

PERMIAN BASIN PETROLEUM ASSOCIATION

Omar Garcia | Chief External Affairs Officer



PORT CORPUS CHRISTI®

September 19, 2019

The **Energy** Port of the Americas

- Independent political district of the State of Texas, governed by seven commissioners
- Large industrial energy hub & gateway to global markets
- A landowner, a land developer, and a landlord
- Economic development agency specializing in P3's



Port of Corpus Christi Commission



Wayne Squires, Vice-Chair
City of Corpus Christi Appointee



Charles W. Zahn, Jr., Chair
Nueces County Appointee



Richard R. Valls, Jr., Secretary
City of Corpus Christi Appointee



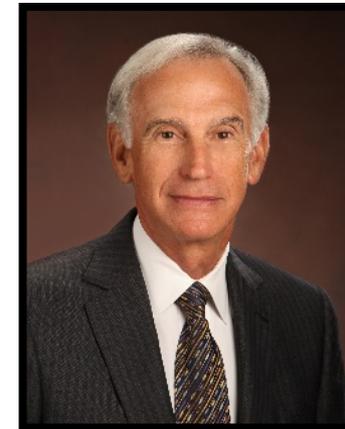
Catherine Tobin Hilliard
Nueces County Appointee



Wes Hoskins
San Patricio County Appointee



Richard Bowers
Nueces County Appointee



David P. Engel
City of Corpus Christi Appointee





World-Class Facilities

- **Straight 47' deep channel, being deepened to 54'**
- **Quick access to the Gulf of Mexico and the entire United States inland waterway system**
- **Outstanding access to overland transportation, with on-site and direct connections to three Class I railroads: BNSF, KCS, and UP, and direct, vessel-to-rail discharge capabilities**
- **28,296 acres of submerged and emerged land**
- **Facilities for Both Liquid and Dry Bulk**
 - **15 Port owned liquid docks**
 - **33 Customer owned liquid docks**



Economic Impact in 2018

\$17B

Economic Activity for Texas

\$5.6B

In Personal Income

\$5.6B

Tax Revenue Generated in Texas
from Port Activities*

*Includes personal income tax, ad valorem tax, and other taxes.

\$1.25B

In Announced New Projects

\$0

Tax Revenue
Assessed by
Port of Corpus Christi*

*100% of Port Revenues are derived from user fees collected for land use and services.



