BEFORE THE ILLINOIS POLLUTION CONTROL BOARD OF THE STATE OF ILLINOIS

MARATHON ASHLAND PETROLEUM, LLC)	
Platformer Vent Gas Scrubber)	
)	
)	PCB 07-
)	(Tax Certification)
PROPERTY IDENTIFICATION NUMBER)	
51-34-1-21 or portion thereof)	

NOTICE

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

[Service by mail]
John S. Swearingen
Marathon Ashland Petroleum
Refinery Office Building
Robinson, Illinois 62454

[Service by mail]
Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
P.O. Box 19033
Springfield, Illinois 62794

PLEASE TAKE NOTICE that I have today electronically filed with the Office of the Pollution Control Board the **APPEARANCE** and **RECOMMENDATION** of the Illinois Environmental Protection Agency, a paper copy of which is herewith served upon the applicant and a representative of the Illinois Department of Revenue.

Respectfully submitted by,

/s/ Robb H. Layman
Robb H. Layman
Assistant Counsel

Date: January 4, 2007

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY 1021 North Grand Avenue East P.O. Box 19276 Springfield, IL 62794-9276

Telephone: (217) 524-9137

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Platformer Vent Gas Scrubber)	
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PROPERTY IDENTIFICATION NUMBER)	
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,

/s/ Robb H. Layman
Robb H. Layman
Assistant Counsel

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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. The Illinois EPA recommends a **grant** of the request. In support thereof, the Illinois EPA states as follows:

1. On or about December 29, 2005, 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. On February 1, 2006, the Illinois EPA received an amended request for the same air emissions sources and/or equipment. A copy of the relevant portions of the amended application is attached hereto. [Exhibit A].

¹ The property identification number or parcel number that is the subject of a tax certification request is typically identified in the Illinois EPA's Recommendations and Board orders as part of the case caption, presumably because of the ease with which applicants and local tax assessors alike can identify the affected property. The property identification or parcel numbers for these cases are usually derived from the application forms (i.e., APC 151) that are filled out by the applicant and submitted to the Illinois EPA. In

2. The applicant's address is as follows:

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

- 3. The subject matter of this request consists of a Platformer Vent Gas

 Scrubber that will reduce the hydrogen chloride content of the regeneration vent gas from
 the continuous catalyst regeneration process in order to comply with applicable federal

 MACT II regulations. The scrubber will reduce the hydrogen chloride content of the
 process stream from a range of 500 and 1000 parts per million to less than 1 parts per
 million. Hydrogen chloride is an acid gas and is regulated as a hazardous air pollutant.
- 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 Platformer Vent Gas Scrubber to prevent, eliminate or reduce air pollution, it is the

this instance, it should be noted that the parcel number identified in the application form submitted by Marathon Ashland contains a typographical error. The numbers depicted on the application form, shown in Exhibit A attached hereto, identify the first two digits of the property's parcel number as 54. Prior tax certification requests for the refinery, as received by the Illinois EPA and eventually acted upon by the Board, have employed a parcel number whose first two digits are 51. Prior to this filing, the undersigned attorney contacted Marathon Ashland's designated representative, Mr. Dennis Baker, regarding the apparent discrepancy. Mr. Baker confirmed that the correct parcel number for this tax certification request is 51-34-1-21.

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. [Exhibit B].

7. Because the modification to the Platformer Vent Gas Scrubber satisfies the aforementioned criteria, the Illinois EPA recommends that the Board **grant** the applicant's requested tax certification.

Respectfully submitted by,

/s/ Robb H. Layman
Robb H. Layman
Assistant Counsel

DATED: January 4, 2007

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY 1021 North Grand Avenue East P.O. Box 19276 Springfield, Illinois 62794-9276 Telephone: (217) 524-9137

CERTIFICATE OF SERVICE

I hereby certify that on the 4th day of January, 2007, I electronically filed the following instruments entitled **NOTICE**, **APPEARANCE** and **RECOMMENDATION** with:

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

and, further, that I did send a true and correct paper 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

/s/ Robb H. Layman Robb H. Layman

Assistant Counsel



Property & Severence Tax Department

Marathon Petroleum Company LLC

539 South Main Street Findlay, OH 45840-3295 Telephone 419/422-2121

January 30, 2006

Mr. Don Sutton Bureau of Air – Number 11 1021 North Grand Avenue – East Springfield, IL 62702

Re: Application for Certification Pollution Control Facility

Dear Mr. Sutton:

Prior to December 31, 2005, Marathon Petroleum Company submitted five applications for facilities at our Robinson Refinery in Crawford County, Illinois. The applications were for the following units:

Platformer Vent Gas Scrubber Gasoline Desulfurization Unit (GDU) Steam Supply to #1 and #5 Flares Crude Unit Off-Gas Handling Ultraformer 3 F-1 and 3F-2 CEMs

Shortly after the start of the new year, I contacted Mr. Floyd McKinney and advised him that Marathon would be submitting amended applications for two of the units, the Platformer Vent Gas Scrubber and the GDU.

