

Economic Impacts of OnStream's GeoDura Storage Hub Project

Prepared for OnStream CO2, LLC by Daniel Groft, Ph.D.

July 2025

Table of Contents

Executive Summary2

Economic Impacts of the Project3

 1. Construction4

 2. Operations7

 3. Long-Term Economic Impacts9

Fiscal Impacts 11

 1. Construction 11

 2. Operations 13

 3. Long-Run Fiscal Impacts 15

Additional Fiscal Impacts 18

 1. Property Tax Estimates..... 18

 a. Platform and Pump Station 18

 b. Pipelines 19

 c. Wells..... 21

 2. Revenue Sharing 23

 a. Leasing 23

 b. Injection Fees 23

Economic Relationships Outside Louisiana 24

 1. Trade Flows..... 25

 2. Commuting Patterns 25

Conclusion..... 26

Biography 27

Disclaimer 27

Appendix..... 27

 1. Alternative Pipelines Estimate..... 27

 2. Alternative Wells Estimate 28

Executive Summary

This report quantifies the economic and fiscal impacts of the OnStream CO₂, LLC's GeoDura Carbon Storage Hub project located in Cameron Parish, Louisiana. The project represents \$210 million in capital investment and includes the construction and operation of offshore platforms, infield distribution pipelines, injection wells, and monitoring infrastructure to store carbon dioxide under state waters located in Cameron Parish. Over a 24-year period—comprising 4 years of construction and 20 years of operations—the project will generate substantial economic activity in Cameron Parish, the broader Southwest Louisiana (SWLA) region, and the state of Louisiana.

- In inflation-adjusted present value terms, the project is expected to generate over \$54.7 million in labor income in Cameron Parish, \$60.3 million in SWLA, and \$64.6 million statewide. The project will also contribute \$76.5 million in GDP in Cameron Parish, \$87.8 million in SWLA, and \$95.6 million statewide. These impacts include both the temporary effects of construction and the ongoing benefits of operations for 20 years.
- During the 4-year construction phase, direct employment in Cameron Parish will range from 50 to 75 workers annually, supporting total job creation of 52 to 79 jobs per year in the parish, 60 to 90 in SWLA, and 63 to 95 statewide. Construction will inject over \$20 million in labor income and over \$31.2 million in GDP into the state economy.
- Once operational, the project will support 10 permanent direct jobs. These jobs will generate 18 total jobs annually in Cameron Parish, 22 in SWLA, and 25 across Louisiana. Annual contributions to GDP will exceed \$2.8 million in the parish and \$3.5 million statewide, continuing each year the project remains in operation.
- Preliminary fiscal impacts from the economic activity are also significant. Over the 24-year period, local tax revenues in Cameron Parish are estimated to range from almost \$3 million (Richardson ratio) to \$10 million (IMPLAN model), in inflation-adjusted present value terms. In inflation-adjusted present value terms, SWLA local tax revenues are projected to range from over \$3.25 million (Richardson Ratio) to over \$10.7 million (IMPLAN estimate) and state tax collections are projected to range from \$2.45 million (IMPLAN) to almost \$5.6 million (LFO estimate).
- Under the terms of the agreement with the State Mineral and Energy Board, Cameron Parish will receive 30% of leasing and injection revenues. This includes an upfront lease payment, of which 30% is over \$2.1 million and 30% of annual lease payments are approximately \$435 thousand a year. Thirty percent of the minimum injections collections are projected to generate at least \$1.125 million in the first year of operations and \$2.25 million annually thereafter, with potential for much higher revenues if Phase 1 reaches its projected 6 million metric tons per annum (MMTPA) ore storage equates to hi of CO₂ storage, equating to \$13.5 million annually for the parish. While Phase 2 and Phase 3 capacity estimates are being assessed, greater storage capacity results in higher injection revenues. These figures could increase further with future phases of development within the existing lease boundaries and inflation adjustments to the 45Q tax credit.
- Property tax collections are modeled and are projected to give significant revenues over time.
 - Platforms and a pump station are projected to generate between \$4.8 and \$8.7 million over 30 years
 - Pipelines can generate almost \$5.8 million over 30 years
 - Property tax collections on wells are estimated to collect almost \$787 thousand to almost \$1.2 million over 30 years
- Finally, the project strengthens regional economic ties, particularly with Southeast Texas. Trade flow and commuting data show that Cameron Parish has deep economic interdependencies with Texas counties, especially Jefferson and Orange. While these out-of-state impacts are not captured in the Louisiana-based models, they represent important spillover benefits.

- In sum, the GeoDura Carbon Storage Hub will deliver long-lasting economic and fiscal benefits to Cameron Parish, SWLA, and the state of Louisiana, while positioning the region as a hub for carbon management infrastructure and future investment.

Economic Impacts of the Project

OnStream's GeoDura project is currently looking to invest approximately \$210 million to permanently sequester carbon in subsurface formations more than a mile beneath the ocean floor in state waters, located offshore in Cameron Parish. It includes installation and operation of an onshore pump station, minimal onshore pipeline, and offshore pipeline connecting to 3 platforms located in state waters with a total of 6 to 9 injection wells and 4 to 6 monitor wells for the first phase of development (storing 6 MMTPA).

To estimate the economic impacts of the project, this analysis utilizes the IMPLAN economic impact model. IMPLAN allows for a customizable analysis for geography and economic multipliers. This report shows not only the direct effects of economic activity but also the indirect and induced effects. The indirect effects stem from business-to-business transactions in the supply chain while induced effects show the effects from household spending that comes about due to the earnings generated from the economic activity of these industries¹. The results show estimates of the economic activity for four variables²:

- A. Employment – number of jobs
- B. Labor income – all forms of employment income, including compensation (wages, salaries, and benefits) and proprietor income
- C. Value-Added – another term for Gross Domestic Product, referred to in this report at times as “final production”
- D. Output – the value of production at all stages of the production process

The direct effects will be placed in Cameron Parish. For Southwest Louisiana (SWLA) and state level effects, this report will use IMPLAN's Multi-Regional Input-Output (MRIO³) methodology. This allows for the direct effects to be modeled in the appropriate parish and the trade with the remaining 63 parishes in the state is modeled to get the full indirect and induced impacts in the state. The model creates two additional regions outside Cameron Parish. The first region consists of the other four parishes in what is generally considered SWLA. Allen, Beauregard, Calcasieu, and Jefferson Davis parishes are grouped together as a region and the remaining 59 parishes in Louisiana are grouped together as another region.

The impacts of construction and operations of the project are modeled directly in Cameron Parish and ripple effects and trade with the other regions are modeled. The results are reported at parish, region, and state levels and are all inclusive. SWLA results show the impacts of Cameron Parish and the other 4 parishes in the region combined, while the state level impacts show the total results of Cameron, the other 4 parishes in the region, and the remaining parishes in the state combined⁴.

It should be noted this study does not include the economic and fiscal impacts of the onshore pipelines under development to bring carbon from the Port Arthur and Lake Charles industrial corridors to the GeoDura Carbon Storage hub. The estimates in this report are in fact conservative as there will be more economic activity around

¹ <https://support.implan.com/hc/en-us/articles/115009499547-Indirect-Effects>
<https://support.implan.com/hc/en-us/articles/115009668568-Induced-Effects>

² <https://support.implan.com/hc/en-us/sections/16901820111003-Glossary>

³ <https://support.implan.com/hc/en-us/articles/115009713448-MRIO-Introduction-to-Multi-Regional-Input-Output-Analysis>

⁴ The results to areas outside Cameron would be indirect and induced only as all direct effects would be in Cameron. The indirect and induced effects to the other regions are not in this report but are available upon request.

SWLA and the state as pipelines being constructed. This report looks solely at the Cameron Parish OnStream CO2, LLC’s GeoDura Carbon Storage Hub

1. Construction

OnStream provided estimates for the number of jobs in the construction and operations phase. The project is estimated to take 4 years to construct. Table 1 below shows the employment construction of the GeoDura project provided by OnStream. OnStream also estimates total capital expenditure in the project through construction to be \$210 million⁵.

Table 1: Construction Employment and Spending				
	Year 1	Year 2	Year 3	Year 4
Construction Work Force	60	75	60	50

To estimate the economic impacts of the construction phase, this report makes assumptions based on the inputs provided by OnStream. Year 1 of construction includes the drilling of a Phase 1 well, 6 injectors, 3 ABZ monitor wells, and 1 in-zone monitor well. Year 1 of construction includes construction of a pump station and Phase I pipelines and platforms. Year 3 consists of drilling of Phase 1 wells, 2 injectors, 1 ABZ monitor well, and possibly one in-zone monitor well. Finally, Year 4 commences the construction of the Phase 2 pipeline and platform. The inputs provided show that Years 1 and 3 will employ 60 workers (40 for drilling and 20 for offshore construction), Year 2 will employ 75 people to build and install the pump stations, pipelines, and platforms. Year 4 will employ 50 people to build and install the pipelines and platforms. These numbers of employees are placed in the appropriate sectors of “Drilling oil and gas wells” and “Construction of other new nonresidential structures”⁶.

Tables 2 – 4 below show the estimated impacts from four years of construction at the parish, region, and state levels. The direct, indirect, induced, and total impacts are all shown. In some cases, the totals may not match exactly due to rounding.

⁵ This report will use the number of employees to estimate the economic impact. Modeled industry averages of other variables (such as output, labor income, and value-added) are used for the remaining impacts. This keeps estimates conservative as some wages and output may be actually higher than what’s predicted in the model.

⁶ This analysis uses the number of workers and the IMPLAN model area averages of wages per worker, value-added per worker, and output per worker to estimate the impacts.

