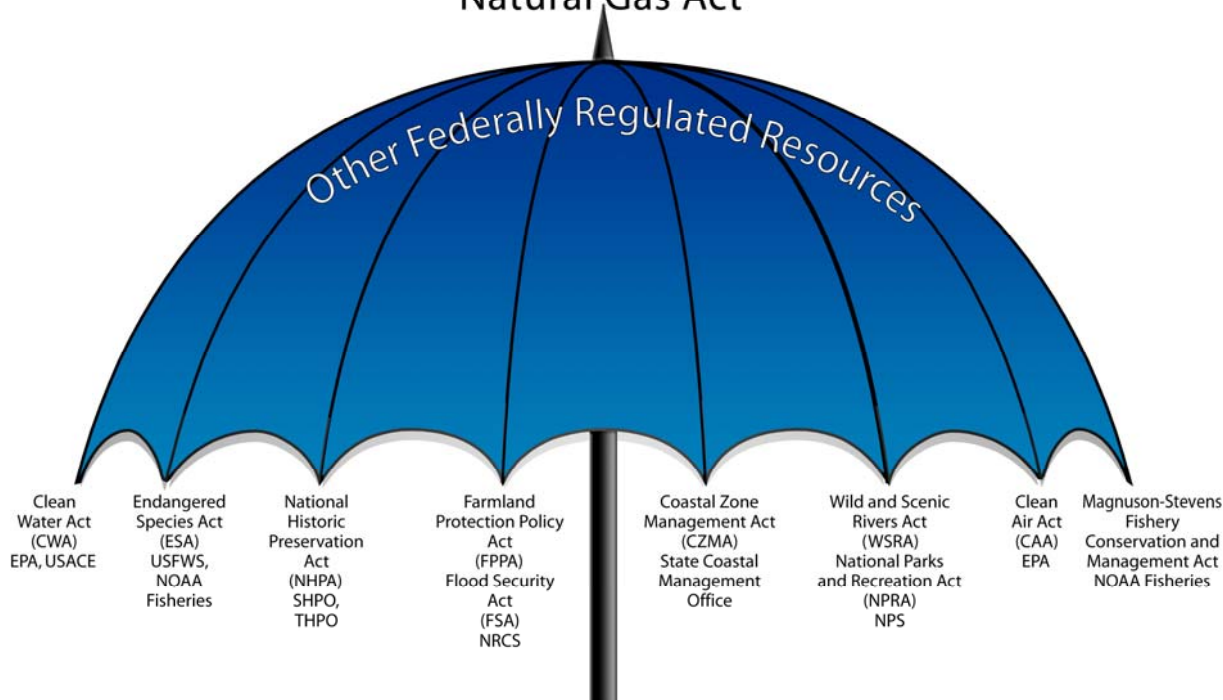


Who Is FERC?

National Environmental Policy Act (NEPA)
Federal Energy Regulatory Commission (FERC)
Natural Gas Act



FERC is an independent agency that regulates and oversees energy industries in the economic and environmental interest of the American public with the intention of providing dependable, affordable energy through sustained competitive markets.

Federal Energy Regulatory Commission:
888 First Street, N.E.
Washington, DC 20426

www.ferc.gov
Public Inquiries
1-866-208-3372
customer@ferc.gov

Sabine Pass LNG Terminal

Cheniere's Sabine Pass LNG facility has been operational since 2008, and represents a \$1.5 billion investment in Louisiana energy infrastructure. The facility allows liquefied natural gas (LNG) arriving by ship to meet demand, and is connected to consumers across the country through the Creole Trail pipeline and interconnecting pipelines.

Current Facility Facts

- **Vaporization**
 - ~4.3 Bcf/d peak send-out
- **Storage**
 - 5 tanks x 160,000 cm (16.9 Bcf of storage)
- **Berthing / Unloading**
 - Two docks capable of handling large carriers
 - Four dedicated tugs
- **Land**
 - 853 acres in Cameron Parish, LA
- **Accessibility – Deep Water Ship Channel**
 - Sabine-Neches Channel dredged to 40'
- **Proximity**
 - 3.7 nautical miles from coast
 - 22.8 nautical miles from outer buoy



