

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

SAINT GOBAIN CONTAINERS, INC.)
Catalyst-Embedded Ceramic Filter System for)
Glass Furnace Exhaust)
) PCB 14-
) (Tax Certification - Air)
PROPERTY IDENTIFICATION NUMBER)
29-03-200-045-000 and 29-03-200-055-000)

NOTICE

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

[Service by mail] Jeff Shonkwiler
Saint Gobain Containers, Inc.
1509 South Macedonia Avenue
Muncie, Indiana 47307

[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: December 12, 2013

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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Catalyst-Embedded Ceramic Filter System for)
Glass Furnace Exhaust)
) PCB 14-
) (Tax Certification - Air)
PROPERTY IDENTIFICATION NUMBER)
29-03-200-045-000 and 29-03-200-055-000)

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: December 12, 2013

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PROPERTY IDENTIFICATION NUMBER)
29-03-200-045-000 and 29-03-200-055-000)

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 July 11, 2013, the Illinois EPA received an application and supporting information from SAINT GOBAIN CONTAINERS, INC., (“Saint Gobain”) concerning the proposed tax certification of certain air emission sources and/or equipment located at its Dolton glass container manufacturing facility in Cook County, Illinois. A copy of the application is attached hereto. [**Exhibit A**].

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

Saint Gobain Containers, Inc.
1509 South Macedonia Avenue
Muncie, Indiana 47307

3. The facility address is as follows:

Saint Gobain Containers, Inc.
13850 Cottage Grove Avenue
Dolton, Illinois

4. The subject matter of this request involved the construction and installation of a Catalyst-Embedded Ceramic Filter System, which will control emissions from the Glass Furnace Exhaust of the glass manufacturing facility. As described in the application, the system will consist of a Tri-Mer “advanced ceramic filter (candle) system” that employs ceramic filters with an embedded catalyst for controlling nitrous oxides (“NOx”), dioxin and particulate matter emissions. *See*, Exhibit A, Attachment at Equipment Description. The system will also include dry sorbent injection (Sorbacal SP) and aqueous ammonia injection processes, located upstream of the ceramic filters, for the additional control of sulfur dioxide, hydrogen chloride and NOx emissions. *Id.* The system is recognized in the field of air pollution control technology as a type of control device and/or system that acts to prevent, eliminate or reduce air contaminants that could otherwise be emitted 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 primary purpose of the Catalyst-Embedded Ceramic Filter System to prevent, eliminate or reduce air pollution, it is the Illinois EPA’s engineering judgment that the system and/or devices described above 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 applicant's request concerning the Catalyst-Embedded Ceramic Filter System 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: December 12, 2013

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 12th day of December, 2013, I electronically filed the following instruments entitled **NOTICE**, **APPEARANCE** and **RECOMMENDATION** with:

John Therriault, 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

Jeff Shonkwiler
Saint Gobain Containers, Inc.
1509 South Macedonia Avenue
Muncie, Indiana 47307

/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 Saint Gobain Containers, Inc.			
	Person Authorized to Receive Certification Jeff Shonkwiler, Tax Director		Person to Contact for Additional Details Jeff Shonkwiler	
	Street Address 1509 S. Macedonia Ave.		Street Address 1509 S. Macedonia Ave.	
	Municipality, State & Zip Code Muncie, IN 47307		Municipality, State & Zip Code Muncie, IN 47307	
	Telephone Number 765-741-7727		Telephone Number 765-741-7727	
	Location of Facility Quarter Section S3	Township T36N	Range R14E	Municipality Dolton
	Street Address 13850 Cottage Grove Ave.		County Cook	Township Thornton
	Property Identification Number 29-03-200-045-000 and 29-03-200-055-000		Parcel Number	
Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location Glass Container Manufacturing			
	Water Pollution Control Construction Permit No. N/A	Date Issued		
	NPDES PERMIT No. N/A	Date issued	Expiration Date	
	Air Pollution Control Construction Permit No. 12100052	Date issued	Pending	
Sec. C MANUFACTURING PROCESS	Describe Unit Process Glass Container Manufacturing			
	Materials Used in Process Sand, soda ash, limestone, cullet (recycled glass)			
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility Catalyst-embedded ceramic filter system with upstream injection of dry sorbent and urea or ammonia, which will control air emissions from glass furnace exhaust.			