Table 2: Summary of Economic Impacts of Construction – Cameron Parish				
Year 1				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	60	\$3,456,898	\$4,142,953	\$8,099,567
2 – Indirect	2	\$144,526	\$317,146	\$671,012
3 – Induced	1	\$25,981	\$95,134	\$147,944
Total	63	\$3,627,406	\$4,555,233	\$8,918,523
Year 2				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	75	\$5,956,432	\$9,202,455	\$14,111,899
2 – Indirect	3	\$177,312	\$363,118	\$723,271
3 – Induced	1	\$43,536	\$159,414	\$247,905
Total	79	\$6,177,280	\$9,724,987	\$15,083,075
Year 3				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	60	\$3,456,898	\$4,142,953	\$8,099,567
2 – Indirect	2	\$144,526	\$317,146	\$671,012
3 – Induced	1	\$25,981	\$95,134	\$147,944
Total	63	\$3,627,406	\$4,555,233	\$8,918,523
Year 4				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	50	\$3,970,954	\$6,134,970	\$9,407,932
2 – Indirect	2	\$118,208	\$242,078	\$482,180
3 – Induced	1	\$29,024	\$106,276	\$165,270
Total	52	\$4,118,186	\$6,483,324	\$10,055,383

Table 3: Summary of Economic Impacts of Construction – SWLA				
Year 1				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	60	\$3,456,898	\$4,142,953	\$8,099,567
2 – Indirect	5	\$339,188	\$725,356	\$1,449,756
3 – Induced	7	\$315,635	\$695,725	\$1,142,453
Total	71	\$4,111,721	\$5,564,034	\$10,691,776
Year 2				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	75	\$5,956,432	\$9,202,455	\$14,111,899
2 – Indirect	5	\$340,437	\$680,712	\$1,360,031
3 – Induced	11	\$501,762	\$1,109,523	\$1,821,184
Total	90	\$6,798,631	\$10,992,690	\$17,293,113
Year 3				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	60	\$3,456,898	\$4,142,953	\$8,099,567
2 – Indirect	5	\$339,188	\$725,356	\$1,449,756
3 – Induced	7	\$315,635	\$695,725	\$1,142,453
Total	71	\$4,111,721	\$5,564,034	\$10,691,776
Year 4				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	50	\$3,970,954	\$6,134,970	\$9,407,932
2 – Indirect	3	\$226,722	\$453,399	\$905,703
3 – Induced	7	\$334,471	\$739,604	\$1,213,993
Total	60	\$4,532,147	\$7,327,973	\$11,527,629

Table 4: Summary of Economic Impacts of Construction – Louisiana				
Year 1				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	60	\$3,456,898	\$4,142,953	\$8,099,567
2 – Indirect	6	\$436,567	\$916,346	\$1,818,405
3 – Induced	9	\$434,240	\$928,932	\$1,534,693
Total	75	\$4,327,705	\$5,988,231	\$11,452,665
Year 2				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	75	\$5,956,432	\$9,202,455	\$14,111,899
2 – Indirect	6	\$438,395	\$879,072	\$1,762,347
3 – Induced	14	\$684,027	\$1,467,903	\$2,423,956
Total	95	\$7,078,853	\$11,549,431	\$18,298,201
Year 3				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	60	\$3,456,898	\$4,142,953	\$8,099,567
2 – Indirect	6	\$436,567	\$916,346	\$1,818,405
3 – Induced	9	\$434,240	\$928,932	\$1,534,693
Total	75	\$4,327,705	\$5,988,231	\$11,452,665
Year 4				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	50	\$3,970,954	\$6,134,970	\$9,407,932
2 – Indirect	4	\$291,741	\$585,174	\$1,172,823
3 – Induced	9	\$455,851	\$978,271	\$1,615,416
Total	63	\$4,718,547	\$7,698,415	\$12,196,171

The results show slightly different impacts depending on the geography analyzed. For the first year in Cameron Parish, 60 direct construction jobs will support 3 additional indirect and induced jobs for a total of 63 total jobs. Total labor income is over \$3.6 million and contributions to GDP are estimated at over \$4.5 million for the parish. For the second year, 75 direct construction jobs will support 4 additional indirect and induced jobs for a total of 79 total jobs. Total labor income is over \$6.1 million and contributions to GDP are estimated at over \$9.7 million for the parish. In the third year, the results are the same as in the first year due to the inputs being the same each year. The final year of construction has 50 direct jobs supporting 3 additional jobs for 53 total. Labor income is over \$4.1 million and contributions to GDP are almost \$6.5 million to Cameron.

For the first year in SWLA, 60 direct construction jobs will support 12 additional indirect and induced jobs for a total of 71 total jobs. Total labor income is over \$4.1 million and contributions to GDP are estimated at over \$5.5 million for the region. For the second year, 75 direct construction jobs will support 16 additional indirect and induced jobs for a total of 90 total jobs. Total labor income is approximately \$6.8 million and contributions to GDP are estimated at almost \$11 million. In the third year, the results are the same as the first year due to the inputs being the same. The final year of construction has 50 direct jobs supporting 10 additional jobs for 60 total. Labor income is over \$4.5 million and contributions to GDP are over \$7.3 million to SWLA.

Looking at the state of Louisiana, 60 direct construction jobs in the first year will support 15 additional indirect and induced jobs for a total of 75 total jobs. Total labor income is over \$4.3 million and contributions to GDP are estimated at almost \$6 million for the state. For the second year, 75 direct construction jobs will support 20 additional indirect and induced jobs for a total of 95 total jobs. Total labor income is approximately \$7.1 million and contributions to GDP are estimated at over \$11.5 million. In the third year, the results are the same as the first year due to the same inputs. The final year of construction has 50 direct jobs supporting 13 additional jobs for 63 total. Labor income is over \$4.7 million and contributions to GDP are almost \$7.7 million.

An important point is that construction impacts are temporary. Once the project is completed, the economic activity does not continue. Therefore, the results in Tables 2 - 4 should be viewed as one-time injections into the economy.

2. Operations

Normally, construction and operations are separate. However, with this project, OnStream reports that during construction there will be field managers and operators considered permanent employees during construction and ramp up of the two phases. Table 5 below shows the timing of permanent operations employees.

Table 5: Operations Employment			
	Years 1 – 2	Years 3 - 5	Years 6+
Construction Work Force	1	7	10

During the first two years of construction, one permanent employee will be employed during drilling of wells and construction of the pump station and pipelines and platforms for Phase 1. The next three years will have 7 permanent employees as Phase 1 operations of pump station, pipelines, platforms, and wells, begins. Once construction is completed after Year 4, Year 5 operations of pump station, pipelines, platforms, and wells from Phase 1 continues and the ramp up of Phase 2 begins. In Year 6, the Phase 1 and Phase 2 operations of pump station, pipelines, platforms, wells and ramp up of activities will take place. The project will eventually employ 10 full-time permanent workers every year to operate the facility.

Any employees classified during operations but as managers for construction are included “Construction of other new nonresidential structures” as in the previous section. For working and operating pipelines and pump stations, the sector of “Pipeline transportation” is used. As CCUS is such a new industry, its classification can be difficult to distinguish and no NAICS code was provided. It was assumed pipeline transportation (NAICS 486) would be the most appropriate way to conduct the analysis.

Tables 6 – 8 illustrate the operations impacts from at the parish, regional, and state levels. The impacts are annual and not totals. For example, in Years 3 – 5 in Cameron Parish, the direct labor income is \$1.05 million per year. To get totals over the time period, one would need to multiply the income by 3. As before, the totals may not always match exactly due to rounding.

Table 6: Summary of Annual Economic Impacts of Operations – Cameron Parish				
Years 1 – 2				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	1	\$79,419	\$122,699	\$188,159
2 – Indirect	0	\$2,363	\$4,840	\$9,640
3 – Induced	0	\$578	\$2,117	\$3,292
Total	1	\$82,360	\$129,656	\$201,091
Years 3 – 5				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	7	\$1,049,074	\$1,436,566	\$3,876,941
2 – Indirect	5	\$252,866	\$347,492	\$616,887
3 – Induced	0	\$9,397	\$34,412	\$53,514
Total	12	\$1,311,337	\$1,818,470	\$4,547,342
Years 6+				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	10	\$1,616,092	\$2,189,778	\$6,147,971
2 – Indirect	8	\$417,524	\$571,120	\$1,012,136
3 – Induced	0	\$14,699	\$53,828	\$83,706
Total	18	\$2,048,315	\$2,814,725	\$7,243,812

Table 7: Summary of Annual Economic Impacts of Operations – SWLA				
Years 1 – 2				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	1	\$79,419	\$122,699	\$188,159
2 – Indirect	0	\$4,371	\$8,756	\$17,431
3 – Induced	0	\$6,657	\$14,722	\$24,165
Total	1	\$90,448	\$146,177	\$229,754
Years 3 – 5				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	7	\$1,049,074	\$1,436,566	\$3,876,941
2 – Indirect	5	\$284,424	\$403,290	\$735,136
3 – Induced	2	\$104,620	\$231,851	\$380,452
Total	14	\$1,438,118	\$2,071,708	\$4,992,529
Years 6+				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	10	\$1,616,092	\$2,189,778	\$6,147,971
2 – Indirect	9	\$467,413	\$658,448	\$1,197,778
3 – Induced	3	\$163,371	\$362,091	\$594,158
Total	22	\$2,246,877	\$3,210,317	\$7,939,907

Table 8: Summary of Annual Economic Impacts of Operations – Louisiana				
Years 1 – 2				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	1	\$79,419	\$122,699	\$188,159
2 – Indirect	0	\$5,194	\$10,449	\$20,725
3 – Induced	0	\$8,963	\$19,255	\$31,790
Total	1	\$93,576	\$152,404	\$240,674
Years 3 – 5				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	7	\$1,049,074	\$1,436,566	\$3,876,941
2 – Indirect	6	\$350,413	\$514,604	\$964,239
3 – Induced	3	\$152,559	\$326,108	\$538,986
Total	16	\$1,552,046	\$2,277,278	\$5,380,166
Years 6+				
Impact	Employment	Labor Income	GDP/Value-Added	Output
1 – Direct	10	\$1,616,092	\$2,189,778	\$6,147,971
2 – Indirect	10	\$576,708	\$842,172	\$1,576,518
3 – Induced	5	\$239,632	\$512,033	\$846,351
Total	25	\$2,432,432	\$3,543,983	\$8,570,840

Focusing on the permanent effects after Year 5, the 10 direct jobs will create an additional 8 jobs for 18 total in Cameron Parish. The \$1.6 million in direct labor income will generate over \$430 thousand in indirect and induced income for over \$2 million total. Finally, over \$2.8 million will be contributed to GDP in the parish each year.

