

CE FLNG LLC

www.ceg-ltd.com

RECEIVED

By Docket Room at 3:38 pm, Mar 31, 2014

Mr. John Anderson
Office of Fossil Energy
U.S. Department of Energy
Room 3E-042
1000 Independence Ave, S.W.
Washington, DC 20585

April 1, 2014

**Re: CE FLNG, LLC
Docket No. 12-123-LNG
DOE/FE Order 3193
Semi-Annual Report for the Period Ending April 1, 2014**

Dear John Anderson:

On November 21, 2012, the Department of Energy Office of Fossil Energy (DOE/FE) issued an order granting CE FLNG long-term multi-contract authorization to export up to 8 million metric tons per year (mtpa) of liquefied natural gas (LNG) from its proposed LNG Terminal in Plaquemines Parish, Louisiana to Free Trade Agreement countries for a 30-year term.

Pursuant to Order 3193, CE FLNG must file with the Office of Natural Gas Regulatory Activities written reports describing the progress of the proposed liquefaction facility project including information on the proposed CE FLNG LNG Terminal in Plaquemines Parish, Louisiana, the date the facility is expected to be operational, and the status of the long-term contracts associated with the long-term export of LNG and any long-term supply contracts. CE FLNG hereby submits its semi-annual report for the period ending April 1, 2014.

Respectfully,

/s/ Justin S. Mann

Justin S. Mann

Counsel for CE FLNG, LLC

Long Term Supply Contract Update and Filings with the U.S. Department of Energy

On February 10, 2014, CE FLNG submitted a non-redacted copy of a long-term LNG export contract under seal; a summary of the contract, including the major provisions, for public posting; and a statement, for public posting, explaining why the redacted or non-disclosed information should be exempt from public disclosure

FERC PRE-FILING UPDATE**Field Surveys and Engineering**

Completed its preliminary wetland and cultural resources survey work and completed a sonar study of the river adjacent to the project site. Initial information indicates that there are no problematic structures in the area.

Provided an engineering update to the Federal Energy Regulatory Commission (the Commission) during a September 27, 2013 teleconference.

Schedule Update

CE FLNG is currently on track for an operational date in late 2018.

Filings with the Commission

Pursuant to Section 157.21(f)(9), CE FLNG filed its response to issues raised during scoping.

CE FLNG submitted an updated stakeholder mailing list, an updated project line list, and an alternative site layout.

Scope Update

Based on input from the Crescent River Port Pilots Association, Moffat & Nichol, and the U.S. Coastguard, CE FLNG is evaluating an alternative terminal layout in which the vessels would be docked parallel to the shoreline. The alternative layout is expected to reduce the amount of dredging required.

Other Agency Updates

CE FLNG received formal correspondence from the U.S. Coastguard in regards to the Preliminary Waterway Suitability Assessment (PWSA). On December 17, 2013, CE FLNG filed a complete list of maritime consultation activities with the US Coastguard (USCG) New Orleans.

CE FLNG received draft policy letters from the U.S. Coastguard concerning guidelines for LNG fuel transfer (bunkering) operations, which were also published in the Federal Register on February 3.

CE FLNG also received an invitation from the U.S. Coastguard CDR Paul E. Dittman to present further information about the project at a Port Safety Council meeting scheduled for March 19, 2014. The Port Safety Council comprises members from all facets of the local maritime industry on the Lower Mississippi River including all four pilot associations, deep draft interests, inland towing interests, stevedores, barge fleet operators, port authorities, and other Federal agencies. CE FLNG attended in order to present the CE FLNG LNG Project.

On March 20, 2014, CE FLNG conducted a call with Mark S. Choina of the U.S. Customs and Border Protection New Orleans to gain insight on the guidance available to CE FLNG.

Stakeholder Activities

CE FLNG contacted the Louisiana Shrimp Association, Plaquemines Parish Coastal Zone Director, and Plaquemines Parish in order to notify them about the CE FLNG LNG Project and the December 2013 scoping meeting.

On December 17, 2013, CE FLNG met with Captain Jimmy Cramond of the Crescent River Port Pilots to discuss tugging operations and FLNG Vessel Layout.

On December 18, 2013, CE FLNG met with Sandy Sanders and John Pennison of the Port Authority for the Port of Plaquemines.

On December 19, 2013, CE FLNG provided shape files for the oyster leases to Dave Butter and Christie McDonough of the Louisiana Department of Wildlife and Fisheries.

CE FLNG discussed the PWSA with Captain James Crammond of the Crescent River Port Pilots and presented a plan of action to address items raised by the U.S. Coastguard.

On January 21, 2014, CE FLNG conducted a call with John Pennison, Port Manager for the Plaquemines Parish Port Authority, to review information concerning the site.

On January 31, 2014, CE FLNG conducted a call with the Executive Director for the Plaquemines Parish Port Authority in regards to LNG tug operations and refueling.

CE FLNG conducted three (3) conference calls with the Plaquemines Parish Port Authority Executive Director of the Port, Sandy Sanders, and met with Mr. Sanders on March 14, 2014 in Atlanta.

On March 18, 2014, CE FLNG conducted a meeting with Captain James Crammond of the Crescent River Port Pilots Association to review the PWSA and obtain feedback on the Terminal Design from the Pilots Association.

On March 19, 2014, CE FLNG conducted a project review, and question and answers session at the Greater New Orleans Port Safety Council Meeting. The meeting was held at the New Orleans Yacht Club. There was an estimated eighty (80) people in attendance (awaiting sign-in sheet for exact number). The

following agencies and stakeholders were present: Chairman of the GNOPSC, USCG COTP/MSO Sector New Orleans, Bar Pilots, Crescent River Port Pilots, NOBRA Pilots, Federal Pilots, U.S Customs & Border Protection, and the U.S. Army Corps of Engineers.

As of April 1, 2014, CE FLNG has acquired survey permissions from 198 landowners along the pipeline route, representing 76% percent completion on a tract-by-tract basis.