RECEIVED CLERK'S OFFICE

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD OF THE STATE OF ILLINOIS

JAN 0 3 2005

MARATHON ASHLAND PETROLEUM, LLC Selective Catalytic Reduction Unit	STATE OF ILLINOIS Pollution Control Board)
PROPERTY IDENTIFICATION NUMBER 51-34-1-21 or portion thereof) PCB 04-) (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

John S. Swearingen Marathon Ashland Petroleum Refinery Office Building Robinson, Illinois 62454

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 <u>APPEARANCE</u> and <u>RECOMMENDATION</u> of the Illinois Environmental Protection Agency, a copy of which is herewith served upon the applicant and a representative of the Illinois Department of Revenue.

Respectfully submitted by,

Robb H. Layman

Special Assistant Attorney General

Date: December 29, 2004

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

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BEFORE THE ILLINOIS POLLUTION CONTROL BOARD OF THE STATE OF ILLINOIS

JAN 0 3 2005

MARATHON ASHLAND PETROLEUM, LLC Selective Catalytic Reduction Unit)	STATE OF ILL Pollution Contro	INOIS of Board
))	PCB 04-	
PROPERTY IDENTIFICATION NUMBER)	(Tax Certification)	
51-34-1-21 or portion thereof)		

APPEARANCE

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

Respectfully submitted by,

Robb H. Layman

Special Assistant Attorney General

Date: December 29, 2004

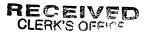
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OF THE STATE OF ILLINOIS STATE OF ILLINOIS

MARATHON ASHLAND PETROLEUM, LLC	Pollution Co	ntrol Board
Selective Catalytic Reduction Unit) 05-1-0	¥
) PCB 04-	
) (Tax Certification)	
PROPERTY IDENTIFICATION NUMBER)	
51-34-1-21 or portion thereof)	

RECOMMENDATION

NOW COMES the ILLINOIS ENVIRONMENTAL PROTECTION AGENCY ("Illinois EPA"), through its attorneys, and pursuant to 35 Ill. Adm. Code 125.204 of the ILLINOIS POLUTION CONTROL BOARD'S ("Board") procedural regulations, files the Illinois EPA's Recommendation in the above-referenced request for tax certification of pollution control facilities. In support thereof, the Illinois EPA states as follows:

- 1. On September 16, 2004, the Illinois EPA received a request and supporting information from MARATHON ASHLAND PETROLEUM, LLC, ("Marathon") concerning the proposed tax certification of certain air emission sources and/or equipment located at its Robinson refinery in Crawford County, Illinois. A copy of the relevant portions of the application is attached hereto. [Exhibit A].
 - 2. The applicant's address is as follows:

Marathon Ashland Petroleum, LLC Refinery Office Building Robinson, Illinois 62454

3. The pollution control facilities involved in this request are located at the aforementioned address and consist of the installation of new and/or modified equipment, described as a Selective Catalytic Reduction ("SCR") unit that will allow the refinery to

reduce or eliminate nitrogen oxide emissions. The primary purpose of the SCR unit is to reduce nitrogen oxide emissions from the 1F-1 Crude Atmospheric Furnace, which is the second largest furnace, based on design duty, at the refinery. As described in the application, the SCR device is a fixed catalyst bed in the furnace flue gas duct which mixes flue gas with small amounts of ammonia, thereby causing the conversion of nitrogen oxides to harmless nitrogen gas and water.

- 4. Section 11-10 of the Property Tax Code, 35 ILCS 200/11-10 (2002), 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, 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, as provided by 35 ILCS 200/11-5 (2002).
- 6. Based on information in the application and the underlying purpose of the SCR unit to prevent, eliminate or reduce air pollution, it is the Illinois EPA's engineering judgment that the described project and/or equipment may be considered as "pollution control facilities" in accordance with the statutory definition and consistent with the Board's regulations at 35 Ill. Adm. Code 125.200.
- 7. Because the SCR unit satisfies the aforementioned criteria, the Illinois EPA recommends that the Board issue the applicant's requested tax certification.

Respectfully submitted by,

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

Robb H. Layman (

Special Assistant Attorney General

DATED: December 29, 2004

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East

P.O. Box 19276

Springfield, Illinois 62794-9276

Telephone: 217/782-5544 Facsimile: 217/782-9807

THIS FILING IS SUBMITTED ON RECYCLED PAPER

CERTIFICATE OF SERVICE

I hereby certify that on the 30th day of December, 2004, I did send, by First Class Mail, with postage thereon fully paid and deposited into the possession of the United States Postal Service, one (1) original and nine (9) copies of the following instruments entitled NOTICE, APPEARANCE and RECOMMENDATION to:

Dorothy Gunn, Clerk Illinois Pollution Control Board 100 West Randolph Street Suite 11-500 Chicago, Illinois 60601

and a true and correct copy of the same foregoing instruments, by First Class Mail with postage thereon fully paid and deposited into the possession of the United States Postal Service, to:

Steve Santarelli Illinois Department of Revenue 101 West Jefferson P.O. Box 19033 Springfield, Illinois 62794 John S. Swearingen Marathon Ashland Petroleum Refinery Office Building Robinson, Illinois 62454

Robb H. Layman (

Special Assistant Attorney General

This filing is submitted on recycled paper.

