminal is designed to receive 1.2 bcf/d of natural gas and produce 7.8 mtpa of LNG. To supply the project with gas, Pacific Connector Gas Pipeline concurrently filed an application with FERC for authorization to construct and operate a 229-mile-long, 36-inch-diameter pipeline to interconnect the Jordan Cove terminal with the existing Ruby Pipeline and Gas Transmission Northwest systems near Malin, Oregon. In its application, Jordan Cove states that it has finalized the key commercial terms with JERA Co. (a joint venture of Tokyo Electric Power Co. and Chubu Electric Power Co.) for the sale of at least 1.5 mtpa of natural gas liquefaction capacity for an initial term of 20 years, subject to customary conditions including the execution of a detailed

liquefaction tolling agreement. Jordan Cove states that it has also reached preliminary agreement with ITOCHU Corp. with respect to certain key commercial term for the purchase by ITOCHU of and additional 1.5 mtpa of natural gas liquefaction capacity for an initial 20-year term. The application also states that Pacific Connector and Jordan Cove have executed two transportation services precedent agreements that provide for Jordan Cove, as an anchor shipper, to contract for 95.8% of the firm capacity available on the Pacific Connector pipeline.

TELLURIAN INC.■ **Corporate News**

A wholly-owned subsidiary of Tellurian Inc. entered into a six-month time charter contract with Maran Gas Maritime for a LNG tanker, the Maran Gas Mystras. Tellurian took delivery of the tanker at Galle, Sri Lanka, on Oct. 1. Earlier (Sept. 06), another wholly-owned Tellurian subsidiary entered into an agreement with a private seller to acquire natural gas producing assets and undeveloped acreage in northern Louisiana for \$85 million. The transaction is scheduled to close by the end of Nov. 2017. The assets are located in Red River, DeSoto, and Natchitoches Parishes and include: 9,200 net acres with up to 138 operated Haynesville and Bossier drilling locations; ≈1.3 trillion cubic feet (tcf) of total natural gas resource potential; 19 producing operated wells with net current production of 4 mmcf/d; and associated natural gas gathering and processing facilities with substantial additional capacity.

OTHER U.S. LNG EXPORT COMPANIES & PROJECTS■ **Dominion Energy Cove Point LNG (Maryland)**

FERC issued a letter on Aug. 31 (not previously reported here) authorizing Dominion Energy to perform commissioning activities at its LNG export project at Lusby, Maryland. Dominion was authorized to introduce hazardous fluids and perform related commissioning activities for feed gas to the pretreatment and liquefaction areas and equipment related to ship loading, including LNG loading pumps and return gas blowers. The first load of LNG is expected to leave Cove Point in December.

**ABOUT US**

LNG Allies is a nonprofit organization working to expedite and maximize LNG exports to create U.S. jobs and economic growth, enhance the energy security of America's allies, and improve economic and environmental conditions worldwide.

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■ Fourchon LNG (Louisiana)

FERC issued a notice of intent on Oct. 30 to prepare an environmental impact statement (EIS) for the Fourchon LNG Project in Lafourche Parish, Louisiana. Fourchon intends to use the terminal to liquefy, store, and deliver LNG to domestic LNG-fueled marine vessels and LNG carriers for export to overseas markets. The terminal has a proposed peak capacity of 5 mtpa. Earlier, Fourchon filed an application with DOE for long-term, multi-contract authorization to export up to 260 bcf/year of domestically produced LNG for 30 years to FTA countries and for 20 years to non-FTA nations.

■ NextDecade (Company & Project News)

NextDecade announced on Oct. 04 that its wholly-owned subsidiary, Rio Grande LNG, had executed agreements with Cameron County, Texas, to receive Chapter 312 tax incentives for its proposed Rio Grande LNG export project at the Port of Brownsville. Earlier (Sept. 11), NextDecade announced that Matt Schatzman has been appointed to the newly created position of President. Schatzman had been BG Group's Executive Vice President for Global Energy Marketing and Shipping. In that job, Schatzman was responsible for the company's global marketing, trading, and shipping activities for LNG, crude oil, and natural gas. Also, on Sept. 06, the company said that Patrick Hughes had been appointed Vice President of Corporate Strategy. Hughes was previously a partner in the investment banking and advisory group at Height Securities.

■ Venture Global LNG (Company & Project News)

Venture Global LNG, Inc. announced on Oct. 16 that it has raised an additional \$108.6 million, marking its seventh round of equity investment, bringing the company's aggregate funding total to \$470 million. Previously, Venture Global announced that it had entered into a SPA with Edison whereby the Italian utility would buy 1 mtpa of LNG from the Calcasieu Pass LNG export facility, being developed by Venture Global in Cameron Parish, Louisiana.