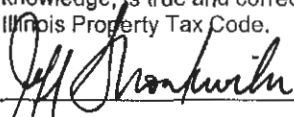
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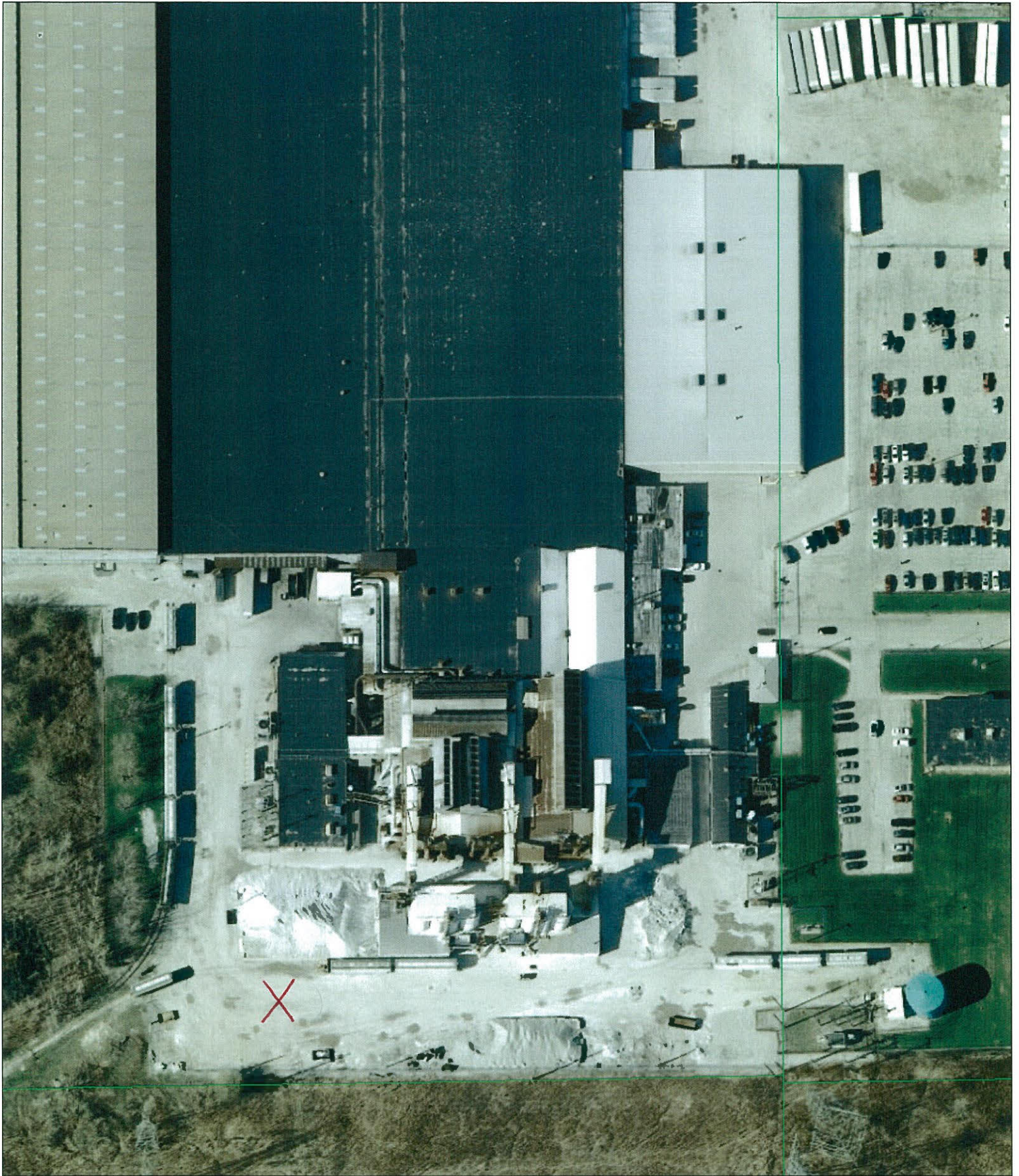
Illinois Environmental Protection Agency
 BUREAU OF AIR
 STATE OF ILLINOIS

Exhibit A

Sec. E	(1) Nature of Contaminants or Pollutants			
	CONTAMINANTS	Material Retained, Captured or Recovered		
		Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE
		NOx	N/A	catalytically converted to N2 and water vapor
		SO2	Sodium sulfate	Reused as raw material
		PM	Filter dust	in glass manufacture or disposed off-site
	(2) Point(s) of Waste Water Discharge N/A			
	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>pending</u> status of installation on date of application <u>see time line</u>		
ACCOUNTING DATA	(5) a.	FAIR CASH VALUE IF CONSIDERED REAL PROPERTY: <u>cost-see attached</u>	\$ <u>925,930</u>	
	b.	NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$	
	c.	PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$ <u>-0-</u>	
	d.	PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$ <u>-0-</u>	
	e.	PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	%	

Sec. F	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.	
			<u>7/11/13</u>
		Signature	Title

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 <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:	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



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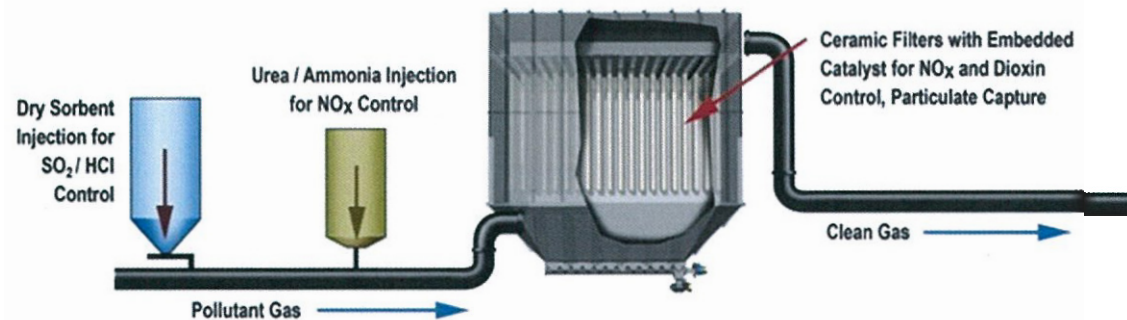


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Dolton Abatement Equipment Information

Description of system:

Tri-Mer's uses an advanced ceramic filter (candle) system technology that are capable of removing particulate matter (PM), NO_x, SO₂, HCl, dioxins, and mercury in a single system. The system uses dry Sorbocal SP to control the SO₂/HCl and Aqueous Ammonia to control the NO_x.



