“How to Become a Stakeholder in the Port of Corpus Christi?”

Texas Energy Summit 2014
Laredo, TX
History

Maritime District of the State of Texas

Opened its doors to commerce on September 14, 1926
Port POLITICAL Structure

Governed by an Appointed 7-Member Commission

City of Corpus Christi (3)
Nueces County (3)
San Patricio County (1)

2014 Port Commission

Judy Hawley - Chair
Richard Borchard – Vice Chair
Charlie Zahn - Secretary

Al Jones
Barbara Canales
David Engel
Richard Valls
Port CORPUS CHRISTI

Fifth Largest U.S. Port by Tonnage
Approx. 90,000,000 Tons/Year
50 Private and Public Docks
45-Ft Deep Channel – Existing
52-Ft Deep Channel – Authorized & Permitted
Port CORPUS CHRISTI Programs

PCCA is in the sixth year of certification of our Environmental Management System to the ISO 14001 standard. EMS ensures we are compliant but also gives us a framework to go above and beyond the requirements. The significant environmental improvements that we achieve make us good stewards of the environment and have sustainable operations.

Our employees are our most important resource. We protect this resource by maintaining a world class safety program. Working with established safety policies, is an absolute requirement for all employees.

The Port’s Police department provides a nationally recognized, multi-layered security structure leveraging intelligent video analytics, physical security barrier systems, and interoperable radio communications systems, working in concert with our local, state, and federal partners.
Northside CAPABILITIES

- Dockside Truck and Rail Transfer
- 45-ft Draft
- Up to 750-ft Vessel
- 122,000 sq ft Covered Storage
- 48-ft Canopy
- Ro/Ro Ramp
Southside CAPABILITIES

- Up to 45-ft Draft
- Dockside Truck and Rail Transfer
- Receive vessels above 1000-ft
- Dock can handle 1500-lbs/sq-ft
- Adjacent Covered Storage
  - CD 14 = 65,000 sq ft
  - CD 15 = 100,000 sq ft
Wind Components

**2014 YTD**
13 Vessel calls
200 blades
100 towers
50 hubs
50 nacelles

**2014 FORECAST**
30 vessel calls
900 blades
300 towers
300 hubs
300 nacelles
300 rotors
Surface TRANSPORTATION

- Direct Access to Major Interstate Highways
- Direct BNSF, UP and KCS Rail Service
- Uncongested Routes
- Minimal Escort Requirements
Waterways CONNECTIVITY

Ports and Navigable Waterways of the United States
CRUDE OIL Impact to Tonnage

Crude
Inbound - Outbound
2007 - 2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Inbound</th>
<th>Outbound</th>
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<tbody>
<tr>
<td>2007</td>
<td>213,940,491</td>
<td>213,781,428</td>
<td>159,063</td>
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<td>2008</td>
<td>187,196,246</td>
<td>187,004,139</td>
<td>192,108</td>
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<td>2009</td>
<td>170,992,210</td>
<td>170,654,320</td>
<td>337,889</td>
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<td>2010</td>
<td>175,055,204</td>
<td>174,781,128</td>
<td>274,076</td>
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<td>2011</td>
<td>151,819,987</td>
<td>149,791,585</td>
<td>2,028,402</td>
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<td>2012</td>
<td>151,786,318</td>
<td>108,065,777</td>
<td>43,720,541</td>
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<td>2013</td>
<td>219,997,438</td>
<td>97,442,016</td>
<td>122,555,422</td>
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</tbody>
</table>

Barrels

- 0
- 50,000,000
- 100,000,000
- 150,000,000
- 200,000,000
- 250,000,000

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EAGLE FORD Shale Play
Cheniere Energy

Cheniere

State & Federal Permitting Underway

4-5 Year Construction

200 Jobs

$13 Billion Investment
TPCO America

Phase 1 complete

Phase 2 starting
2014

600-800 new jobs

$1.3 Billion Investment
Voestalpine

voestalpine

Air Permit Filed with TCEQ

Broke Ground 2014

150 jobs (Phase 1)

$850 Million Investment
Projected to be the largest PET plant in the world

Filed Air Permit with TCEQ

220 Jobs

$751 Million Investment
Trafigura & Plains Pipeline

Trafigura & Plains Marketing

Adding storage tanks for Eagle Ford Shale

$800 Million Investment
Channel IMPROVEMENT Project
The JOE FULTON Corridor
Project Update:
• Mitigation & Storm water controls completed
• Earth work underway placing lime stone base on interchange yard.
• Rail lines delivery expected Feb 2014
• **Phase 1** – Completion Nov 2014
• **Phase 2** - Under design

