

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS

WRB REFINING, LLC)
Coker Switch Valve Interlock Project)
)
)
) PCB 12-
) (Tax Certification - Air)
PROPERTY IDENTIFICATION NUMBER)
19-1-08-34-00-000-008.004 or portion thereof)

NOTICE

TO: [Electronic filing] [Service by mail]
John Therriault, Assistant Clerk Michael Kemp
Illinois Pollution Control Board WRB Refining, LLC
State of Illinois Center 404 Phillips Building
100 W. Randolph Street, Suite 11-500 Bartlesville, Oklahoma 74004
Chicago, Illinois 60601

[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: November 28, 2011

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

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS**

WRB REFINING, LLC)	
Coker Switch Valve Interlock Project)	
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)	PCB 12-
)	(Tax Certification - Air)
PROPERTY IDENTIFICATION NUMBER)	
19-1-08-34-00-000-008.004 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

Date: November 28, 2011

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PROPERTY IDENTIFICATION NUMBER)	
19-1-08-34-00-000-008.004 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 POLLUTION 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 **issuance** of a tax certification covering the subject matter of the request. In support thereof, the Illinois EPA states as follows:

1. On or about October 14, 2010, the Illinois EPA received an application and supporting information from WRB REFINING, LLC, (“WRB Refining”) concerning the proposed tax certification of certain air emission sources and/or equipment located at its Wood River petroleum refinery in Madison County, Illinois. A copy of the application is attached hereto. **[Exhibit A]**.

2. The applicant’s principal business address is as follows:

WRB Refining LLC
404 Phillips Building
Bartlesville, Oklahoma 74004

3. The facility address is as follows:

WRB Refining LLC
900 South Central Avenue
P.O. Box 76
Roxana, Illinois 62084

4. The subject matter of this request involves process improvements to the Delayed Coker Unit, where a quenching process cools and condenses hydrocarbons generated by the cracking of Vacuum Tower Bottoms. During this refinery activity, a complicated and detailed drum switching process takes place, during which time human error can result and, in fact, has resulted, in the release of volatile organic materials to the atmosphere. As described in the application, the Coker Switch Valve Interlock Project introduced new double block and bleed valves to replace existing single block valves. These new valves are equipped with a motor operated valve that possesses a permissive interlock system to prevent a valve from opening or shutting out of sequence with drum switching procedures. These improvements reduce or prevent the release of volatile organic materials that would otherwise be released to the atmosphere.

5. 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.”

6. Pollution control facilities are entitled to preferential tax treatment, as provided by 35 ILCS 200/11-5 (2002).

7. Based on information in the application and the underlying purpose of the Coker Switch Valve Interlock Project to prevent, eliminate or reduce air pollution, it is the Illinois EPA’s engineering judgment that the various systems, constructions, devices and/or buildings or equipment from the project relating to air pollution control 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]**.

8. Because the substantive components of the application for the Coker Switch Valve Interlock Project satisfies the aforementioned criteria, the Illinois EPA recommends that the Board **issue** the applicant’s requested tax certification.

Respectfully submitted by,

/s/ Robb H. Layman

Robb H. Layman
Assistant Counsel

DATED: November 28, 2011

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 28th day of November, 2011, I electronically filed the following instruments entitled **NOTICE, APPEARANCE** and **RECOMMENDATION** with:

John Therriault, Assistant 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

Michael Kemp
WRB Refining, LLC
404 Phillips Building
Bartlesville, Oklahoma 74004

/s/ Robb H. Layman

Robb H. Layman
Assistant Counsel

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

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

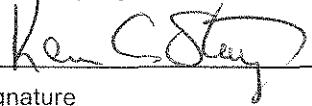
This Agency is authorized to request this information under Illinois Revised Statutes, 1979, Chapter, 120, Section 502a-5. Disclosure of this information is voluntary. However, failure to comply could prevent your application from being processed or could result in denial of your application for certification.

