BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

WRB Refining LLC (Property Indentification Number 19-1-08-34-00-000-006)

)) PCB 012-) (Tax Certification

NOTICE

Clerk Illinois Pollution Control Board James R. Thompson Center 100 West Randolph Street, Suite. 11-500 Chicago, Illinois 60601 Michael Kemp 404 Phillips Building Bartlesville, Oklahoma 74004

Steve Santarelli Illinois Department of Revenue 101 West Jefferson Post Office Box 19033 Springfield, Illinois 62794

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of the

Pollution Control Board an <u>APPEARANCE AND THE RECOMMENDATION</u> of the Illinois Environmental Protection Agency, a copy of which is herewith served upon you.

ILLINOIS ENVIRONMENTAL PROTECTION 'AGENCY

concern 1

By: Vera Herst

Vera Herst Assistant Counsel Division of Legal Counsel

DATED: February 15, 2012

Illinois Environmental Protection Agency 1021 North Grand Avenue East Post Office Box 19276 Springfield, Illinois 62794-9276 (217) 782-5544

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

WRB Refining LLC (Property Indentification Number 19-1-08-34-00-000-006)

)) PCB 012-) (Tax Certification)

A P P E A R A N C E

The undersigned, as one of its attorneys, hereby enters an <u>APPEARANCE</u> on behalf of Respondent, Illinois Environmental Protection Agency.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

By: Vera Werst

Vera Herst Assistant Counsel Division of Legal Counsel

DATED: February 15, 2012 Illinois Environmental Protection Agency 1021 North Grand Avenue East Post Office Box 19276 Springfield, Illinois 62794-9276 (217)782-5544

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

WRB Refining LLC (Property Indentification Number 19-1-08-34-00-000-006))) PCB 012-) (Tax Certification)

RECOMMENDATION

The Illinois Environmental Protection Agency ("Illinois EPA") hereby files its Recommendation pursuant

to Section 125.204 of the regulations of the Illinois Pollution Control Board, 35 Ill. Adm. Code 125.204.

- On June 29, 2011, the Illinois EPA received a request from WRB Refining LLC (log number TC-06-11, Exhibit A) for an Illinois EPA recommendation regarding the tax certification of water pollution control facilities pursuant to 35 Ill. Adm. Code 125.204.
- The applicant's address is:
 WRB Refining LLC
 900 S. Central Ave
 Roxanna, Illinois 62084

3. The proposed water pollution control facility in this request is located at Section 34 SW ¼, T5N,

R9W, in Madison County, at the above street address and consist of the following:

Installation of a new sour water stripper.

These pollution control facilities have the primary purpose of eliminating, preventing, or reducing

water pollution, and are further described in Exhibit A.

4. Section 11-10 of the Property Tax Code, 35 ILCS 200/11-10 (2010), defines "pollution control facilities" as:

"any system, method, construction, device or appliance appurtenant thereto or any portion of any building or eqnipment, 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 harmfnl, 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.
- 6. Based on the information in the application and the purpose of the facilities, 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 water pollution, or as otherwise provided in 35 Ill. Adm. Code 125.200, and are eligible for tax certification from the Board.

WHEREFORE, the Illinois EPA recommends that the Board issue the

requested tax certification.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

By: Vera Neust

Vera Herst Assistant Counsel Division of Legal Counsel

Dated: February 15, 2012 Illinois Environmental Protection Agency 1021 North Grand Ave. E. P.O. Box 19276 Springfield, Illinois 62794-9276 217/782-5544



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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

Volu tim - -

Memorandum

To: Connie Tonsor, Division of Legal Counsel

From: Alan Keller, Manager, Permit Section

MIL

Date: November 21, 2011

Re: WRB Refining LLC Recommendation of Tax Certification Log # TC-06-11 Property Identification # 19-1-08-34-00-000-006

The Bureau of Water received a request on June 29, 2011 from WRB Refining LLC for an Illinois EPA recommendation regarding the tax certification of water pollution control facilities pursuant to 35 Il. Adm. Code 125.204. We offer the following recommendation.