(Example, showing the gas flows through the system)

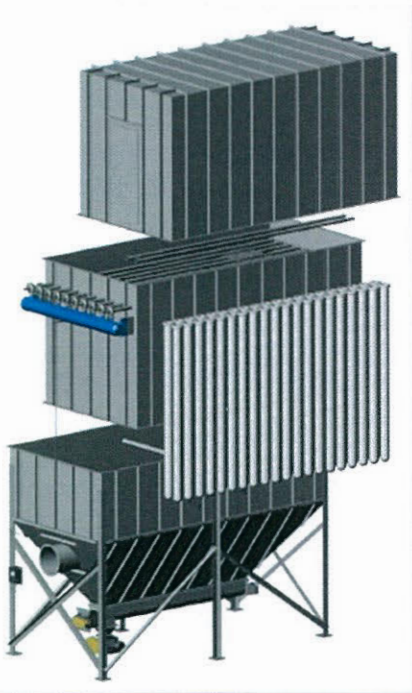
Project Time Line

Event	Date
Kick off meeting site	February 26, 2013
Civil design package to VNA	May 31, 2013
Civil bid meeting with contractors	June 10, 2013
Begin VNA civil construction	August 12, 2013
Complete VNA civil construction	November 1, 2013
Foundations Ready for Vendor Equipment	December 1, 2013
Construction complete	July 1, 2014
Hand Over Documentation (spare parts, operator & maintenance manuals, CAD drawings).	July 1, 2014
System startup & dry run (complete)	July 15, 2014
Training for Dolton Personnel (5 Days)	July 15, 2014
System on line from Furnace 1	July 22, 2014
System on line from Furnace 2	July 29, 2014
System on line from Furnace 3	Aug 5, 2014
Begin Operational Shakedown	August 6, 2014
Operating shakedown complete	August 31, 2014


Dolton Abatement Equipment Information




Examples of completed systems



Exploded view of individual plenum that will be used in Dolton, Dolton will have six total plenums in their system (similar to the pictures above).

	Construction Cost Estimate	Date: <u>3-Jul-13</u> Project No: _____ Department: _____ Prepared by: _____
Customer: <u>Verallia/Saint-Gobain Containers</u>		Location: <u>Dolton</u>
Project: <u>Fces A, B & C Emission Control</u>		Area: Structural - Process
Item No.	Description	Total
1	Scrubber Foundation	\$66,375
2	EP Foundations	\$77,045
3	SCR Foundations	\$77,305
4	Stack Foundation	\$37,675
5	Fan Foundation	\$25,055
6	Control & CEM Buildings Foundations	\$23,575
7	Duct Support Foundations	\$26,075
8	Standby Generator Foundation	\$15,355
9	Ammonia Tk Foundation & Containment	\$35,000
10	EP / Scrubber Area Misc Steel	\$119,000
11	EP Dust Bin Foundations, Platforms & Supports	\$45,245
		Total - This Sheet
		\$547,705