Multimodal Connectivity



POSITIONED FOR GROWTH



PORT CORPUS CHRISTI®

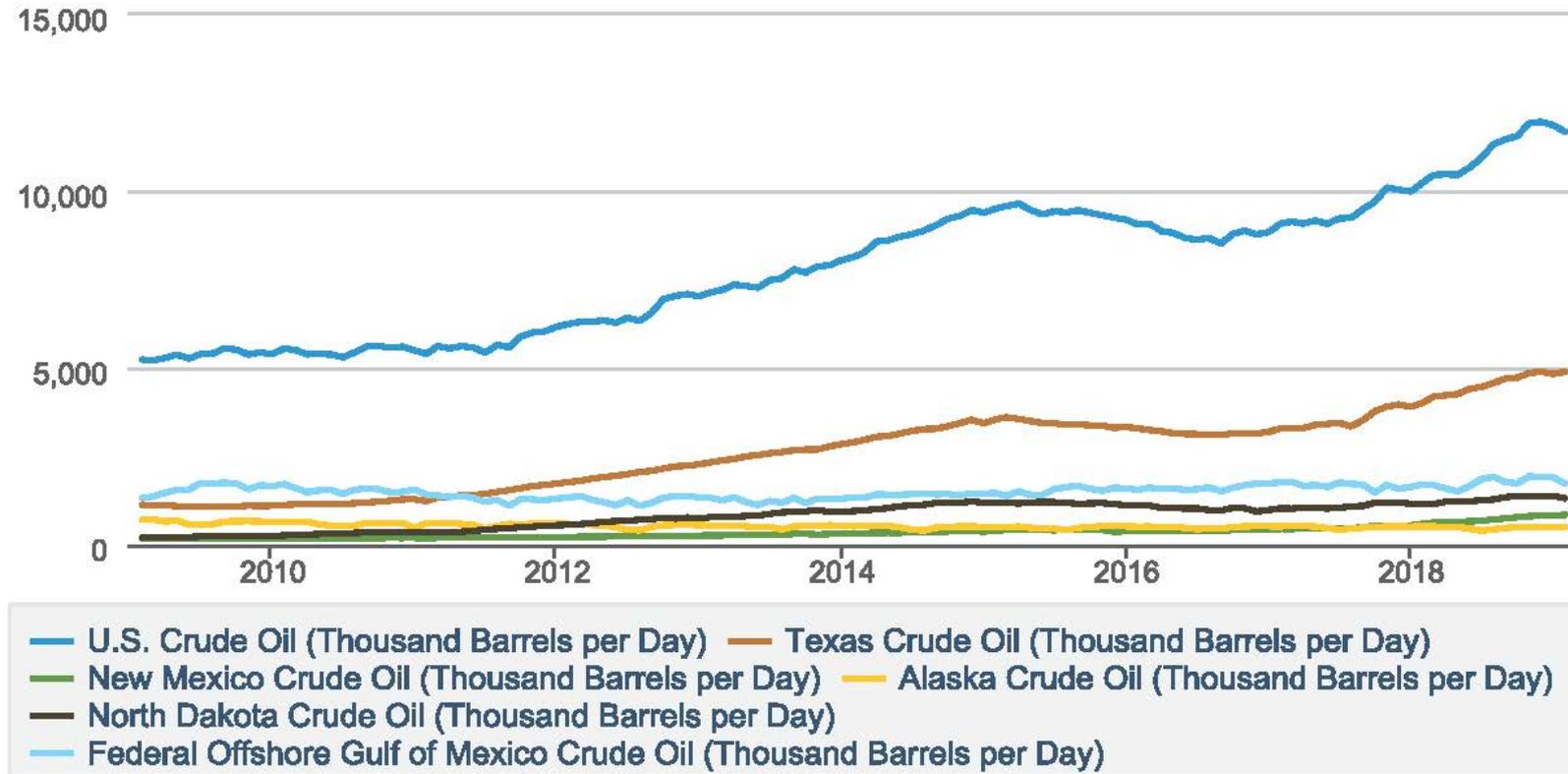
\$50 Billion Capital Investments (\$10 Billion Foreign Direct Investments)



Texas: Largest Crude Oil Producer in U.S.