The amended applications are attached, please forward to Mr. McKinney and begin the review process.

If there are questions or comments, please contact me at 419-421-3759.

Thank you for your help in this matter.

Sincerely,

Dennis Baker Tax Agent FEB 0 1 2006 IEPA - DAPC - SPFLD

_ Exhibit A

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.

f ·	FOR AGENCY USE			
File No.	Data Danahund	Certification No.		Date
Sec. A	Date Received Company Name		1) Americal & shower American	Date
360.7		TC AND		
	Marathon Petroleum Company L Person Authorized to Receive Certification	TO S Z 1 9	Person to Contact for Add	ditional Details
	John Swearingen		Debora Krupp	
	Street Address		Street Address	
	Refinery Office Building		539 South Main S	Street
	Municipality, State & Zip Code	·	Municipality, State & Zip Code	
APPLICANT	Robinson, IL 62454		Findlay, OH 45840	
	Telephone Number	· · · · · ·	Telephone Number	
	618-544-2121		419-421-4527	
	Location of Facility		Municipality	Township
	Quarter Section Township Range	Robinson	Robinson	
	<u> </u>			
	Street Address		County	Book Number
	Route 33		Crawford	
	Property Identification Number		Parcel Number Part of 54-34-1-	21
			Part of 34-34-1-	-21
Sec. B	Nature of Operations Conducted at the Abov	e Location		
	Petroleum Refining			
	Platformer Vent Gas Scru	ıbber		
ا ق				
Ž	Wilder Della Control Control Control	NI-	Data lasuad	
<u>5</u> E	Water Pollution Control Construction Permit	NO.	Date Issued	
MANUFACTURING OPERATIONS	NPDES PERMIT No.		Date Issued	Expiration Date
N	NPDES PERMIT NO.		Date issued	Expiration Date
ž	Air Pollution Control Construction Permit No		Date Issued	
}	04060068		August 31, 2004	
	Air Pollution Control Operating Permit No.		Date Issued	
Sec. C	96010007 (Title V Permit) Describe Unit Process		November 24, 200	73
360.0	Describe Offic Frocess			
ပ္ခ	See Attached			RECEIVED
URING				
MANUFACTU	Materials Used in Process			FEB 0 1 2006
₹ Š	Waterials oses in Freecas			1 FD 6 T 5000
N A			0	CP (25) A
≥	See Attached		ħ.	EPA - DAPC - SPFLD
}				
Sec. D	Describe Pollution Abatement Control Facilit	ly		
_				
절절				
Ĕ₩	See Attached			
22				
ĝä 				
POLLUTION CONTROL FACILITY DESCRIPTION				
55 				
l				

Sec. E	(1) Na	1) Nature of Contaminants or Pollutants				
s			Material Retained, Captured or Recovered			
Ĭ.	Conta	minant or Pollutant	DESCRIPTION	DISPOSAL OR USE		
r – CONTAMINANTS	Hyd	rochloric acid	Contaminants in ga	s The vent stream is scrubbed		
ITAN	Ch1	orine gas	Contaminants in ga	s with a water wash contain-		
- NO				ing a small amount of		
E .				sodium hydroxide to		
ACI	(2) Pc	pint(a) of Wasta Water Disabassa N/A	<u> </u>	remove the contaminants		
OL F	(2) FC	(2) Point(s) of Waste Water Discharge N/A				
X T X	Plans and Specifications Attached Yes ⊠ No □					
Ö	(3)	Are contaminants (or residues) collected	,	Yes 🖾 No 🗆		
NO.	(4)	Date installation completed	. 1	n date of application100%		
7. A	(5)	a. FAIR CASH VALUE IF CONSIDERED R	· · · · · · · · · · · · · · · · · · ·	<u> </u>		
Pol DA	(5)			2,440,117.33		
POLLUTION CONTROL FACILITY ACCOUNTING DATA C	 	b. NET SALVAGE VALUE IF CONSIDERED		12,571		
UNT		c. PRODUCTIVE GROSS ANNUAL INCOM	IE OF CONTROL FACILITY:	\$ 0		
Ō		d. PRODUCTIVE NET ANNUAL INCOME O	OF CONTROL FACILITY:	\$ o		
AC		e. PERCENTAGE CONTROL FACILITY BE	ARS TO WHOLE FACILITY	VALUE: % 0.2626%		
SIGNATURE	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. Title Title Title					
Sec. G	i sigua		R COMPILING AND FILING APP	PLICATION		
S	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 pollution control facility. Include a listing of each major piece of equipment included in the claimed fair cash value for real property. Include an average 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					
INSTRUCTIONS	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.					
	<u> </u>	Submit to: Attentio	on:	Attention:		
	.					
		Illinois EPA AI Kelle P.O. Box 19276 Permit Springfield, IL 62794-9276 Division		Donald E. Sutton Permit Section Division of Air Pollution Control		

