Cheniere Energy Partners, L.P.
Form 424B3
September 19, 2012
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Filed pursuant to Rule 424(b)(3)
Registration No. 333-168942

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus Supplement dated September 19, 2012

PROSPECTUS SUPPLEMENT

(To prospectus dated October 12, 2010)

Cheniere Energy Partners, L.P.

8,000,000 Common Units

Representing Limited Partner Interests

We are selling 8,000,000 common units representing limited partner interests of Cheniere Energy Partners, L.P.

Our common units trade on the NYSE MKT under the symbol CQP. The last reported trading price of our common units on the NYSE MKT on September 18, 2012 was $26.58 per common unit.

Investing in our common units involves risks. See Risk Factors beginning on page S-6 of this prospectus supplement and page 1 of the accompanying prospectus.

	Per Common Unit	Total
Price to the public	$	$
Underwriting discounts and commissions	$	$
Proceeds to Cheniere Energy Partners, L.P. (before expenses)	$	$

We have granted the underwriters a 30-day option to purchase up to an additional 1,200,000 common units on the same terms and conditions set forth above if the underwriters sell more than 8,000,000 common units in this offering.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the common units on or about September , 2012.

Joint Book-Running Managers

Morgan Stanley *Credit Suisse*

Citigroup *Deutsche Bank Securities* *J.P. Morgan* *RBC Capital Markets*

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to this offering. Generally, when we refer to the prospectus, we are referring to both parts combined. If information in this prospectus supplement conflicts with information in the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference into this prospectus supplement, the accompanying prospectus and any free writing prospectus that we may authorize be delivered to you that relates to this offering. Neither we nor the underwriters have authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we nor the underwriters is making an offer of the securities covered by this prospectus supplement in any state where the offer is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, any free writing prospectus relating to this offering of common units and any document incorporated by reference is accurate only as of the date on the front cover of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some information contained in this prospectus supplement, the accompanying prospectus and in the documents we incorporate by reference herein may contain certain statements (other than statements of historical fact) that constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements generally can be identified by the use of words such as achieve, anticipate, believe, could, develop, estimate, expect, forecast, intend, may, plan, potential, project, propose, strategy or similar expressions uncertainty of future events, activities, expectations or outcomes. However, these are not the exclusive means of identifying forward-looking statements.

Where any forward-looking statement includes a statement of the assumptions or bases underlying such forward-looking statement, we caution that, while we believe these assumptions or bases to be reasonable and to be made in good faith, assumed facts or bases almost always vary from actual results, and the difference between assumed facts or bases and actual results could be material, depending on the circumstances. It is important to note that actual results could differ materially from those projected by such forward-looking statements.

Although we believe that the expectations in our forward-looking statements are reasonable, we cannot give any assurance that those expectations will be correct. Our operations are subject to numerous uncertainties, risks and other influences, many of which are outside our control and any of which could materially affect our results of operations and ultimately prove the statements we make to be inaccurate.

Some of the forward-looking statements contained in this prospectus supplement, the accompanying prospectus and in the documents we incorporate by reference herein include, but are not limited to, the following:

- statements regarding our ability to pay distributions to our unitholders;

statements regarding our expected receipt of cash distributions from Sabine Pass LNG, L.P., or Sabine Pass LNG, or Sabine Pass Liquefaction, LLC, or Sabine Pass Liquefaction;

statements regarding future levels of domestic natural gas production, supply or consumption; future levels of liquefied natural gas, or LNG, imports into North America; sales of natural gas in North

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America or other markets; exports of LNG from North America; and the transportation, other infrastructure or prices related to natural gas, LNG or other energy sources;

statements regarding any financing or refinancing transactions or arrangements, including the amounts or timing thereof, interest rates thereon or ability to enter into such transactions or arrangements, whether on the part of Cheniere Energy Partners, L.P. or any subsidiary or at the project level;

statements regarding any commercial arrangements presently contracted, optioned or marketed, or potential arrangements, to be performed substantially in the future, including any cash distributions and revenues anticipated to be received and the anticipated timing thereof, and statements regarding the amounts of total LNG regasification, liquefaction or storage capacity that are, or may become, subject to such commercial arrangements;

statements regarding counterparties to our commercial contracts, construction contracts and other contracts;

statements relating to the construction and operations of our liquefaction facilities, including statements concerning the anticipated dates for commencement of construction or operations or at all, the costs related thereto and certain characteristics, including amounts of liquefaction capacity and storage capacity and the number of LNG trains;

statements regarding any business strategy, any business plans or any other plans, forecasts, projections or objectives, including potential revenues and capital expenditures, any or all of which are subject to change;

statements regarding legislative, governmental, regulatory, administrative or other public body actions, requirements, permits, investigations, proceedings or decisions; and

any other statements that relate to non-historical or future information.