FOR AGENCY USE

File No.	Date Received	Certification No.	Date	
Sec. A APPLICANT	Company Name WRB Refining LLC			
	Person Authorized to Receive Certification Michael Kemp		Person to Contact for Additional Details Gordon Terhune	
	Street Address 404 Phillips Building		Street Address 900 S. Central Ave., P.O. Box 76	
	Municipality, State & Zip Code Bartlesville, OK 74004		Municipality, State & Zip Code Roxana, IL 62084	
	Telephone Number (918) 661-9055		Telephone Number (618) 255-2876	
	Location of Facility Quarter Section	Township	Range	Municipality Township
	Street Address 900 S. Central Ave.		County Madison	Book Number
	Property Identification Number		Parcel Number 19-1-08-34-00-000-008.004	
	Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location Petroleum Refining		
Water Pollution Control Construction Permit No.		Date Issued		
NPDES PERMIT No. IL0000205		Date Issued 04/14/04	Expiration Date 04/14/09	
Air Pollution Control Construction Permit No. NA		Date Issued		
Air Pollution Control Operating Permit No. 95120306		Date Issued 11/07/03		
Sec. C MANUFACTURING PROCESS	Describe Unit Process See Coker Switch Valve Interlock Project attachment.			
	Materials Used in Process Vacuum Tower Bottoms (VTB or asphalt) Steam			
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility See Coker Switch Valve Interlock Project attachment.			

Exhibit A

POLLUTION CONTROL FACILITY - CONTAMINANTS	Sec. E (1) Nature of Contaminants or Pollutants		
			Material Retained, Captured or Recovered
	Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE
	Hydrocarbons including HAPs	Hydrocarbons	Retained and sold as product
	Sec. E (2) Point(s) of Waste Water Discharge		
			Plans and Specifications Attached
			Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
(3)	Are contaminants (or residues) collected by the control facility?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
(4)	Date installation completed <u>04/30/09</u> status of installation on date of application <u>100%</u>		
ACCOUNTING DATA	(5) a.	FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ 7,200,000.00
	b.	NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$ 36,000.00
	c.	PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$ 10,000.00
	d.	PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$ 6,300.00
	e.	PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	% To Be Determined

SIGNATURE	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.	
		 Signature	DIRECTOR PTRRC Title

INSTRUCTIONS	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 pollution control facility. 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:	Attention:	Attention:
	Illinois EPA P.O. Box 19276 Springfield, IL 62794-9276	Al Keller Permit Section Division of Water Pollution Control	Donald E. Sutton Permit Section Division of Air Pollution Control

**APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)
POLLUTION CONTROL FACILITY
WRB – Wood River Refinery**

Project: Coker Switch Valve Interlock Project

Section C – Manufacturing Process

Process Description:

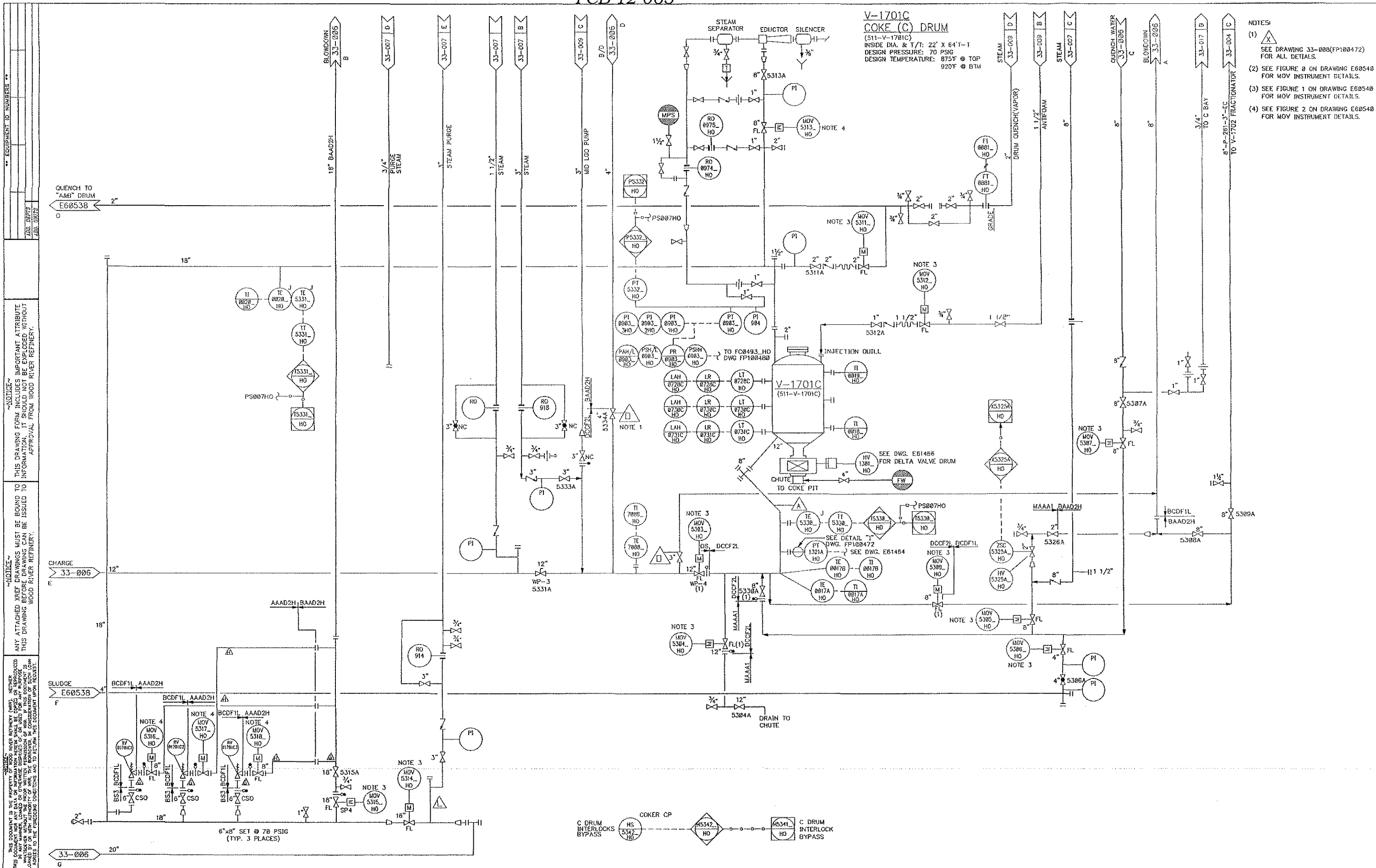
In the Delayed Coker Unit, Vacuum Tower Bottoms (VTB) is heated in a furnace and sprayed into one of three large drums where time and temperature cause the VTB to crack into a full range of intermediate products that are separated by distillation and sent to other units for further processing. Coking is a semi batch process in which one drum is in service, one drum is quenched and the coke drilled out, and one drum is being prepared to go into service. During part of the quench step the drum vapors that go to the blowdown system are cooled to condense some of the hydrocarbons and the remaining vapors go to the flare system for safe disposal. The drum switching process is complex and has precise written procedures. However, this still leaves a possibility of human error in the switch process leading to hydrocarbon release to the atmosphere. The hydrocarbon released during such an incident could contain Hazardous Air Pollutants.

Section D – Pollution Control Facility Description

Due to several incidents in which human error during the coke drum switching procedure resulted in air pollution due to hydrocarbon release to the atmosphere, the Wood River Refinery installed a pollution control equipment to prevent such releases.

This pollution control equipment includes new double block and bleed valves where previous single block valves could inadvertently be opened to the atmosphere during the coke drum switching procedure. One of the valves in the new double block and bleed arrangement is a motor operated valve (MOV) with a permissive interlock system to prevent the valve from opening or closing out of the proper coke drum switching sequence. This interlock system was designed to prevent hydrocarbon release to the atmosphere from inadvertent opening or closing of the wrong valve. See attached P&ID E60537, E60538, E60539, and E60540.

In summary, this Pollution Control Facility was installed solely to prevent air pollution due to hydrocarbon releases to the atmosphere.



- NOTES:
- (1) SEE DRAWING 33-008(FP100472) FOR ALL DETAILS.
 - (2) SEE FIGURE 8 ON DRAWING E60540 FOR MOV INSTRUMENT DETAILS.
 - (3) SEE FIGURE 1 ON DRAWING E60540 FOR MOV INSTRUMENT DETAILS.
 - (4) SEE FIGURE 2 ON DRAWING E60540 FOR MOV INSTRUMENT DETAILS.