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 Statues, 1979, Chapter, 120, Section 502a-5. Disclosure of this information is voluntary. However, failure to comply could prevent your application from being processed or could result in denial of your application for certification.

	FOR AGENCY USE			plication for certification.
	TON ACENCY USE			
File No.	Data D	0-46		
Sec. A	Date Received Company Name	Certification No.		Date
Sec. A	Marathon Ashland Petroleum LL	r		
	Person Authorized to Receive Certification		Person to Contac	t for Additional Details
	John S. Swearingen		Dennis A. E	
	Street Address		Street Address	oaker
	Refinery Office Building		539 South M	Main Street
⊨	Municipality, State & Zip Code		Municipality, State	e & Zip Code
APPLICANT	Robinson IL 62454		Findlay OH	45840
7	Telephone Number		Telephone Numb	
¥	(618)544-2121		(419)421-37	
	Location of Facility Quarter Section Township	Range	Municipality	Township
	addition occion	Range	Robinson	Robinson
	Street Address		County	Book Number
	Route 33		Crawford	•
	Property Identification Number		Parcel Number	
			Part of 51-	34-1-21
Sec. B	Nature of Operations Conducted at the Above	Location		
	Datus laum Dafitina			•
	Petroleum Refining			
ø	CCD process			
SS SS	SCR process Water Pollution Control Construction Permit N		Date Issued	
DE OFF	water Pollution Control Construction Permit N	0.	Date issued	
MANUFACTURING OPERATIONS	NPDES PERMIT No.	·····	Date Issued	Expiration Date
P P	THE DEST ENTINETITIES.			
2	Air Pollution Control Construction Permit No.		Date Issued	
	01090064	}	2-28-02 rev	vised 1-22-04
	Air Pollution Control Operating Permit No.		Date Issued	
	01090064, 96010007 (Title	<u>V</u>	2-28-02, 11	1-24-03
Sec. C	Describe Unit Process CAAPP	Permit)		
			. •	
g	See attached			•
Ž (2				
MANUFACTURING PROCESS	Materials Used in Process			
ROA	Materials Osed III 1 100033			
AN				
≥ [See attached			•
Sec. D	Describe Pollution Abatement Control Facility	_	•	
4 <u>8</u>				OFIVED
POLLUTION CONTROL FACILITY DESCRIPTION	See attached			RECEIVED
N S		•		
ONC				era 1 6 2004
5€				SEP 1 6 2004 DAPC - SPFLD
ACIE A			4	DAPC - SPFLD
- LC	·			13:12.

IL 532-0222 APC 151 (Rev. 8/00) Tax Certification for Pollution Control Facilities
Page 1 of 2
8/00