Certain factors, risks and uncertainties could cause actual results to differ materially from our expectations as discussed under the heading Risk Factors below and as otherwise described in our periodic filings with the SEC incorporated by reference herein.

We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this prospectus supplement or, in any document we incorporate by reference, the date of that document. All such forward-looking statements are expressly qualified in their entirety by the cautionary statements in this section, and other than as required under the securities laws, we undertake no obligation to publicly update or revise any forward-looking statements.

SEC REVIEW

The Securities and Exchange Commission, or SEC, has not reviewed this prospectus supplement, the accompanying prospectus or all of the documents incorporated by reference herein. From time to time, the SEC routinely reviews and comments on filings by issuers, and they have indicated that they are reviewing our recently filed registration statement, which is unrelated to this prospectus supplement and the accompanying prospectus. As a result of any review of our filings by the SEC, we could be required to modify, amend or reformulate information contained in prior filings made under the Exchange Act, including changes to the description of our business, financial statements and other information. Any modification, amendment or reformulation of information contained in such filings could be significant.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus. It does not contain all of the information that you should consider before making an investment decision. You should carefully read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference for a more complete understanding of our business and this offering. Unless we indicate otherwise, the information presented in this prospectus supplement assumes that the underwriters option to purchase additional common units is not exercised. Please read Risk Factors beginning on page S-6 of this prospectus supplement and included in our Annual Report on Form 10-K for the year ended December 31, 2011 for more information about important factors that you should consider before investing in our common units.

Throughout this prospectus supplement, when we use the terms Cheniere Energy Partners, our partnership, we, our, us or similar references are referring to Cheniere Energy Partners, L.P. and its consolidated subsidiaries. References in this prospectus supplement to our general partner refer to Cheniere Energy Partners GP, LLC.

Cheniere Energy Partners, L.P.

We are a Delaware limited partnership formed by Cheniere Energy, Inc., or Cheniere. Through our wholly owned subsidiary, Sabine Pass LNG, L.P., we own and operate the Sabine Pass LNG terminal located in western Cameron Parish, Louisiana on the Sabine Pass Channel. Through our wholly owned subsidiary, Sabine Pass Liquefaction, LLC, we have commenced construction of liquefaction facilities adjacent to the Sabine Pass LNG terminal.

Principal Executive Offices

Our headquarters are located at 700 Milam Street, Suite 800 in Houston, Texas. Our phone number is (713) 375-5000, and our website is accessed at www.cheniereenergypartners.com. Information on our website is not incorporated into this prospectus supplement or our other securities filings and is not a part of this prospectus supplement.

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Organizational Chart

The chart below depicts our organization and ownership structure immediately after giving effect to this offering:

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The Offering

Common units offered to the public in this offering	8,000,000 common units (9,200,000 common units if the underwriters exercise their option to purchase additional common units in full).
Common units outstanding after this offering	39,488,488 common units (40,688,488 common units if the underwriters exercise their option to purchase additional common units in full).
Use of proceeds	We will receive net proceeds from this offering, after deducting underwriting discounts and commissions and estimated fees and expenses, of approximately $ million, including our general partner s proportionate capital contribution of approximately $ million to maintain its 2% general partner interest in us. If the underwriters exercise their option to purchase the 1,200,000 additional common units in full, we will receive additional net proceeds of approximately $ million and an additional general partner contribution of $ million to maintain its 2% general partner interest in us. We intend to use the net proceeds from this offering to repay indebtedness and, to the extent not so used, for general business purposes. See Use of Proceeds.
Cash distributions	We must distribute all of our cash on hand at the end of each quarter, less any reserves established by our general partner. We refer to this as available cash, and we define its meaning in our partnership agreement.
	Our partnership agreement also requires that we distribute all of our available cash from operating surplus each quarter in the following manner:
	first, 98% to the common unitholders and 2% to our general partner, until each common unit has received the initial quarterly distribution of $0.425 plus any arrearages from prior quarters;
	second, 98% to the subordinated unitholders and 2% to our general partner, until each subordinated unit has received the initial quarterly distribution of $0.425;
	third, 98% to all unitholders (excluding Class B unitholders), pro rata, and 2% to our general partner, until each unit has received an aggregate distribution equal to $0.489;

fourth, 85% to all unitholders (excluding Class B unitholders), pro rata, and 15% to our general partner, until each unitholder receives a total of $0.531 per unit for that quarter;