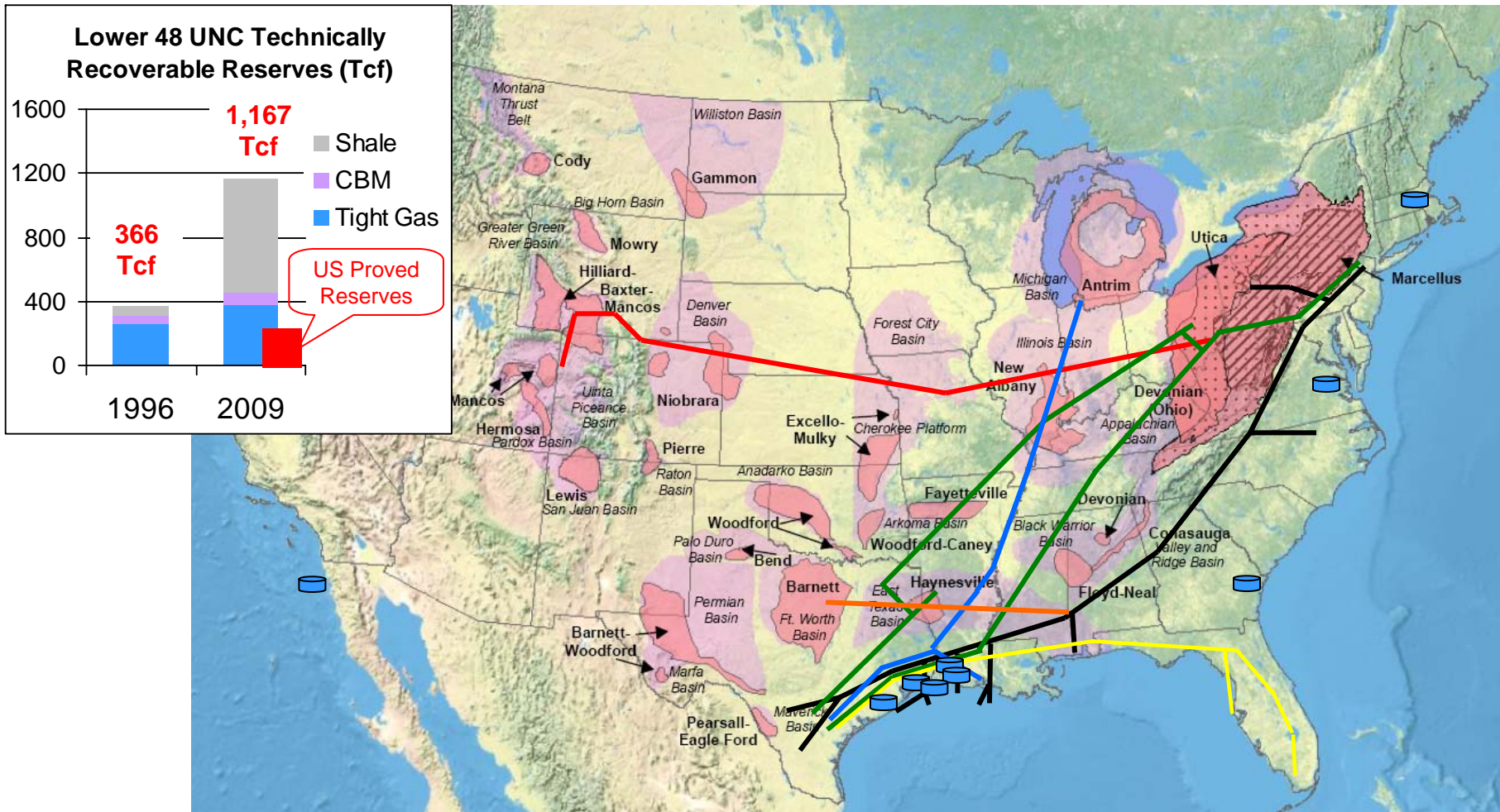
Aerial view of Sabine Pass LNG

Sabine Pass LNG Liquefaction Project Overview

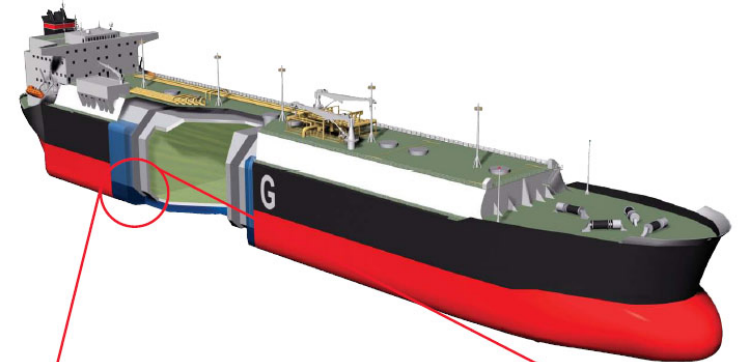
- Liquefaction is a phase change which converts methane from a gas to a liquid form.
- Impurities that will freeze at cryogenic temperatures such as sulfur, water, and carbon dioxide are removed from pipeline quality natural gas. The gas is then progressively cooled to -260°F using a refrigeration process similar to an air conditioner.
- The Liquefaction Project will install equipment to provide four liquefaction trains with a total capacity of approximately 2 Bcf/d:
