



Community Advisory Panel

MONDAY, NOVEMBER 26, 2007

MINUTES

The Dow Community Advisory Panel met on Monday, November 26, 2007 at 6:00 p.m. at the Dow Conference Center. The following persons attended the meeting:

CAP Members

Ms. Scarlet Callicoatte
Mr. Ernest Grant
Ms. Juanita Hill
Mr. Mickey Rivet
Mr. Raymond Smith, Jr.
Mr. Gerald Trent
Mr. Jeff Wille

Dow Personnel

Ms. Sharon Cole
Ms. Gretchen LeBlanc
Mr. Matthew Mechana
Ms. Donna Carville
Ms. Stacey Chiasson
Ms. Fran Comeaux

Facilitation Team

Tim Johnson, Facilitator
Nancy Campanella, Recorder

Panel members, Ms. Carolyn Brown, Ms. Emma Davis, Ms. Shelley Delapasse, Mr. Huey Gray, Mr. Daniel Stoute, and Mr. Gerald Wilson, were unable to attend the meeting. After the facilitator welcomed those present, the CAP members approved the October 15, 2007 minutes, with corrections noted.

Science is PHun – Ice Cream Demonstration

Mr. Mechana explained that Methocel®, which is produced at Dow and is made from wood fibers, is used in many products we use daily, including shampoo, pudding, capsule coatings, etc. He performs these experiments for children in classrooms and for non-profit organizations. He then made ice cream using Methocel® and liquid nitrogen, along with other standard ingredients found in ice cream. CAP members enjoyed the ice cream after their meal.

Global Climate Change – Dow Perspective

Ms. Carville stated that global climate change is a hotly debated topic. Global climate changes have been going on for millions of years. Dow operates at the nexus between energy and all of the manufacturing that occurs in the world today. Over 90% of the products made by Dow require some level of chemistry, so Dow has more at stake in the solution and more of an impact on the overlapping issues of energy supply and climate change. Ms. Carville explained that energy and climate change are intertwined. A sustainable energy supply, while reducing its impact on climate change is the most urgent environmental issue our society faces. Approximately 80% of Dow's costs are related to energy, so Dow has a lot at stake in the solution. Dow is uniquely positioned to address this issue by providing innovations that lead to energy alternatives, less carbon intensive raw material sources, and other solutions not yet determined. Climate change often refers to changes in modern climate, which

are most likely to have been partially caused by human action. This is referred to as global warming, or the increase in the average temperature of the earth's near-surface air and oceans in recent decades and its projected continuation. The average earth temperature rose by 1.33° during the last 100 years. Most of the increase in globally averaged temperatures since the mid-20th century is likely due to the increase in manmade greenhouse gas concentrations – primarily CO₂ (80%), methane, and nitrous oxide. It is predicted that average global surface temperatures will rise another 1.1-6.4° during this century. Increasing global temperatures may cause the sea level to rise and more extreme weather to occur. There may also be changes in agricultural yields, glacier retreat, species extinctions and increases in disease vectors due to global warming.

Annual greenhouse gas emissions are caused by industrial processes, transportation fuels, power stations, and waste disposal and treatment (all related to the fossil fuel usage), agricultural byproducts, land use and biomass burning, and residential and commercial sources. By 2100, the world may be much hotter. How can we curb global warming? It will require at least 7 new technology paths to break even in the curbing of global warming. Dow is working hard to curb global warming through efforts it can do. As a worldwide solutions company, Dow supplies 3,300 products to customers in 175 countries. Dow has been committed to sustainability since before 1990. Its 2005 EH&S goals resulted in a 22% reduction in energy use globally and a voluntary 20% reduction in greenhouse gases. At LAO, there has been lots of energy and CO₂ reduction. The boilers will be shut down when the new power plant comes on line. Ms. LeBlanc stated that the new power plant will create more megawatts of electricity per BTU. The environmental standards at AEP had superior reductions, which is good for Dow downstream users, and reduces the cost of power.

Dow's 2015 sustainability goals call for an additional 25% reduction in energy use and an additional 2.5/year reduction in greenhouse gases. The company will use renewable carbon to manufacture plastics and use soy-based polyols. Innovative solutions to enable others to address climate change will also be put into action. Dow will continue to hold itself accountable and publicly report its progress against the goals.

