

ILLINOIS POLLUTION CONTROL BOARD  
June 18, 2020

WRB REFINING, LP (Property Identification )	)	
Number 191083500000001),	)	
	)	
Petitioner,	)	
	)	
v.	)	PCB 20-85
	)	(Tax Certification – Air)
ILLINOIS ENVIRONMENTAL	)	
PROTECTION AGENCY,	)	
	)	
Respondent.	)	

ORDER OF THE BOARD (by B.K. Carter):

On May 29, 2020, the Illinois Environmental Protection Agency (Agency) filed a recommendation that the Board certify a specified facility of WRB Refining, LP (WRB Refining), as a “pollution control facility” for preferential tax treatment under the Property Tax Code. *See* 35 ILCS 200/11-5 *et seq.* (2018); 35 Ill. Adm. Code 125. WRB Refining’s Low Sulfur International Maritime Organization (IMO) Fuel Project is located at 900 South Central Avenue in Roxana, Madison County. In this order, the Board describes the legal framework for tax certifications, discusses the Agency’s recommendation, and certifies that WRB Refining’s identified Low Sulfur IMO Fuel Project is a pollution control facility.

**LEGAL FRAMEWORK**

Under the Property Tax Code, “[i]t is the policy of this State that pollution control facilities should be valued, at 33 1/3% of the fair cash value of their economic productivity to their owners.” 35 ILCS 200/11-5 (2018); *see also* 35 Ill. Adm. Code 125.200(a)(2). “For tax purposes, pollution control facilities shall be certified as such by the Pollution Control Board and shall be assessed by the Department [of Revenue].” 35 ILCS 200/11-20 (2018); *see also* 35 Ill. Adm. Code 125.200(a). Under the statute, the Board determines if the facilities are pollution control facilities; however, the Board is not authorized to assess a value of those facilities.

Under Section 125.202 of the Board’s procedural rules, a person may submit an application for tax certification to the Agency. *See* 35 Ill. Adm. Code 125.202. If the Agency receives a tax certification application, the Agency must file with the Board a recommendation on the application, unless the applicant withdraws the application. *See* 35 Ill. Adm. Code 125.204(a). Among other things, the Agency’s filing must recommend that the Board issue or deny tax certification. *See* 35 Ill. Adm. Code 125.204(a)(4). If the Board finds “that the claimed facility or relevant portion thereof is a pollution control facility . . . , the Pollution Control Board . . . shall enter a finding and issue a certificate to that effect.” 35 ILCS 200/11-25 (2018); *see also* 35 Ill. Adm. Code 125.216(a).

### AGENCY RECOMMENDATION

The Agency states that it received a tax certification application from WRB Refining on December 27, 2018.<sup>1</sup> Rec. at 1. On May 29, 2020, the Agency filed a recommendation with the Board, attaching WRB Refining's application (Rec. Exh. A). The Agency's recommendation identifies and describes the facility at issue:

The subject matter of this request consists of the Low Sulfur International Maritime Organization ("IMO") Fuel Project, which was constructed and installed by WRB Refining to provide a means of treatment for a new process feedstock refinery gasoline stream. The project modified an existing Ultra-low Sulfur Diesel Unit No. 1 ("ULD2") located in the business area of the Wood River refinery. The ULD2 is a process unit that converts sulfur compound in the distillate streams and fuel oil feedstock to hydrogen sulfide. The project consisted of a new fixed roof tank, additional piping and increased use of other refinery processes to hydrotreat No. 6 Fuel Oil feed, supplementing a range of other distillate streams (i.e., light oil gas) that are already hydrotreated. Implementation of the project allows the refinery to produce a new low-sulfur maritime fuel which comports with a .05 percent fuel sulfur limit established by the International Maritime Organization and enforced through the International Convention for the Prevention of Pollution ("MARPOL"), Annex VI (entitled Prevention of Air Pollution from Ships and entered May 19, 2005). As such, the project acts to prevent or reduce sulfur-related emissions from maritime emissions sources that rely upon the fuel supply pool. *Id.* at 2.

The Agency recommends that the Board certify that the Low Sulfur IMO Fuel Project is a pollution control facility as defined in Section 11-10 of the Property Tax Code (35 ILCS 200/11-10 (2018)) with the "primary purpose of eliminating, preventing, or reducing air pollution." *Id.* at 2; *see also* Rec. Exh. B (Agency technical memorandum).

### TAX CERTIFICATE

Based upon the Agency's recommendation, WRB Refining's application, and the Board's technical review, the Board finds and certifies that WRB Refining's Low Sulfur IMO Fuel Project identified in this order is a pollution control facility under the Property Tax Code (35 ILCS 200/11-10 (2018)). The Board makes no finding regarding the assessed value of that facility. Under Section 11-25 of the Property Tax Code, the effective date of this certificate is "the date of application for the certificate or the date of the construction of the facility, which ever is later." 35 ILCS 200/11-25 (2016); *see also* 35 Ill. Adm. Code 125.216(a). Section 125.216(d) of the Board's procedural rules states that the Clerk "will provide the applicant and the Agency with a copy of the Board's order setting forth *the Board's findings and certificate, if any.*" 35 Ill. Adm. Code 125.216(d) (quoting in italics 35 ILCS 200/11-30 (2018)). The Clerk therefore will provide WRB Refining and the Agency with a copy of this order.

IT IS SO ORDERED.

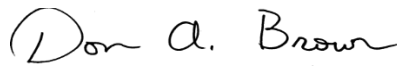
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<sup>1</sup> The Agency's recommendation is cited as "Rec. at 3."

Section 11-60 of the Property Tax Code provides that any applicant or holder aggrieved by the issuance, refusal to issue, denial, revocation, modification or restriction of a pollution control certificate or a low sulfur dioxide emission coal fueled device certificate may appeal the Board's finding and order to the Circuit Court under the Administrative Review Law (735 ILCS 5/3-101 *et seq.* (2018)). *See* 35 ILCS 200/11-60 (2018). Filing a motion asking that the Board reconsider this final order is not a prerequisite to appealing the order. 35 Ill. Adm. Code 101.902.

<b>Names and Addresses for Receiving Service of Any Appeal Filed with the Circuit Court</b>	
<b>Parties</b>	<b>Board</b>
WRB Refining, LP Attn: Bob Adair 2331 CitiWest Boulevard Houston, TX 70042 bob.adair@p66.com	Illinois Pollution Control Board Attn: Don A. Brown, Clerk James R. Thompson Center 100 West Randolph Street, Suite 11-500 Chicago, Illinois 60601
Illinois Environmental Protection Agency Attn: Robb H. Layman 1021 North Grand Avenue East Springfield, IL 62794-9276 robb.layman@illinois.gov	

I, Don A. Brown, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on June 18, 2020, by a vote of 4-0.



Don A. Brown, Clerk  
 Illinois Pollution Control Board