



17855 Dallas Parkway, Suite 300 | Dallas, Texas 75287 | 972.250.6363 Main | 972.250.3599 Fax | www.ryanlawllp.com

KORY L. RYAN, PARTNER
Direct: 972.407.6504
Kory.Ryan@RyanLawLLP.com

January 30, 2015

Via CMRRR

Ms. Bridget C. Bohac
Chief Clerk
Texas Commission on Environmental Quality
MC105
P. O. Box 13087
Austin, Texas 78711-3087

RECEIVED
COMMISSION ON ENVIRONMENTAL QUALITY
CHIEF CLERK'S OFFICE
JAN 30 2015 10:29 AM

**Re: Notice of Negative Use Determination
Panda Sherman Power, LLC
Panda Sherman Power Plant
510 Progress Drive
Sherman (Grayson County)
Regulated Entity Number: RN105672687
Customer Reference Number: CN603437898
Application Number: 17852
Tracking Number: PSP-2014-1**

Dear Ms. Bohac:

Please allow this letter to advise you that I have been retained to represent Panda Sherman Power, LLC, with regard to the above-referenced matter.

This letter shall also serve as Panda Sherman Power, LLC's appeal of the Negative Use Determination attached. It is Panda Sherman Power, LLC's position that the Heat Recovery Steam Gas (HRSG) should receive a Positive Use Determination under § 11.31(k) of the Texas Property Tax Code.

Please direct any further communication regarding this matter to me.

Page 2

If you have any questions, or need any further information, please do not hesitate to contact me. Thank you for your assistance.

Regards,

A handwritten signature in black ink, appearing to read 'Kory L. Ryan', written over a horizontal line.

Kory L. Ryan

/sl

Enclosure

cc: Mr. Russ Bell, w/encl. (Via First Class Mail)
Mr. Mark Hefferan, w/encl. (Via Email)



JAN 20 2015

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
Protecting Texas by Reducing and Preventing Pollution

January 8, 2015

Mr. Mark Hefferan
Senior Manager
Ryan, LLC
One PPG Place
Suite 2810
Pittsburgh, Pennsylvania 15222

Re: Notice of Negative Use Determination
Panda Sherman Power, LLC
Panda Sherman Power Plant
510 Progress Drive
Sherman (Grayson County)
Regulated Entity Number: RN105672687
Customer Reference Number: CN603437898
Application Number: 17852
Tracking Number: PSP-2014-1

Dear Mr. Hefferan:

This letter responds to Panda Sherman Power, LLC's Application for Use Determination, received February 3, 2014, pursuant to the Texas Commission on Environmental Quality's (TCEQ) Tax Relief for Pollution Control Property Program for the Panda Sherman Power Plant.

The TCEQ has completed the review for application #17852 and has issued a Negative Use Determination for the property in accordance with Title 30 Texas Administrative Code (TAC) §17.4. The justification for the negative use determination is provided below.

The executive director has completed the review for application #17852 and the associated notice of deficiency (NOD) responses and has issued a Negative Use Determination for the property in accordance with Title 30 Texas Administrative Code (TAC) Chapter 17. Applications for property that is only partly used for pollution control are required to use the Cost Analysis Procedure (CAP), located in 30 TAC §17.17(c)(1), to calculate the appropriate partial use determination. The Negative Use Determination is issued because the outcome of the CAP calculation was a negative number. Under 30 TAC §17.17(d), if the CAP produces a negative number or a zero, the property is not eligible for a positive use determination.

Please be advised that a Negative Use Determination may be appealed. The appeal must be filed with the TCEQ Chief Clerk within 20 days after the receipt of this letter in accordance with 30 TAC §17.25.

Mr. Mark Hefferan

Page 2

January 8, 2015

If you have questions regarding this letter or need further assistance, please contact Ronald Hatlett of the Tax Relief for Pollution Control Property Program by telephone at (512) 239-6348, by e-mail at Ronald.Hatlett@tceq.texas.gov, or write to the Texas Commission on Environmental Quality, Tax Relief for Pollution Control Property Program, MC-110, P.O. Box 13087, Austin, Texas 78711-3087.

Sincerely,

A handwritten signature in cursive script that reads "Shelley Naik".

Shelley Naik, Team Leader
Stationary Source Programs
Air Quality Division

SN/RH

Enclosure

cc: Chief Appraiser, Grayson County Appraisal District, 512 N Travis St, Sherman, Texas
75090

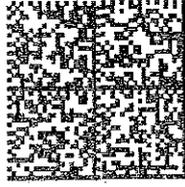


17855 Dallas Parkway, Suite 300 | Dallas, Texas 75287

CERTIFIED MAIL™



7007 0710 0003 3769 6396



US POSTAGE
\$ 06.69
1ST CLASS RTL

Mailed From 75287
01/30/2015
031A 0002317012

2015 FEB 12 AM 2:50
CHIEF CLERK OFFICE

RECEIVED

FEB 02 2015

**TCEQ MAIL CENTER
CS**

Ms. Bridget C. Bohae, Chief Clerk
Texas Commission on Environmental Quality
MC105
P.O. Box 13087
Austin, TX 78711-3087

7871133087 8012