U.S. crude oil production

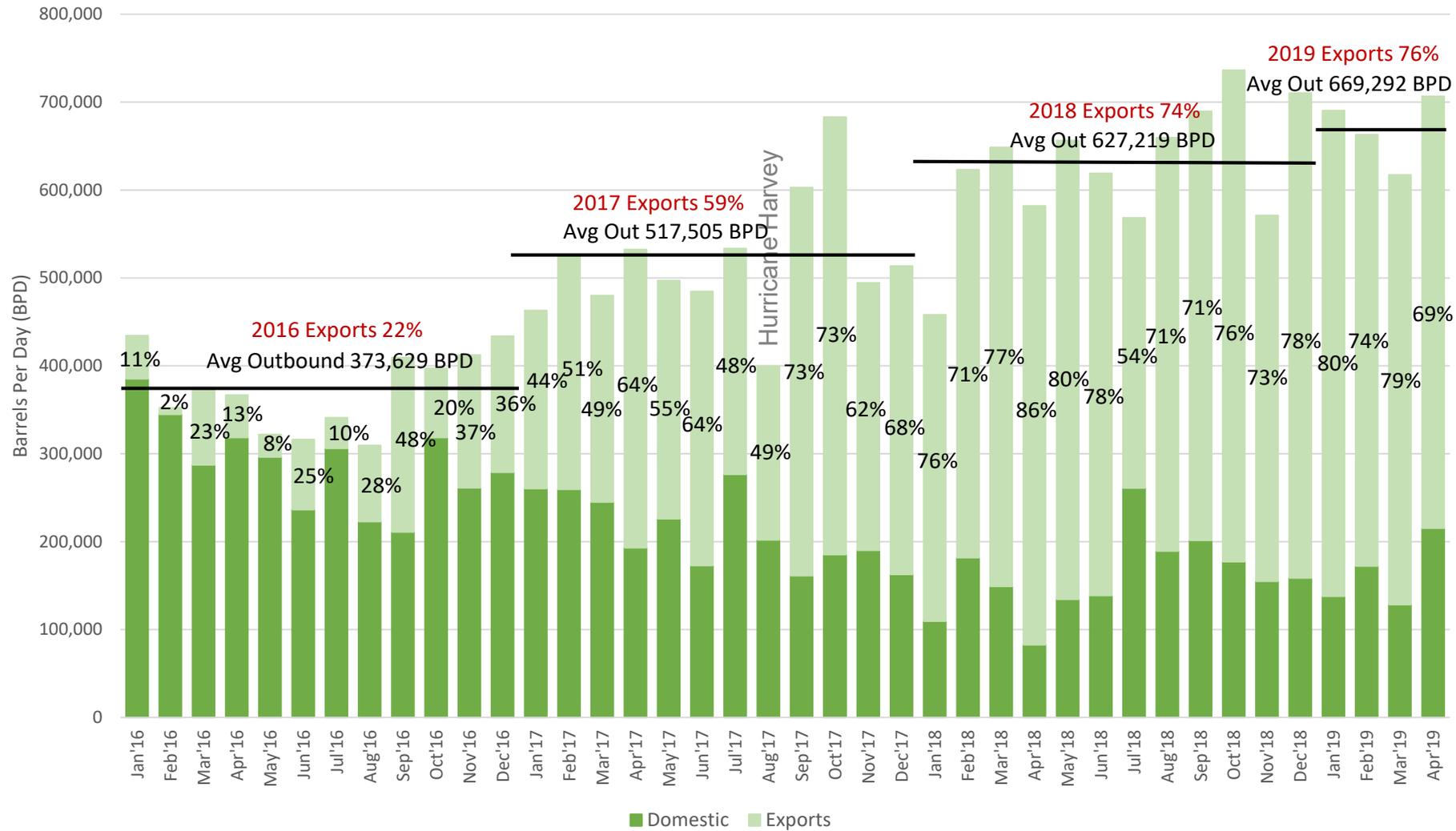
thousand barrels per day



Source: U.S. Energy Information Administration



Port of Corpus Christi Crude Oil Cargo Outbound/Exports (2016-2019 YTD)



