

**- NEWS RELEASE -**  
Tuesday, May 11, 2021

## **Port of Corpus Christi, Ares Management Sign Memorandum of Understanding for Green Hydrogen Production, Renewable Energy Generation**

**Corpus Christi, TX, USA** – The Port of Corpus Christi Authority announced today that it has entered into a Memorandum of Understanding (“MOU”) with funds managed by the Infrastructure and Power strategy of Ares Management Corporation (NYSE: ARES) (“Ares”) with the intention of developing renewable energy infrastructure on Port-owned property to support the production of green hydrogen and optionality to provide renewable power directly to the port and its customers.

Where hydrogen is typically produced by breaking the bond between hydrogen and carbon atoms in natural gas, with CO<sub>2</sub> emissions, if not captured, green hydrogen is produced by passing an electric current — generated from a renewable energy source — through water (a process known as electrolysis) without any emissions. Electrolysis is gaining traction as part of the energy transition, as the hydrogen produced is a clean fuel that can be used in existing high carbon intensity industries and processes, such as refining, ammonia and fertilizer productions and thermal power generation. It also has the potential to be instrumental in difficult to decarbonize industries such as steel and cement production.

The MOU outlines preliminary provisions for a renewable energy and clean fuel hub that will be comprised of solar facilities, battery storage facilities and electrolyzer facilities to be located on Port-owned property. The first set of facilities will be made up of an up to ~210MW solar project and an up to 840MWh battery storage facility, which will be capable of powering an electrolyzer facility to produce ~9,000 MT of green hydrogen per year, with the possibility of expanding the facilities over time, including for the optionality of providing renewable power directly to the port’s operations.

“As the Energy Port of the Americas, we are working to find new ways to operationalize our commitment to decarbonization. This project not only brings a new type of economic activity to our gateway, but it will directly meet the needs of our current customers, many of whom use hydrogen in their production processes,” said **Sean Strawbridge, Chief Executive Officer of the Port of Corpus Christi**. “Partnering with a company like Ares, which has made a demonstrable capital commitment to renewable energy initiatives, is a fantastic opportunity for the Port.”

The nonbinding MOU defines a range of possibilities for the ownership and operation of the infrastructure assets. Development activities will commence immediately, with construction and operations of the different facilities expected over the next several years.

“We are excited to partner with the Port on its energy transition journey and deploy our value-add capabilities in development, ownership and operations through our climate infrastructure investment strategy,” said **Keith Derman, Partner and Co-Head of Ares Infrastructure and Power**. “We applaud the Port’s leadership and forward-thinking mindset as it looks to provide decarbonization solutions with the advent of a clean energy hub.”

“Even as we continue to actively invest in our traditional, hydrocarbon-based business, we are embracing our role in supporting energy production from diverse sources,” said **Charles W. Zahn, Chairman of the Port of Corpus Christi Commission**. “For the past three years, the Port of Corpus Christi has purchased 100% of its electricity from renewable sources.”

### **About Port Corpus Christi**

*As a leader in U.S. Crude Oil export ports and a major economic engine of Texas and the nation, 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-1 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](http://www.portofcc.com)*

### **About Ares Management Corporation**

*Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager operating integrated groups across Credit, Private Equity, Real Estate and Strategic Initiatives. We seek to provide flexible capital to support businesses and create value for our stakeholders and within our communities. By collaborating across our investment groups, we aim to generate consistent and attractive investment returns throughout market cycles. As of March 31, 2021, Ares Management's global platform had approximately \$207 billion of assets under management with more than 1,450 employees operating across North America, Europe, Asia Pacific and the Middle East. For more information, please visit [www.aresmgmt.com](http://www.aresmgmt.com).*

### **About Ares Infrastructure and Power**

*Ares Infrastructure and Power ("AIP") provides flexible capital across the climate infrastructure, natural gas generation, and energy transportation sectors. AIP leverages a broadly skilled and cohesive team of more than 25 investment professionals with deep domain experience and has deployed over \$9 billion of capital in more than 250 different infrastructure and power assets and companies as of March 31, 2021.*

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### **Disclosure**

*There is no certainty that a transaction will proceed or the terms on which it would proceed.*

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