In SWLA, the 10 direct jobs will create an additional 12 jobs for 22 total. The \$1.6 million in direct labor income will generate over \$630 thousand in indirect and induced income for over \$2.2 million total. Finally, over \$3.2 million will be contributed to GDP in the region.

At the state level, 10 direct jobs will create an additional 15 jobs for 25 total. The direct labor income will generate almost \$816 thousand in indirect and induced income for over \$2.4 million total. Over \$3.5 million will be contributed to GDP in the state.

As opposed to the construction impacts illustrated earlier, these economic contributions will occur every year as long as the project is in operation. While construction impacts can be viewed as temporary injections into the economy, continuing operations of the projects will provide economic benefits well into the future for the parish and state of Louisiana.

3. Long-Term Economic Impacts

The previously illustrated impacts are either temporary (construction) or occur every year (operations). As time passes, inflation will cause increases in prices and wages which will drive up the nominal value of the labor income, GDP, and output variables. To account for this, this section looks at the effects over the full period of time for construction and operations. Operations employment from Years 1 – 5 are combined with Construction when appropriate and from Year 6 on, the total impacts for 10 direct jobs are illustrated. Table 9 below shows the full impact totals (direct, indirect, and induced) for Cameron Parish, SWLA, and the state, for the 4 years of construction and 20 years of operations.

Table 9: Economic Impacts Over Time – Construction and Operations (\$ in millions)												
Cameron Parish					SWLA				Louisiana			
Year	Employment	Labor Income	GDP/Val-Add	Output	Employment	Labor Income	GDP/Val-Add	Output	Employment	Labor Income	GDP/Val-Add	Output
1	64	\$3.7	\$4.7	\$9.1	73	\$4.2	\$5.7	\$10.9	76	\$4.4	\$6.1	\$11.7
2	80	\$6.3	\$9.9	\$15.3	91	\$6.9	\$11.1	\$17.5	96	\$7.2	\$11.7	\$18.5
3	75	\$4.9	\$6.4	\$13.5	86	\$5.5	\$7.6	\$15.7	91	\$5.9	\$8.3	\$16.8
4	64	\$5.4	\$8.3	\$14.6	74	\$6.0	\$9.4	\$16.5	80	\$6.3	\$10.0	\$17.6
5	12	\$1.3	\$1.8	\$4.5	14	\$1.4	\$2.1	\$5.0	16	\$1.6	\$2.3	\$5.4
6	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
7	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
8	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
9	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
10	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
11	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
12	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
13	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
14	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
15	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
16	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
17	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
18	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
19	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
20	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
21	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
22	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
23	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
24	18	\$2.0	\$2.8	\$7.2	22	\$2.2	\$3.2	\$7.9	25	\$2.4	\$3.5	\$8.6
Total		\$60.6	\$84.5	\$194.7		\$66.7	\$97.0	\$216.5		\$71.5	\$105.7	\$232.9

Table 10: Present Value of Inflation- Adjusted Economic Impacts Over Time – Construction and Operations (\$ in millions)												
Cameron Parish					SWLA				Louisiana			
Year	Employment	Labor Income	GDP/Val-Add	Output	Employment	Labor Income	GDP/Val-Add	Output	Employment	Labor Income	GDP/Val-Add	Output
1	64	\$3.7	\$4.6	\$9.0	73	\$4.2	\$5.7	\$10.8	76	\$4.4	\$6.1	\$11.6
2	80	\$6.1	\$9.7	\$15.0	91	\$6.8	\$10.9	\$17.2	96	\$7.0	\$11.5	\$18.2
3	75	\$4.8	\$6.2	\$13.1	86	\$5.4	\$7.4	\$15.2	91	\$5.7	\$8.0	\$16.3
4	64	\$5.2	\$8.0	\$14.0	74	\$5.7	\$9.0	\$15.9	80	\$6.0	\$9.6	\$16.9
5	12	\$1.2	\$1.7	\$4.3	14	\$1.4	\$2.0	\$4.8	16	\$1.5	\$2.2	\$5.1
6	18	\$1.9	\$2.7	\$6.8	22	\$2.1	\$3.0	\$7.5	25	\$2.3	\$3.3	\$8.1
7	18	\$1.9	\$2.6	\$6.8	22	\$2.1	\$3.0	\$7.4	25	\$2.3	\$3.3	\$8.0
8	18	\$1.9	\$2.6	\$6.7	22	\$2.1	\$3.0	\$7.3	25	\$2.2	\$3.3	\$7.9
9	18	\$1.9	\$2.6	\$6.6	22	\$2.1	\$2.9	\$7.3	25	\$2.2	\$3.2	\$7.9
10	18	\$1.9	\$2.6	\$6.6	22	\$2.0	\$2.9	\$7.2	25	\$2.2	\$3.2	\$7.8
11	18	\$1.8	\$2.5	\$6.5	22	\$2.0	\$2.9	\$7.1	25	\$2.2	\$3.2	\$7.7
12	18	\$1.8	\$2.5	\$6.4	22	\$2.0	\$2.9	\$7.1	25	\$2.2	\$3.2	\$7.6
13	18	\$1.8	\$2.5	\$6.4	22	\$2.0	\$2.8	\$7.0	25	\$2.1	\$3.1	\$7.5
14	18	\$1.8	\$2.5	\$6.3	22	\$2.0	\$2.8	\$6.9	25	\$2.1	\$3.1	\$7.5
15	18	\$1.8	\$2.4	\$6.3	22	\$1.9	\$2.8	\$6.9	25	\$2.1	\$3.1	\$7.4
16	18	\$1.8	\$2.4	\$6.2	22	\$1.9	\$2.7	\$6.8	25	\$2.1	\$3.0	\$7.3
17	18	\$1.7	\$2.4	\$6.1	22	\$1.9	\$2.7	\$6.7	25	\$2.1	\$3.0	\$7.3
18	18	\$1.7	\$2.4	\$6.1	22	\$1.9	\$2.7	\$6.7	25	\$2.0	\$3.0	\$7.2
19	18	\$1.7	\$2.3	\$6.0	22	\$1.9	\$2.7	\$6.6	25	\$2.0	\$2.9	\$7.1
20	18	\$1.7	\$2.3	\$6.0	22	\$1.8	\$2.6	\$6.5	25	\$2.0	\$2.9	\$7.1
21	18	\$1.7	\$2.3	\$5.9	22	\$1.8	\$2.6	\$6.5	25	\$2.0	\$2.9	\$7.0
22	18	\$1.7	\$2.3	\$5.8	22	\$1.8	\$2.6	\$6.4	25	\$2.0	\$2.9	\$6.9
23	18	\$1.6	\$2.2	\$5.8	22	\$1.8	\$2.6	\$6.3	25	\$1.9	\$2.8	\$6.8
24	18	\$1.6	\$2.2	\$5.7	22	\$1.8	\$2.5	\$6.3	25	\$1.9	\$2.8	\$6.8
Total		\$54.7	\$76.5	\$174.5		\$60.3	\$87.8	\$194.4		\$64.6	\$95.6	\$209.0

Table 9 shows that for the parish level, by the end of Year 24 (last row), \$60.6 million in total labor income with \$194.7 million contributing to GDP will be realized by the project. In SWLA, the project will create almost \$66.7 million in total labor income with \$97 million contributing to GDP. At the state level, \$71.5 million in total labor income and over \$105.7 million in state GDP will be realized.

The total numbers at the bottom of Table 9 are quite large, however, these are over a relatively long period of time. To illustrate this growth in present day terms, Table 10 shows the inflation-adjusted present value estimates of labor income, GDP, and output. Inflation will increase over time driving up wages and total output. In order to account for this, in spite of recent high inflation, a conservative figure of 2% inflation will be used to estimate the growth in prices during the life of the project. To put the figures in present value terms, a higher discount rate of 3% is used. These assumptions result in very conservative estimates as the discount rate is higher than the rate of inflation.

When adjusting for inflation and present value, Table 10 shows that for the parish level, by Year 24 (last row), \$54.7 million in total labor income with \$76.5 million contributing to GDP will be realized by the project. At the regional level, \$60.3 million in total labor income and \$87.8 million in GDP will be realized. Finally, the state of Louisiana will see \$64.6 million in labor income, over \$95 million in GDP will come from operations over 24 years.

These effects are only shown for construction and operations until Year 24. The final year's totals will continue on indefinitely as long as the project stays in operation. This means that the 18 total jobs in the parish model, for example, will be providing employment, income, and economic impacts continuing out into future years. GeoDura currently has 12-year contracts with extension clauses for either 13 or 18 years, 15-year contracts have 2-to-5-year extensions, and 20-year contracts with 5-year extensions. These impacts should extend past the 20 years of operations shown in Tables 9 and 10.

Fiscal Impacts

Calculating the fiscal impacts to all levels governments (parish, city, special districts, etc.) is an imprecise procedure with many methods used to estimate the results. For the purposes of this report, the tax impacts from new economic activity will be shown from IMPLAN. Apart from estimating economic impacts, IMPLAN also estimates tax impacts coming from new economic activity. According to IMPLAN, the tax data is compiled from Census Bureau releases, including the Annual Survey of State and Local Government Finances and the most recent Census of Government finance⁷. Fiscal impacts will be calculated for each of the economic scenarios shown above. The IMPLAN tax reports split the fiscal results into five categories:

- A. Sub County General
- B. Sub County Special Districts
- C. County
- D. State
- E. Federal

These are summed up to get the total impacts. For ease of reporting, the A-C categories are summed and reported as “local”. These fiscal impacts are preliminary and are based on the economic relationships in the model. It’s important to note that for the local and state impacts, these come from an MRIO model. Therefore, the state model fiscal impacts are *inclusive* of the local model impacts reported.