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	fifth, 75% to all unitholders (excluding Class B unitholders), pro rata, and 25% to our general partner, until each unitholder receives a total of $0.638 per unit for that quarter; and
	thereafter, 50% to all unitholders (excluding Class B unitholders), pro rata, and 50% to our general partner.
	Cash distributions on the common units will generally be made within 45 days after the end of each quarter.
Limited voting rights	Our general partner manages and operates us. Unlike the holders of common stock in a corporation, you will have only limited voting rights on matters affecting our business. You will have no right to elect our general partner or its directors on an annual or other continuing basis. Our general partner may not be removed except by a vote of the holders of at least 66 2/3% of the outstanding units (which include Class B Units), including any units owned by our general partner and its affiliates, voting together as a single class. Upon completion of this offering, our general partner and its affiliates will own an aggregate of approximately 66.4% of our outstanding units. Please read The Partnership Agreement Voting Rights.
Estimated ratio of taxable income to distributions	We estimate that if you purchase common units in this offering and own them through the record date for distributions for the period ending December 31, 2014, then you will be allocated, on a cumulative basis, an amount of federal taxable income for that period that will be less than 20% of the amount of cash distributed to you with respect to that period. Please read Material Tax Consequences in this prospectus supplement.
Material tax consequences	For a discussion of other material federal income tax consequences that may be relevant to prospective unitholders who are individual citizens or residents of the United States, please read Material Tax Consequences in this prospectus supplement and in the accompanying prospectus.
NYSE MKT symbol	CQP
Risk factors	Please read Risk Factors beginning on page S-6 of this prospectus supplement and included in our Annual Report on Form 10-K for the year ended December 31, 2011 for more information about important factors that you should consider before investing in our common units.

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Summary Historical Financial Data

The summary consolidated statement of operations information for the years ended December 31, 2009, 2010 and 2011 and the summary consolidated balance sheet information as of December 31, 2010 and 2011 are derived from Cheniere Partners audited consolidated financial statements, which are incorporated by reference into this prospectus supplement. The summary consolidated balance sheet information as of December 31, 2009 is derived from Cheniere Partners audited consolidated financial statements, which are not included or incorporated by reference into this prospectus supplement. The summary consolidated statement of operations information for the six months ended June 30, 2011 and 2012, and the summary consolidated balance sheet data as of June 30, 2012, are derived from Cheniere Partners unaudited interim financial statements, which are incorporated by reference into this prospectus supplement. The summary consolidated balance sheet data as of June 30, 2011 are derived from Cheniere Partners unaudited interim financial statements, which are not included or incorporated by reference into this prospectus supplement. In the opinion of management, these unaudited financial statements reflect all adjustments necessary for a fair presentation of Cheniere Partners results of operations and financial condition. All such adjustments are of a normal recurring nature. The results for interim periods are not necessarily indicative of the results to be expected for the entire fiscal year. This summary consolidated financial information should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and Cheniere Partners consolidated financial statements and the related notes thereto included in Cheniere Partners Annual Report on Form 10-K for the year ended December 31, 2011 and Cheniere Partners Quarterly Report on Form 10-Q for the quarter ended June 30, 2012, which are incorporated by reference into this prospectus supplement.