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

WRB Refining LLC 404 Phillips Building Bartlesville, OK 74004

Facility location: 900 S. Central Avenue in Roxana, Illinois.

Installation of a new sour water stripper.

These facilities are further described in the enclosed applications and supporting documents.

Based on the information included in this submittal, it is our engineering judgment that the above proposed facilities may be considered "Pollution Control Facilities" under 35 IAC 125.200(a), with the primary purpose of eliminating, preventing, or reducing water pollution, or as otherwise provided in this section, and therefore eligible for tax certification from the Illinois Pollution Control Board. The Bureau of Water therefore recommends that the Board issue the requested tax certification for these facilities.

Page 2 Log No. TC-06-11

If you have any questions regarding the above, please contact Jaime Rabins at 217/782-0610.

SAK:JAR:TC0611.docx

cc: Tax Cert File

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* * * * * PCB 2012-110 * * * * *

STATE OF ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

Subject: WRB Refining LLC Data: TC-06-11 Reviewed By: Jaime Rabins Page 1 of 1

Date: July 12, 2011

Applicant: WRB Refining LLC 404 Phillips Building Bartlesville, OK 74004

Facility location: 900 S. Central Avenue in Roxana, Illinois.

On June 29, 2011 the Agency received a request to make a recommendation regarding the tax certification for the following:

Installation of new sour water stripper to process the additional volume of sour water (water with high levels of hydrogen sulfide and ammonia) produced by the new Ultralow Sulfur Diesel Hydrotreaters, the Delayed Coker Naphtha Hydrotreater and the Delayed Coker. The device will convert the hydrogen sulfide to elemental sulfur which is sold as a low valued product and convert the ammonia to nitrogen gas which is released to the atmosphere.

The pollution control facility's primary purpose is to prevent and eliminate pollutants which if not treated might he harmful, detrimental or offensive to human, plant or animal life, or to property as defined in 35 IAC 125.200(a).

Action: Recommend for consideration of Pollution Control Facilities.

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

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

FOR AGENCY USE

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.

	File No.		~		, D-1-		
1	Sec. A		Certification No.	· · · · · · · · · · · · · · · · · · ·	Date	<u></u>	
	060. A	Company Name WRB Refining LLC					
	APPLICANT	Person Authorized to Receive Certification		Person to Contact for A	Additional Details		
1				Jay Rankin			
		Street Address		Street Address			
ĺ		404 Phillips Building		900 S. Central Ave., P.O. Box 76			
		Municipality, State & Zip Code		Municipality, State & Zip Code			
				Roxana, IL 62084			
		Telephone Number		Telephone Number			
		(918) 661-9055 Location of Facility		(618) 255-2737 Municipality	Township	• · · · ·	
		Quarter Section Township	Range 9:,W		-		
		34 SW 1/4 5 N		Hartford	Wood River		
		Street Address		County	Book Number		
		900 S. Central Ave.		Madison			
1		Property Identification Number		Parcel Number			
ļ		19-1-08-34-00-000-006					
	Sec. B	Nature of Operations Conducted at the Above	Location				
		Petroleum Refining					
4	ğ						
Т	URII	Water Pollution Control Construction Permit No.		Date issued			
	ATTC	2007EB3690		08/16/07			
	PER	NPDES PERMIT No.		Date Issued	Expiration Date		
	MANUFACTURING OPERATIONS	IL0000205 ·		04/14/04	04/14/09		
Į		Air Pollution Control Construction Permit No.		Date Issued			
1				08/05/08			
		Air Pollution Control Operating Permit No.		Date Issued			
ļ	0	95120306 Describe Unit Process		11/07/03			
	Sec. C						
	MANUFACTURING PROCESS	See New Sour Water Stripper Project Attachment.					
ļ							
	ACT CE:	Materials Used in Process					
	PRC	Sour water containing Hydrogen sulfide and ammonia, steam, cooling water.					
	MAN						
ł							
-	<u> </u>	Describe Delle Vier Alextensor (Octobel Described					
Í	Sec. D						
	SP	See New Sour Water Stripper Project Attachment.					
1	ATR TI AL					ĺ	
	SCC CO						
ł	U DE					l r	
ŕ	POLLUTION CONTROL FACILITY DESCRIPTION						
	PO						
		·					