 - Will utilize the ConocoPhillips' Optimized CascadeSM LNG Process
 - Each train will occupy approximately 15 acres
 - Will be constructed in 2 stages
- The Liquefaction Project will utilize existing infrastructure at the existing SPLNG Terminal, including the 16.9 Bcf of storage and marine facilities.



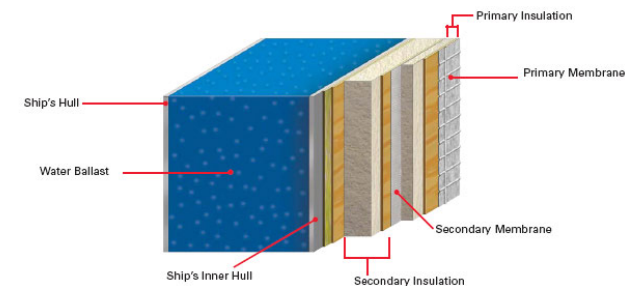
Large supply of natural gas is available in the U.S. with access to existing pipeline infrastructure



LNG Shipping



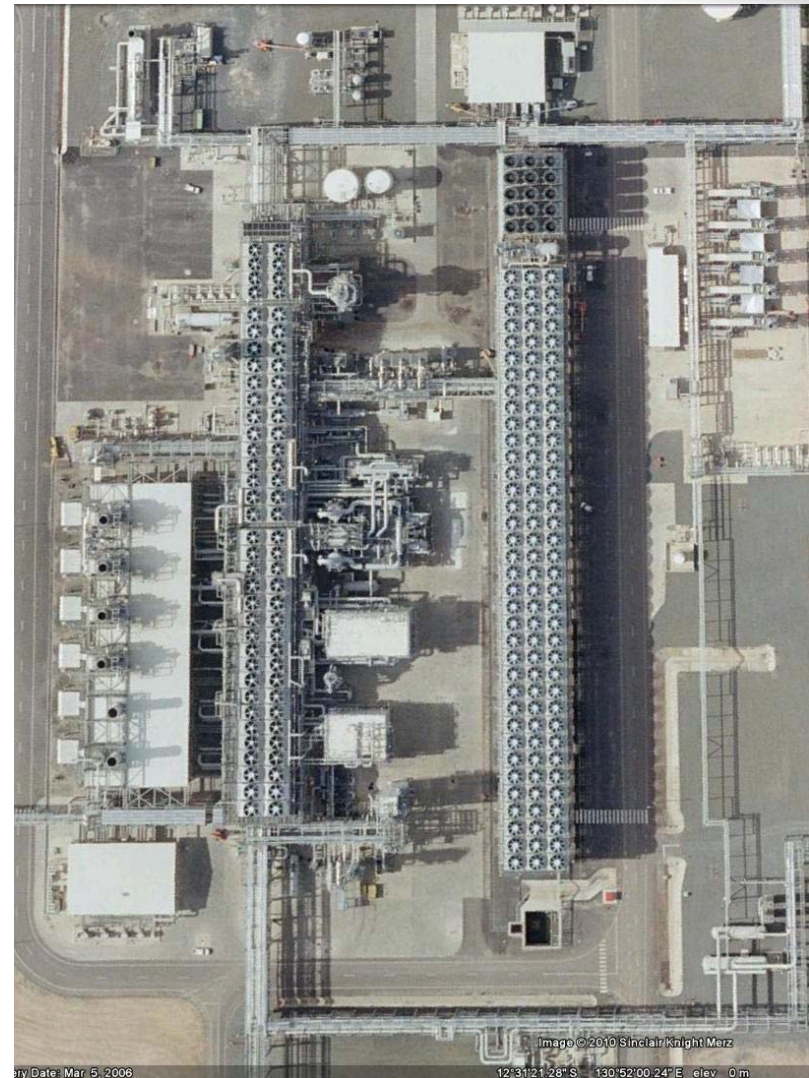
A Cross-Section of the LNG Ship's Hull and Containment System –
In Total More Than Six Feet in Width.