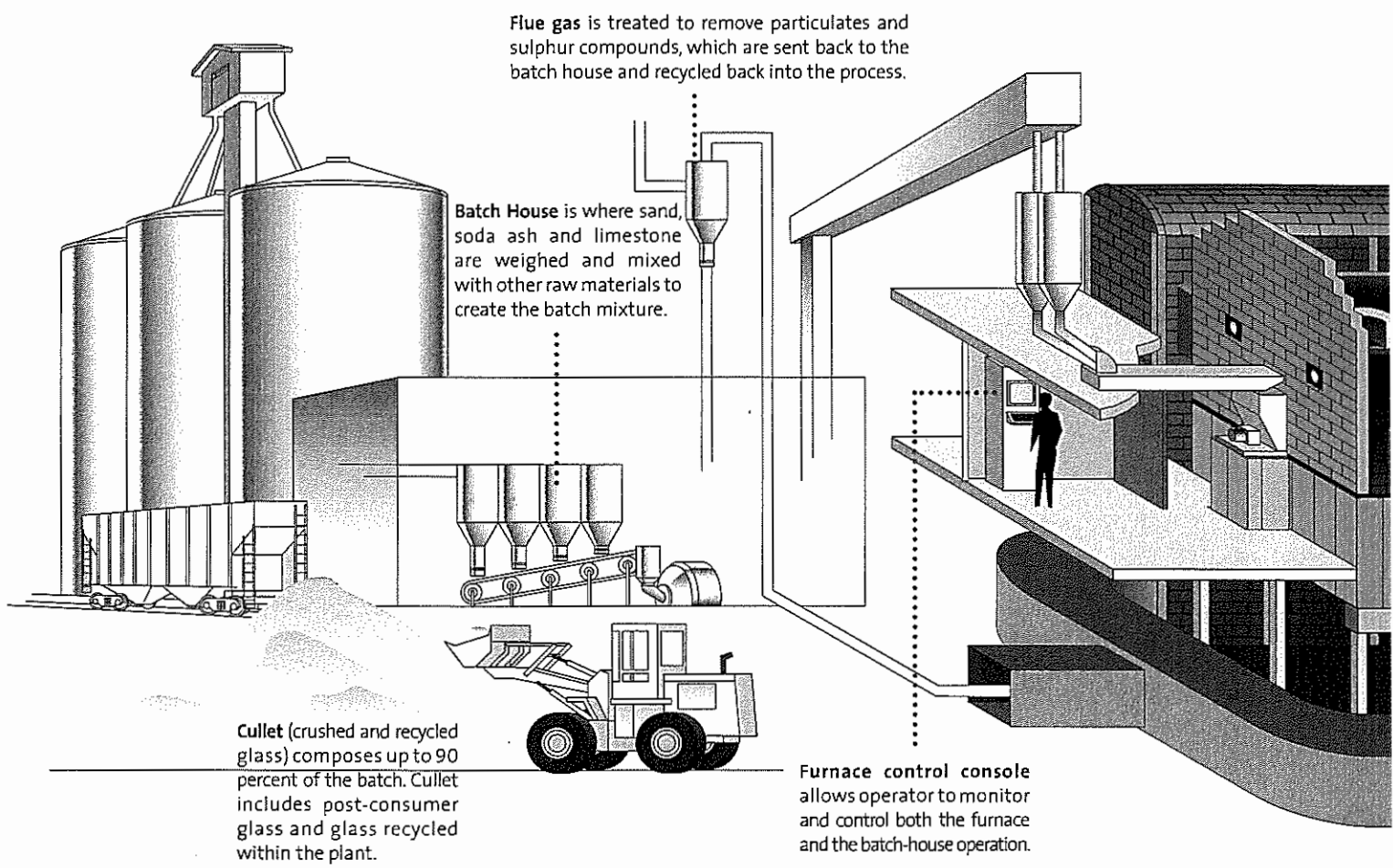
	Construction Cost Estimate	Date: <u>3-Jul-13</u> Project No: _____ Department: _____ Prepared by: _____
Customer: <u>Verallia/Saint-Gobain Containers</u>		Location: <u>Dolton, IL</u>
Project: <u>Fces A, B & C Emission Control</u>		Area: Site Work
Item No.	Description	Total
1	Site Preparation	\$17,975
2	Rework Fencing	\$17,750
3	Construct Contractor's Entrance	\$37,500
4	Construct Plant Entrance Roadway	\$45,000
5	Paved Road and Parking	\$260,000
		Total - This Sheet
		\$378,225

Total Real Estate Cost	\$925,930
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LOOK INTO GLASS