Dow is involved in a joint venture with Crystalsev* in the creation of the world's first ethanol-based chemistry park that is totally integrated from sugarcane to polyethylene and is designed to deliver 770 million pounds of renewable plastic per year. The venture will create more than 3,200 jobs with a strong commitment to its customers and to the sustainable development of Brazil.

Answers to Questions and Comments Included the Following:

1. The ability to measure temperatures is probably more sophisticated than it was 100 years ago.
2. NO_x gas generated from power plants is relatively low in comparison to other sources of generation. About 90% are probably from agricultural and land uses.
3. The atmosphere in some parts of some countries (? Or Mexico City) is so polluted that there are times when residents are unable to go outside.
4. Farmers are continuing to look for more ways to use their crops.
5. Ethanol is not as energy efficient as gasoline.
6. The return on ethanol is far less than the cost required to produce it.
7. Brazilian cars are powered by ethanol.
8. Greenhouse gases are reducing the protective layer of the atmosphere between the earth and the sun.
9. Replacing concrete with grass and trees reduces the atmosphere's absorption of CO₂.

10. China is the largest producer of CO₂. The U.S. is more heavily regulated than most other countries.

Responsible Care Measures

Ms. LeBlanc provided Responsible Care Measures information for the reporting period, October 16-November 26, 2007, stating that there have been 9 OSHA reportables year-to-date at LAO. During the reporting period there was 1 reportable injury when there was an equipment failure. While a Dow employee was performing an analytical test in the lab, he received an eye injury caused by chemical exposure when two drops of a chemical splashed over the top of his protective glasses. His eye was flushed, he saw a doctor, and returned to work the next day. An investigation revealed that the process to integrate Dow maintenance employees needs improvement. This injury broke a 4-year safety record. There were 8 outside complaints during the reporting period due to flaring. Ms. Chiasson stated that although most neighbors understand flaring, they are still uncomfortable with it. There were no spills affecting the community, agency audits, or public notices during the reporting period. There was a KCS train derailment in Ruston when 15 rail cars – 5 carrying Dow products on a vendor's railcar- derailed. One of the 5 cars is back on the rail, and the product in the remaining cars will be loaded onto tank trucks. Three Dow workers were sent to the scene for product handling input.

Year-to-date 2007, there have been 13 environmental incidents at the site. There were releases of ethylene, methane, ethane, ethylene glycol, and ethylene oxide on October 23 at the Glycol II plant due to a power failure.

Dow in the News / Upcoming Events

Ms. Chiasson provided "Dow in the News" information, including the following:

1. Several news articles were published, including articles on the railroad cars used to train emergency responders, Dow employees visiting 1,400 near neighbors and students being given the opportunity to see swamps up close.
2. The employee/contractor toy drive will be held November 28-December 6. Toys and cash will be donated to residents of West Baton Rouge, Iberville, and Assumption parishes.
3. December 6 will be LPB Dow night.
4. A volunteer recognition event is planned for February 2008.
5. Science is pHun demonstrations are ongoing.

Salute to Outgoing Members

Ms. Cole thanked the outgoing CAP members for their service on the panel, stating that she knows that they want to work together with Dow and are willing to honestly state their positions on issues. The facilitator stated that these members may continue to receive meeting notices and minutes and visit at future meetings. He asked that outgoing members please contact him if they plan to attend any upcoming meetings.

Outgoing CAP member comments included the following:

1. I learned a lot and have made corrections about beliefs in the area.
2. I came to the CAP with a negative perspective of Dow and learned that I was wrong.
3. I defend the plants now because I have a better knowledge of the plant's desire to work better.
4. I enjoyed the last three years. Dow personnel and CAP members are honest with each other.
5. It was an enjoyable experience.

Around the Table

The facilitator provided CAP members with a list of nominees for membership on the panel. He asked that panel members vote for 12 nominees. Dow's legal department will review the top 11 and the 12th will become the alternate.

In response to a panel member's concern that new plants being built overseas will possibly put the U.S. out of business, Ms. Cole explained that although it is hard to be competitive because of high prices, Dow has no intention of stopping its operations in Louisiana.

Next Meeting

The next Dow CAP meeting will be held on Monday, January 21, 2008 at 6:00 p.m. at the Dow Conference Center. The agenda will include a new member orientation, agenda planning, and a Dow site overview.