

ILLINOIS POLLUTION CONTROL BOARD
February 15, 2007

MARATHON PETROLEUM COMPANY,)
LLC – ROBINSON REFINERY)
(Property Identification Number 54-34-1-21),)
)
Petitioner,)
)
v.) PCB 07-75
) (Tax Certification - Water)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
)
Respondent.)

ORDER OF THE BOARD (by G.T. Girard):

On February 2, 2007, the Illinois Environmental Protection Agency (Agency) recommended that the Board certify certain facilities of Marathon Petroleum Company, LLC (Marathon Petroleum) as “pollution control facilities” for preferential tax treatment under the Property Tax Code (35 ILCS 200/11-5 *et seq.* (2004)). Marathon Petroleum’s petroleum refinery is located on Route 33 in Robinson, Crawford County. In this order, the Board describes the legal framework for tax certifications, discusses the Agency’s recommendation, and certifies that Marathon Petroleum’s facilities are pollution control facilities.

LEGAL FRAMEWORK

Under the Property Tax Code, “[i]t is the policy of this State that pollution control facilities should be valued, at 33 1/3% of the fair cash value of their economic productivity to their owners.” 35 ILCS 200/11-5 (2004); *see also* 35 Ill. Adm. Code 125.200(a)(2). “For tax purposes, pollution control facilities shall be certified as such by the Pollution Control Board and shall be assessed by the Department [of Revenue].” 35 ILCS 200/11-20 (2004); *see also* 35 Ill. Adm. Code 125.200(a).

Under Section 125.202 of the Board’s procedural rules, a person may submit an application for tax certification to the Agency. *See* 35 Ill. Adm. Code 125.202. If the Agency receives a tax certification application, the Agency must file with the Board a recommendation on the application, unless the applicant withdraws the application. *See* 35 Ill. Adm. Code 125.204(a). Among other things, the Agency’s filing must recommend that the Board issue or deny tax certification. *See* 35 Ill. Adm. Code 125.204(a)(4). If the Board finds “that the claimed facility or relevant portion thereof is a pollution control facility . . . , the Pollution Control Board . . . shall enter a finding and issue a certificate to that effect.” 35 ILCS 200/11-25 (2004); *see also* 35 Ill. Adm. Code 125.216(a).

AGENCY RECOMMENDATION

The Agency states that it received a tax certification application from Marathon Petroleum on December 29, 2005. Agency Rec. at 1. On January 30, 2007, the Agency filed a recommendation on the application with the Board, attaching the application. The Agency's recommendation identifies and describes the facilities at issue:

(a) Modification of berms to increase capacity for a 24 hour, 25 year storm scenario, also providing for two additional feet of freeboard and for future use for the next 20 years; separation of treatment areas to prevent back flow; raising of sump walls to match the new berm heights; installation of two new pumps in each sump for transfer of run-off to a storage tank; removal of two stormwater tanks that were then replaced by one tank.

The purpose of the above is to comply with the RCRA permit, which requires the proper management of run-off water from the East Land Treatment Facility and the Corrective Action Management Unit.

(b) Installation of weirs and collection areas along a stormwater ditch to collect fugitive coke fines. Fugitive coke fines from the Coker Units collect along the ditch and eventually collect in the storm water sump pit where they then become a hazardous waste.

The above installations will collect coke fines before they become hazardous waste.

(c) Installation of water seal controls in area catch basins, process equipment drains, and sewer junction boxes in the Sour Water Recovery, Tail Gas, Sour Water Stripper, Amine, MTBE, and Diesel Hyrotreater Units.

The water seal controls will create a barrier between the sewer and the atmosphere for the reduction of fugitive emissions. *Id.* at 1-2.

The Agency's recommendation also identifies the location of the facilities: Sections 2 and 3, T6N, R12W in Crawford County. *Id.* at 1.

The Agency recommends that the Board certify that the identified facilities are pollution control facilities as defined in Section 11-10 of the Property Tax Code (35 ILCS 200/11-10 (2004)) because the primary purpose of the facilities is "eliminating, preventing, or reducing water pollution." Agency Rec. at 3.

TAX CERTIFICATE

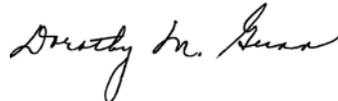
Based on the Agency's recommendation and Marathon Petroleum's application, the Board finds and certifies that Marathon Petroleum's facilities identified in this order are pollution control facilities under the Property Tax Code (35 ILCS 200/11-10 (2004)). Under

Section 11-25 of the Property Tax Code, the effective date of this certificate is “the date of application for the certificate or the date of the construction of the facility, which ever is later.” 35 ILCS 200/11-25 (2004); *see also* 35 Ill. Adm. Code 125.216(a). Section 125.216(d) of the Board’s procedural rules states that the Clerk “will provide the applicant and the Agency with a copy of the Board’s order setting forth *the Board’s findings and certificate, if any.*” 35 Ill. Adm. Code 125.216(d) (quoting in italics 35 ILCS 200/11-30 (2004)). The Clerk therefore will provide Marathon Petroleum and the Agency with a copy of this order.

IT IS SO ORDERED.

Section 41(a) of the Environmental Protection Act provides that final Board orders may be appealed directly to the Illinois Appellate Court within 35 days after the Board serves the order. 415 ILCS 5/41(a) (2004); *see also* 35 Ill. Adm. Code 101.300(d)(2), 101.906, 102.706. Illinois Supreme Court Rule 335 establishes filing requirements that apply when the Illinois Appellate Court, by statute, directly reviews administrative orders. 172 Ill. 2d R. 335. The Board’s procedural rules provide that motions for the Board to reconsider or modify its final orders may be filed with the Board within 35 days after the order is received. 35 Ill. Adm. Code 101.520; *see also* 35 Ill. Adm. Code 101.902, 102.700, 102.702.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on February 15, 2007, by a vote of 4-0.



Dorothy M. Gunn, Clerk
Illinois Pollution Control Board