Attachment Application for Certification (Property Tax) Pollution Control Facility Marathon Petroleum Company LLC

Project:

Platformer Vent Gas Scrubber

Section C - Manufacturing Process

Describe Unit Process:

Organic chloride is injected for the regeneration of the Platformer Unit catalyst. By-products of regeneration are hydrochloric acid (HCl) and chlorine gas (Cl₂). The vent gas scrubber is designed to remove greater than 99.9% of the HCl and Cl₂ in the vent gas stream.

Materials Used in Process:

- Regenerator off-gas
- Sodium hydroxide

Section D - Pollution Control Facility Description

Describe Pollution Abatement Control Facility:

Refinery MACT II federal regulations require the chloride content of regeneration vent gas from continuous catalyst regeneration (CCR) be reduced to less than 10 ppm or a 97 wt% reduction. To achieve this required reduction of HCl and Cl₂ from the vent gas stream it was necessary to install a two-stage caustic scrubbing system.

The Platformer Unit CCR process produces small amounts of HCl and Cl₂ byproducts which are contaminants that are regulated by the MACT II federal regulations. To reduce these contaminants to an acceptable level, a wet scrubber using caustic solution is required to control emissions on the vent to the atmosphere. This is a two-stage process with the first stage being an eductor that mixes dilute caustic with the CCR vent gas. The combined stream of CCR vent gas and caustic solution then flows to the second stage, the CCR Vent Gas Tower. The two-phase combined stream enters the tower below the packed section and separates into a vent gas stream and a liquid caustic solution stream. The vent gas passes upward through a shower of caustic solution and a packed bed section that is washed with caustic solution liquid flowing downward through the packing. The circulating caustic solution supply to the tower is fed into the tower at two locations. The majority flows through a distributor located above the packed bed section, and the remainder flows through a spray nozzle located below the packed bed. Spent caustic solution is removed using a slip stream to the sewer. This two-stage vent gas scrubber process has been successful in reducing the HCl and Cl₂ content from between 500 - 1000 ppm to less than 1 ppm.

The new caustic scrubber system is designed to have a positive impact on the environment as it removes inorganic hazardous air pollutants.



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19506, Springfield, Illinois 62794-9506 – (217) 782-2113 ROD R. BLAGOIEVICH, GOVERNOR DOUGLAS P. SCOTT, DIRECTOR

Memorandum

Technical Recommendation for Tax Certification Approval

Date:

December 04, 2006

To:

Robb Layman

From:

Don Sutton

Subject: Marathon Petroleum Company LLC TC-06-02-01B

This Agency received a request on February 01, 2006 from Marathon Petroleum Company LLC for an Illinois EPA recommendation regarding tax certification of air pollution control facilities pursuant to 35 Ill. Adm. Code 125.204. I offer the following recommendation.

The air pollution control facilities in this request include the following:

Platform Vent Gas Scrubber whose primary purpose is to control HCL emissions on the vent to the atmosphere. HCL is an acid gas and is regulated as a hazardous air pollutant. Because the primary purpose of this unit is to reduce or eliminate air pollution, it is certified as a pollution control facility.

This facility is located at Route 33, Robinson, Crawford County The property identification number is Part of 54-34-1-21

Based on the information included in this submittal, it is my engineering Judgement that the proposed facility may be considered "Pollution Control Facilities" under 35 IAC 125.200(a), with the primary purpose of eliminating, preventing, or reducing air pollution, or as otherwise provided in this section, and therefore eligible for tax certification from the Illinois Pollution Control Board. Therefore, it is my recommendation that the Board issue the requested tax Certification for this facility.

Exhibit B