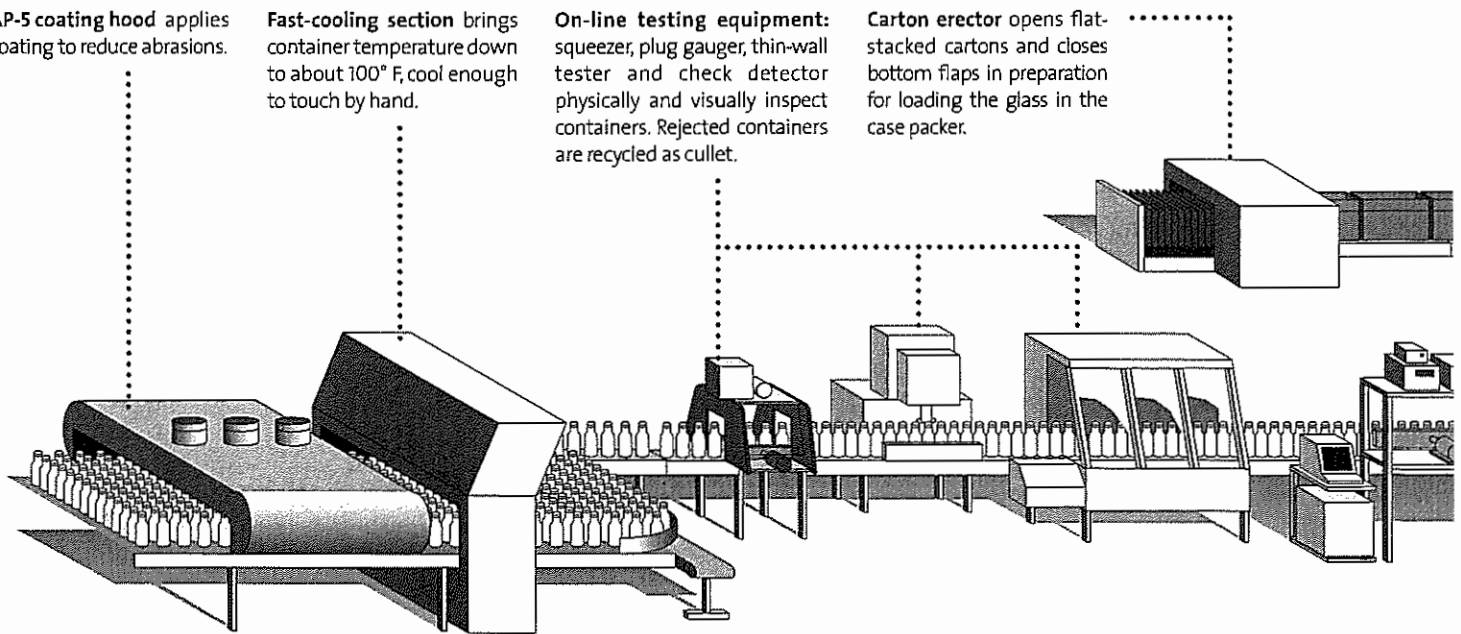


AP-5 coating hood applies coating to reduce abrasions.

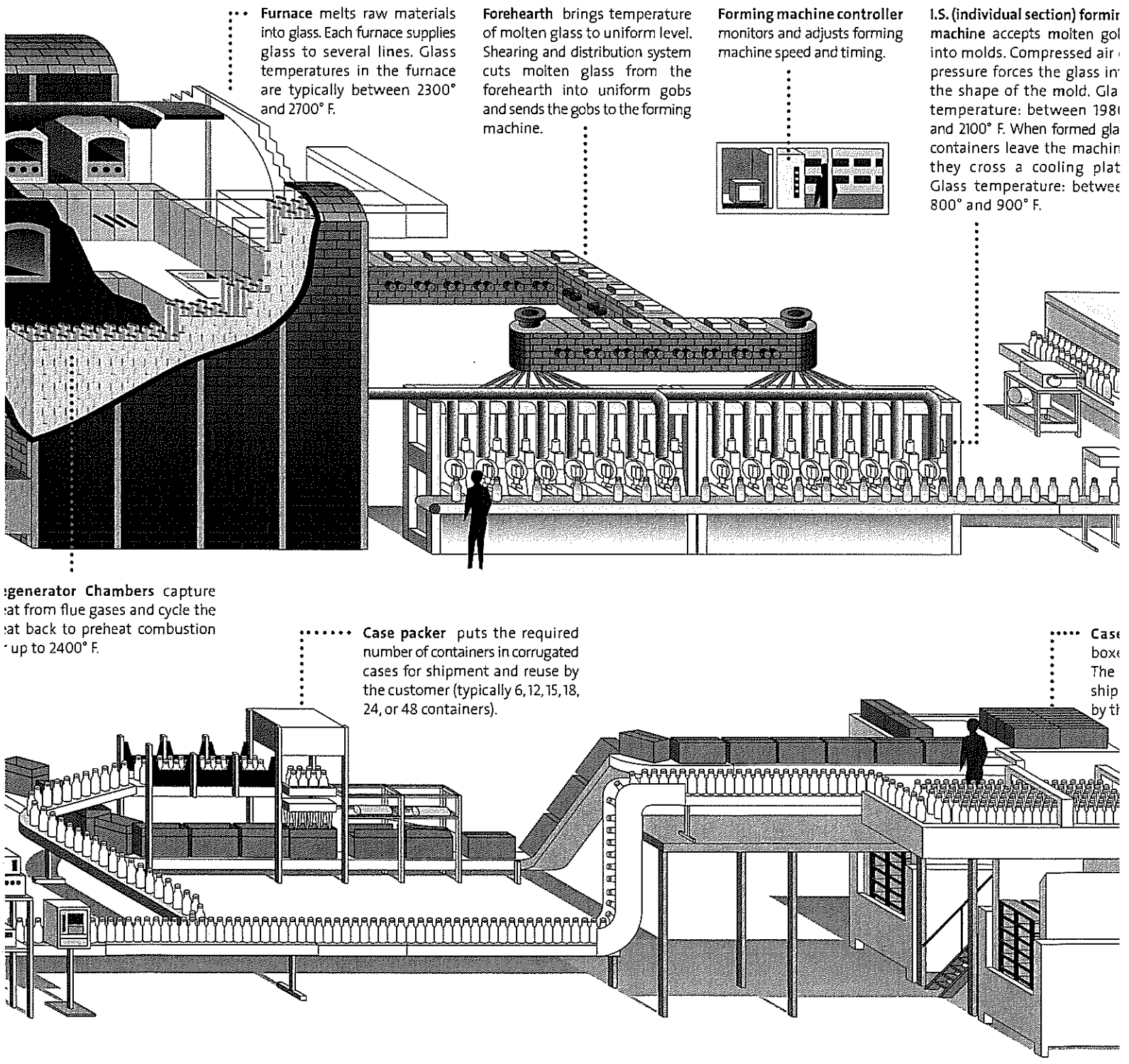
Fast-cooling section brings container temperature down to about 100° F, cool enough to touch by hand.

On-line testing equipment: plug squeezer, plug gauger, thin-wall tester and check detector physically and visually inspect containers. Rejected containers are recycled as cullet.

