



Project Corpus Christi Energy Park by Bootstrap Energy LLC

City Council Meeting
October 10, 2023



The Original Project



Project Summary

- Development of 114 Acre tract of land Located in Industrial District #2
- Phase I
 - Development of 33.5 acres
 - Crypto-mining facility of approximately 150 containers to house rack space for computers owned by cryptocurrency mining clients
 - Includes a 300 MW substation on part of the 33.5 acres
- Phase II was planned with similar footprint and investment



Bootstrap Energy IDA Site Map





Original Estimated Infrastructure Investment

Description	Phase-1	Phase-2	Total Value
Substation (Hight to Medium Voltage)	10,000,000	10,000,000	20,000,000
Power Distribution (Medium to Low Voltage)	25,250,000	25,250,000	50,500,000
Land Improvements (civil construction)	7,500,000	7,500,000	15,000,000
Facilities (buildings, cooling)	22,500,000	22,500,000	45,000,000
Real Property	65,250,000	65,250,000	130,500,000

Description	Phase-1	Phase-2	Total Value
ASIC computers	500,000,000	500,000,000	1,000,000,000
Business Personal Property	500,000,000	500,000,000	1,000,000,000

The investment numbers aren't proportional to land acreage.



Bootstrap's Revised Proposal



Revised Proposal

- Phase I
 - Continue moving forward with crypto currency mining on IDA 110 parcel as planned
 - Expected completion by the December 31, 2023 deadline
- Phase II
 - Propose change in focus to battery energy storage on IDA 110-B parcel
 - Placed in service deadline for 110-B needs to be extended to December 31, 2025 to accommodate new development plan



Battery Energy Storage

- Batteries store power from the grid for future use
 - Batteries absorb electricity at night when renewable energy supplies are high
 - Energy is sold back to ERCOT when demand is high
- Creates power grid resilience and stability
- Inflation Reduction Act provides for incentives to develop new energy storage facilities



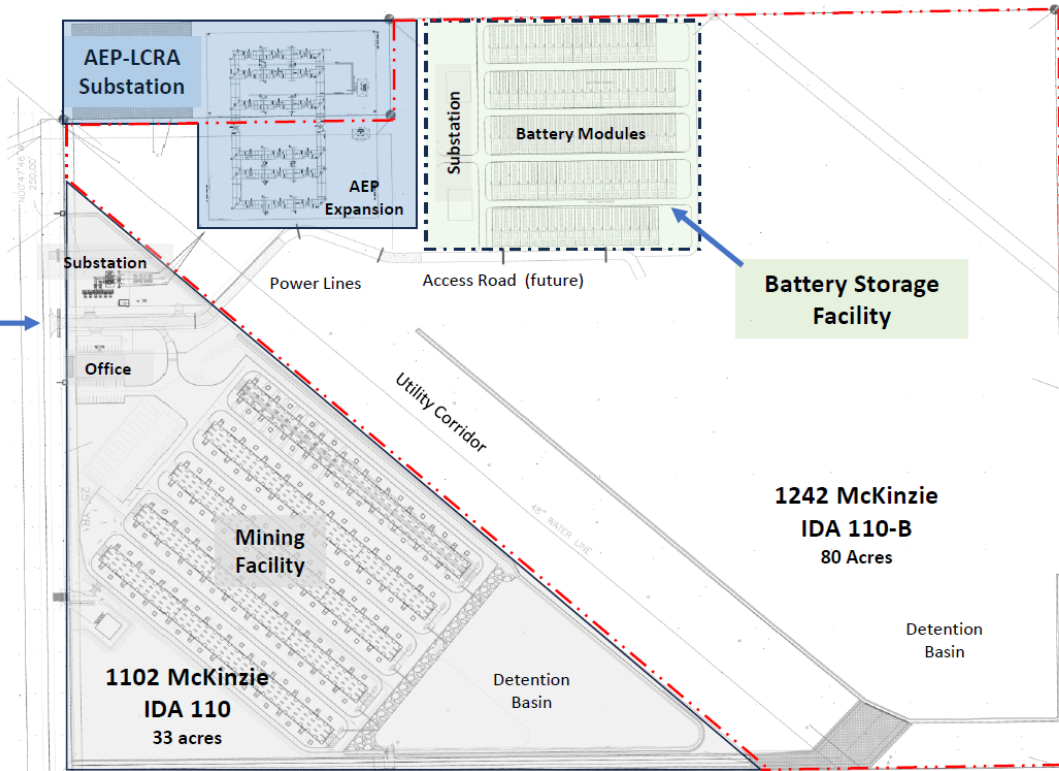
Battery Energy Storage



Energy Park Master Plan – Survey and Site Layout

AEP in process of acquiring ~8 acres from 1242 McKinzie for substation expansion

Common Access Road (existing)





