



Introduction

By letter order dated March 20, 2013, Magnolia LNG, LLC, LLC ("Magnolia LNG") was granted approval by the Director of the Office of Energy Projects of the Federal Energy Regulatory Commission ("FERC" or "Commission") to utilize the Commission's Pre-Filing review process for the proposed Magnolia LNG Project ("Project"). The Commission's Pre-Filing review of the Project has been assigned Docket No. PF 13-09-000.

The proposed Magnolia LNG Project includes an 8 million tonne per annum ("mtpa") liquefied natural gas ("LNG") facility in the Port of Lake Charles, Louisiana, that will receive natural gas sourced from North America via an existing pipeline and liquefy, store, and deliver it as needed to LNG carriers for export overseas; LNG carriers and barges for domestic marine distribution and the possibility of LNG bunkering; and LNG trucks for road distribution to LNG refueling stations in Louisiana and the surrounding states. The Project will include four 2-mtpa LNG trains.

This Monthly Progress Report, which covers the period from October 1, 2013 through October 31, 2013, provides a brief summary of significant Project activities or changes in Project information that have occurred during the reporting period.

Filings with the Commission

No filings were made with the Commission during this period.

Agency Contacts

The following agency contacts were held during the reporting period:

- A conference call was held with FERC staff and consultants on October 15, 2013, to review the storm surge analysis prepared for the project.
- A monthly conference call was held with FERC staff on October 24, 2013, to review current status of project.
- A follow-up conference call was held with FERC staff on October 29, 2013, to review current status of air modeling protocol.



- CH·IV met with FERC and the U.S. Department of Transportation’s Pipeline and Hazardous Materials Safety Administration on October 29, 2013, to discuss the framework to model ammonia releases.
- Magnolia LNG received the following:
 - Confirmation from the U.S. Fish and Wildlife Service by agency stamp dated September 27, 2013, on a letter from Ecology and Environment, Inc., indicating that the Magnolia LNG Project has been reviewed and that, as proposed, the Project will have no effect on the Federal trust resources currently protected by the Endangered Species Act of 1973;
 - A letter dated October 29, 2013, from the Louisiana Department of Natural Resources indicating that a Coastal Use Permit is not needed for the Project;
 - A letter dated October 28, 2013, from the Louisiana Department of Culture, Recreation, and Tourism finding that no further cultural surveys are required; and

A letter dated October 25, 2013, from the Calcasieu Police Jury indicating that it is not aware of any known historic or cultural properties that will be affected by the Project.**Engineering**

The following engineering work was performed during the reporting period:

- CH·IV has continued to review and comment on process and utility design documents prepared by Magnolia LNG.
- CH·IV has prepared the following key documents during the period:
 - Hazard detection and mitigation philosophy
 - NFPA 59A Fire Protection Evaluation
 - Rainfall Design Basis
 - Emergency Response Plan
 - Seismic Categorization
- Fugro prepared final site elevation plan and finalized seismic and geotechnical reports.
- Matrix PDM finalized LNG storage tank design package.



- Moffat & Nichol finalized the marine facilities design basis, marine facilities narrative and draft marine facilities drawings.

Environmental

The following environmental work was performed during the reporting period:

- Completed wetlands, soils, wildlife and vegetation field reports.
- Continued work on air emissions inventory and air modeling protocols.
- Continued development of: (a) Water Use and Quality – Resource Report (“RR”) 2; (b) Fish, Wildlife, and Vegetation – RR3; (c) Cultural Resources – RR4, (d) Socioeconomics – RR5, (e) Geological Resources – RR6; (f) Soils – RR7; (g) Land Use, Recreation & Aesthetics – RR8, (h) Air Quality and Noise – RR9 and (i) PCB Contamination – RR12.

Scope Update

There are currently no changes to the Project scope.

Stakeholder Activities

The following Stakeholder meetings have been held during the reporting period:

- Participated in the kickoff meeting of the Port of Lake Charles Marine Traffic Study, with participants consisting of the users of the Calcasieu Channel.
- Met with Dr. Loren Scott, economist and consultant in Baton Rouge, Louisiana. Provided information to Dr. Scott on the Magnolia LNG project. Dr. Scott prepares the Louisiana Economic Outlook report for Louisiana State University and forecasts information as it relates to workforce, housing and jobs.
- Met with Curt Eysink, Executive Director, Louisiana Workforce Commission (“LWC”). Provided an overview of the Magnolia LNG project to him and his staff. Discussed training and outreach by the LWC to meet the workforce needs in not only Southwest Louisiana but also the state. The agency is partnering with the Louisiana Department of Education, Southwest Louisiana Technical Community College, Associated Builders and Contractors for training.



- Attended meeting of the Imperial Calcasieu Regional Planning and Development Commission, representing the five-parish Southwest Louisiana region and heard presentations of the various subcommittees of the GO Group, pertaining to planned traffic and highway projects.
- Met with the Executive Director of the local Associated Builders and Contractors regarding workforce training plans.
- Participated in the SWLA Economic Development Alliance and Louisiana Association of Business and Industry Conference, "Meeting the Workforce Challenge Conference", at the L'Auberge Casino and Resort, Lake Charles, Louisiana.

Schedule Update

No changes were made in the project schedule during the reporting period.