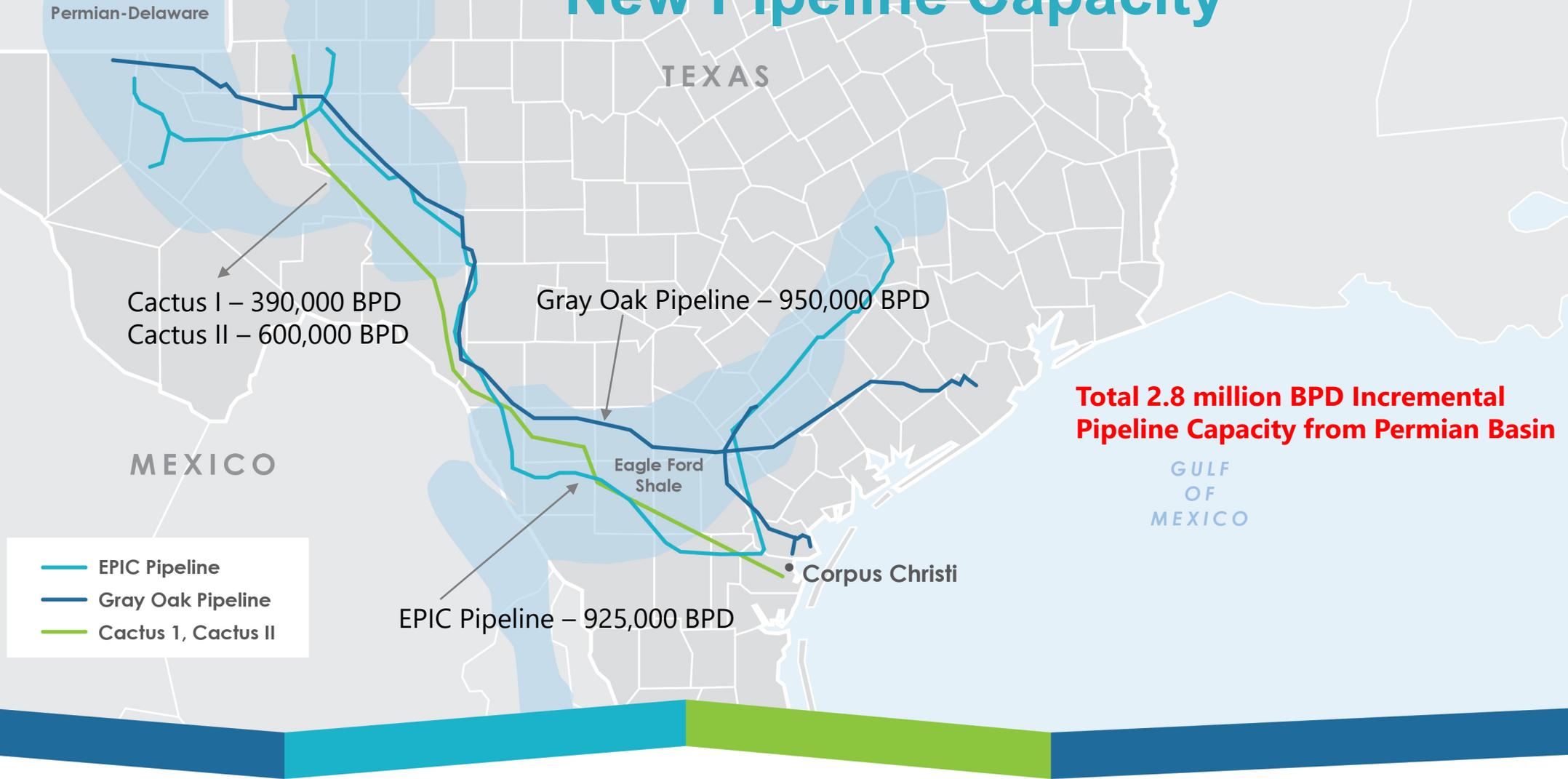
Corpus Christi Export Infrastructure