Contract Amendment

- Current IDA contract only allows for the development of crypto currency mining activities
 - Developer Request
 - Add battery energy storage to the allowed development
 - Extend placed in service deadline for 110-B to December 31, 2025
 - If the battery energy storage facility is not placed in service by December 31, 2025 due to factors out of the developer's control (AEP, ERCOT), then the developer will make a payment of the greater of:
 - PILOT on appraised value
 - \$100,000
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Revised Estimated Infrastructure Investment

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ASIC computers	250,000,000		250,000,000
Battery Energy Storage		250,000,000	250,000,000
Business Personal Property	250,000,000	250,000,000	500,000,000

The investment numbers aren't proportional to land acreage.



Financial Analysis



Original Revenue Projections: Bootstrap Energy Proposal

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
IDA 110- Outside City Limits	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Land Value	\$-	\$2,978	\$3,082	\$ 3,190	\$ 3,302	\$3,417	\$3,537	\$3,660	\$3,789	\$3,921
Value of Improvements	\$-	\$-	\$-	\$271,734	\$281,244	\$291,088	\$301,276	\$311,821	\$322,735	\$334,030
Value of Personal Property	\$-	\$-	\$1,682,985	\$1,393,518	\$1,093,920	\$1,741,889	\$1,454,484	\$1,157,020	\$849,144	\$530,493
	\$-	\$2,978	\$1,686,067	\$1,668,442	\$1,378,466	\$2,036,394	\$1,759,297	\$1,472,501	\$1,175,668	\$868,445

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
IDA 110B – Inside City Limits	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Land Value	\$218	\$8,141	\$2,809	\$ 2,907	\$ 3,009	\$3,114	\$3,223	\$3,336	\$3,453	\$3,574
Value of Improvements	\$ -	\$ -	\$420,072	\$434,774	\$449,991	\$465,741	\$482,042	\$498,913	\$516,375	\$534,448
Value of Personal Property			\$2,692,775	\$2,229,629	\$1,750,272	2,787,022	\$2,327,174	\$1,851,232	\$1,358,631	\$848,789
	\$218	\$8,141	\$3,115,655	\$2,667,310	\$2,203,272	\$3,255,877	\$2,812,439	\$2,353,481	\$1,878,459	\$1,386,811

Totals	\$218	\$11,119	\$4,801,722	\$4,335,751	\$3,581,738	\$5,292,271	\$4,571,736	\$3,825,982	\$3,054,126	\$2,255,256
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Value of Improvements	\$-	\$-	\$-	\$271,734	\$281,244	\$291,088	\$301,276	\$311,821	\$322,735	\$334,030
Value of Personal Property	\$-	\$-	\$807,830	\$627,078	\$440,000	\$246,374	\$836,104	\$656,342	\$470,288	\$277,722
	\$-	\$2,978	\$810,912	\$902,002	\$724,546	\$540,879	\$1,140,917	\$971,823	\$796,811	\$615,673

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
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Value of Improvements	\$ -	\$ -	\$-	\$420,072	\$434,774	\$449,991	\$465,741	\$482,042	\$498,913	\$516,375
Value of Personal Property	\$-	\$-	\$-	\$1,163,275	\$1,070,213	\$973,894	\$874,204	\$771,024	\$664,233	\$553,705
	\$218	\$8,141	\$2,809	\$1,586,253	\$1,507,996	\$1,426,999	\$1,343,167	\$1,256,401	\$1,166,599	\$1,073,653

Totals	\$218	\$11,119	\$813,721	\$2,488,256	\$2,232,542	\$1,967,879	\$2,484,085	\$2,228,225	\$1,963,410	\$1,689,327
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Revenue Difference	\$-	\$-	\$3,988,001	\$1,847,495	\$1,349,195	\$3,324,393	\$2,087,651	\$1,597,757	\$1,090,716	\$565,929
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Project Jobs/Phase

- Phase I
 - An estimated 35-40 jobs as originally proposed
- Phase II
 - An estimated 10-15 jobs due to less maintenance and oversight needed for the battery energy storage



Staff Recommendation



Recommendation

- Approve project amendment to include battery energy storage development
- Extend placed in service deadline for Phase II to December 31, 2025