Dr. James Richardson, Professor Emeritus at LSU’s Division of Public Administration, has also estimated that for every dollar in earnings created in a Parish, approximately 5.4% (referred to as the “Richardson ratio”) becomes local government revenues through sales taxes, property taxes, etc. Fiscal impacts will be calculated for each of the impacts shown above. It should be noted that when looking at areas outside Cameron Parish, these estimates will include other localities. But showing the IMPLAN and Richardson ratio estimates for Cameron and SWLA will give a range of estimated local revenues that can be expected from each of the impacts in those regions.

At the state level, the Louisiana Fiscal Office compares the average state tax yield to household earnings for Louisiana⁸. According to the latest estimates from the author, approximately 8.6% of every dollar of earnings goes back to the state as tax revenue. For state estimates, the IMPLAN tax estimates are illustrated as well as the LFO percentage estimates. This allows for a range of estimated state revenues.

1. Construction

The fiscal impacts for each year of construction are shown below for the parish and state from the models. Tables 11 - 13 illustrate fiscal impacts for the four years of construction for all geographies.

⁷ <https://support.implan.com/hc/en-us/articles/115009674528-Generation-and-Interpretation-of-IMPLAN-s-Tax-Impact-Report>

⁸ https://lfo.louisiana.gov/files/revenue/Topics%20of%20Interest/AvgTaxYieldofEarnings_2021.pdf

Table 11: Summary of Fiscal Impacts of Construction – Cameron Parish					
Year 1					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$157,068	\$36,975	\$451,812	\$645,855	\$186,672
2 – Indirect	\$67,312	\$9,605	\$25,723	\$102,640	\$7,804
3 – Induced	\$13,670	\$2,172	\$6,222	\$22,063	\$1,403
Total	\$238,050	\$48,752	\$483,757	\$770,559	\$195,880
Year 2					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$68,273	\$64,849	\$857,925	\$991,048	\$321,647
2 – Indirect	\$59,469	\$9,063	\$30,242	\$98,775	\$9,575
3 – Induced	\$22,906	\$3,639	\$10,425	\$36,970	\$2,351
Total	\$150,648	\$77,552	\$898,593	\$1,126,793	\$333,573
Year 3					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$157,068	\$36,975	\$451,812	\$645,855	\$186,672
2 – Indirect	\$67,312	\$9,605	\$25,723	\$102,640	\$7,804
3 – Induced	\$13,670	\$2,172	\$6,222	\$22,063	\$1,403
Total	\$238,050	\$48,752	\$483,757	\$770,559	\$195,880
Year 4					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$45,516	\$43,233	\$571,950	\$660,699	\$214,432
2 – Indirect	\$39,646	\$6,042	\$20,162	\$65,850	\$6,383
3 – Induced	\$15,270	\$2,426	\$6,950	\$24,647	\$1,567
Total	\$100,432	\$51,701	\$599,062	\$751,195	\$222,382

Table 12: Summary of Fiscal Impacts of Construction – SWLA					
Year 1					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$157,068	\$36,975	\$451,812	\$645,855	\$186,672
2 – Indirect	\$86,702	\$27,748	\$70,175	\$184,625	\$18,316
3 – Induced	\$53,565	\$36,033	\$72,003	\$161,601	\$17,044
Total	\$297,335	\$100,757	\$593,990	\$992,081	\$222,033
Year 2					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$68,273	\$64,849	\$857,925	\$991,048	\$321,647
2 – Indirect	\$72,659	\$22,083	\$66,377	\$161,120	\$18,384
3 – Induced	\$86,018	\$57,208	\$114,490	\$257,716	\$27,095
Total	\$226,951	\$144,140	\$1,038,793	\$1,409,884	\$367,126
Year 3					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$157,068	\$36,975	\$451,812	\$645,855	\$186,672
2 – Indirect	\$86,702	\$27,748	\$70,175	\$184,625	\$18,316
3 – Induced	\$53,565	\$36,033	\$72,003	\$161,601	\$17,044
Total	\$297,335	\$100,757	\$593,990	\$992,081	\$222,033
Year 4					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$45,516	\$43,233	\$571,950	\$660,699	\$214,432
2 – Indirect	\$48,425	\$14,706	\$44,201	\$107,332	\$12,243
3 – Induced	\$57,340	\$38,134	\$76,318	\$171,793	\$18,061
Total	\$151,281	\$96,073	\$692,470	\$939,823	\$244,736

Table 13: Summary of Fiscal Impacts of Construction – Louisiana					
Year 1					
Impact	Local	State	Federal	Total	LFO Estimate
1 – Direct	\$157,068	\$36,975	\$451,812	\$645,855	\$297,293
2 – Indirect	\$93,112	\$35,910	\$92,797	\$221,820	\$37,545
3 – Induced	\$66,447	\$50,156	\$99,500	\$216,103	\$37,345
Total	\$316,627	\$123,041	\$644,109	\$1,083,778	\$372,183
Year 2					
Impact	Local	State	Federal	Total	LFO Estimate
1 – Direct	\$68,273	\$64,849	\$857,925	\$991,048	\$512,253
2 – Indirect	\$83,047	\$33,625	\$89,577	\$206,250	\$37,702
3 – Induced	\$105,816	\$78,911	\$156,745	\$341,472	\$58,826
Total	\$257,136	\$177,386	\$1,104,248	\$1,538,770	\$608,781
Year 3					
Impact	Local	State	Federal	Total	LFO Estimate
1 – Direct	\$157,068	\$36,975	\$451,812	\$645,855	\$297,293
2 – Indirect	\$93,112	\$35,910	\$92,797	\$221,820	\$37,545
3 – Induced	\$66,447	\$50,156	\$99,500	\$216,103	\$37,345
Total	\$316,627	\$123,041	\$644,109	\$1,083,778	\$372,183
Year 4					
Impact	Local	State	Federal	Total	LFO Estimate
1 – Direct	\$45,516	\$43,233	\$571,950	\$660,699	\$341,502
2 – Indirect	\$55,340	\$22,386	\$59,605	\$137,330	\$25,090
3 – Induced	\$70,525	\$52,588	\$104,459	\$227,571	\$39,203
Total	\$171,380	\$118,206	\$736,013	\$1,025,600	\$405,795

Looking at the Cameron Parish estimates in Table 11 shows that total local revenues from the first year of construction range from over \$195 thousand (Richardson ratio) to \$238 thousand (IMPLAN estimate). In the second year, the local revenues range from over \$150 thousand (IMPLAN estimate) to over \$333.5 thousand (Richardson ratio). The third year produces estimates the same estimates as the first year due to the same inputs. In the final year, the revenues range from over \$100.4 thousand (IMPLAN estimate) to over \$222 thousand (Richardson ratio).

For SWLA, estimates in Table 12 show that total local revenues from the first year of construction range from over \$222 thousand (Richardson ratio) to over \$297 almost (IMPLAN estimate). In the second year, the local revenues range from almost \$227 thousand (IMPLAN estimate) to over \$367 thousand (Richardson ratio). The third year produces estimates that are the same as the first year due to the same inputs. In the final year, the revenues range from over \$151 thousand (IMPLAN estimate) to \$244.7 thousand (Richardson ratio).

The state estimates show a wide range of state level fiscal possibilities. The first year of construction ranges from over \$316 thousand (IMPLAN Estimate) to over \$372 thousand (LFO estimate). In the second year, the local revenues range from \$257.1 thousand (IMPLAN estimate) to over \$608.7 thousand (LFO Estimate). The third year produces the same estimates as the first year due to the same inputs. In the final year, the revenues range from over \$171 thousand (IMPLAN estimate) to almost \$405.8 thousand (LFO estimate).

2. Operations

The fiscal impacts for a year of operations are shown below for the parish, regional, and state models. Tables 14 – 16 illustrate estimated annual fiscal impacts.

Table 14: Summary of Fiscal Impacts of Operations – Cameron Parish					
Years 1 - 2					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$910	\$865	\$11,439	\$13,214	\$4,289
2 – Indirect	\$793	\$121	\$403	\$1,317	\$128
3 – Induced	\$304	\$48	\$138	\$491	\$31
Total	\$2,007	\$1,034	\$11,980	\$15,022	\$4,447
Years 3 - 5					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$277,351	\$35,333	\$141,000	\$453,683	\$56,650
2 – Indirect	\$27,075	\$5,148	\$35,007	\$67,230	\$13,655
3 – Induced	\$4,944	\$786	\$2,250	\$7,980	\$507
Total	\$309,370	\$41,266	\$178,258	\$528,893	\$70,812
Years 6+					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$460,734	\$57,447	\$215,935	\$734,116	\$87,269
2 – Indirect	\$43,805	\$8,378	\$57,677	\$109,859	\$22,546
3 – Induced	\$7,733	\$1,229	\$3,520	\$12,482	\$794
Total	\$512,271	\$67,054	\$277,132	\$856,457	\$110,609