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EQUIPMENT ID NUMBERS:

— REFERENCE DRAWINGS —

CAD DRAWING DO NOT REVISE MANUALLY

ACCT. NO.	DATE	REVISION	NO.	DR.	CK.	APP.	FINAL APP.	WOOD RIVER,	Wood River Refinery	ILLINOIS	MASTER DRAWING YES/NO:
	4/2009	ORIGINAL	0	TLM							YES
	5/2009	ADDED PSHH0903_HO	1	JAP							NO

PLOT SCALE: NONE
 SCALE: NONE
 SHEET 1 OF 1 REV.

Wood River Refinery

DELAYED COKER UNIT DRUM V-1701C

DISTILLING WEST-PROCESS UNIT [CAT.] GENERAL

NOTES:
 (1) SEE DRAWING E60537, 38 & 39 FOR MOV VALVES WHICH THESE DETAILS REFERENCE TO.

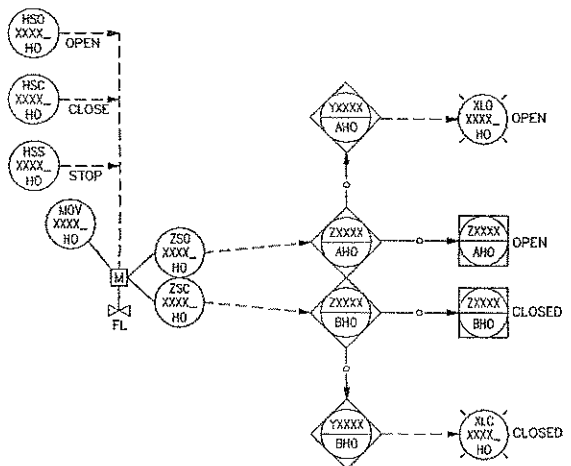
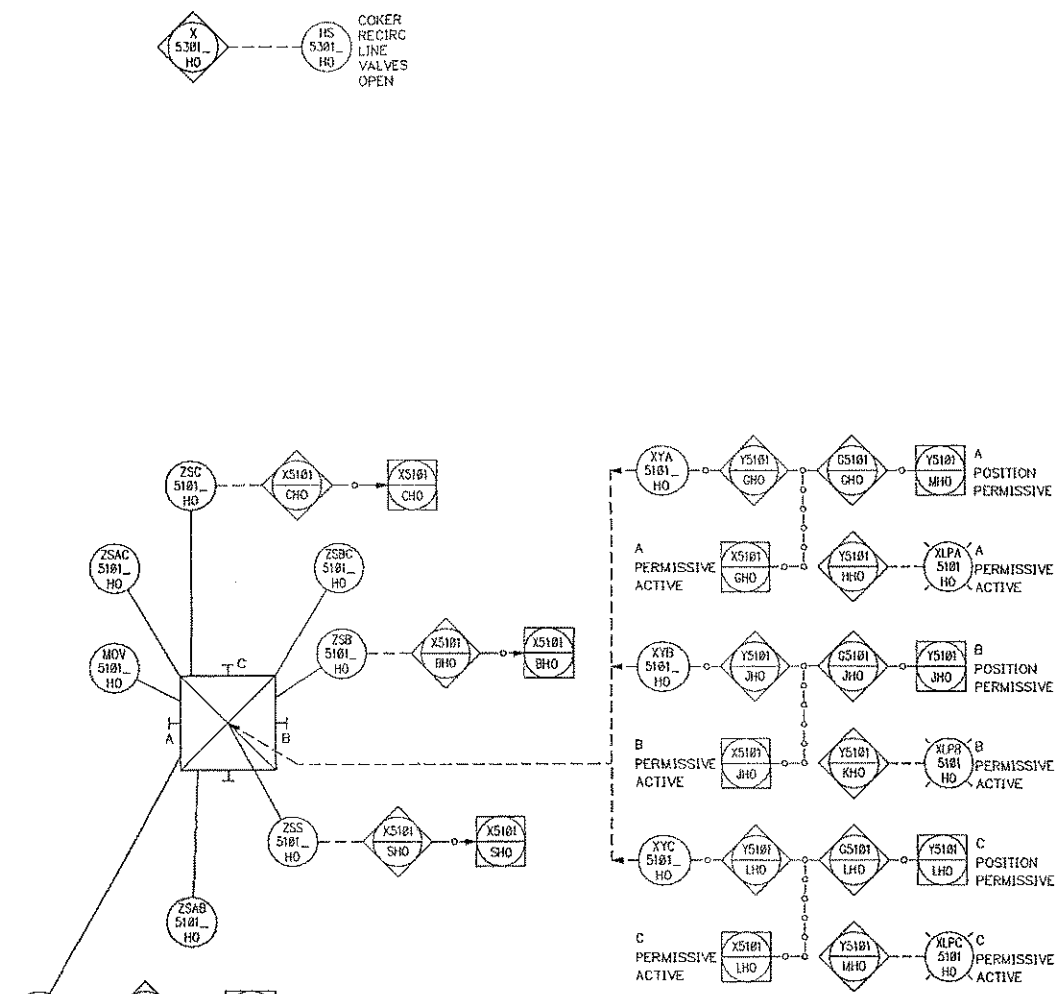


