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JUN 24 2002

STATE OF ILLINOIS
Pollution Control Board

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

EXXON MOBILE OIL CORPORATION)
(Low Sulfur MO-GAS Equipment))
Property Identification Number)
10-22-100-006-0010)
)
)

PCB *02-303*
(Tax Certification)

NOTICE

TO: Dorothy Gunn, Clerk
Illinois Pollution Control Board
State of Illinois Center
100 W. Randolph Street, Suite 11-500
Chicago, Illinois 60601

Stacey K. Ford
Exxon Mobile Oil Corp.
I-55 & Arsenal Road East
Channahon, Illinois 60410

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
P.O. Box 19033
Springfield, Illinois 62794

PLEASE TAKE NOTICE that I have today filed with the Office of the Pollution Control Board the APPEARANCE AND RECOMMENDATION of the Illinois Environmental Protection Agency, a copy of which is herewith served upon you.

Date: June 20, 2002



Robb H. Layman
Special Assistant Attorney General
ARDC #6205498

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276
Telephone: 217/782-5544
Facsimile: 217/782-9807
TDD: 217/782-9143

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BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

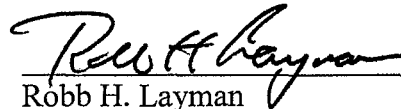
STATE OF ILLINOIS
Pollution Control Board

EXXON MOBILE OIL CORPORATION)
(Low Sulfur MO-GAS Equipment))
)
Property Identification Number)
10-22-100-006-0010)
)
)
)

PCB 02-333
(Tax Certification)

APPEARANCE

I hereby file my Appearance in this proceeding on behalf of the Illinois Environmental Protection Agency.



Robb H. Layman
Special Assistant Attorney General
ARDC #6205498

DATED: June 20, 2002

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East
P.O. Box 19276
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STATE OF ILLINOIS
Pollution Control Board

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

EXXON MOBILE OIL CORPORATION)
(Low Sulfur MO-GAS Equipment))
Property Identification Number) PCB 02-223
10-22-100-006-0010) (Tax Certification)
)

RECOMMENDATION

Now Comes the Illinois Environmental Protection Agency ("Illinois EPA"), through its attorneys, and pursuant to Section 125.204 of the Illinois Pollution Control Board's ("Board") regulations files the following Recommendation regarding the tax certification of air pollution control facilities pursuant to 35 Ill. Adm. Code 125.204.

- 1) On April 4, 2002, the Illinois EPA received a request from Exxon-Mobile Oil Corporation for an Illinois EPA recommendation regarding the tax certification of air pollution control facilities pursuant to 35 Ill. Adm. Code 125.204, and noted the request as log number TC-02-04-04. (Exhibit A)
- 2) The applicant's address is: Stacey K. Ford
Exxon Mobile Oil Corporation
I-55 & Arsenal Road East
Channahon, Illinois 60410
- 3) The air pollution control facilities in this request are located at I-55 & Arsenal Road East, Channahon, Section 22, Range 9, Channahon Township and consist of the following:

Low Sulfur MO-GAS Equipment whose primary purpose is to remove sulfur

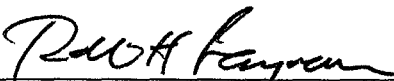
compounds in the production of gasoline and to meet the US EPA Tier 2 Motor Vehicle Emission Standards and Gasoline Sulfur Control Requirements, reducing SO2 Emissions once the gasoline is consumed. This is done by increasing the capacity of existing desulfurization units (the Pretreater and Hydrofinisher Units) and by installing a new Selective Hydrogenation Unit and Naphtha Splitter. Improvements must also be made to the South Sulfur Recovery Plant, i.e., addition of two additional conversion beds (one per train), to handle the additional sulfur. Because the primary purpose of this system is to reduce or eliminate air pollution, it is certified as a pollution control facility.

4. Section 11-10 of the Property Tax Code, 35 ILCS 200/11-10 (2000), defines "pollution control facilities" as: "any system, method, construction, device or appliance appurtenant thereto or any portion of any building or equipment, that is designed, constructed, installed or operated for the primary purpose of: (a) eliminating, preventing, or reducing air or water pollution ...or (b) treating, pretreating, modifying or disposing of any potential solid, liquid or gaseous pollutant which if released without treatment, pretreatment modification or disposal might be harmful, detrimental or offensive to human, plant or animal life, or to property."
5. Pollution control facilities are entitled to preferential tax treatment, 35 ILCS 200/11-5 (2000).
6. Based on the information in the application and the purpose of the facilities, to prevent,

eliminate or reduce air pollution, it is the Illinois EPA's engineering judgment that the described facilities may be considered "pollution control facilities," pursuant to 35 Ill. Adm. Code 125.200(a), with the primary purpose of eliminating, preventing, or reducing air pollution, or as otherwise provided in 35 Ill. Adm. Code 125.200. Therefore, the facilities are eligible for tax certification from the Board.