Carton erector opens flat-stacked cartons and closes bottom flaps in preparation for loading the glass in the case packer.



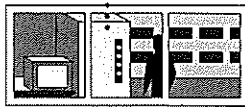
DE A VERALLIA GLASS PLA



••• **Furnace** melts raw materials into glass. Each furnace supplies glass to several lines. Glass temperatures in the furnace are typically between 2300° and 2700° F.

Forehearth brings temperature of molten glass to uniform level. Shearing and distribution system cuts molten glass from the forehearth into uniform gobs and sends the gobs to the forming machine.

Forming machine controller monitors and adjusts forming machine speed and timing.



I.S. (individual section) forming machine accepts molten gobs into molds. Compressed air pressure forces the glass in the shape of the mold. Glass temperature: between 1980 and 2100° F. When formed glass containers leave the machine they cross a cooling plat. Glass temperature: between 800° and 900° F.

Regenerator Chambers capture heat from flue gases and cycle the heat back to preheat combustion air up to 2400° F.

••••• **Case packer** puts the required number of containers in corrugated cases for shipment and reuse by the customer (typically 6, 12, 15, 18, 24, or 48 containers).

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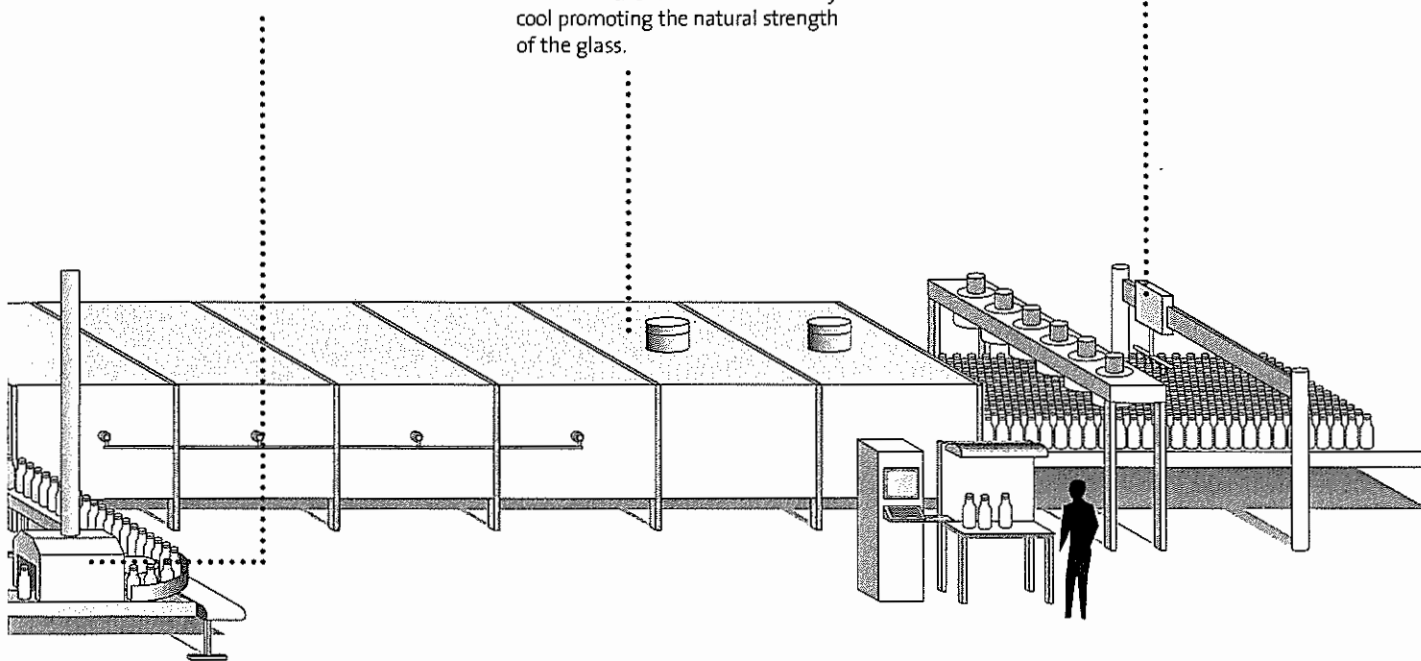
NT



Hot-end coater coats exteriors of containers to strengthen glass. This prevents abrasions and serves as a base coat.

Annealing lehr reheats containers to about 1050° F then cools them to about 960° F. The process reduces stress in the containers as they cool promoting the natural strength of the glass.

Cold-end coater applies exterior coating to strengthen containers and reduce abrasions. Glass temperature: between 225° to 275° F.