	Year ended December 31,			Six months ended June 30,	
	2011	2010	2009	2012	2011
		(in thousands)		(unaudited)	
Statement of Operations Data:					
Revenues (including transactions with affiliates)	$ 283,790	$ 399,282	$ 416,790	$ 130,718	$ 148,058
Expenses (including transactions with affiliates)	139,164	118,485	88,870	87,552	70,000
Net income from operations	144,626	280,797	327,920	43,166	78,058
Other expense	175,645	173,229	141,008	87,359	87,136
Net income (loss)	(31,019)	107,568	186,912	(44,193)	(9,078)
Balance Sheet Data (at end of period):					
Cash and cash equivalents	$ 81,415	$ 53,349	$ 117,542	$ 170,951	$ 55,327
Restricted cash and cash equivalents (current)	13,732	13,732	13,732	13,732	13,732
Non-current restricted cash and cash equivalents	82,394	82,394	82,394	82,394	82,394
Property, plant and equipment, net	1,514,416	1,550,465	1,588,557	1,540,874	1,533,799
Total assets	1,737,300	1,743,492	1,859,473	1,873,000	1,726,645
Long-term debt	2,192,418	2,187,724	2,110,101	2,194,765	2,190,071
Long-term debt affiliate			72,928		
Deferred revenue (long-term)	25,500	29,500	33,500	23,500	27,500
Deferred revenue affiliate (long-term)	12,266	9,813	7,360	14,720	12,266

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RISK FACTORS

The securities offered by this prospectus supplement involve a high degree of risk. You should consider carefully all of the risk factors described below and in our Annual Report on Form 10-K for the year ended December 31, 2011, together with all other documents incorporated by reference into this prospectus supplement. Our business, financial condition, results of operations or ability to make distributions on our common units could be materially and adversely affected by any of these risks if any of them were to occur. In such case, the trading price of our common units could decline, and you could lose all or part of your investment.

This offering of our common units will increase the risk that we will be unable to make the initial quarterly distribution on our common units.

We are currently paying the initial quarterly distribution of $0.425 on each of our common units and the related distribution on the general partner units. We are currently not paying any distributions on the subordinated units. The Class B Units are not entitled to receive distributions until they convert into common units. After this offering, we will have outstanding 39,488,488 common units. The aggregate initial minimum quarterly distribution on these common units and the related general partner units is $68.5 million per year. We are not currently generating sufficient operating surplus each quarter to pay the initial quarterly distribution on all of these units and therefore intend to use a portion of our accumulated operating surplus each quarter to enable us to make this distribution. We may not have sufficient operating surplus to continue paying the initial quarterly distribution on all of our common units before our first two LNG trains commence commercial operations, which is not expected to occur until at least 2016. Furthermore, if our first two LNG trains do not commence commercial operations as expected and the outstanding Class B Units convert into common units, we may not have sufficient operating surplus to be able to pay the initial quarterly distribution on all common units then outstanding.

Accordingly, until the first two LNG trains commence commercial operations, the amount of cash that we can distribute on our common units principally will depend upon the amount of cash that we generate from our existing operations, which will be based on, among other things:

- performance by counterparties of their obligations under the TUAs;
- performance by Sabine Pass LNG of its obligations under the TUAs;
- performance by, and the level of cash receipts received from, Cheniere Marketing under the VCRA; and
- the level of our operating costs, including payments to our general partner and its affiliates.

In addition, the actual amount of cash that we will have available for distribution will depend on other factors such as:

- the restrictions contained in our debt agreements and our debt service requirements, including the ability of Sabine Pass LNG to pay distributions to us under the indenture governing the Sabine Pass LNG notes as a result of requirements for a debt service reserve account, a debt payment account and satisfaction of a fixed charge coverage ratio and the ability of Sabine Pass Liquefaction to pay distributions to us under its credit facility;

- the costs and capital requirements of acquisitions, if any;
- fluctuations in our working capital needs;
- our ability to borrow for working capital or other purposes; and
- the amount, if any, of cash reserves established by our general partner.

We may not be successful in our efforts to maintain or increase our cash available for distribution to cover the initial quarterly distribution on our common units. Any reductions in distributions to our unitholders because

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of a shortfall in cash flow or other events will result in a decrease of the quarterly distribution on our common units below the initial quarterly distribution. Any portion of the initial quarterly distribution that is not distributed on our common units will accrue and be paid to the common unitholders in accordance with our partnership agreement, if at all.

Sabine Pass Liquefaction may be restricted under the terms of its credit facility from making distributions under certain circumstances, which may limit our ability to pay or increase distributions to our unitholders.