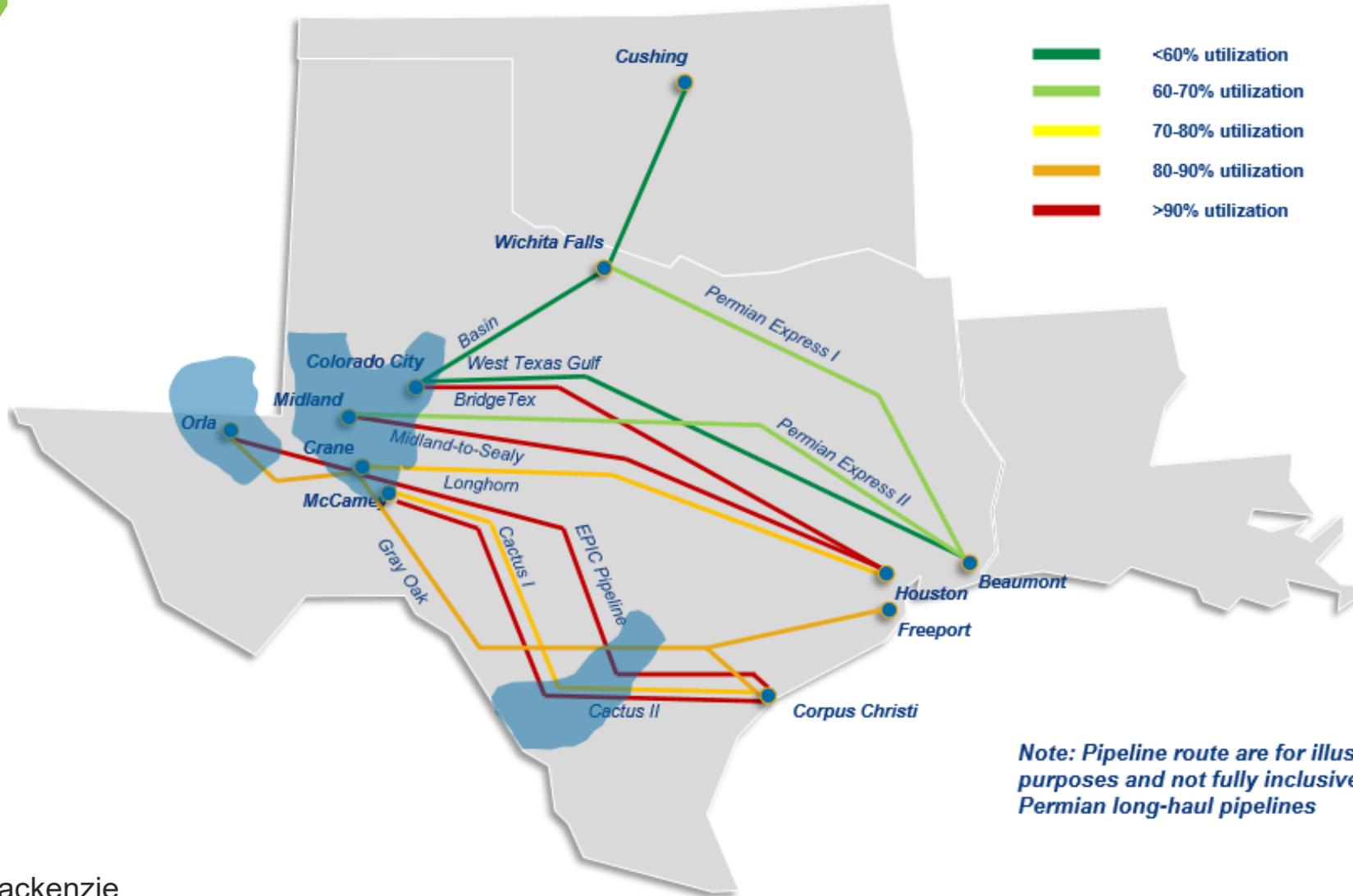
Source: Wood Mackenzie North American Crude Market Service