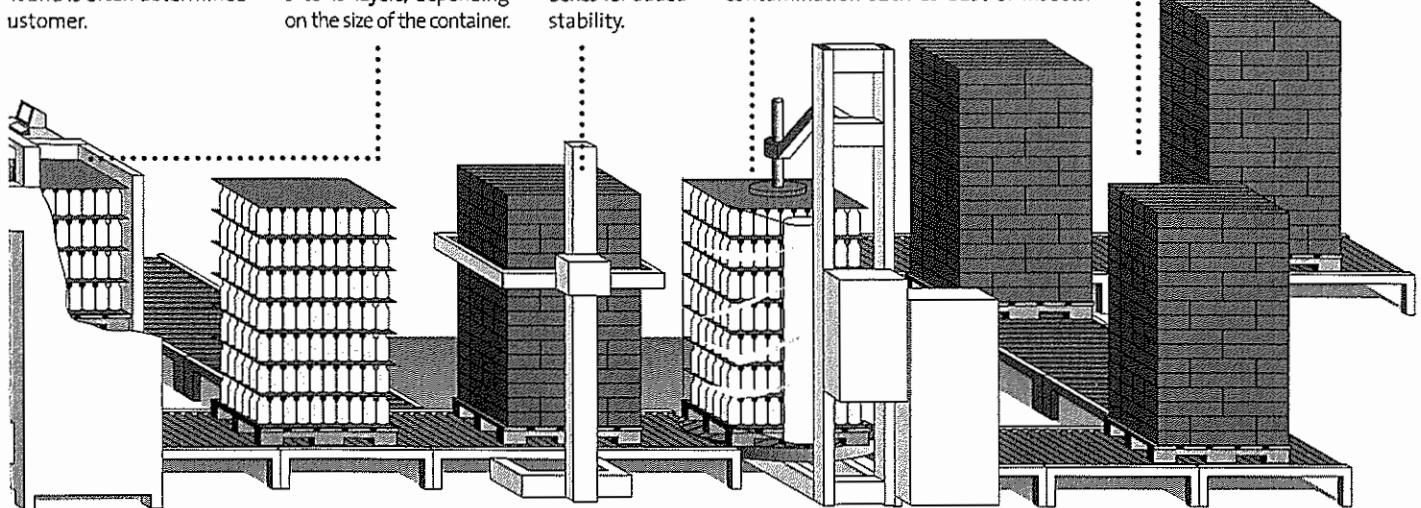
Palletizer stacks sealed containers in a prearranged pattern. Pattern increases stability for transport and is often determined by customer.

Bulk palletizer uses recycled pallets to stack individual containers in 5 to 15 layers, depending on the size of the container.

Strapper fits plastic bands around stacked boxes for added stability.

Stretch wrap unit covers stacked boxes with plastic wrap. The wrap protects containers from common environmental contamination such as dust or insects.

Finished goods conveyor transports finished product to the warehouse or to pick-up zone.



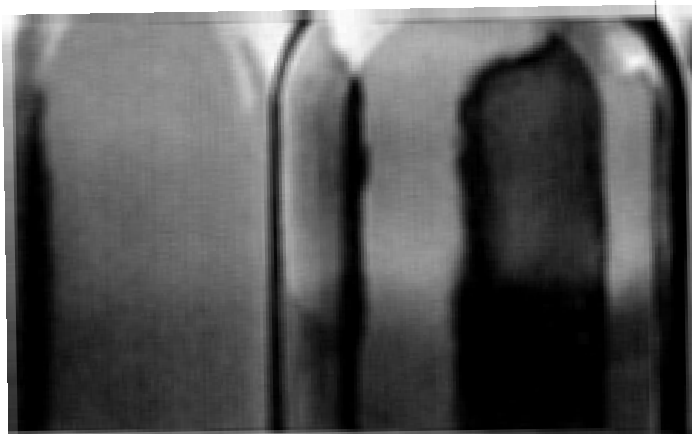
LOOK INTO GLASS

Verallia is a recognized leader for glass containers in the food, beverage, beer, wine and spirits markets.

Headquartered in Muncie, Indiana, Verallia North America's vision is to grow as a leader in quality, productivity, glass manufacturing solutions and managerial leadership. We provide a dynamic workplace with a high-energy, focused environment that translates into numerous professional

opportunities. Our employees are encouraged to develop new ideas, new approaches and new abilities.

As you "look into glass," we encourage you to consider Verallia as an important part of your future.