7. Therefore, the Illinois EPA recommends that the Board issue the requested tax certification.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY,

By: 
Robb H. Layman
Special Assistant Attorney General

Of Counsel:
Charles E. Matoesian
Assistant Counsel

June 20, 2002

1021 North Grand Ave. E.
P.O. Box 19276
Springfield, Illinois 62794-9276
Telephone: 217/782-5544
Facsimile: 217/782-9807
TDD: 217/782-9143

APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)
 POLLUTION CONTROL FACILITY
 AIR WATER

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
 P. O. Box 19276, Springfield, IL 62794-9276

This Agency is authorized to request this information under Illinois Revised Statutes, 1979, Chapter, 120, Section 502a-5. Disclosure of this information is voluntary. However, failure to comply could prevent your application from being processed to result in denial of your application for certification.

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FOR AGENCY USE

APR 04 2002

| | | | | |
|---|---|--|---|--------------------------------|
| File No. | Date Received | Certification No. | Date | |
| Sec. A APPLICANT | Company Name ExxonMobil Oil Corporation | | | |
| | Person Authorized to Receive Certification Robert F. Cowgill | | Person to Contact for Additional Details Stacey K. Ford | |
| | Street Address P.O. Box 53 | | Street Address I-55 & Arsenal Road East | |
| | Municipality, State & Zip Code Houston, Texas 77001-0053 | | Municipality, State & Zip Code Channahon, Illinois 60410 | |
| | Telephone Number 713-656-6816 | | Telephone Number 815-521-7755 | |
| | Location of Facility Quarter Section Section 22 | Township Channahon | Range 9 | Municipality Township 34 |
| | Street Address I-55 & Arsenal Road East | | County Will | Book Number |
| | Property Identification Number 10-22-100-006-0010 | | Parcel Number Section 22 of Channahon Township | |
| | Sec. B MANUFACTURING OPERATIONS | Nature of Operations Conducted at the Above Location The Joliet Refinery is a conventional fuels refinery. It receives oil by pipeline and processes it into gasoline and distillate fuels. | | |
| | | Water Pollution Control Construction Permit No. Not Applicable | | Date Issued |
| NPDES PERMIT No. IL 0002861 (initially issued 2/8/73) | | Date Issued 6/8/98 | Expiration Date 5/31/03 | |
| Air Pollution Control Construction Permit No. 01030070 | | Date Issued 11/13/01 | | |
| Air Pollution Control Operating Permit No. | | Date Issued | | |
| Sec. C MANUFACTURING PROCESS | Describe Unit Process See Attachment | | | |
| | Materials Used in Process See Attachment | | | |
| Sec. D POLLUTION CONTROL FACILITY DESCRIPTION | Describe Pollution Abatement Control Facility See Attachment | | | |

Exhibit A

Sec. E (1) Nature of Contaminants or Pollutants

| CONTAMINANTS | Material Retained, Captured or Recovered | |
|----------------|--|-------------------------------|
| | DESCRIPTION | DISPOSAL OR USE |
| Sulfur Dioxide | See Attachment | Converted to elemental sulfur |
| | | |
| | | |
| | | |

(2) Point(s) of Waste Water Discharge
Not Applicable

| Plans and Specifications Attached | | Yes | No X |
|-----------------------------------|---|-------------------|------|
| (3) | Are contaminants (or residues) collected by the control facility? | Yes X | No |
| (4) | Date installation completed <u>N/A</u> status of installation on date of application <u>Preconstruction</u> | | |
| (5) | a. FAIR CASH VALUE IF CONSIDERED REAL PROPERTY: | \$ 220,000,000.00 | |
| | b. NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY: | \$ 0 | |
| | c. PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY: | \$ 0 | |
| | d. PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY: | \$ 0 | |
| | e. PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE: | % 55 | |

Sec. F The following information is submitted in accordance with the Illinois Property Tax Code, as amended, and to the best of my knowledge, is true and correct. The facilities claimed herein are "pollution control facilities" as defined in Section 11-10 of the Illinois Property Tax Code.