New Pipeline Capacity



Permian Pipeline Utilization Forecast 2020

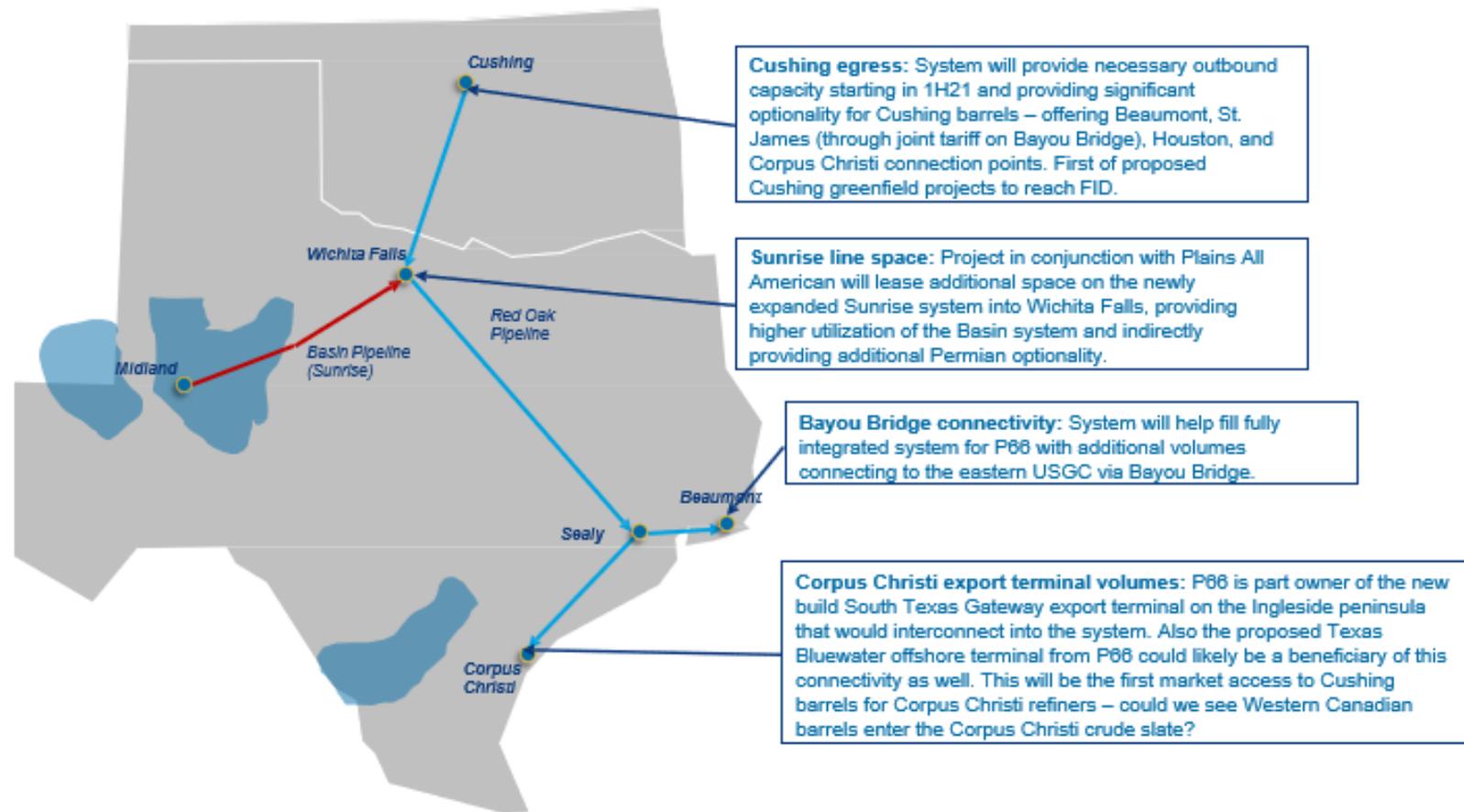


Note: Pipeline route are for illustrative purposes and not fully inclusive of all Permian long-haul pipelines