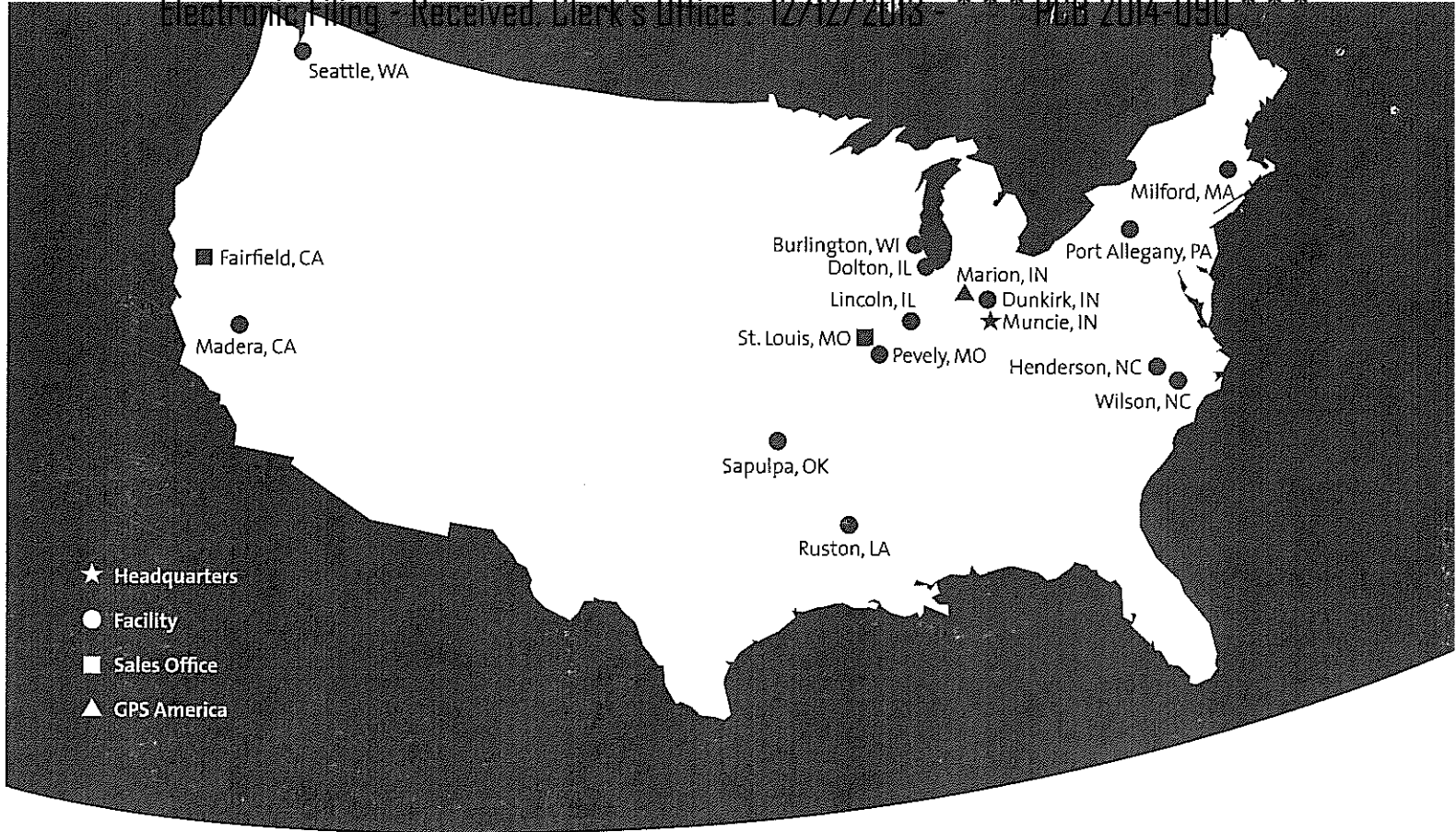
Verallia North America is the second-largest glass container manufacturer in the United States, with 13 strategically located manufacturing facilities, a state-of-the-art glass equipment and technologies shop and a distribution center.

At Verallia, we've built our history on producing the glass containers that the world has come to depend on. We hold significant market share positions in a number of markets, and are currently the:

- Largest glass container supplier to the wine industry in the U.S.
- Largest glass container supplier to the U.S. food industry
- Largest single supplier to Anheuser-Busch InBev – the leading U.S. brewer

Verallia is part of a global network of plants, and technical and training centers that utilize the best practices of manufacturing excellence. We're the second-largest glass container manufacturer in the world for the food and beverage industry and the largest supplier of glass containers for the wine, spirits and food segments. With sales of \$5.3 billion globally, Verallia employs more than 15,000 people across the globe in 12 countries.





Our vision

The business enterprise we aspire to become.

- Verallia will be recognized as the glass packaging industry leader, creating sustainable value.
- Verallia will have a rigorous commitment to excellence and will operate in a safe and environmentally responsible manner.
- Verallia will develop motivated and talented employees.

Saint-Gobain Containers :
 1509 South Macedonia Avenue
 Muncie, IN 47302
 765 741 7000
www.sgcontainers.com

Our values

The beliefs that define who we are and how we do business.

Integrity:

- We will act within the law and company code as well within our conscience.

Respect:

- We will be conscious of the impact that our acts and decisions have on others.

Passion for winning:

- We will exercise a burning desire to be the best at everything we do.

Empowerment:

- We will hold ourselves accountable for all things for which we are responsible.

Teamwork:

- We will collaborate and communicate within and across the business.

Excellence:

- We will do it right the first time and every time, and continuously improve.





ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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

PAT QUINN, GOVERNOR

LISA BONNETT, DIRECTOR

Technical Recommendation for Tax Certification Approval

Date: December 12, 2013
To: Robb Layman
From: James R. Ross *jr*
Subject: Saint Gobain Containers, Inc. TC-13-07-11

This Agency received a request on July 11, 2013 from Saint Gobain Containers, Inc. 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:

Catalyst-Embedded Ceramic Filter System with upstream injection of dry sorbent which controls air emission from glass furnace exhaust. This system reduces NO_x, SO₂, PM emissions by using dry Sorbacal SP. 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 13850 Cottage Grove Avenue, Dolton, Cook County
The property identification number is 29-03-200-045-000 & 29-03-200-055-000

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