Robert F. Cowgill
Signature

Robert F. Cowgill
Property Tax Advisor
Title

Sec. G INSTRUCTIONS FOR COMPILING AND FILING APPLICATION

General: Separate applications must be completed for each control facility claimed. Do not mix types (water and air). Where both air and water operations are related, file two applications. If attachments are needed, record them consecutively on an index sheet.

| | |
|--------|--|
| Sec. A | Information refers to applicant as listed in the tax records and the person to be contacted for further details or for inspection of facilities. Define facility location by street address or legal description. A plat map location is required for facilities located outside of municipal boundaries. The property identification number is required. |
| Sec. B | Self-explanatory. Submit copies of all permits issued by local pollution control agencies. (e.g. MSD Construction Permit) |
| Sec. C | Refers to manufacturing processes or materials on which pollution control facility is used. |
| Sec. D | Narrative description of the pollution control facility, indicating that its primary purpose is to eliminate, prevent or reduce pollution. State the type of control facility. State permit number, date, and agency issuing permit. A narrative description and a process flow diagram describing the <u>pollution control facility</u> . Include a listing of each major piece of equipment included in the claimed fair cash value for real property. Include an <u>average</u> analysis of the influent and effluent of the control facility stating the collection efficiency. |
| Sec. E | List air contaminants, or water pollution substances released as effluents to the manufacturing processes. List also the final disposal of any contaminants removed from the manufacturing processes. Item (1) - Refers to pollutants and contaminants removed from the process by the pollution control facility. Item (2) - Refers to water pollution but can apply to water-carried wastes from air pollution control facilities. Submit drawings, which clearly show (a) Point(s) of discharge to receiving stream, and (b) Sewers and process piping to and from the control facility. Item (3) - If the collected contaminants are disposed of other than as wastes, state the disposition of the materials, and the value in dollars reclaimed by sale or reuse of the collected substances. State the cost of reclamation and related expense. Item (4) - State the date which the pollution control facility was first placed in service and operated. If not, explain. Item (5) - This information is essential to the certification and assessment actions. This accounting data must be completed to activate project review prior to certification by this Agency. |
| Sec. F | Self-explanatory. Signature must be a corporate authorized signature. |
| | Submit to: Illinois EPA P.O. Box 19276 Springfield, IL 62794-9276 |
| | Attention: Thomas McSwiggin Permit Section Division of Water Pollution Control |
| | Attention: Donald E. Sutton Permit Section Division of Air Pollution Control |

EXXONMOBIL OIL CORPORATION
 APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)
 POLLUTION CONTROL FACILITY

ATTACHMENT

| | |
|--|--|
| MANUFACTURING PROCESS | <p>Sec. C</p> <p>Describe Unit Process</p> <p>The process will enable the Joliet refinery to produce gasoline which will comply with federal regulation "Tier 2 Motor Vehicle Emissions Standards and Gasoline Sulfur Control Requirements" by hydrotreating and desulfurizing the gasoline. The project consists of adding a new Selective Hydrogenation Unit and a Naphtha Splitter to treat and split FCC and Coker Naphtha. One stream from the Naphtha Splitter will go directly to storage. Other draws from the Naphtha Splitter will go to the expanded HDF Unit and/or SGP before going to storage/blending. The remaining stream(s) will go to the PreTreater and then CCR prior to going to storage/blending.</p> <hr/> <p>Materials Used In Process</p> <p>The FCC Naphtha and the Coker Naphtha will be hydrotreated to reduce the sulfur of the gasoline blend. Additionally, the Continuous Catalytic Reformer (CCR) must be expanded to ensure that sufficient hydrogen is available to the HDF and PreTreater Units for the required treatments, and to provide sufficient blend material for octane uplift necessary to offset the octane loss in the additional material processed in the HDF Unit.</p> |
| POLLUTION CONTROL FACILITY DESCRIPTION | <p>Sec. D</p> <p>Describe Pollution Abatement Control Facility</p> <p>The Low Sulfur Mo-Gas (LSM) project will enable the refinery to produce low sulfur gasoline as required by federal regulation "Tier 2 Motor Vehicle Emissions Standards and Gasoline Sulfur Control Requirements". This will be done by increasing the capacity of existing desulfurization units (the Pretreater and Hydrofinisher Units) and by installing a new Selective Hydrogenation Unit (SHU) and Naphtha Splitter. Improvements must also be made to the South Sulfur Recovery Plant, i.e., addition of two additional conversion beds (one per train), to handle the additional sulfur.</p> |
| POLLUTION CONTROL FACILITY - ACCOUNTING DATA CONTAMINANTS | <p>Sec. E</p> <p>(1) Nature of Contaminants or Pollutants</p> <p>DESCRIPTION</p> <p>Absorbed as H₂S in the Amine Unit for processing in the sulfur plants.</p> |

PROOF OF SERVICE

I, the undersigned, certify that I have served the attached Appearance and Recommendation upon the person to whom it is directed, by placing them in an envelope addressed to:

TO: Dorothy Gunn, Clerk
Illinois Pollution Control Board
State of Illinois Center
100 W. Randolph Street, Suite 11-500
Chicago, Illinois 60601

Stacey K. Ford
Exxon Mobile Oil Corp.
I-55 & Arsenal Road East
Channahon, Illinois 60410

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
P.O. Box 19033
Springfield, Illinois 62794

and mailing it by First Class Mail from Springfield, Illinois on June 20, 2002, with sufficient postage affixed.



Robb H. Layman
Special Assistant Attorney General
ARDC #6205498

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