Table 15: Summary of Fiscal Impacts of Operations – SWLA					
Years 1 - 2					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$910	\$865	\$11,439	\$13,214	\$4,289
2 – Indirect	\$957	\$283	\$848	\$2,087	\$236
3 – Induced	\$1,141	\$759	\$1,519	\$3,420	\$359
Total	\$3,009	\$1,906	\$13,806	\$18,721	\$4,884
Years 3 - 5					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$277,351	\$35,333	\$141,000	\$453,683	\$56,650
2 – Indirect	\$29,228	\$7,356	\$41,776	\$78,360	\$15,359
3 – Induced	\$18,059	\$11,917	\$23,876	\$53,852	\$5,649
Total	\$324,638	\$54,606	\$206,652	\$585,896	\$77,658
Years 6+					
Impact	Local	State	Federal	Total	Richardson Ratio
1 – Direct	\$460,734	\$57,447	\$215,935	\$734,116	\$87,269
2 – Indirect	\$47,156	\$11,827	\$68,344	\$127,327	\$25,240
3 – Induced	\$28,210	\$18,609	\$37,284	\$84,103	\$8,822
Total	\$536,100	\$87,883	\$321,563	\$945,546	\$121,331

Table 16: Summary of Fiscal Impacts of Operations – Louisiana					
Years 1 - 2					
Impact	Local	State	Federal	Total	LFO Estimate
1 – Direct	\$910	\$865	\$11,439	\$13,214	\$6,830
2 – Indirect	\$1,066	\$397	\$1,044	\$2,506	\$447
3 – Induced	\$1,392	\$1,034	\$2,054	\$4,479	\$771
Total	\$3,368	\$2,295	\$14,536	\$20,199	\$8,048
Years 3 - 5					
Impact	Local	State	Federal	Total	LFO Estimate
1 – Direct	\$277,351	\$35,333	\$141,000	\$453,683	\$90,220
2 – Indirect	\$33,157	\$12,371	\$56,302	\$101,830	\$30,136
3 – Induced	\$23,265	\$17,625	\$34,990	\$75,880	\$13,120
Total	\$333,773	\$65,329	\$232,292	\$631,393	\$133,476
Years 6+					
Impact	Local	State	Federal	Total	LFO Estimate
1 – Direct	\$460,734	\$57,447	\$215,935	\$734,116	\$138,984
2 – Indirect	\$53,549	\$20,032	\$92,373	\$165,954	\$49,597
3 – Induced	\$36,492	\$27,689	\$54,964	\$119,144	\$20,608
Total	\$550,774	\$105,168	\$363,271	\$1,019,214	\$209,189

Looking at the Cameron Parish estimates shows that annual local revenues from Year 6 on range from \$110.6 thousand (Richardson ratio) to over \$512.2 thousand (IMPLAN estimate). At the regional level, total local revenues range from over \$121 thousand (Richardson ratio) to over \$536 thousand (IMPLAN estimate). The state model shows

that state revenues will range from over \$105 thousand (IMPLAN estimate) to almost \$209.2 thousand (LFO estimate) a year.

The fiscal estimates from the construction phase are generally much more uncertain than those of the operations, illustrated by the wide ranges. As the operations are what occur every year into the future, these can be viewed as the more important estimates to focus on rather than the temporary injections from construction.

3. Long-Run Fiscal Impacts

The previously illustrated fiscal impacts are either temporary (construction) or occur every year (operations) as was the case with the economic impacts. First, Table 17 shows the total fiscal impacts (direct, indirect, and induced) over the four years of construction and 20 years of operations as illustrated with the economic impacts.

Table 17: Fiscal Impacts Over Time – Construction and Operations (\$ in thousands)

	Cameron Parish					SWLA					Louisiana				
Year	Local	State	Federal	Total	Richardson Ratio	Local	State	Federal	Total	Richardson Ratio	Local	State	Federal	Total	LFO Estimate
1	\$240.1	\$49.8	\$495.7	\$785.6	\$200.3	\$300.3	\$102.7	\$607.8	\$1,010.8	\$226.9	\$320.0	\$125.3	\$658.6	\$1,104.0	\$380.2
2	\$152.7	\$78.6	\$910.6	\$1,141.8	\$338.0	\$230.0	\$146.0	\$1,052.6	\$1,428.6	\$372.0	\$260.5	\$179.7	\$1,118.8	\$1,559.0	\$616.8
3	\$547.4	\$90.0	\$662.0	\$1,299.5	\$266.7	\$622.0	\$155.4	\$800.6	\$1,578.0	\$299.7	\$650.4	\$188.4	\$876.4	\$1,715.2	\$505.7
4	\$409.8	\$93.0	\$777.3	\$1,280.1	\$293.2	\$475.9	\$150.7	\$899.1	\$1,525.7	\$322.4	\$505.2	\$183.5	\$968.3	\$1,657.0	\$539.3
5	\$309.4	\$41.3	\$178.3	\$528.9	\$70.8	\$324.6	\$54.6	\$206.7	\$585.9	\$77.7	\$333.8	\$65.3	\$232.3	\$631.4	\$133.5
6	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
7	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
8	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
9	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
10	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
11	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
12	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
13	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
14	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
15	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
16	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
17	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
18	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
19	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
20	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
21	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
22	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
23	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
24	\$512.3	\$67.1	\$277.1	\$856.5	\$110.6	\$536.1	\$87.9	\$321.6	\$945.5	\$121.3	\$550.8	\$105.2	\$363.3	\$1,019.2	\$209.2
Totals	\$11,392.5	\$1,626.6	\$8,289.4	\$21,308.5	\$3,270.6	\$12,138.7	\$2,279.1	\$9,676.5	\$24,094.4	\$3,604.0	\$12,534.5	\$2,740.5	\$10,756.6	\$26,031.6	\$6,150.1

Table 18: Present Value Inflation-Adjusted Fiscal Impacts Over Time – Construction and Operations (\$ in thousands)

	Cameron Parish					SWLA					Louisiana				
Year	Local	State	Federal	Total	Richardson Ratio	Local	State	Federal	Total	Richardson Ratio	Local	State	Federal	Total	LFO Estimate
1	\$237.7	\$49.3	\$490.9	\$778.0	\$198.4	\$297.4	\$101.7	\$601.9	\$1,001.0	\$224.7	\$316.9	\$124.1	\$652.3	\$1,093.3	\$376.5
2	\$149.7	\$77.1	\$893.0	\$1,119.8	\$331.5	\$225.5	\$143.2	\$1,032.3	\$1,401.0	\$364.8	\$255.5	\$176.2	\$1,097.2	\$1,528.8	\$604.9
3	\$531.6	\$87.4	\$642.9	\$1,262.0	\$259.0	\$604.0	\$150.9	\$777.5	\$1,532.5	\$291.0	\$631.6	\$182.9	\$851.1	\$1,665.7	\$491.1
4	\$394.1	\$89.4	\$747.6	\$1,231.1	\$282.0	\$457.7	\$144.9	\$864.7	\$1,467.3	\$310.1	\$485.8	\$176.5	\$931.2	\$1,593.6	\$518.6
5	\$294.6	\$39.3	\$169.8	\$503.7	\$67.4	\$309.2	\$52.0	\$196.8	\$558.0	\$74.0	\$317.9	\$62.2	\$221.2	\$601.3	\$127.1
6	\$483.1	\$63.2	\$261.4	\$807.8	\$104.3	\$505.6	\$82.9	\$303.3	\$891.8	\$114.4	\$519.5	\$99.2	\$342.6	\$961.3	\$197.3
7	\$478.5	\$62.6	\$258.8	\$799.9	\$103.3	\$500.7	\$82.1	\$300.3	\$883.1	\$113.3	\$514.4	\$98.2	\$339.3	\$951.9	\$195.4
8	\$473.8	\$62.0	\$256.3	\$792.2	\$102.3	\$495.8	\$81.3	\$297.4	\$874.6	\$112.2	\$509.4	\$97.3	\$336.0	\$942.7	\$193.5
9	\$469.2	\$61.4	\$253.8	\$784.5	\$101.3	\$491.0	\$80.5	\$294.5	\$866.1	\$111.1	\$504.5	\$96.3	\$332.7	\$933.5	\$191.6
10	\$464.7	\$60.8	\$251.4	\$776.8	\$100.3	\$486.3	\$79.7	\$291.7	\$857.7	\$110.1	\$499.6	\$95.4	\$329.5	\$924.5	\$189.7
11	\$460.1	\$60.2	\$248.9	\$769.3	\$99.4	\$481.5	\$78.9	\$288.8	\$849.3	\$109.0	\$494.7	\$94.5	\$326.3	\$915.5	\$187.9
12	\$455.7	\$59.6	\$246.5	\$761.8	\$98.4	\$476.9	\$78.2	\$286.0	\$841.1	\$107.9	\$489.9	\$93.5	\$323.1	\$906.6	\$186.1
13	\$451.3	\$59.1	\$244.1	\$754.4	\$97.4	\$472.2	\$77.4	\$283.3	\$832.9	\$106.9	\$485.2	\$92.6	\$320.0	\$897.8	\$184.3
14	\$446.9	\$58.5	\$241.8	\$747.1	\$96.5	\$467.7	\$76.7	\$280.5	\$824.8	\$105.8	\$480.5	\$91.7	\$316.9	\$889.1	\$182.5
15	\$442.5	\$57.9	\$239.4	\$739.9	\$95.6	\$463.1	\$75.9	\$277.8	\$816.8	\$104.8	\$475.8	\$90.9	\$313.8	\$880.5	\$180.7
16	\$438.2	\$57.4	\$237.1	\$732.7	\$94.6	\$458.6	\$75.2	\$275.1	\$808.9	\$103.8	\$471.2	\$90.0	\$310.8	\$871.9	\$179.0
17	\$434.0	\$56.8	\$234.8	\$725.6	\$93.7	\$454.2	\$74.5	\$272.4	\$801.0	\$102.8	\$466.6	\$89.1	\$307.8	\$863.4	\$177.2
18	\$429.8	\$56.3	\$232.5	\$718.5	\$92.8	\$449.8	\$73.7	\$269.8	\$793.3	\$101.8	\$462.1	\$88.2	\$304.8	\$855.1	\$175.5
19	\$425.6	\$55.7	\$230.2	\$711.5	\$91.9	\$445.4	\$73.0	\$267.2	\$785.6	\$100.8	\$457.6	\$87.4	\$301.8	\$846.8	\$173.8
20	\$421.5	\$55.2	\$228.0	\$704.6	\$91.0	\$441.1	\$72.3	\$264.6	\$777.9	\$99.8	\$453.1	\$86.5	\$298.9	\$838.5	\$172.1
21	\$417.4	\$54.6	\$225.8	\$697.8	\$90.1	\$436.8	\$71.6	\$262.0	\$770.4	\$98.9	\$448.7	\$85.7	\$296.0	\$830.4	\$170.4
22	\$413.3	\$54.1	\$223.6	\$691.0	\$89.2	\$432.5	\$70.9	\$259.4	\$762.9	\$97.9	\$444.4	\$84.9	\$293.1	\$822.3	\$168.8
23	\$409.3	\$53.6	\$221.4	\$684.3	\$88.4	\$428.3	\$70.2	\$256.9	\$755.5	\$96.9	\$440.1	\$84.0	\$290.3	\$814.4	\$167.1
24	\$405.3	\$53.1	\$219.3	\$677.7	\$87.5	\$424.2	\$69.5	\$254.4	\$748.2	\$96.0	\$435.8	\$83.2	\$287.4	\$806.4	\$165.5
Totals	\$10,027.9	\$1,444.7	\$7,499.3	\$18,971.9	\$2,956.3	\$10,705.6	\$2,037.2	\$8,758.7	\$21,501.5	\$3,258.9	\$11,060.7	\$2,450.6	\$9,724.0	\$23,235.3	\$5,556.7