FIGURE 0: MOV WITH NO PERMISSIVES
 XXXX = LOOP NUMBER



COKER SWITCH VALVE

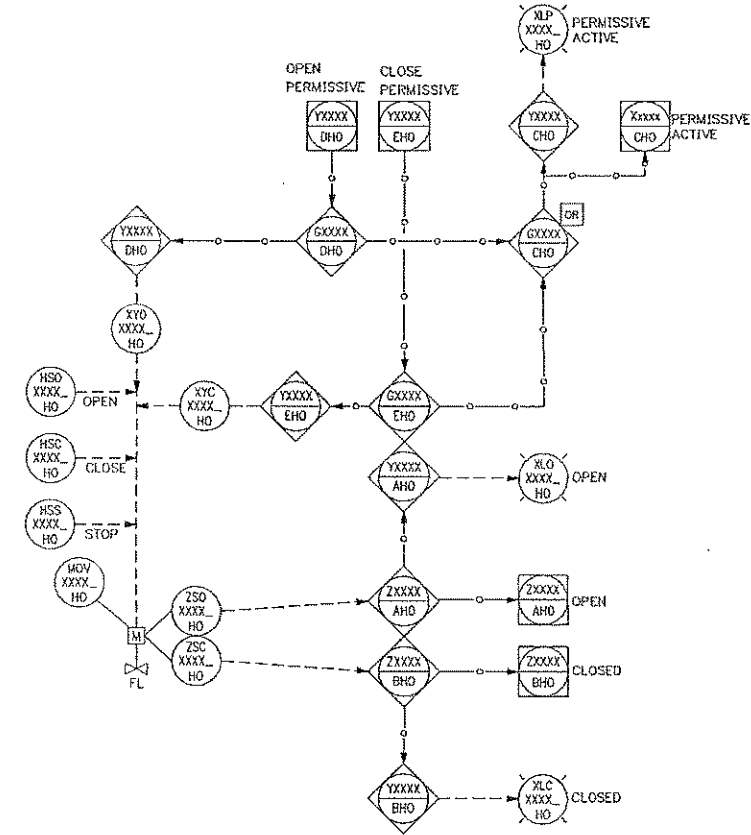


FIGURE 2: MOV WITH TWO PERMISSIVES