NUECES RIVER Rail Yard

**Phase 1**
- 1 UNIT TRAIN SIDING (8000FT LONG)
- 4 INTERCHANGE TRACKS (4,200 FT LONG)

**Phase 2**
- Funded and Under Final Design

**Phase 2**
- 4 MORE 8,000 FT LONG TRACKS

$46 Million

Phase 1 - TIGER Grant $18 Million
Phase 2 – TXDoT Grant $28 Million
La Quinta Channel EXTENSION Project

Extended La Quinta Channel
1.4 miles

Construct Ecosystem Restoration Features to Protect Endangered Species, Wetlands & Seagrass

Total Cost $73 Million

- $58 Million Federal Funds
- $15 Million Port Funds
La Quinta Channel TRADE GATEWAY
Foreign Trade Zone BENEFITS

FTZ #122 One of the Largest Zones in the U.S

Handles Variety of goods and Products

Secured Areas Under Supervision of U.S. Customs and Border Protection

Benefits and Advantages:

• Defer Duties
• Reduced Duties
• Eliminate Duties
• Minimize Security Costs
• Eliminate inventory/Ad Valorem Tax
• Eliminate Drawbacks
• Avoid Quotas
• Simplify Inventory Controls
A TEXAS REGION Full of Opportunities

Laredo
Largest Inland Port in the United States

San Antonio
Region’s Largest Industrial Airport

Corpus Christi
5th Largest Port in the United States

REGIONAL INDUSTRIES
- Energy
- Aerospace
- Automotive
- Manufacturing
- Consumer Goods/Retail
- Agriculture
- Military

All are connected by excellent highways and railroads
All have Foreign Trade Zones

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Worldwide MOU Alliances

- Port of Tianjin
- Port Keelung
- Pharr Int’l Bridge
- Port of Veracruz
- Panama Canal
- Port of Cortes
- Port Palermo
- Port Sta. Marta
- Port of Tenerife

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Future Global Trade Perspective

Legend:  NAFTA = North American Free Trade Agreement
        MERCOSUR = Common Market of the South – Argentina, Brazil, Paraguay, Uruguay
        EU = European Union
        ASEAN = Assoc. of Southeast Asian Nations – Indonesia, Malaysia, Philippines, Singapore, Thailand, Cambodia, Laos, Vietnam, Burma
Global Seaborne Trade 2030 FORECAST

- World seaborne trade will reach 24 billion tons a year by 2030 compared to the current 9 billion tons.
- Approximately 90% of world trade by volume is carried by sea.
- China will overtake USA to become the world's largest oil consumer.
- Coal consumption will double by 2030 to around 8.4 billion tons. China accounting for 60%.
- Natural gas will double to 5.4 billion tons by 2030, from 2.7 billion in 2010. The USA largest consumer.

Source-Reuters

Courtesy of the Panama Canal Authority
It’s all about economies of scale!

Courtesy of the Panama Canal Authority

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Impact on VESSEL SIZE

Maximum size of vessels in existing Locks: 4,400 TEU

Maximum size of vessels in new Locks: 13,000 – 14,000 TEU

Courtesy of the Panama Canal Authority
The Present & The Future

Comparison between Panamax and Post-Panamax Container Vessels

- Length of Post-Panamax Vessel: 366m
- Post-Panamax Draft: 15m
- Beam: 49m
- Length of Panamax Vessel: 294m
- Panamax Draft: 12m
- Beam: 32m
- Length of Panamax Vessel: 366m
- Post-Panamax Beam: 49m
- Length of Panamax Vessel: 294m
- Panamax Beam: 32m

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<thead>
<tr>
<th></th>
<th>Panamax</th>
<th>Post-Panamax</th>
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<tbody>
<tr>
<td>Capacity:</td>
<td>4,500</td>
<td>12,000</td>
</tr>
<tr>
<td>Containers (TEUs)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dimensions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beam</td>
<td>32m (106')</td>
<td>49m (160')</td>
</tr>
<tr>
<td>Length</td>
<td>294m (965')</td>
<td>366m (1,200')</td>
</tr>
<tr>
<td>Draft</td>
<td>12m (39.5')</td>
<td>15m (50')</td>
</tr>
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Complex Construction

66.6% OF PROGRESS
September 2013

Courtesy of the Panama Canal Authority
1939 Excavations – Pacific Site

2013

Courtesy of the Panama Canal Authority
Locks – Atlantic Site
PANAMA CANAL Expansion Impact

*Panama Canal expansion*—coupled with continued population growth in Texas, energy sector developments, and the emergence of new trading partners throughout the world—represents opportunities to expand Texas’ position as a global gateway for the nation.

*Lower US/ASIA LNG shipping cost*

Only 21 of 370 LNG Tankers currently move through the Panama Canal. More than 80% of fleet will be able to pass once expansion is complete.
Thank You

PORT CORPUS CHRISTI

Ruben Medina
Director of Business Development
rubenm@pocca.com