To account for the inflation and put the figures into present value terms, Table 18 shows the outcomes over time using the same inflation and discount factors as before.

Table 18 illustrates that local tax collections from Years 1 - 24 are estimated to range from almost \$3.3 million (Richardson ratio) to almost \$11.4 million (IMPLAN estimate) in the Cameron Parish model, in inflation adjusted present value terms, over that time. The SWLA model shows that local revenues range from over \$3.6 million (Richardson ratio) to over \$12.1 million (IMPLAN estimate). At the state level, the total collections are estimated to range from almost \$2.7 million (IMPLAN estimate) to over \$6.15 million (LFO Ratio).

These effects are only shown for the life of the project from beginning of construction until ten years of operation. The final year totals will continue on indefinitely as long as the project stays in operation. As previously mentioned, the fiscal impacts are uncertain and can vary dramatically based on methodology uses but with the contracts and extensions OnStream currently has, the fiscal impacts should extend beyond the 20 years shown in the tables.

Finally, potential expansions that may occur with this project have not been analyzed. As the demand for carbon capture grows, economic development projects will be looking to locate in areas with a strong infrastructure. Already having platforms, pipelines, wells, etc., will decrease the cost of capturing and storing carbon, making Cameron Parish a more attractive destination for companies. Any future expansions would result in further positive economic and fiscal impacts.

Additional Fiscal Impacts

The previous fiscal impacts can be viewed from the economic activity only. Much of the relationship between income and tax collections pick up ratios between income and specific tax collections in certain categories, such as sales and income tax. While some property tax collections may be included in the ratios, a more detailed analysis is called for when analyzing potential fiscal impacts to the local area.

1. Property Tax Estimates

According to estimates provided by OnStream, the company plans on investing \$210 million in Cameron parish to drill wells, install pipelines, platforms, and a pump station, and complete all construction for the project. A simple estimate of property taxes is to use the total CapEx figure with the Cameron Parish millage, an assessment ratio, and assume a depreciation schedule. However, this approach would not result in appropriate property tax estimates as the pump station / platform, pipelines, and wells, are all assessed differently for property tax purposes.

a. Platform and Pump Station

To more fully assess the property tax estimates, this section looks at the costs of platforms and the pump station. When looking just at platforms and pump station, the total cost of these is expected to total \$15.5 million. Table 2503.D from the Louisiana Tax Commission provides depreciation schedules for general business assets. Assuming the full capital investment is taxed at the current average Cameron Parish millage rate of 138, the table below shows estimates of property taxes that would be collected at different economic lives. Chapter 25 of the Louisiana Tax Commission Rules and Regulations shows that the average economic life of Carbon Capture, Utilization, and Sequestration equipment is 15 years. However, the rules also explicitly state, "As carbon capture, utilization and sequestration (CCUS) property is a new category of property in this Chapter beginning in 2025, rules related to CCUS are intended to be applicable until additional sufficient information becomes available from operations and/or market data to support revised rules." While 15 years is the current rule to follow, it's possible this may change in the very near future, so a range of estimates are presented.

Property Tax Calculation of \$15.5 million for Platforms and Pump Station (thousands)				
Year	15Yr	20Yr	25 Yr	30 Yr
1	\$301.6	\$308.0	\$311.2	\$311.2
2	\$288.8	\$298.4	\$304.8	\$311.2
3	\$279.1	\$295.2	\$304.8	\$311.2
4	\$301.6	\$330.5	\$346.5	\$356.1
5	\$304.8	\$343.3	\$362.6	\$378.6
6	\$285.6	\$327.3	\$352.9	\$372.2
7	\$269.5	\$320.9	\$352.9	\$372.2
8	\$247.1	\$314.4	\$349.7	\$378.6
9	\$224.6	\$298.4	\$343.3	\$375.4
10	\$195.7	\$272.7	\$324.1	\$359.4
11	\$170.1	\$253.5	\$311.2	\$349.7
12	\$144.4	\$231.0	\$298.4	\$343.3
13	\$121.9	\$211.8	\$282.3	\$333.7
14	\$112.3	\$192.5	\$269.5	\$327.3
15	\$105.9	\$173.3	\$259.9	\$324.1
16	\$99.5	\$154.0	\$237.4	\$301.6
17	\$99.5	\$138.0	\$224.6	\$295.2
18	\$99.5	\$125.1	\$205.3	\$285.6
19	\$99.5	\$121.9	\$189.3	\$282.3
20	\$99.5	\$121.9	\$173.3	\$272.7
21	\$99.5	\$125.1	\$176.5	\$275.9
22	\$99.5	\$125.1	\$166.8	\$259.9
23	\$99.5	\$125.1	\$157.2	\$243.8
24	\$99.5	\$125.1	\$131.5	\$224.6
25	\$99.5	\$125.1	\$134.8	\$208.6
26	\$99.5	\$125.1	\$134.8	\$189.3
27	\$99.5	\$125.1	\$134.8	\$176.5
28	\$99.5	\$125.1	\$134.8	\$157.2
29	\$99.5	\$125.1	\$134.8	\$147.6
30	\$99.5	\$125.1	\$134.8	\$141.2
Totals	\$4,844.8	\$6,083.3	\$7,244.8	\$8,666.2

b. Pipelines

Analyzing Carbon Capture Storage pipelines and wells introduces more uncertainty in the estimates. The Louisiana Tax Commission (LATAX) states in Chapter 13 of their Rules and Regulations that “As carbon capture pipelines are a new category of property in this chapter beginning in 2025, rules related to such pipelines are intended to be applicable until additional sufficient information becomes available from operations and/or market data to support revised rules.” With that in mind, this report uses figures from Table 1307.B which include estimates of the costs of offshore pipelines. According to inputs provided by OnStream, all pipelines will be 16 inches in diameter and the following table shows estimates of the distance. This analysis also assumes that all pipelines are within 3 miles of the shore. If pipelines go further out than that, then property taxes cannot be collected.

Pipeline Estimates	
Pipeline Segment	Distance (feet)
Pump Station to Platform A	17,605
Platform A to B	2,285
Platform B to C	1,890
Platform C to D	31,400
Total	53,180

The figures show an estimate of 53,180 feet, or approximately 10 miles. According to the LATAx estimates, the cost per mile for a 16-inch diameter pipeline is approximately \$1.7 million and 15% of the cost to be assessed is \$254.8 thousand. The table below shows the estimated property tax collections over the next 30 years assuming the average Cameron Parish millage rate of 138 and the pipeline depreciation schedule from Table 1307.C from LATAx. The estimates for each pipeline are shown.

Property Tax Calculation for Pipelines (thousands)					
	Pump Station to Platform A	Platform A to B	Platform B to C	Platform C to D	Total
Mileage	3.3	0.4	0.4	5.9	10.0
Year					
1	\$113.7	\$13.8	\$13.8	\$203.3	\$344.5
2	\$111.4	\$13.5	\$13.5	\$199.1	\$337.5
3	\$109.1	\$13.2	\$13.2	\$195.0	\$330.5
4	\$105.6	\$12.8	\$12.8	\$188.8	\$319.9
5	\$102.1	\$12.4	\$12.4	\$182.5	\$309.4
6	\$99.8	\$12.1	\$12.1	\$178.4	\$302.3
7	\$96.3	\$11.7	\$11.7	\$172.2	\$291.8
8	\$92.8	\$11.3	\$11.3	\$165.9	\$281.3
9	\$89.3	\$10.8	\$10.8	\$159.7	\$270.7
10	\$84.7	\$10.3	\$10.3	\$151.4	\$256.6
11	\$81.2	\$9.8	\$9.8	\$145.2	\$246.1
12	\$77.7	\$9.4	\$9.4	\$139.0	\$235.5
13	\$73.1	\$8.9	\$8.9	\$130.7	\$221.5
14	\$69.6	\$8.4	\$8.4	\$124.5	\$210.9
15	\$65.0	\$7.9	\$7.9	\$116.2	\$196.9
16	\$60.3	\$7.3	\$7.3	\$107.9	\$182.8
17	\$55.7	\$6.8	\$6.8	\$99.6	\$168.8
18	\$51.0	\$6.2	\$6.2	\$91.3	\$154.7
19	\$45.2	\$5.5	\$5.5	\$80.9	\$137.1
20	\$40.6	\$4.9	\$4.9	\$72.6	\$123.0
21	\$38.3	\$4.6	\$4.6	\$68.5	\$116.0
22	\$34.8	\$4.2	\$4.2	\$62.2	\$105.5
23	\$32.5	\$3.9	\$3.9	\$58.1	\$98.4
24	\$30.2	\$3.7	\$3.7	\$53.9	\$91.4
25	\$29.0	\$3.5	\$3.5	\$51.9	\$87.9
26	\$26.7	\$3.2	\$3.2	\$47.7	\$80.9
27	\$23.2	\$2.8	\$2.8	\$41.5	\$70.3
28	\$23.2	\$2.8	\$2.8	\$41.5	\$70.3
29	\$23.2	\$2.8	\$2.8	\$41.5	\$70.3
30	\$23.2	\$2.8	\$2.8	\$41.5	\$70.3
Total	\$1,908.5	\$231.3	\$231.3	\$3,412.1	\$5,783.3

