

3. The subject matter of this request consists of a modification to the Crude Unit Off-Gas Handling system. The particular unit involves the Crude Unit pre-flash off-gas compressor, designated 1K-1, which previously directed off-gases during a shut-down of the compressor to a flare and resulted in an estimated 80 pounds of sulfur dioxide emissions per minute. A new line was installed to route the off-gases to the Fluid Catalytic Cracking Unit, thereby reducing emissions from the flare.

4. 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."

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

6. Based on information in the application and the underlying purpose of the flare system's modification to prevent, eliminate or reduce air pollution, it is the Illinois EPA's engineering judgment that the described project and/or equipment 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]**.

7. The Board can note that the delay in the Illinois EPA's filing of this recommendation resulted from a mistaken belief by the undersigned attorney that the matter had been filed previously, together with a batch of recommendations for other tax certification requests relating to Marathon in fiscal year 2007. Only after an inquiry was

received from Marathon and a concurrent Illinois EPA review of more recent applications was undertaken, did it become evident that the recommendation in this matter had not been filed earlier.

8. Because the modification to the Crude Unit Off-Gas Handling System satisfies the aforementioned criteria, the Illinois EPA recommends that the Board **grant** the applicant's requested tax certification.

Respectfully submitted by,

ILLINOIS ENVIRONMENTAL PROTECTION
AGENCY

/s/ Robb H. Layman

Robb H. Layman
Assistant Counsel

DATED: February 11, 2009

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 11th day of February 11, 2009, 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 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

John S. Swearingen
Marathon Petroleum Company, LLC
Refinery Office Building
Robinson, Illinois 62454

/s/ *Robb H. Layman*

Robb H. Layman
Assistant Counsel

***** PCB 2009-058 *****

APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)
POLLUTION CONTROL FACILITY

AIR WATER

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

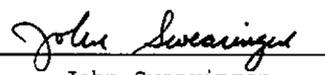
This Agency is authorized to request this information under Illinois Revised Statutes, 1979, Chapter, 120, Section 502a-5. Disclosure of this information is voluntary. However, failure to comply could prevent your application from being processed or could result in denial of your application for certification.

FOR AGENCY USE

File No.	Date Received	Certification No.	Date	
Sec. A APPLICANT	Company Name Marathon Petroleum Company LLC			
	Person Authorized to Receive Certification John Swearingen		Person to Contact for Additional Details Dennis Baker	
	Street Address Refinery Office Building		Street Address 539 South Main Street	
	Municipality, State & Zip Code Robinson, IL 62454		Municipality, State & Zip Code Findlay, OH 45840	
	Telephone Number 618-544-2121		Telephone Number 419-421-3759	
	Location of Facility Quarter Section	Township Range	Municipality Robinson	Township Robinson
	Street Address Route 33		County Crawford	Book Number
	Property Identification Number		Parcel Number Part of 54-34-1-21	
Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location Petroleum Refining Crude Unit Off-Gas Handling			
	Water Pollution Control Construction Permit No.	Date Issued		
	NPDES PERMIT No.	Date Issued	Expiration Date	
	Air Pollution Control Construction Permit No.	Date Issued		
	Air Pollution Control Operating Permit No. 96010007 (Title V Permit)	Date Issued November 24, 2003		
Sec. C MANUFACTURING PROCESS	Describe Unit Process When the Crude Unit pre-flash off-gas compressor 1K-1 is shut down (planned or unplanned) while the unit is operating, the off-gas is now directed to the Fluid Catalytic Cracking Unit (FCCU) wet gas compressor 82K-101 to reduce emissions.			
	Materials Used in Process Pre-flash system off-gas			
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility Prior to the project, when 1K-1 shut down, the pre-flash off-gas was directed to the flare, which resulted in the emission of approximately 80 pounds per minute of sulfur dioxide (SO2) from the flare tip. The Crude Unit and malfunctions of 1K-1 are covered under the Title V permit No. 96010007. The project installed a line to allow the pre-flash off-gas to be routed to 82K-101 at the FCCU, reducing emissions from the flare. A diagram of the new line to the FCCU is attached.			

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- 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
	Hydrogen sulfide	Contaminants in gas	Pre-flash off-gas is routed
	Various sulfur compounds	Contaminants in gas	to another unit rather than
	Sulfur dioxide	Combustion product	to the flare.
	(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>July 2005</u> status of installation on date of application <u>100%</u>		
ACCOUNTING DATA	(5)	a. FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ 246,520.88
		b. NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$ 1,233
		c. PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$ 0
		d. PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$ 0
		e. PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	% 0.0264%
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.		
		Illinois Refining Division	
	Signature John Swearingen	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 <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: Illinois EPA P.O. Box 19276 Springfield, IL 62794-9276	Attention: Thomas McSwiggin Permit Section Division of Water Pollution Control	Attention: Donald E. Sutton Permit Section Division of Air Pollution Control

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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

ROD R. BLAGOJEVICH, GOVERNOR

DOUGLAS P. SCOTT, DIRECTOR

Memorandum

Technical Recommendation for Tax Certification Approval

Date: August 28, 2006

To: Robb Layman

From: Don Sutton

DKS

Subject: Marathon Ashland Petroleum LLC TC-05-12-29F

This Agency received a request on December 29, 2005 from Marathon Petroleum Company 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:

Crude Unit Off-Gas Handling System whose primary purpose is to reduce S02 emissions from the flare. Because the primary purpose of this unit is to reduce or eliminate air pollution, it is certified as a pollution control facility.

This facility is located at Route 33, Robinson, Crawford County
The property identification number is Part of 51-34-1-21

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.

— *Exhibit B* —