In general, Sabine Pass Liquefaction is permitted to make distributions to us under its credit facility only if:

- no default or event of default under the credit facility has occurred and is continuing or would occur as a consequence of such distribution;
- the first two LNG trains have been completed;
- Sabine Pass Liquefaction has achieved a debt service coverage ratio determined as of the end of the most recent calendar quarter of at least 1.25 to 1.00, calculated on a trailing 12-month basis (except that any such calculation performed prior to the first anniversary of the completion of the first two LNG trains will be based on the number of months elapsed since such completion date);
- Sabine Pass Liquefaction has on deposit in a debt payment account an amount equal to the projected debt service payments with respect to its senior secured debt for the next six months;
- the first principal amortization payment owing under the credit facility has been paid;
- any such distribution is paid no later than 25 business days following the last day of the most recent calendar quarter; and
- any such distribution is paid prior to the last calendar quarter immediately preceding the credit facility maturity date.

Sabine Pass Liquefaction s inability to pay distributions to us as a result of the foregoing restrictions in its credit facility will restrict our ability to pay or increase distributions to our unitholders.

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USE OF PROCEEDS

We will receive net proceeds from the sale of 8,000,000 common units in this offering of approximately $ million, after deducting estimated underwriting discounts and commissions and estimated offering fees and expenses. In addition, we expect to receive $ million from our general partner pursuant to its right to maintain its 2% general partner interest in us. If the underwriters exercise their option to purchase additional common units in full, we will receive additional net proceeds of approximately $ million, including our general partner s contribution.

We intend to use the net proceeds from this offering to repay a portion of the $550 million of 7 1/4% Senior Secured Notes due 2013 that are outstanding, or the 2013 Notes, which were issued by Sabine Pass LNG in November 2006 pursuant to an Indenture with The Bank of New York and mature in November 2013. To the extent not used for such purpose, we will use the net proceeds from this offering for general business purposes. Under the indenture, the 2013 Notes may be redeemed at any time prior to maturity at a redemption price equal to the principal amount redeemed plus accrued interest thereon and a make-whole premium.

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PRICE RANGE OF COMMON UNITS AND DISTRIBUTIONS

Our common units are traded on the NYSE MKT under the symbol CQP. The following table sets forth, for the periods indicated, the high and low closing sales price for our common units, as reported on the NYSE MKT, and cash distributions paid per common unit for the periods indicated.

	Price Range		Cash Distributions Per
	High	Low	Common Unit
Fiscal year ended December 31, 2012			
Third Quarter (through September 18, 2012)	$ 26.58	$ 22.96	$ Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including a fund s own assumptions in determining the fair value of investments)
In cases where the inputs used to measure fair value fall in different levels of the fair value hierarchy, the level disclosed is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At February 28, 2014, the hierarchy of inputs used in valuing the Trust s investments and open derivative instruments, which are carried at value, were as follows:

Asset Description	Level 1	Level 2	Level 3	Total
Tax-Exempt Investments	$	$ 45,244,333	$	$ 45,244,333
Total Investments	**$**	**$ 45,244,333**	**$**	**$ 45,244,333**
Liability Description				
Futures Contracts	$ (26,166)	$	$	$ (26,166)
Total	**$ (26,166)**	**$**	**$**	**$ (26,166)**

The Trust held no investments or other financial instruments as of November 30, 2013 whose fair value was determined using Level 3 inputs. At February 28, 2014, there were no investments transferred between Level 1 and Level 2 during the fiscal year to date then ended.

For information on the Trust s policy regarding the valuation of investments and other significant accounting policies, please refer to the Trust s most recent financial statements included in its semiannual or annual report to shareholders.

Item 2. Controls and Procedures

(a) It is the conclusion of the registrant s principal executive officer and principal financial officer that the effectiveness of the registrant s current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant on this Form N-Q has been recorded, processed, summarized and reported within the time period specified in the Commission s rules and forms and that the information required to be disclosed by the registrant on this Form N-Q has been accumulated and communicated to the registrant s principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

(b) There have been no changes in the registrant s internal controls over financial reporting during the fiscal quarter for which the report is being filed that have materially affected, or are reasonably likely to materially affect the registrant s internal control over financial reporting.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Eaton Vance Michigan Municipal Income Trust

By: /s/ Payson F. Swaffield
Payson F. Swaffield
President

Date: April 21, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Payson F. Swaffield
Payson F. Swaffield
President

Date: April 21, 2014

By: /s/ James F. Kirchner
James F. Kirchner
Treasurer

Date: April 21, 2014