 XXXX = LOOP NUMBER

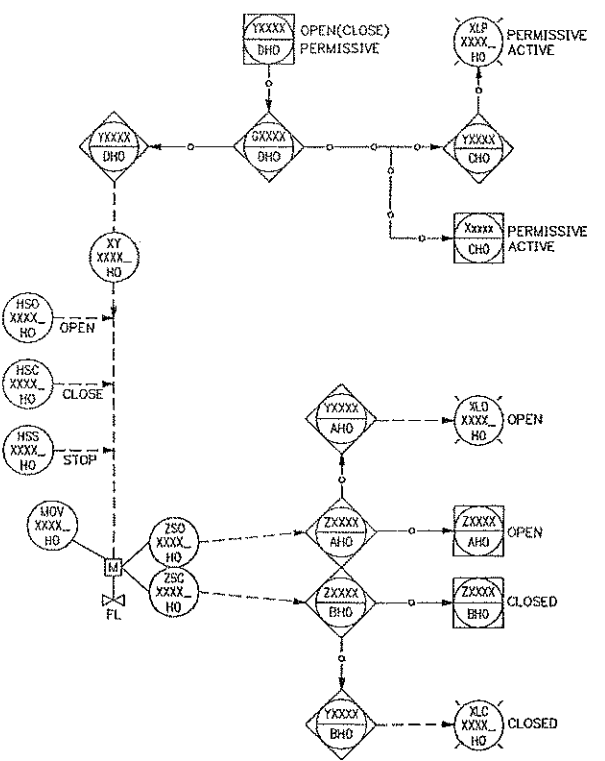


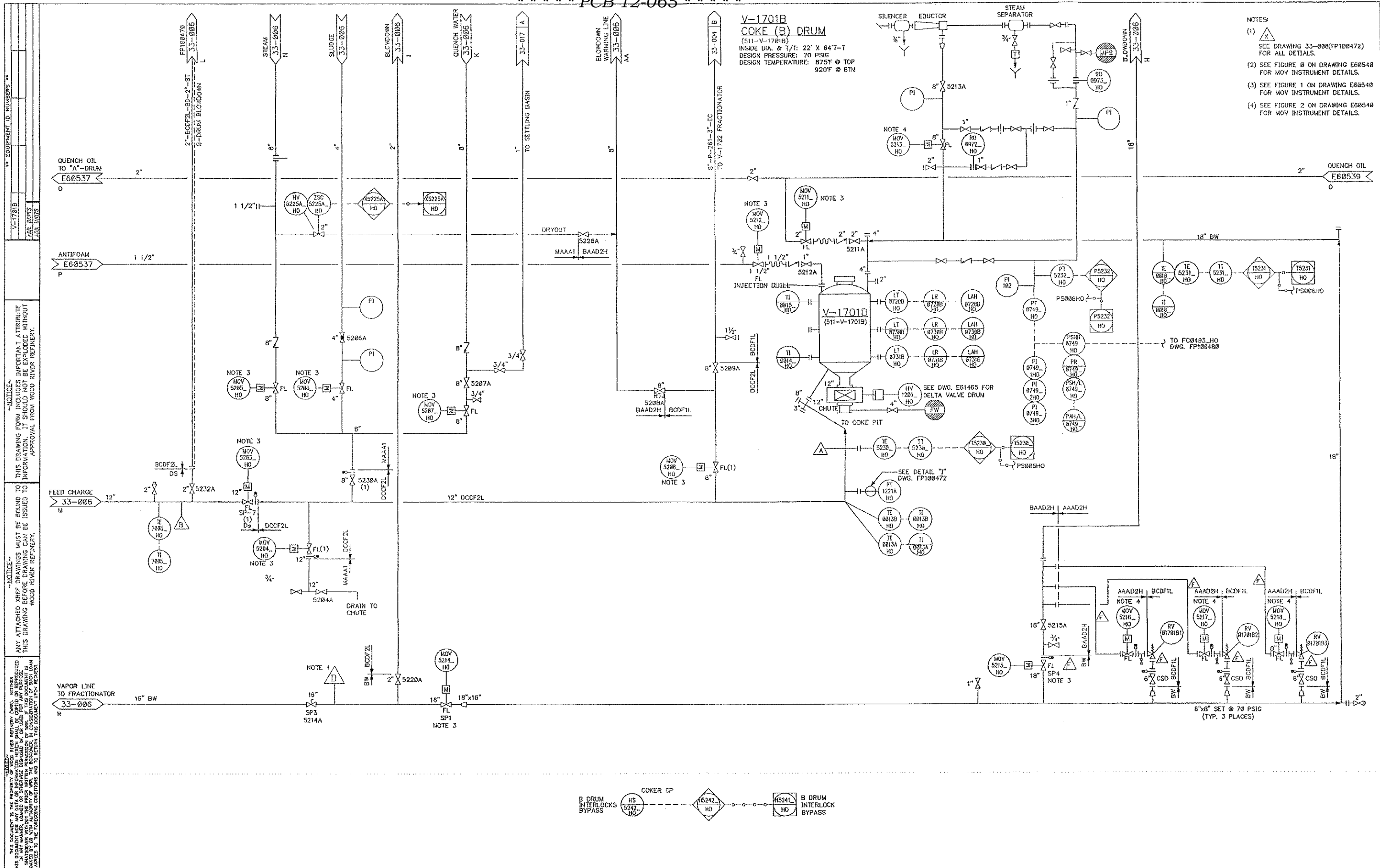
FIGURE 1: MOV WITH ONE PERMISSIVE
 XXXX = LOOP NUMBER

