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From: Belinda Sanchez

FAX COVER SHEET

TO

COMPANY

FAX NUMBER 19857832067

FROM Belinda Sanchez

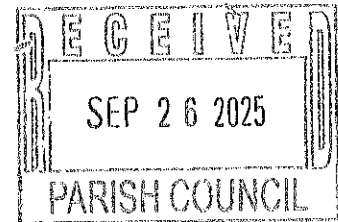
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RE RE: Resending – St. Charles Appeal Documents 2 of 4

COVER MESSAGE

To: Board of Appeals
Attn: Michelle Impastato
Email: mimpastato@stcharlesgov.net

Subject: St. Charles Appeal – Supporting Documents



Dear Ms. Impastato,

Please find the attached documents related to the St. Charles Appeal for your review.

Please note that the following documents exceed fax size limits and are available upon request:

- Consent Decree, United States, et al. v. The Dow Chemical Company, et al., Civil Action No. 221-cv-114, E.D. La.
- LDEQ FGR Air Permit Application (EDMS 12642791)

Kindly confirm receipt of the documents at your earliest convenience.

If you have any questions or require further information, please feel free to contact Dow.

Thank you,

Belinda Sanchez
bzsanchez@dow.com

General Business

General Business



September 18, 2025

St. Charles Parish Courthouse 1st Floor
15045 River Road
Hahnville, LA 70057

Subject: Appeal of Assessment for Union Carbide #150000000930 – Pollution Control (FGR) Classification and Valuation Proposal under Act 69

On behalf of Union Carbide Corporation (Dow), we respectfully propose the classification and valuation treatment of the St. Charles Operations (SCO) Flare Gas Recovery (FGR) systems as pollution control property under Act 69 for the 2025 assessment (2024 tax year).

Dow installed two FGR systems associated with the Olefins units at SCO:

- SC-1 FGR was put in-service November 2023
- SC-2 FGR was put in-service November 2024

These systems are designed, constructed, and operated exclusively for pollution control, recovering approximately 75% of normal flare flow and thereby reducing routine flaring and associated emissions for Olefins 1 (EPN 11/EQT1020) and Olefins 2 (EPN 22B/EQT1041). This scope is reflected in the LDEQ FGR Air Permit Approval (AI 2083; Permit 2422-V9) and in the underlying FGR application on file.

Consistent with LDEQ guidance, Dow has prepared Form R-1349 (Pages 1–5) for LDEQ/LDR certification to confirm that the FGR systems meet the statutory definition of pollution control equipment. This certification packet mirrors the permit and will be submitted to agencies; no refund schedules are included. Dow will furnish the signed certification when issued.

For assessment purposes, Dow proposes that the FGR assets be rendered at 10% of installed cost in recognition of their pollution control primary purpose and consistent with the Act 69 framework. This proposal aligns the rendered value with the systems' compliance-driven function and the regulatory record already accepted by LDEQ.



Supporting Materials (Included/Available)

- Consent Decree excerpt – Legal basis for FGR installation
- LDEQ FGR Air Permit Application (EDMS 12642791) – Technical scope and emissions basis
- LDEQ FGR Air Permit Approval (AI 2083; Permit 2422-V9) – Regulatory approval and emissions reductions
- Draft R-1349 – Pollution Control Certification Request (Pages 1–5; substantially complete)

Should additional documentation be helpful, Dow will promptly provide it.

Sincerely,

A handwritten signature in black ink, appearing to read "Pametria Donnell".

Pametria Donnell
Tax Manager
pdonnell@dow.com
(281) 966.2060



September 18, 2025

St. Charles Parish Courthouse 1st Floor
15045 River Road
Hahnville, LA 70057

Subject: Appeal of Assessment for Union Carbide #150000000930 – Inventory Disclosure

On behalf of **Union Carbide Corporation (Dow)**, and in connection with our 2025 property tax assessment appeal, we are providing this disclosure to document adjustments Dow has made to its reported inventory values for the 2024 tax year. These adjustments reflect actual physical presence and fair-market valuation principles.

Catalyst Inventory - Physical Presence Correction: Dow has corrected its internal reporting to align with actual physical presence at St. Charles Operations:

- The new catalyst charge physically arrived on June 21, 2024; prior to that, it was in transit from our WV warehouse.
- Both the new and spent catalyst charges were physically onsite for 102 days (June 21–September 30, 2024), not two full quarters as internal system status suggested.
- Dow's revised valuation eliminates the April–June 20 period when the new catalyst was not yet onsite and limits the overlap to reflect actual dual presence.

Leased Precious Metals – Economic Reality Adjustment: Dow has updated its valuation methodology for leased precious metals embedded in catalyst assemblies:

- These metals are not marketable in their in-use form and must be returned to the lessor.
- Valuing at full spot price overstates fair market value; Dow has applied a 25% reduction (valuing at 75% of spot) to reflect refining costs, return obligations, and marketability constraints.



These adjustments have been incorporated into Dow's revised inventory schedules submitted with this appeal. Supporting documentation (delivery records, goods receipts, shipment confirmations, and valuation workpapers) is available upon request.

We appreciate your attention to this disclosure and remain available to provide any additional information needed.

Sincerely,

A handwritten signature in black ink, appearing to read "Pametria Donnell".

Pametria Donnell
Tax Manager
pdonnell@dow.com
(281) 966.2060