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Port of Corpus Christi executive director discusses industry issues at Gulf Summit in Houston

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HOUSTON — Although speculation on the domestic effects of a wider, deeper Panama Canal runs rampant among port authorities and economists, just how much it will affect the Port of Corpus Christi is a wild card, a local port official said Tuesday.

John LaRue, executive director of the Port of Corpus Christi, said some of the immediate opportunities for the port include the expanding footprint of the Eagle Ford Shale play. Oil and gas production may by as early as 2013 make the port a domestic hub because local refineries are equipped to refine heavy crude, not shale crude.

"Shale oil in Texas is very light — almost like condensate — it will have to be moved to other areas," he said.

In Houston to participate in a panel on port issues, LaRue addressed about 200 scientists, economists and environmentalists at the second annual Gulf Summit hosted by the Harte Research Institute for Gulf of Mexico Studies at Texas A&M University-Corpus Christi.

He told the group the port expects to see 100-car trains coming to Corpus Christi to move the oil in the next two years.

"If you had told me that a couple of years ago, I wouldn't have believed it," he said.

Fracking, grain shipping and the development of the La Quinta intermodal facility are combining to eclipse the furor over the Panama Canal because even industry leaders in Asia are hesitant to project the affect on U.S. port operations.

The canal, set to open in 2014 to megaships coming from Asia, means bigger ships and more cargo, but beyond that, its effects are unknown.

"Everybody talks about the Panama Canal," he said. "Nobody really knows what's going to happen. There are going to be bigger ships going through the canal, but nobody knows how the cargo trade routes will be."

He said Gulf ports — where an estimated 60 percent of domestic shipping enters or leaves the United States — are at various levels of readiness to receive the cargo.

"There is some talk about transfer locations at ports in the Bahamas and Jamaica," he said. "But, that would require new ships to offload from the larger ships. It is a huge investment; you can't build one, you have to build five ships or more to keep the cargo moving."

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