



The Port of Corpus Christi Selects Watco as Rail Service Provider

CORPUS CHRISTI, TEXAS (March 9, 2022) — The Port of Corpus Christi and Watco have announced the signing of a ten-year contract for Watco to become the operator of the short line railroad servicing the Port of Corpus Christi. Watco's newly formed entity, Texas Coastal Bend Railroad (TCBR), will be providing rail service along the 63-mile line.

The Port of Corpus Christi has allocated significant capital in recent years to upgrade its rail infrastructure to better serve its current and future customers. This includes an approximately \$12 million infrastructure expansion near the port's Bulk Materials Terminal, which will be complete later this year.

"As one of the largest rail and port terminal operators in North America, we see the potential for growth, expansion and economic development in the region," said Stefan Loeb, Watco's chief commercial officer. "We look forward to building our partnership through the years."

"The port is excited to conclude a selection process that received great reception from outstanding short line companies, and we want to thank our consultants at Bluejay Advisors for their assistance in bringing the effort to conclusion," said Clark Robertson, chief operating officer for the Port of Corpus Christi. "We believe Watco will continue best-in-class, customer-friendly service that our customers expect. The Port has seen its rail business more than double over the past few years and with this agreement and expanding infrastructure is well positioned to drive continued growth for the Coastal Bend region."

In addition to being the nation's leading export gateway of U.S.-produced energy via the Corpus Christi Ship Channel, the Port of Corpus Christi moves an ever-growing range of commodities through its rail system. Those include wind turbine components, agricultural commodities, refined fuels and military cargo.

The port railroad system has connectivity to three Class I railroads: the BNSF, KCS and UP. The TCBR is expected to begin operations in August 2022.

About Port Corpus Christi

As the leading U.S. energy export gateway and a major economic engine for Texas and the nation, the Port Corpus Christi is the largest port in the United States in total revenue tonnage. Strategically located on the western Gulf of Mexico with a 36-mile, soon-to-be-54-foot (MLLW) deep channel, Port Corpus Christi is a major gateway to international and domestic maritime commerce. The port has excellent railroad and highway network connectivity via three North American Class I railroads and two major interstate highways. With an outstanding staff overseen by its seven-member commission, Port Corpus Christi is "Moving America's Energy." www.portofcc.com

About Watco

Watco is a leading transportation service and logistics company. Meeting customer needs on a day-to-day basis has enabled Watco to continually grow throughout our nearly 40-year history. Today, Watco provides transportation, material handling and warehousing, logistics, railcar repair, and design and development for customers throughout North America and Australia. For more information, visit www.watco.com.

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