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Sec. E	(1) Natu	(1) Nature of Contaminants or Pollutants							
	Material Retained, Captured or Recovered								
сл	Contaminant or Pollutant		DESCRIPTION		DISPOSAL OR USE				
•		n Sulfide	Hydrogen Sulfide	Converted to elemental	sulfur & sold.				
4TA	Ammonia		Ammonia	Converted to Nitrogen					
ς _ζ									
ILITY									
FAC	(2) Point(s) of Waste Water Discharge								
JOF		Mississippi River per NPDES Permit							
NTR	Plans and Specifications Attached Yes D No 🗵								
2 Z	(3) A	<u>re contaminants (or residues) col</u>		Yes 🗵	No 🗌				
101	(4) D	ate installation completed 04/01/	11 status of installation of	on date of application <u>8</u>	0%				
POLLUTION CONTROL FACILITY - DATA CONTA	(5) a	TOTAL INSTALLED COST		\$ 75,619,44	1.00				
POLLI POLLI	b.	NET SALVAGE VALUE IF CONS	IDERED REAL PROPERTY:	\$ 454,000.0					
NTIN	c,	PRODUCTIVE GROSS ANNUAL	INCOME OF CONTROL FACILITY:						
Inoc	d			\$ 0.00					
ACC	e		LITY BEARS TO WHOLE FACILITY						
Sec. F		wing information is submitted in acco		10 06 06					
SIGNATURE	knowled	ge, is true and correct. The facilities roperty Tax Code.							
510									
Sec. G	Signature / Title 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 an								
ίς.	water ope	consecutively on an index she	et.						
	Sec. A	facilities. Define facility location by stre	in the tax records and the person to be one and address or legal description. A plat m property identification number is required	ap location is required for facili	ties located				
	Sec. B	Self-explanatory. Submit copies of all permits issued by local pollution control agencies. (e.g. MSD Construction Permit)							
	Sec. C	J	materials on which pollution control facili	-					
	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 effiuent of the control facility stating the collection efficiency.							
INSTRUCTIONS	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;					
	ļ	Iliinois 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 Cont	rol				

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

Project: New Sour Water Stripper Project

Section C – Manufacturing Process

Process Description:

The various processes encountered in an oil refinery generate sour water streams containing high levels of Hydrogen Sulfide (H_2S) and Ammonia (NH_3). Hydrogen Sulfide (H_2S) and Ammonia (NH_3) are severe water pollutants and extremely low H_2S and NH_3 contents in the Refinery waste water discharge are mandated by the Refinery's NPDES permit. The Refinery sour water streams must be processed in a Sour Water Stripper prior to being routed to the Refinery Waste Water Treatment Plant. The purpose of the Sour Water Stripper is to recover H_2S and NH_3 so that these pollutants can be converted to non hazardous products.

