

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD  
OF THE STATE OF ILLINOIS

WRB REFINING, LLC )  
Blow-Off Pit Elimination Project )  
 )  
 ) PCB 12-  
 ) (Tax Certification - Air)  
PROPERTY IDENTIFICATION NUMBER )  
19-1-08-35-00-000-001 or portion thereof )

NOTICE

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

[Service by mail] Michael Kemp  
WRB Refining, LLC  
404 Phillips Building  
Bartlesville, Oklahoma 74004

[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**

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Blow-Off Pit Elimination Project	)	
	)	
	)	PCB 12-
	)	(Tax Certification - Air)
PROPERTY IDENTIFICATION NUMBER	)	
19-1-08-35-00-000-001 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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**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 the elimination of a relief vent system. The vent system, known as the Blow-Off Pit, was an atmospheric vent that was designed to safely release hydrocarbons, including some hazardous air pollutants, from numerous high-temperature streams at the refinery during pressure-relief events or prior to equipment maintenance activities. The Blow-Off Pit Elimination Project required the construction of various piping and equipment to rout the affected streams to either closed hydrocarbon recovery systems or closed flare systems. The removal of the vent system acts to reduce or prevent the release of volatile organic materials that would otherwise be emitted directly 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 Blow-Off Pit Elimination 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 Blow-Off Pit Elimination 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 28<sup>th</sup> 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

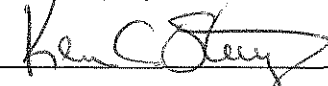
\*\*\*\*\*PCB 12 071\*\*\*\*\*  
 APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)  
 POLLUTION CONTROL FACILITY  
 AIR  WATER

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 19-1-08-35-00-000-001		
	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 Blow-Off Pit Elimination Project Attachment.					
	Materials Used in Process  See Blow-Off Pit Elimination Project Attachment.					
Sec. D    POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility  See Blow-Off Pit Elimination Project Attachment.					

*Exhibit A*

Sec. E	(1) Nature of Contaminants or Pollutants		
CONTAMINANTS			Material Retained, Captured or Recovered
	Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE
	Hydrocarbons Vapors	Hydrocarbons	Sold as product
	Volatile Organic Carbon (VOC)	Hydrocarbons	Sold as product
	Hazardous Air Pollutants including Benzene	Hydrocarbons	Sold as product
(2) Point(s) of Waste Water Discharge			
		Plans and Specifications Attached	Yes <input type="checkbox"/> No <input checked="" 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>10/30/06</u> status of installation on date of application <u>100%</u>		
ACCOUNTING DATA	(5)	a. TOTAL INSTALLED COST	\$ 2,400,000.00
		b. NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$ 0.00
		c. PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$ 0.00
		d. PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$ 0.00
		e. PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	% To Be Determined
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. <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;">                       Signature                 </div> <div style="text-align: center;"> <u>DIRECTOR - PTARC</u>                      Title                 </div> </div>		
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.			
INSTRUCTIONS	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:	Attention:
		Illinois EPA P.O. Box 19276 Springfield, IL 62794-9276	AI Keller Permit Section Division of Water Pollution Control
			Attention: Donald E. Sutton Permit Section Division of Air Pollution Control



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

Project: Blow-Off Pit Elimination Project

Section C – Manufacturing Process

Process Description:

Prior to this project, the Wood River Refinery used the "Blow-Off Pit" as an atmospheric relief vent system. Several high temperature refinery hydrocarbon streams were routed to the Blow-Off Pit during relief events or to drain equipment in preparation for equipment maintenance. The purpose of the Blow-Off Pit was to safely vent off hydrocarbons vapors to the atmosphere. Any hydrocarbon which did not vent to the atmosphere, accumulated as liquid in the Blow-Off Pit, cooled, and was eventually recovered for reprocessing.

Materials Used in Process:

Light Hydrocarbons Vapors  
Heavy Hydrocarbons Vapors

Section D – Pollution Control Facility Description

This project was installed to prevent the venting of hydrocarbon vapors (including Hazardous Air Pollutants) to the atmosphere.

Prior to this project, the Wood River Refinery used the "Blow-Off Pit" as an atmospheric relief vent system. Several high temperature refinery hydrocarbon streams were routed to the Blow-Off Pit during relief events or to drain equipment in preparation for equipment maintenance. The purpose of the Blow-Off Pit was to safely vent off hydrocarbons to the atmosphere.

This project installed equipment and piping necessary to eliminate the routing of any streams to the Blow-Off Pit. For some streams, this project installed equipment and piping such that the streams were routed to closed hydrocarbon systems and all hydrocarbon could be recovered as products. For some streams, this project installed equipment and piping such that the streams were routed to a closed flare system so that light hydrocarbon was combusted in a flare and thus no hydrocarbon was released to atmosphere. This project successfully allowed the Blow-Off Pit to be removed from service and thus eliminated this source of hydrocarbon vapors to atmosphere.

In summary, this project was completed to prevent air pollution due to the venting of hydrocarbon vapors (including Hazardous Air Pollutants) to the atmosphere.




## ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276 • (217) 782-2829  
James R. Thompson Center, 100 West Randolph, Suite 11-300, Chicago, IL 60601 • (312) 814-6026

PAT QUINN, GOVERNOR

### Memorandum

#### Technical Recommendation for Tax Certification Approval

Date: November 28, 2011  
To: Robb Layman  
From: Ed Bakowski   
Subject: WRB Refining LLC TC-10-14-10

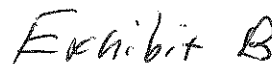
This Agency received a request on October 14, 2010, from WRB Refining, LLC, for an Illinois EPA recommendation regarding tax certification of air pollution control facilities pursuant to 35 Ill. Adm. Code 125.204. I offer the following recommendation:

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

Blow-Off Pit Elimination Project, which eliminates an atmospheric relief vent system used to vent several high-pressure hydrocarbon streams and re-routes those streams to other closed refinery system, thus reducing or preventing the release of volatile organic materials that would otherwise be emitted to the atmosphere. Because the primary purpose of this system is to reduce or prevent air pollution, it can be certified as a pollution control facility.

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

Based on the information included in this submittal, it is my engineering judgment 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