- Exhibit A

Sec. E	(1) N	lature of Contaminants or Poll	utants .	
			Material	Retained, Captured or Recovered
2.3	Cont	aminant or Pollutant	DESCRIPTION	
r Contaminants				
¥ 7	 	<u>, , , , , , , , , , , , , , , , , , , </u>		
: Ž				
<u> </u>	-			
POLLUTION CONTRUL FACILITY DATA CU	(2) P	oint(s) of Waste Water Discha	rge	
ĭ0æ				
TNO ON			Plans and Specifica	
) NC	(3)		s) collected by the control facility?status of installati	
2.0	(4)	Date installation completed _		
OL1	(5)		ISIDERED REAL PROPERTY:	³ 2,321,366
202			CONSIDERED REAL PROPERTY:	\$ 11,600
Ξ		c. PRODUCTIVE GROSS AND	NUAL INCOME OF CONTROL FACIL	ITY:, \$ <u>0</u>
POLLL ACCOUNTING DATA		d. PRODUCTIVE NET ANNUA	AL INCOME OF CONTROL FACILITY	\$ 0
AC		e. PERCENTAGE CONTROL	FACILITY BEARS TO WHOLE FACIL	ITY VALUE: % .250
Sec. F	The fo	llowing information is submitted in	accordance with the Illinois Property	Tax Code, as amended, and to the best of my
***			ilities claimed herein are "pollution co	ntrol facilities" as defined in Section 11-10 of the
rure	1	Property Tax Code.		•
SIGNATURE	S\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	lu Swearingen	9/15/04 REF	INGRY MANAGER
Sŧ¢	Signa		Title	
Sec. G	J.g., 2		LUCTIONS 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
	j	facilities. Define facility location b	ly street address or legal description. A pla The property identification number is requ	at map location is required for facilities located ired.
	Sec. B			ol agencies. (e.g. MSD Construction Permit)
	Sec. C		es or materials on which pollution control fa	,
				purpose is to eliminate, prevent or reduce pollution.
	Sec. D	State the type of control facility. S	State permit number, date, and agency issu	ling permit. A narrative description and a process
		flow diagram describing the pollut	ion control facility. Include a listing of each	major piece of equipment included in the daimed and effluent of the control facility stating the
		collection efficiency.		
si .	Sec. E	List air contaminants, or water pol	lution substances released as effluents to t	he manufacturing processes. List also the final
NSTRUCTIONS		Irom (1) - Refers to pollutants and	oved from the manufacturing processes. contaminants removed from the process to	by the pollution control facility.
\$nc		Item (2) - Refers to water pollution	n but can apply to water-carried wastes from	m air pollution control facilities. Submit drawings, ers and process piping to and from the control
ILSI		facility		•
≤		Item (3) - If the collected contamin	nants are disposed of other than as wastes se of the collected substances. State the c	, state the disposition of the materials, and the value
-		I tem (4) - State the date which the	odlution 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.			
	Sec. F			Attention:
		Submit to:	Attention:	
		Illinois EPA	Thomas McSwiggin Permit-Section	Donald E. Sutton Permit Section
į		P.O. Box 19276 Springfield, IL 62794-9276	Division of Water Pollution Control	Division of Air Pollution Control

Section C Describe Unit Process:

The Crude Unit charges Raw Crude Oil and distills this crude to produce a wide range of hydrocarbon products, from Hydrocarbon Gasses and Light Straight Run Gasoline to heavy Gas Oils and a tar-like Residuum.

The Crude Oil is preheated through a series of exchangers, and then flows through two Desalters, which remove any entrained water and salt.

Desalted crude is further preheated, then flows into the Pre-flash Tower to remove the lightest gasses. The oil then moves through the Crude Atmospheric Furnace (1F-1) to the Atmospheric Crude Column, where most distillation takes place.

Light products go overhead into the Stabilization Section. The heavier products drop to the bottom of the tower and are charged to the Vacuum Section, where distillation under a vacuum allows further removal of refined product from the heavy oil.

All Crude Unit products are pumped to other units as hot feed, or are sent to Storage in the Tank Farm.

The Kerosene Treaters process some of the Kerosene into Jet Fuel

The normal Crude Unit charge rate is 195,000 BPD. Quantity and composition of finished product varies depending on the type of crude oil charged and seasonal market demands for Gasoline and Heating Oil.

Section C Materials used in process:

materials used in process.		
Crude oil	Kerosene	Sour Water
Gas oil	Diesel	Fuel Gas
Acetic Acid and Caustic	. AGO	Pre-flash Off-gas
Soda	LVGO	Caustic
Nalco Corrosion Controls	HVGO	Salt
Concentrated Detergent	Vacuum Resid	Clay
Cleaners	Atmospheric Gas Oil	Desalted Crude
Heavy Naphtha	Water	Rich Amine
		Anhydrous Ammonia

Section D

The 1F-1 Crude Atmospheric Furnace is fitted with a Selective Catalytic Reduction unit (SCR) to reduce Nitrogen Oxide ("NOx") emissions from the second largest furnace in the Robinson refinery based on design duty. The SCR unit is a fixed catalyst bed in the furnace flue gas duct. The flue gas is mixed with a small amount of ammonia, which, when passed over the catalyst bed, promotes the conversion of NOx to harmless nitrogen gas and water.

Continuous emission monitors measuring nitrogen oxide and sulfur dioxide are operated on the furnace stack.

Section E

(1) Nature of Contaminants or Pollutants:

Nitrogen Oxide and Sulfur Dioxide

Contaminant or Pollutant: Nitrogen Oxide and Sulfur Dioxide; the SCR unit is a fixed catalyst bed in the furnace flue gas duct. The flue gas is mixed with a small amount of ammonia, which, when passed over the catalyst bed, promotes the conversion of NOx to harmless nitrogen gas and water.

- (2) N/A
 Plans and specifications attached YES
- (3) Are contaminants (or residues) collected by the control facility YES
- (4) Installation completed: October 2002 status of installation on date of application: 100%
- (5) FOR TAX DEPARTMENT

Drawings:

Piping and Instrument diagram Air-Flue Gas System for 1F-1	E-028163.001
Piping and Instrument diagram SCR Unit	.E-028163.002
View picture.	View SSE