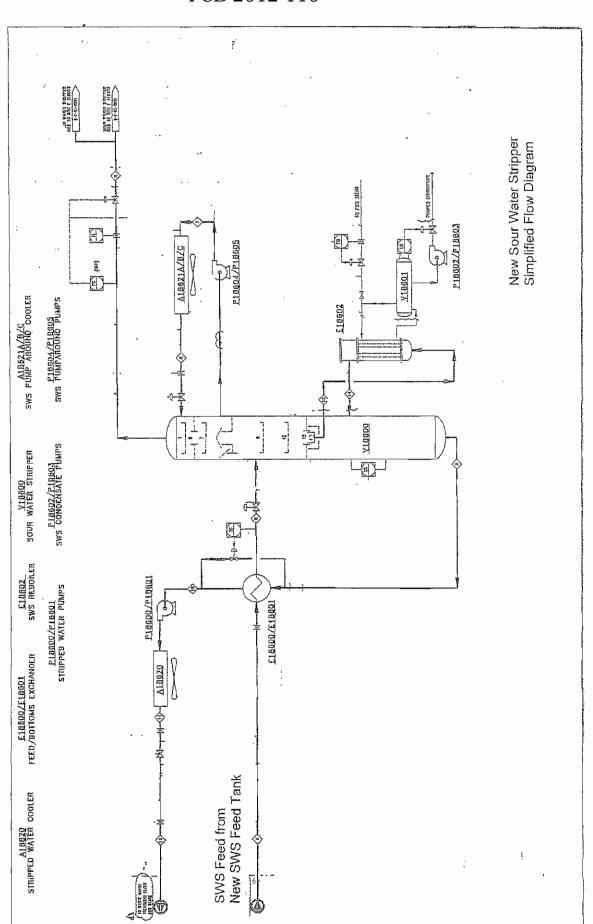
The New Sour Water Stripper was constructed to process the additional volume of sour water produced by new Refinery units including the Ultralow Sulfur Diesel Hydrotreaters, the Delayed Coker Naphtha Hydrotreater, and the Delayed Coker. The sour water streams from the various refinery processes are collected and pumped to the new Sour Water Stripper. The feed sour water is preheated and routed to a fractionation column which is equipped with the necessary reboilers, coolers, and pumps. This column has two product streams: a high H₂S and NH₃ tops stream which is routed to the Sulfur Recovery Units and a bottoms stream which is very low in H₂S and NH₃. The Sulfur Recovery Units convert the H₂S present in the tops stream to elemental sulfur which the Refinery sells as a low valued product and convert the NH₃ present in the tops stream to nitrogen gas (N2) which can be release to the atmosphere. The Sour Water Stripper bottoms stream is sufficiently low in H₂S and NH₃ for routing to the Refinery Waste Water Treatment Plant. The Refinery Waste Water Treatment Plant further reduces the H₂S and NH₃ in order to meet the Refinery's NPDES permit.

A new sour water storage tank was constructed with the new Sour Water Stripper so that sour water can be stored for later processing when the Sour Water Stripper is undergoing maintenance.

Section D – Pollution Control Facility Description

The Refinery sour water streams must be processed in a Sour Water Stripper prior to being routed to the Refinery Waste Water Treatment Plant (WWTP). Without this pretreatment step, the H2S and NH3 content of the WWTP feed water would far exceed WWTP capabilities and the H2S and NH3 content of the refinery's water effluent to the Mississippi River would greatly increase, resulting in water pollution.

The New Sour Water Stripper was installed for the sole purpose of reducing the H2S and NH3 content of refinery water streams so H2S and NH3 pollutants are not discharged to the Mississippi River. The New Sour Water Stripper is required for the refinery waste water discharge to meet the H2S and NH3 levels mandated by the refinery's NPDES permit.



STATE OF ILLINOIS)
COUNTY OF SANGAMON)

PROOF OF SERVICE

I, the undersigned attorney at law, hereby certify that on February 15, 2012, I served true and correct copies of an <u>APPEARANCE AND THE RECOMMENDATION</u>, upon the persons and by the methods as follows:

[1st Class U.S. Mail]

Steve Santarelli Illinois Department of Revenue 101 West Jefferson Post Office Box 19033 Springfield, Illinois 62794 [1st Class U.S. Mail] Michael Kemp 404 Phillips Building Bartlesville, Oklahoma 74004

[Electronic Filing]

Clerk Illinois Pollution Control Board James R. Thompson Center 100 West Randolph Street, Suite. 11-500 Chicago, Illinois 60601

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

/s/ Vera Herst Assistant Counsel Division of Legal Counsel 1021 North Grand Avenue East P.O. Box 19276-Springfield, Illinois 62794-9276 217.782.5544 217.782.9143 (TDD)