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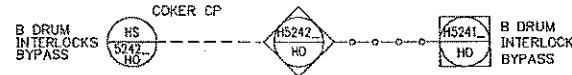
REFERENCE DRAWINGS			*CAD DRAWING DO NOT REVISE MANUALLY*					FINAL APP.		WOOD RIVER, ILLINOIS									
NO.	DR.	CK	APP.	ELEC. SIGN.	HAND SIGN.	NO.	DR.	CK	APP.	DATE	REVISION	NO.	DR.	CK	APP.	SCALE	SHEET	OF	REV.
FP100470	33-008									4/2009	ORIGINAL	0	TLM				1	1	
FP100472	33-008																		
										DISTILLING WEST-PROCESS UNIT DELAYED COKER UNIT MOTOR OPERATED VALVE INSTRUMENTATION DETAILS GENERAL									
										Wood River Refinery MASTER DRAWING YES/NO: YES PLOT SCALE: SCALE: NONE SHEET 1 OF 1 REV. F 60540 10									

***** PCB 12-065 *****



- NOTES:
- (1) SEE DRAWING 33-088(FP100472) FOR ALL DETAILS.
 - (2) SEE FIGURE 8 ON DRAWING E60540 FOR MOV INSTRUMENT DETAILS.
 - (3) SEE FIGURE 1 ON DRAWING E60540 FOR MOV INSTRUMENT DETAILS.
 - (4) SEE FIGURE 2 ON DRAWING E60540 FOR MOV INSTRUMENT DETAILS.

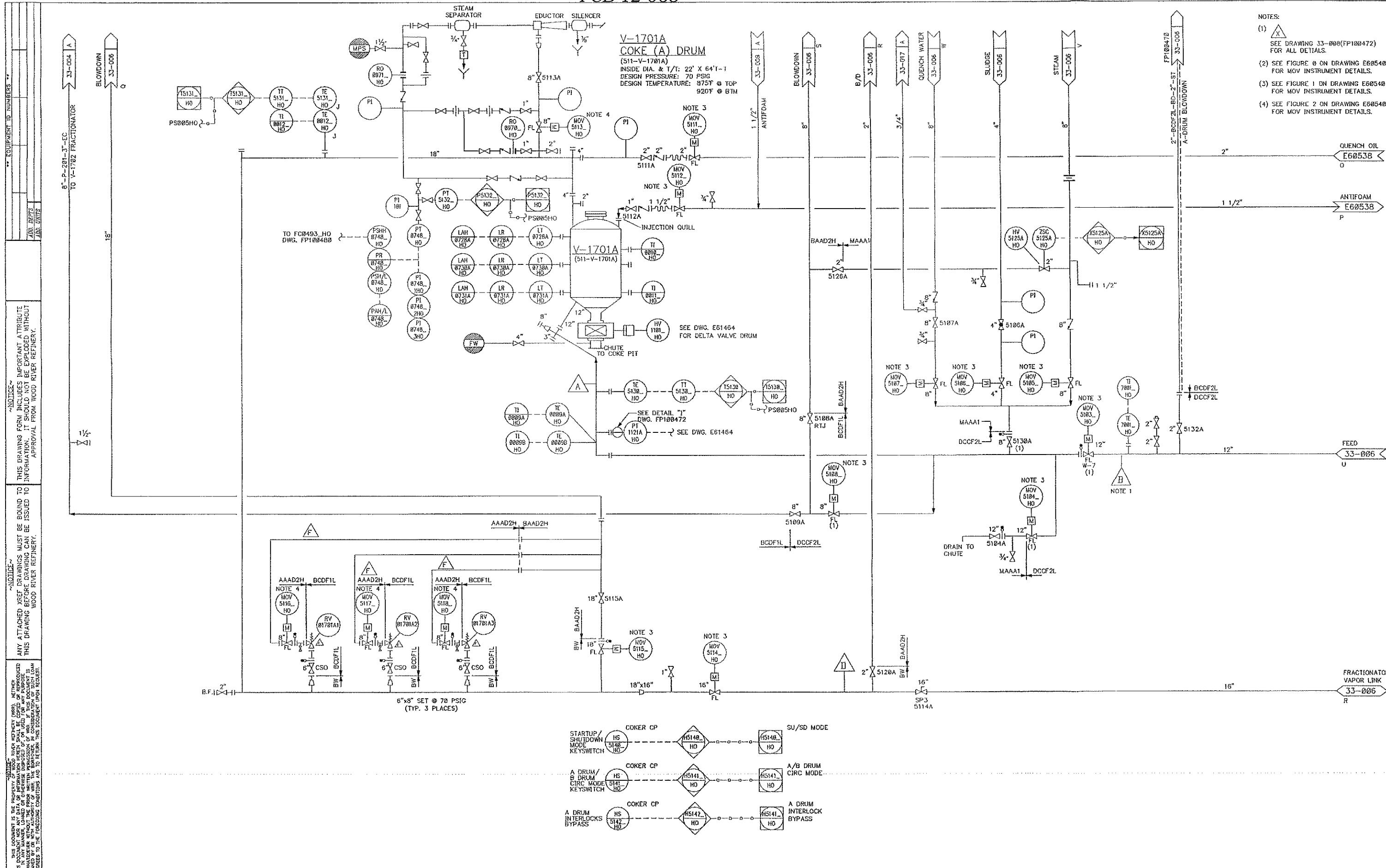
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— REFERENCE DRAWINGS —