- Double-hulled state of the art tankers
- LNG is stored in a special containment system within the inner hull
- Kept at about 1.5 psi above atmospheric pressure at -260°F
- Many safety features for cargo containment & fire prevention
- Well over 105,000 safe voyages

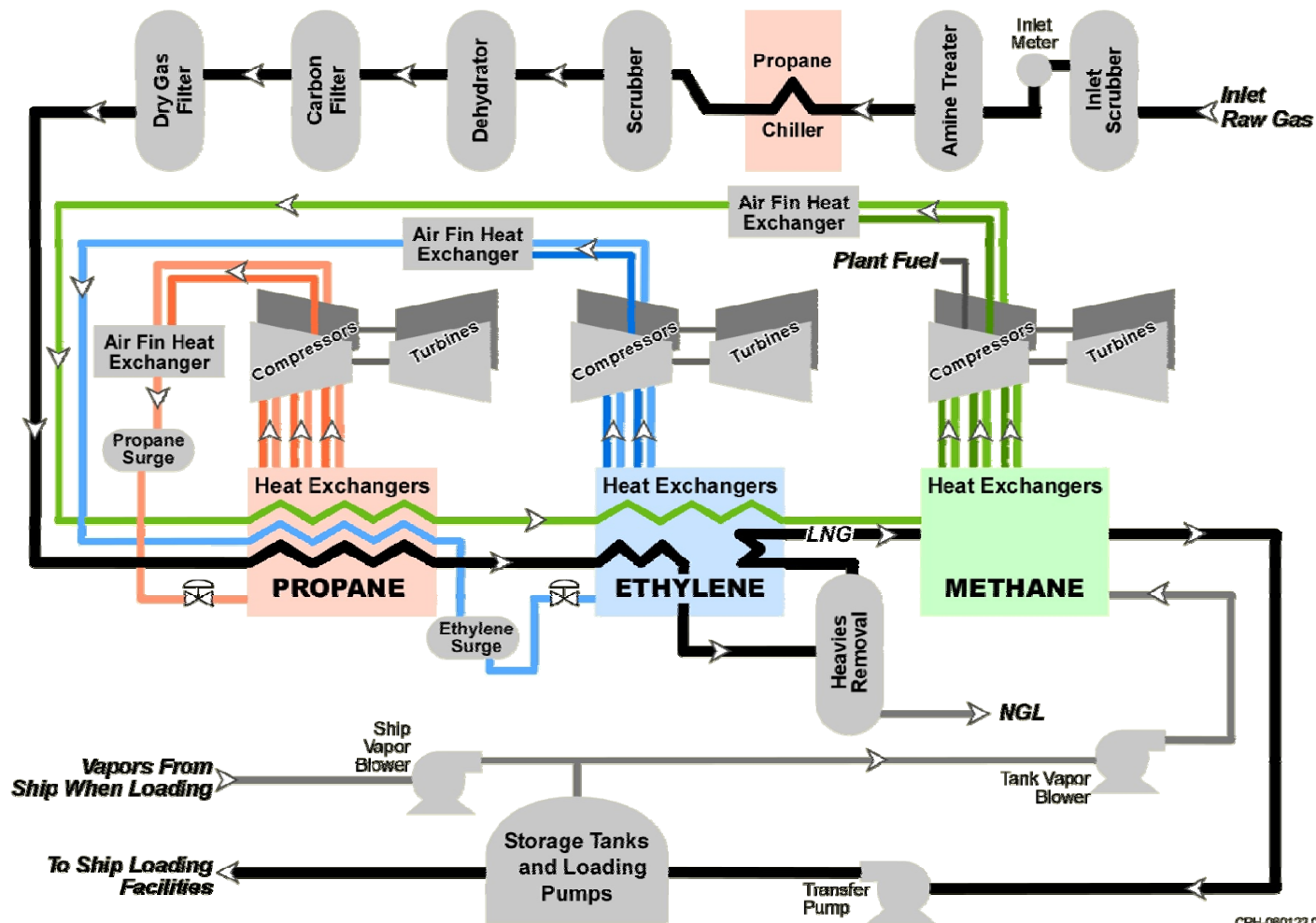
ConocoPhillips Optimized CascadeSM LNG Train