These estimates show that if the full 10 miles of pipeline are in operation, almost \$5.8 million in property tax revenues could be collected.

c. Wells

When looking at wells where the carbon will be stored, if Cameron Parish is to get property tax revenues from the wells under state waters, an emergency rule would be used to calculate the figures. According to Table 2503.E of the emergency rule, the Values for Carbon Sequestration Wells and Related Wells⁹ for offshore wells are \$2 per foot for all depths. According to the inputs given by OnStream, the project plans to build between 6 to 9 storage wells and between 4 to 6 monitor wells all approximately 9,500 feet deep. Looking at the low and high estimates gives a range

⁹ The rule states these figures are applicable to carbon sequestration wells, monitoring wells, and related service wells.

of 10 to 15 wells that will be analyzed. The table below shows the results over 30 years for 10 to 15 wells, each 9,500 feet deep, at a value of \$2 per foot, estimated at the average Cameron Parish millage rate of 130. There is no consideration for the discount rates provided in the emergency rule because it is assumed these wells will not make money and therefore have no cash flow. This analysis also assumes that all wells are drilled within 3 miles of the shore. If pipelines go further out than that, then property taxes cannot be collected.

Property Tax Calculation Wells (thousands)		
Year	10 Wells	15 Wells
1	\$26.2	\$39.3
2	\$26.2	\$39.3
3	\$26.2	\$39.3
4	\$26.2	\$39.3
5	\$26.2	\$39.3
6	\$26.2	\$39.3
7	\$26.2	\$39.3
8	\$26.2	\$39.3
9	\$26.2	\$39.3
10	\$26.2	\$39.3
11	\$26.2	\$39.3
12	\$26.2	\$39.3
13	\$26.2	\$39.3
14	\$26.2	\$39.3
15	\$26.2	\$39.3
16	\$26.2	\$39.3
17	\$26.2	\$39.3
18	\$26.2	\$39.3
19	\$26.2	\$39.3
20	\$26.2	\$39.3
21	\$26.2	\$39.3
22	\$26.2	\$39.3
23	\$26.2	\$39.3
24	\$26.2	\$39.3
25	\$26.2	\$39.3
26	\$26.2	\$39.3
27	\$26.2	\$39.3
28	\$26.2	\$39.3
29	\$26.2	\$39.3
30	\$26.2	\$39.3
Totals	\$786.6	\$1,179.9

Depending on the number and depth of the wells, the collections could range from \$786 thousand to almost \$1.2 million over 30 years.

It must be noted that carbon capture is a new industry, and things could change dramatically with regards to assessments and rules. For now, this report presents preliminary estimates based on the current rules.

2. Revenue Sharing

Resolution #23-08-014¹⁰ contains details of the agreement between OnStream and the State Mineral and Energy Board. This document shows the amounts that will be paid to the state in terms of leasing per acre as well as an injection fee for each ton of CO₂ stored “on the area of State waters, including the submerged lands of the Gulf of Mexico, located in Cameron Parish...” According to Louisiana RS 30:149¹¹, “Thirty percent of the revenue shall be remitted to the governing authority of the parish located in a specific area of interest.” This report will provide preliminary estimates of the amounts that will be remitted to the state and parish.

a. Leasing

The agreement shows that 24,181 acres will be utilized for the CCS project. There will be an upfront lump sum payment of \$300 per acre to the Office of Mineral Revenues (OMR). On an ongoing basis, the project will pay leases of \$60 per acre per year. If the local area receives 30% of these leases, that would imply the parish would get \$90 per acre up front and \$18 per acre per year.

Lease Payments Illustration			
Acreage	\$ Per Acre	Total Lease Payments	30% Local Amount
24,181			
Upfront			
	\$300	\$7,254,300	\$2,176,290
Annual			
	\$60	\$1,450,860	\$435,258

As shown in the table above, the 30% for 24,181 acres would mean almost \$2.2 million initially and over \$435 thousand a year to the locals. That \$435 thousand per year will continue as long as the agreement is in place.

b. Injection Fees

Apart from the lease payments, the agreement also includes an injection fee. The amount that will be paid depends on the amount of carbon dioxide injected. The agreed “Annual Injection Fee Per Ton” is initially set at \$7.50 per ton. If locals receive 30% of the revenues, this implies \$2.25 per ton will go to locals.

i. Minimum Figures

At the very minimum, the contract includes a minimum annual guaranteed payment (MGAP). According to the MGAP, “the MGAP shall equal the product of the then current Annual Injection Fee Per Ton multiplied by 500 thousand tons for the initial year of the Operational Term. For each subsequent year following the initial year of the Operational Term and/or Operational Discretionary Term the MGAP shall equal the production of the then current Annual Injection fee Per Ton multiplied by 1 million tons per year.

If the amounts stored are below the minimums mentioned above, the agreement will hold the project to the \$7.50 per ton times the minimums. The table below shows the amounts collected if the minimum amount is all that’s collected.

¹⁰ https://www.dnr.louisiana.gov/assets/OMR/media/forms_pubs/CS006.pdf

¹¹ <https://legis.la.gov/Legis/Law.aspx?d=1337486>

Minimum Injection Collections			
Annual Injection Fee Per Ton			
\$7.50			
	Tons	Total	30% Local Amount
Initial Year of Operational Term	500,000	\$3,750,000	\$1,125,000
Subsequent Years of Operational Term	1,000,000	\$7,500,000	\$2,250,000

The table above shows that 30% of minimum annual payment will be \$1.125 million in the initial year of the Operational Term and \$2.25 million a year in subsequent time periods.

ii. Projections

According to figures provided by OnStream, Phase 1 has a current Class VI permit and is projected to store 6 MMTPA per year for 20 years. Phase 2 is currently being assessed for capacity to store volumes and Phase 3 is currently being assessed.

Examining Phase 1 only, at \$7.50 per ton, 6 million tons per year would result in \$45 million a year in fees. Thirty percent of this is \$13.5 million a year going to the locals. Over 20 years, this results in a total of \$270 million. It is unknown if there will be a ramp-up phase, or which years there may be more or less than 6 million tons stored. If the average of 6 million tons per year holds, this provides a clear estimate of the amounts that could be realized from the first phase.

At this point, it is not possible to predict the amounts that will go to the locals in the other phases as these are still being assessed. Of course, if the other two phases will store the same amounts, the figures shown above can be tripled. As storage capacity becomes clearer, the tons of carbon dioxide stored can be multiplied by the \$2.25 figure. This assumes there is no change to the 45Q tax credit.

iii. Changes to the 45Q tax credit

There is one more note that must be made with respect to the injection fees. Article 4.5 of the agreement states if the 45Q tax credit is increased above \$85/ton, the Annual Injection Fee Per Ton shall be increased by 10% of any such increase. This means that there will most likely be upward adjustments to the fees as the 45Q credit changes for inflation.

For example, suppose the current 45Q credit increases to \$100 per ton. This means that the absolute increase is \$15. 10% of that is \$1.50 and the new annual injection fee per ton would be \$9.00 (\$7.50 + \$1.50). If 30% of this goes to the locals, the \$2.25 figure mentioned earlier would increase to \$3. Since the path of the current 45Q tax credit is unknown, not only due to inflation but also the current presidential administration and Congress, this report will not attempt to project the increases. However, it can be noted that future increases are most likely to happen given the current environment (which is subject to change).

Economic Relationships Outside Louisiana

The economic and fiscal impacts illustrated in this report are for areas in the state of Louisiana only. If materials are purchased from outside the state and workers commute from nearby Texas and take earned income back home and spend in that state, that will lead to indirect and induced impacts in those areas. However, since these effects are not captured in the available Louisiana geography, these are considered leakage and not a part of the estimates.

It should be noted that Cameron Parish borders Orange and Jefferson Counties in Southeast Texas. It is reasonable to assume that this project will not only provide benefits to parishes in Louisiana, but also areas in Texas. Although the

economic impacts do not show this, other sources of data provide evidence of the strong economic ties among these areas.

1. Trade Flows

IMPLAN's domestic Trade Flow dataset consists of county-to-county dollar values of domestic trade in all IMPLAN Commodities (including services). The trade captured by this dataset is for both intermediate and final uses and includes trade within a county (and a county to itself). A key aspect of the dataset is that the trade is on an origin-of-production basis, not an origin-of-movement basis. This means that the data set tracks from where a Commodity is produced to where it is consumed, as either an intermediate or final use rather than from where a Commodity begins its export journey. Looking at trade flows for Cameron Parish shows that out of all commodity trade flows modeled, a great deal of trade takes place in Texas Counties. This is illustrated in the table below.