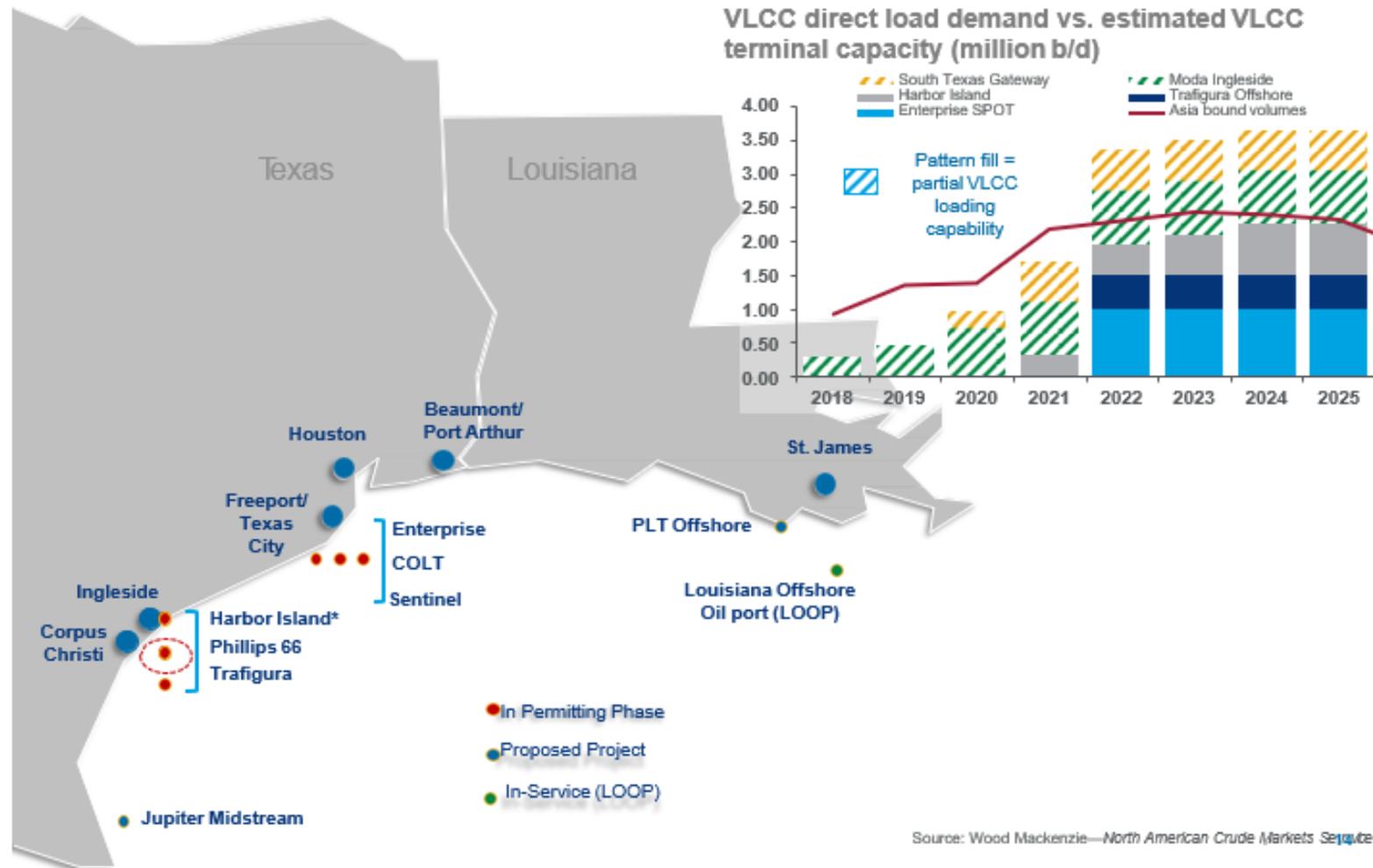


Red Oak project will offer significant optionality for Cushing and Permian barrels

Project will provide first ever access to Cushing crudes for Corpus Christi refineries



Phillips 66 Texas Blue Water project brings direct load VLCC terminal project count to eight – with only three likely needed



Source: Wood Mackenzie—North American Crude Markets <https://www.woodmackenzie.com>



NEWS RELEASE

Corpus Christi set to be top U.S. crude export hub

11 June 2019

The Texas port of Corpus Christi will emerge as the US' top crude oil export hub over the next decade, reflecting major investments in shipping facilities and pipeline infrastructure, new research from Wood Mackenzie's [North America Crude Markets Service](#) shows.

Crude oil production volumes are surging across the Lower 48 states and are expected to rise by 4 million barrels per day (b/d) over the next five years.

A significant portion of these volumes will be transported via Permian pipeline projects. More than 2 million b/d of pipeline capacity between the Permian basin and Corpus Christi is currently under construction and is due to come online within the next eight to 12 months.

Wood Mackenzie forecasts that at peak production, the Corpus Christi region will account for 56% of total US crude shipments abroad.

