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November 28, 2016

Mr. Rodrick Seeley
U.S. Department of Transportation - PHMSA
8701 South Gessner, Suite 630
Houston, Texas 77074

Dear Mr. Seeley:

Re: Sabine Pass LNG, L.P.
Operator ID No. 32152
Notice of Probable Violation and Proposed Civil Penalty CPF 4-2016-3002

On October 31, 2016, Sabine Pass LNG, L.P. ("Sabine Pass") received a Notice of Probable Violation and Proposed Civil Penalty CPF 4-2016-3002 ("NOPV") dated October 17, 2016. In the NOPV, the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), Office of Pipeline Safety ("OPS") noted a probable violation of the Pipeline Safety Regulations: 49 CFR Section 191.22(c)(1)(iii) Construction of a new LNG plant or LNG Facility. In accordance with 49 CFR Section 190.208(a)(3), Sabine Pass is providing a written response within 30 days of receipt of the NOPV. The regulatory requirement referenced in the NOPV is reproduced in italics below, followed by an explanation of Sabine Pass' response to the issue raised.

Section 191.22(c)(1)(iii) Construction of a new LNG plant or LNG facility.

On October 11, 2012, Sabine Pass LNG, L.P. provided a New Construction Notification for the Sabine Pass Liquefaction Project (attached). The initial Project represented the addition of 4 LNG Liquefaction Trains to the Sabine Pass LNG Terminal and was applied for, reviewed, and approved as a single project by the Federal Energy Regulatory Commission. Subsequently, an expansion of the Liquefaction facility was approved by FERC in order to add Trains 5 and 6, both of which occur within the original property boundary. The Sabine Pass LNG Terminal includes LNG storage tanks, marine transfer area, administration and control room as common features to the LNG regasification and LNG liquefaction components, therefore Sabine Pass treats the LNG Trains 1-6 as process units to the whole plant, rather than separate facilities.

On June 28, 2016, at the direction of a PHMSA representative, Sabine Pass LNG, L.P., provided updated Construction Notifications of Trains 2-5 through the PHMSA online Portal. Sabine Pass complied with the PHMSA representative's request to provide supplemental online construction notifications, however, Sabine Pass believes the supplemental notifications were not required and may cause PHMSA to misconstrue each Train as separate and distinct projects, rather than the single and complete project for which initial notification was provided in 2012. Sabine Pass respectfully requests reconsideration of the probable violation and the penalty assessed.

Sabine Pass recognizes PHMSA's regulatory authority and takes compliance seriously. It is Sabine Pass' intent to be compliant with all applicable regulatory requirements and to be open and transparent with PHMSA regarding all regulated facilities and activities. Sabine Pass has a history of close coordination with regulatory agencies and is committed to regulatory compliance and establishing best practices in the emerging domestic LNG liquefaction and export industry.

Sabine Pass will continue to advance communications with your Office regarding the Sabine Pass Liquefaction Project activities with the goal to prevent any further misunderstandings in the future. In this light, Sabine Pass has requested a meeting with PHMSA representatives to discuss this response to the NOPV as well as to follow up on our meeting of August 24, 2016, as we continue to foster a collaborative relationship between Sabine Pass and the PHMSA Southwest Regional Office.

We appreciate your attention to this matter. If you have any additional comments or questions, please feel free to contact me at (713) 375-5527.

Sincerely,



Douglas D. Shanda
SVP, Terminal Operations

cc: Aaron Stephenson – Sabine Pass
Karri Mahmoud – Regulatory Affairs