

ILLINOIS POLLUTION CONTROL BOARD
October 6, 2022

WRB REFINING, LP SELECTIVE)
CATALYTIC REDUCTION UNIT (Property)
Identification Number 191083500000001),)
)
Petitioner,)
)
v.) PCB 23-44
) (Tax Certification - Air)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
)
Respondent.)

ORDER OF THE BOARD (By A. Palivos):

On September 23, 2022, the Illinois Environmental Protection Agency (Agency) filed a recommendation that the Board certify a specified facility of WRB Refining, LP (WRB Refining) as “pollution control facilities” for preferential tax treatment under the Property Tax Code. *See* 35 ILCS 200/11-5 *et seq.* (2020); 35 Ill. Adm. Code 125. WRB Refining’s Selective Catalytic Reduction Unit (SCR Unit), installed on Boiler No. 19, is located at 900 S. Central Ave., 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 SCR Unit 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 (2020); *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 (2020); *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 (2020); *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, 2021.¹ Rec. at 1. On September 23, 2022, 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 involves the installation of a Selective Catalytic Reduction ("SCR") Unit at the Wood River Refinery. The unit employs a catalyst to convert nitrogen oxides ("NOx") emissions generated from the Hydrogen Plant Heaters into nitrogen and water. The unit abates NOx emissions generated because of the addition of a recent Hydrocrack Yield Optimization project, which increased the utilization of the Hydrogen Plant Heaters located within the existing Hydrocracker Unit in the Aromatics area of the refinery. *See*, Exhibit A, page 2 of 3; *see also*, Attachment 1 and 2. The installation of the unit will reduce NOx emissions from the flue gas streams of the Hydrogen Plant Heaters by an estimated fifty percent (50%), thus reducing or preventing emissions that would otherwise be emitted to the atmosphere from refinery operations. *Id.* The installation of the equipment assures that the facility will meet its legal obligations to comply with Standards of Performance of certain Petroleum Refineries under the U.S. Environmental Protection Agency's New Source Performance Standards ("NSPS") found at 40 CFR Part 60, Subpart Ja, at Section 60.102a(g)(2)(i) and related permit conditions. *Id.*, page 2 of 3. *Id.* at 2.

The Agency further states "the primary purpose of the SCR Unit [is] to reduce NOx emissions from the increased utilization of the Hydrogen Plant Heaters and to comply with applicable air pollution standards" and "it is the [Agency]'s engineering judgment that the unit and related appurtenances may be considered as 'pollution control facilities' in accordance with the statutory definition [Section 11-10 of the Property Tax Code (35 ILCS 200/11-10 (2018))]" and consistent with the Board's regulations at 35 Ill. Adm. Code 125.200." Rec. at 2-3; *see also* Rec., 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 SCR Unit identified in this order is a pollution control facility under the Property Tax Code (35 ILCS 200/11-10 (2020)). 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 (2020); *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 (2020)). The Clerk therefore will provide WRB Refining and the Agency with a copy of this order.

¹ The Agency's recommendation is cited as "Rec. at _."

IT IS SO ORDERED.

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.* (2020)). *See* 35 ILCS 200/11-60 (2020). Within 35 days after receiving this final Board order, a party to this Board proceeding may file a motion asking the Board to reconsider or modify the order. 35 Ill. Adm. Code 101.520. Filing a motion to reconsider this final Board order is not a prerequisite to appealing the order. 35 Ill. Adm. Code 101.902.

Names and Addresses for Receiving Service of Any Appeal Filed with the Circuit Court	
Parties	Board
WRB Refining, LP Wood River Refinery 900 South Central Ave. Roxana, IL 62084 Bob Adar WRB Refining, LP 2331 CityWest Blvd. Houston, TX 77042	Illinois Pollution Control Board Attn: Don A. Brown, Clerk 60 E. Van Buren St., Suite 630 Chicago, Illinois 60605
Robb H. Layman Assistant Counsel Illinois Environmental Protection Agency 1021 North Grand Avenue East P.O. Box 19276 Springfield, IL 62894-9276	

I, Don A. Brown, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on October 6, 2022, by a vote of 5-0.



Don A. Brown, Clerk
 Illinois Pollution Control Board