ACCT. NO.	DATE	REVISION	NO.	DR.	CK.	APP.	FINAL APP.
	4/2009	ORIGINAL	0	TLM			
	10/2009	ADDED PSH#10749_HO	1	JAP			

WOOD RIVER,		Wood River Refinery		ILLINOIS	MASTER DRAWING YES/NO: YES
		DELAYED COKER UNIT DRUM V-1701B			PLOT SCALE: NONE
		DISTILLING WEST-PROCESS UNIT			SCALE: NONE
		GENERAL			SHEET 1 OF 1 REV.
		F 60538			1



- NOTES:
- (1) SEE DRAWING 33-006(FP100472) FOR ALL DETAILS.
 - (2) SEE FIGURE 0 ON DRAWING E60548 FOR MOV INSTRUMENT DETAILS.
 - (3) SEE FIGURE 1 ON DRAWING E60548 FOR MOV INSTRUMENT DETAILS.
 - (4) SEE FIGURE 2 ON DRAWING E60548 FOR MOV INSTRUMENT DETAILS.

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ANY ATTACHED REF DRAWINGS MUST BE BOUND TO THIS DRAWING BEFORE DRAWING CAN BE ISSUED TO APPROVAL FROM WOOD RIVER REFINERY.

EQUIPMENT ID NUMBERS

REFERENCE DRAWINGS

NO.	DATE	REVISION	NO.	DR.	CK.	APP.
FP100478	4/2009	ORIGINAL	0	TLM		CLE
FP100472	5/2009	CHANGED 2" DRAIN ON VAPOR LINE	1	JAP		CWK
	9/2009	ADDED PSHH0748_HO	2	JAP		WRK

CAD DRAWING DO NOT REVISE MANUALLY

ACCT. NO.	DATE	REVISION	NO.	DR.	CK.	APP.

WOOD RIVER, ILLINOIS

Wood River Refinery

DELATED COKER UNIT DRUM V-1701A

MASTER DRAWING YES/NO: YES

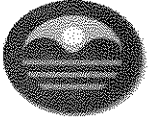
PLOT SCALE: NONE

SCALE: NONE

SHEET 1 OF 1 REV. 06/27/10

GENERAL

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY



1021 NORTH GRAND AVENUE EAST, P.O. BOX 19506, SPRINGFIELD, ILLINOIS 62794-9506 - (217) 782-2113

PAT QUINN, GOVERNOR

Technical Recommendation for Tax Certification Approval

Date: November 18, 2011
To: Robb Layman
From: Edwin C. Bakowski *EB*
Subject: WRB Refining, LLC. TC-10-10-14AZ

This Agency received a request on October 14, 2010 from WRB Refining, 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:

Coker Switch Valve Interlock Project which reduces Hydrocarbon Emissions by preventing the valve (Motor Operated Valve) from opening or closing out of the proper coke drum switching sequence from the wrong valve. Because the primary purpose of this system is to reduce or eliminate air pollution, it is certified as a pollution control facility.

This facility is located at 900 South Central Avenue, Roxana, Madison County
The property identification number is 19-1-08-35-00-000-001

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.

FEM:psj

Exhibit B