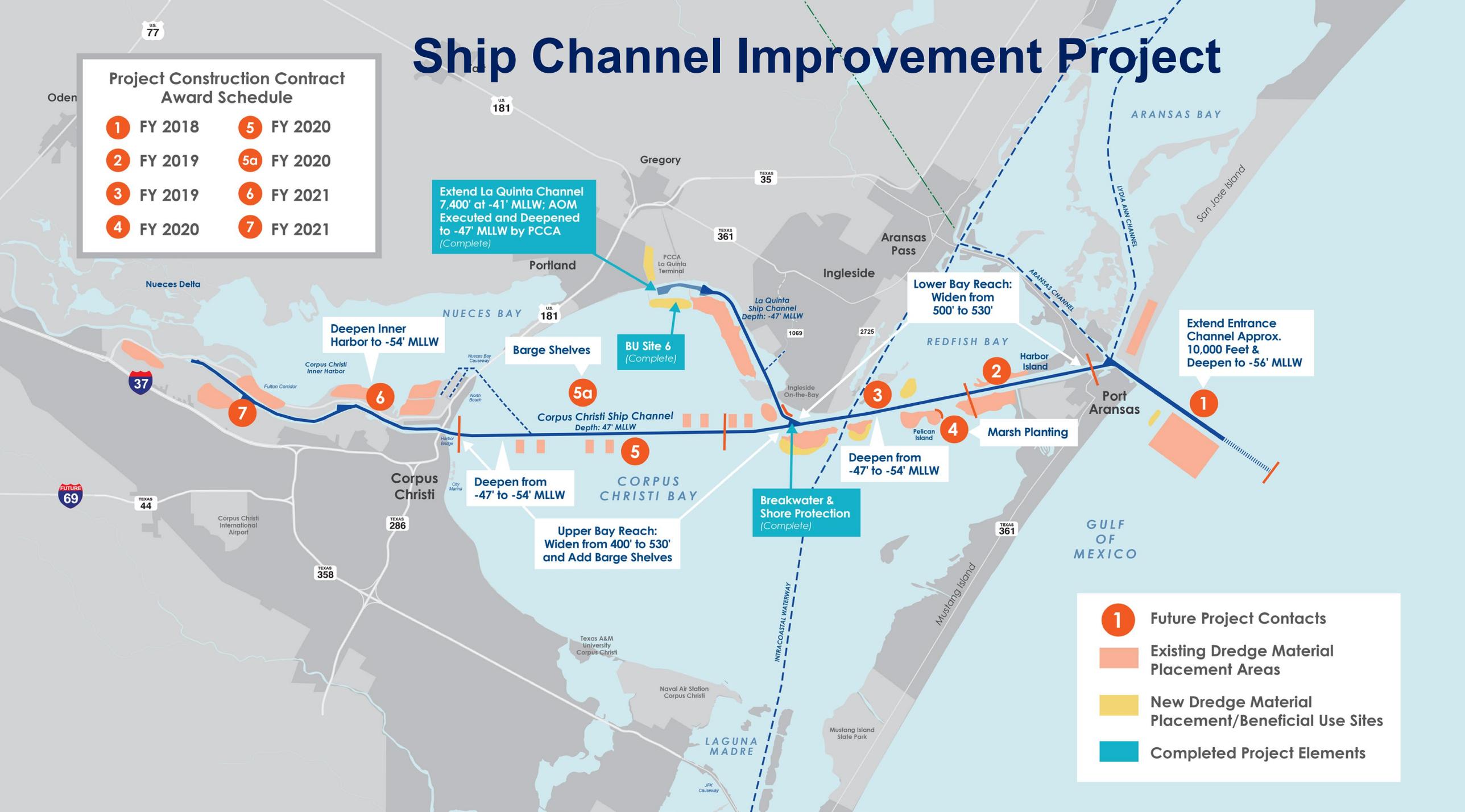
To enable it to handle these volumes, the Port of Corpus Christi is currently undergoing a US\$380 million expansion that could potentially allow the Corpus Christi Ship Channel to accommodate the world's largest crude tankers, known as Very Large Crude Carriers (VLCCs).



Ship Channel Improvement Project

Project Construction Contract Award Schedule

1 FY 2018	5 FY 2020
2 FY 2019	5a FY 2020
3 FY 2019	6 FY 2021
4 FY 2020	7 FY 2021



- 1 Future Project Contacts
- Existing Dredge Material Placement Areas
- New Dredge Material Placement/Beneficial Use Sites
- Completed Project Elements

Project Funding Main Channel & Barge Lane Elements

- ❑ **Current Projected Costs Total = \$409,673,000**
 - Federal = \$277,168,000
 - PCCA = \$132,505,000
- ❑ **Federal Funding Secured to Date = \$95 million**
 - \$23 million FY 2018 USACE Work Plan
 - \$59 million FY 2019 USACE Work Plan
 - \$13 million FY 2019 President's Budget
- ❑ **Federal Funding Proposed, Not Yet Ratified**
 - \$53 million FY 2020 President's Budget
- ❑ **PCCA Funding Provided to USACE to Date = \$82 million**
 - 78.8 million cash
 - \$3.2 million work in kind



Gulf of Mexico to Harbor Island
Contract 1

Harbor Island Redevelopment & Channel Deepening



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



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