Trade Flows from Cameron Parish Origin		
Trade Flows Destination County	Trade Flows Trade Value	Percentage of Total
Cameron Parish, Louisiana	\$1,057,323,433.18	26.7%
Calcasieu Parish, Louisiana	\$189,431,904.31	4.8%
Harris County, Texas	\$173,922,840.88	4.4%
Brazoria County, Texas	\$126,691,371.12	3.2%
Iberville Parish, Louisiana	\$66,993,042.11	1.7%
Jefferson County, Texas	\$53,235,189.32	1.3%
Calhoun County, Texas	\$50,665,678.99	1.3%
Chambers County, Texas	\$46,114,753.57	1.2%
East Baton Rouge Parish, Louisiana	\$44,153,646.60	1.1%
Ascension Parish, Louisiana	\$32,575,919.98	0.8%
Dallas County, Texas	\$31,044,529.84	0.8%
Midland County, Texas	\$28,269,646.83	0.7%
Harrison County, Texas	\$26,077,050.46	0.7%
Orange County, Texas	\$25,881,707.55	0.7%
Nueces County, Texas	\$25,844,714.73	0.7%

Of course, the majority of commodities produced in the area will end up in the area, explaining the largest percentage in Cameron Parish. However, looking at other counties/parishes shows that relatively large percentages of trade that originated in Cameron Parish have destinations in Texas. In fact, of the top 15 counties/parishes shown in the table, ten of them are in Texas.

2. Commuting Patterns

One of the strongest arguments for the Cameron Parish and Texas regional cohesion is commuter flow. The workforce moves fluidly across the state line, with significant commuting. Cameron Parish has deep economic ties through its LNG export facilities and offshore industries, requiring specialized labor drawn from not only SWLA but areas in Texas. Estimates from the Census LEHD OnTheMap for all jobs show a great deal of commuting in the parish. The results shown in the table below are for the latest available 2022 data.

OnTheMap Commuter Flow Estimates					
Cameron Parish Residence			Cameron Parish Location of Employment		
Total All Jobs	2,843		Total All Jobs	5,331	
Area of Employment	Count	Share	Area of Residence	Count	Share
Calcasieu Parish, LA	1,081	38.0%	Calcasieu Parish, LA	1,351	25.3%
Cameron Parish, LA	772	27.2%	Cameron Parish, LA	772	14.5%
Lafayette Parish, LA	222	7.8%	Jefferson County, TX	722	13.5%
Jefferson County, TX	87	3.1%	Harris County, TX	323	6.1%
East Baton Rouge Parish, LA	61	2.1%	Hidalgo County, TX	252	4.7%
Jefferson Davis Parish, LA	60	2.1%	Orange County, TX	232	4.4%
Rapides Parish, LA	39	1.4%	Jefferson Davis Parish, LA	111	2.1%
Jefferson Parish, LA	38	1.3%	Beauregard Parish, LA	94	1.8%
Beauregard Parish, LA	29	1.0%	Lafayette Parish, LA	75	1.4%
St. Landry Parish, LA	29	1.0%	Cameron County, TX	68	1.3%
All Other Locations	425	14.9%	All Other Locations	1,331	25.0%

The columns on the left show that of the over 2,800 residents in Cameron Parish who are employed, 3.1% of them commute Jefferson County to work. The more interesting outcome is shown in the columns on the right. These show the top 10 counties/parishes where people live from which they commute to Cameron Parish for work. Of these 10 highest areas, 5 of them are in Texas. The 5 counties in Texas have residents that make up 30% of the jobs in Cameron Parish.

These results illustrate that nearby Southeast Texas will benefit from jobs, wages, and supply chain needs that come from economic development projects in Cameron Parish.

Conclusion

OnStream CO2, LLC's GeoDura Carbon Storage Hub project located offshore Cameron Parish, Louisiana, will generate substantial and sustained economic and fiscal benefits for the parish, the Southwest Louisiana region, and the state of Louisiana. Over the 24-year period analyzed in this report, the project is expected to contribute over \$84 million in GDP to Cameron Parish and approximately \$105.7 million to the state. In inflation-adjusted present value terms, these figures amount to \$76.5 million and \$95.6 million, respectively. These impacts include both the temporary but significant effects of construction and the ongoing contributions from operations.

The project will support almost 100 jobs during the construction phase statewide and create 10 permanent direct jobs during operations, resulting in 18 total jobs annually in Cameron Parish and 25 statewide. These jobs will generate \$2 million in annual nominal labor income in the parish and over \$2.5 million in the state, with economic benefits continuing each year the project remains active.

Fiscal impacts are also notable. In inflation-adjusted present value terms, local tax revenues in Cameron Parish are projected to range from almost \$3 million to \$10 million over the 24-year period. State revenues are estimated to be between \$2.4 million and almost \$5.6 million. These estimates are conservative and do not include the substantial additional revenues from leasing and injection fees. Basic property tax calculations show higher revenues, but more detailed estimates show collections will still be substantial. Platforms and a pump station are projected to generate between \$4.8 and \$8.7 million over 30 years while pipelines can generate almost \$5.8 million over 30 years. Finally, property tax collections on wells are estimated to collect almost \$787 thousand to almost \$1.2 million over 30 years, but these rules could change as the industry is experiencing rapid growth in the state and parishes.

Based on the agreement with the State Mineral and Energy Board, Cameron Parish is expected to receive over \$2.1 million in upfront lease payments and more than \$435 thousand annually in lease revenues. Injection fees could generate \$1.125 million in the first year of operations and \$2.25 million annually thereafter, with potential for much

higher returns if Phase 1 reaches its projected 6 million metric tons per year of CO₂ storage, equating to \$13.5 million annually for the parish.

Beyond the direct economic and fiscal impacts, the project enhances Cameron Parish's strategic position as a hub for carbon management infrastructure. The presence of pipelines, platforms, and wells will reduce future costs for carbon storage, making the region more attractive for additional investment. Moreover, strong trade and commuting ties with Southeast Texas suggest that the project's benefits will extend beyond Louisiana's borders, reinforcing the region's role in the broader Gulf Coast energy and environmental economy.

As the demand for carbon capture and storage continues to grow, projects like this one will be critical in balancing economic development with environmental responsibility. The project not only delivers immediate and long-term economic value but also positions Cameron Parish and Louisiana at the forefront of the emerging carbon economy.

Biography

Dr. Daniel Graft is the Director of the H.C. Drew Center for Business and Economic Analysis (the "Drew CBEA"). He is also Associate Professor of Economics. After receiving his Ph.D. in Economics from Louisiana State University, Dr. Graft was Assistant Professor at McNeese for two years before becoming the sole economist at Louisiana Economic Development. Dr. Graft went on to be the economist at the Louisiana Department of Revenue. During his time in state government, he provided research, statistical data, reports, and overall fiscal and economic analysis for agencies, legislators, agency publications, and the general public.

Apart from teaching and research duties as a professor, Dr. Graft is currently Director of the Drew CBEA at McNeese. His duties include tracking economic data related to the Southwest Louisiana economy, answering economic-related inquiries, producing quarterly reports on the state of the regional economy, and conducting economic analysis for commissioned reports. He also hosts the Southwest Louisiana Economic Intel Podcast, which looks at economic issues affecting the five-parish Southwest Louisiana region.

He is also an independent economic consultant specializing in economic impact studies, fiscal analyses, and forensic economics.

Disclaimer

This study has been requested and paid for by OnStream CO₂,LLC.

OnStream CO₂, LLC is a collaboration between Castex Carbon Solutions, Carbonvert, and Enbridge. GeoDura's project development work builds on Castex's decades-long operational, commercial, and subsurface expertise; Carbonvert's specialized expertise in carbon capture and storage; and Enbridge's North American portfolio of diversified energy products.

Appendix

1. Alternative Pipelines Estimate

It is assumed in the report that all pipelines be taxable property to Cameron Parish. However, if any pipelines extend 3 miles past into Federal waters, the collections will be lower. This report assumes all pipelines will be within the 3-mile limit. For illustration, this section of the appendix will calculate property taxes on 3 miles of pipeline. Whatever number of wells are within the 3-mile limit, this dollar figure can be multiplied by the number of wells.

Property Tax Calculation for 3 Miles of Offshore Pipelines (thousands)	
	Total
Mileage	3
Year	
1	\$103.4
2	\$101.3
3	\$99.1
4	\$96.0
5	\$92.8
6	\$90.7
7	\$87.5
8	\$84.4
9	\$81.2
10	\$77.0
11	\$73.8
12	\$70.7
13	\$66.4
14	\$63.3
15	\$59.1
16	\$54.8
17	\$50.6
18	\$46.4
19	\$41.1
20	\$36.9
21	\$34.8
22	\$31.6
23	\$29.5
24	\$27.4
25	\$26.4
26	\$24.3
27	\$21.1
28	\$21.1
29	\$21.1
30	\$21.1
Total	\$1,735.0

If only 3 miles of pipelines are taxable, the parish will collect over \$1.7 million over 30 years.

2. Alternative Wells Estimate

It is also assumed in the report that all wells will be taxable property to Cameron Parish. If wells are drilled more than three miles out, they are not taxable in Cameron Parish. This report assumes all wells will be within the 3-mile limit. This section will show the property taxes collected by one offshore well at a depth of 9,500 feet. While the main report shows the range of 10 to 15 wells, this section will show the calculation for one well. Whatever number of wells are within the 3-mile limit, this dollar figure can be multiplied by the number of wells.

Property Tax Calculation on One Offshore Well at 9,500 Feet (thousands)	
Year	1 Well
1	\$2.6
2	\$2.6
3	\$2.6
4	\$2.6
5	\$2.6
6	\$2.6
7	\$2.6
8	\$2.6
9	\$2.6
10	\$2.6
11	\$2.6
12	\$2.6
13	\$2.6
14	\$2.6
15	\$2.6
16	\$2.6
17	\$2.6
18	\$2.6
19	\$2.6
20	\$2.6
21	\$2.6
22	\$2.6
23	\$2.6
24	\$2.6
25	\$2.6
26	\$2.6
27	\$2.6
28	\$2.6
29	\$2.6
30	\$2.6
Totals	\$78.7

One offshore well at 9,500 feet would produce \$78.7 thousand dollars over 30 years. Any number of wells could be multiplied by this figure to get an estimate of the total collections.

While the rules the pipeline and well revenues were calculated under are subject to change (as well as future millage rates subject to change), these provide the closest estimates compared to current conditions under reasonable assumptions.