June 17, 2013

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

RE: Semi-Annual Report for April 2013
Docket No. 12-123-LNG
DOE/FE Order 3193
CE FLNG, LLC

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 nations 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. On May 21, 2013, CE FLNG submitted a summary of a long-term LNG export contract. CE FLNG hereby submits its semi-annual report for the period from November 21, 2012 to April 1, 2013.

If you have any questions regarding this filing, please contact me at jmann@cambridgeenergyllc.com.

Best regards,

/s/ Justin S. Mann

Justin S. Mann

Counsel for CE FLNG, LLC
CE FLNG Project Update – FERC Filing Status

CE FLNG completed FERC Pre-Filing Consultation on January 7, 2013, submitted a Preliminary Waterway Suitability Assessment to the USCG on 5 March 2013, and received approval to enter into FERC (the Commission) Pre-Filing on April 16, 2013. The Commission’s Pre-Filing review of the Project has been assigned Docket No. PF 13-11-000 on April 16, 2013.

Stakeholder Updates

During the reporting period, CE FLNG held meetings with the Louisiana Economic Development (LED), Plaquemines Parish Government, Plaquemines Port Authority, Crescent Pilot’s Association, and the USCG New Orleans.

As a result of the stakeholder meeting held after the reporting period, CE FLNG filed Resource Reports 1 & 10 with FERC, conducted a kickoff meeting and filed an updated Preliminary Waterway Suitability Assessment with the U.S. Coast Guard (USCG) New Orleans. The updated assessment was based on information from the Pilot’s Association, information from a previous meeting with USCG, information contained in Draft Resource Report 1 & 10, and other information gained after the initial filing.

Long-term LNG Supply Contract Update

In March 2013, CE FLNG entered into a preliminary agreement with Cambridge Energy Group Limited (CEGL Bermuda) for the off-take of up to 8 mtpa (416,000,000 mmbtus) of LNG with 50% firm take-or-pay. The CEGL agreement was finalized in May 2013. CE FLNG and CEGL Bermuda have completed negotiating an additional long-term supply agreement for 208,000,000 mmbtus (80% take-or-pay); execution of the agreement is pending CE FLNG receiving non-FTA authorization. CE FLNG expects to sell to markets in China, Japan, India, Spain, Brazil, and Vietnam on a spot trading basis.

Stakeholder Letter of Support

CE FLNG received Letters of Support submitted as part of the FERC filing process from the State of Louisiana (via LED), Plaquemines Parish Government, and the Plaquemines Parish Port Authority after the filing Period.

Proposed FERC Project Schedule

FERC Public Meeting (June 2013 - Completed)  
FERC Scoping Meeting (August 2013)  
FERC Application Submitted (January 2014)  
FERC Approval (Construction) (December 2014)  
CE FLNG Operational (March 2018)