

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY PROJECTS

In Reply Refer To:
OEP/DG2E/LNG
Sabine Pass LNG, L.P.
Docket Nos. CP04-47-000,
CP05-396-000, CP11-72-000, and
CP13-2-000

February 9, 2018

Karri Mahmoud
Manager, Regulatory Affairs
Cheniere Energy, Inc.
700 Milam Street, Suite 1900
Houston, TX 77002

Re: LNG Storage Tank Operation

Dear Ms. Mahmoud:

On February 8, 2018, the Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) issued a Corrective Action Order (CPF No. 4-2018-3001H) to Sabine Pass Liquefaction, LLC (Sabine Pass) regarding the LNG tanks that experienced a liquefied natural gas and natural gas release on January 22, 2018. PHMSA's order requires Tanks S-101 and S-103 to be removed from service.

Under the delegated authority to the Director of the Office the Energy Projects in the December 21, 2004, June 15, 2006, April 16, 2012, and August 2, 2013 Commission Orders (109 FERC ¶ 61,324; 115 FERC ¶ 61,330; 139 FERC ¶ 61,039; and 144 FERC ¶ 61,099), Sabine Pass must receive written authorization **before placing Tanks S-101 and S-103 back into service** for the import or export of liquefied natural gas under the Natural Gas Act. Such authorization will only be granted following a determination that the storage tanks are fit for service.

Commission staff will continue to coordinate with PHMSA and Sabine Pass staff on this matter. If you have any questions, please contact Karla Bathrick at (202) 502-6328.

Sincerely,

Terry L. Turpin
Director
Office of Energy Projects

cc: Public File, Docket Nos. CP04-47-000, CP05-396-000, CP11-72-000, and CP13-2-000

Frank Causey
Acting Director, PHMSA Southwest Region Office
U.S. Department of Transportation
8701 S. Gessner, Suite 1110
Houston, Texas 77074

Kenneth Lee
Director, PHMSA Engineering and Research
East Building, Room E22-334
1200 New Jersey Ave., SE
Washington, DC 20590

Captain Jackie Twomey
USCG Captain of the Port
Marine Safety Unit Port Arthur
2901 Turtle Creek Drive, Suite 200
Port Arthur, Texas 77642