- **Bechtel and ConocoPhillips Collaboration Agreement**
 - 40-plus year history
- **Proven, Reliable Design**
 - Template Designs exist for a variety of conditions and compressor configurations
 - Kenai Alaska, 1969
 - Atlantic LNG Trains 1, 2, 3 and 4*, 2005*
 - Egyptian LNG Trains 1 & 2, 2005
 - Darwin LNG, 2006
 - Equatorial Guinea LNG, 2007
 - Angola LNG, under construction
- **Process Advantages**
 - Reliability – design concept based on two 50% compressors for each refrigeration cycle
 - Turn-down – Two-in-one concept provides for ~100% efficiency at 60-80% utilization
 - Intermittency – fast start-up and cool-down



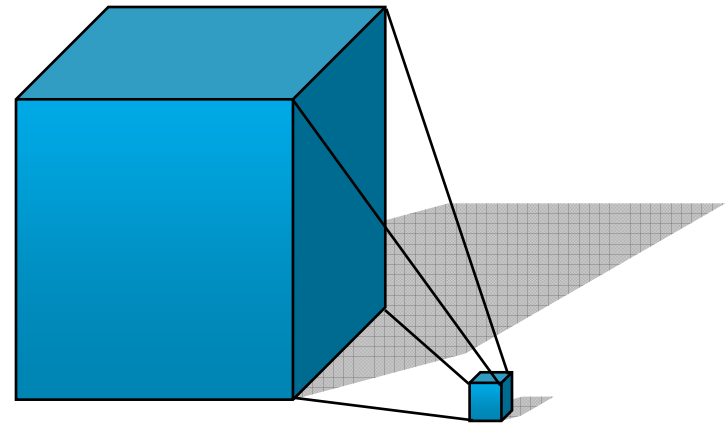
3.5 mtpa Liquefaction Train at Darwin LNG

ConocoPhillips Optimized Cascade Process



What Is Liquefied Natural Gas (LNG)?

- LNG is natural gas that has been super-cooled to -260°F and changed from gas to liquid
- Liquefaction reduces volume by 600-to-1
- Stored cold in insulated containers at near atmospheric pressure
- Safe to store and transport
- LNG is colorless, odorless, non-corrosive, and non-toxic
- Becomes lighter than air when vaporized



LNG is a safe, environmentally-friendly fuel

- LNG is odorless, non-toxic and non-corrosive
- LNG rapidly evaporates, leaving no residue on water or soil. If spilled, LNG would not result in a slick because it evaporates quickly and disperses
- Once LNG is converted to natural gas, it produces relatively low emissions when burned to heat homes, generate electricity and fuel vehicles
- All facilities will be located within the existing property boundary, previously reviewed and approved by FERC and other Federal and State Agencies
- No impacts to Threatened or Endangered Species
- No impacts to cultural resources
- New facilities constructed within historic dredge material placement areas
- Wetland impacts will be mitigated through U.S. Army Corps of Engineers permit
- Operation of new facilities will comply with National Ambient Air Quality Standards (NAAQS)



LNG Safety / Security

LNG PROPERTIES

- LNG is not stored under pressure.
- If LNG is released, it will immediately vaporize to natural gas.
- Natural gas is flammable only in a narrow concentration range of 5% – 15% of natural gas in air.
- LNG vapors (methane) are not explosive in an unconfined environment.

LNG TERMINALS

- LNG terminals have an exemplary safety record.
- The Terminal design emphasizes early detection with gas, temperature and UV/IR sensors that tie to automated shut down.
- Modern tanks composed of 9% nickel-steel, have been in use since 1954 and have never had a crack failure.
- All tanks are surrounded by embankments large enough to contain the entire contents of the tank.
- Regulations require safety zones around LNG facilities large enough so that flammable vapors will not reach the facilities' property lines and a potential fire will not impact those beyond the property lines.

PORT AND WATERWAY SAFETY / SECURITY

- The USCG determines the suitability of a waterway to transport LNG safely and creates safety and security rules for each specific port.
- USCG conducts background checks of LNG carrier crews and conducts ship searches.
- Companies tightly control access to facilities through gated security and continuous surveillance monitoring.
- Safety zones are in place to safeguard carriers, harbors, ports and waterfront facilities as part of a facility security plan to minimize vulnerability.

LNG CARRIERS

- First voyage of LNG tanker *Methane Pioneer* occurred in 1959.
- LNG carriers have made more than 105,000 voyages without any major accidents or safety problems, either in port or at sea.
- No collisions, fires, explosions or hull failures have resulted in a loss of containment for LNG ships.
- Double-hulled LNG ships feature primary and secondary cargo containment systems to prevent leaks or ruptures in the unlikely event of a grounding or collision.