

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS

MARATHON PETROLEUM COMPANY, LLC)	
External Floating Roof on Tank No. 21D-811)	
)	
)	PCB 12-
)	(Tax Certification - Air)
PROPERTY IDENTIFICATION NUMBER)	
51-34-021-001 or portion thereof)	

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 December 18, 2008, the Illinois EPA received an application and supporting information from MARATHON PETROLEUM COMPANY, LLC, (“Marathon”) concerning the proposed tax certification of certain air emission sources and/or equipment located at its Robinson refinery in Crawford County, Illinois. Following a recent discovery that the application for the subject External Floating Roof project was lost or misplaced, Marathon emailed an electronic copy of the application to the Illinois EPA on May 18, 2011. A copy of application is attached hereto. **[Exhibit A]**.

2. The applicant’s address is as follows:

Marathon Ashland Petroleum, LLC
Refinery Office Building
Robinson, Illinois 62454

3. The subject matter of this request consists of an External Floating Roof, which was installed by Marathon on a wastewater storage tank (i.e., designated as Tank No. 21D-811), at the Robinson refinery. The project involved the installation of a dual-seal external floating roof system that will enable the refinery to reduce emissions of volatile organic materials from the storage tank that would otherwise be emitted to the atmosphere.

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 External Floating Roof 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]**.

7. Because the substantive components of the application for the External Floating Roof 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: July 6, 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 6th day of July, 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

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

/s/ Robb H. Layman
Robb H. Layman
Assistant Counsel



Marathon Petroleum Company LLC

539 South Main Street
Findlay, OH 45840
Telephone 419/422-2121
Fax 419/421-4590

December 18, 2008

Mr. Ed Bakowski
Bureau of Air – Number 11
1021 North Grand Avenue – East
Springfield, IL 62702

Re: Application for Certification Pollution Control Facility

Dear Mr. Bakowski:

Enclosed for your consideration are the following applications for property tax certification relating to air pollution control projects at Marathon Petroleum Company LLC's Robinson refinery.

<u>AFE</u>	<u>Project Description</u>
Y043	Continuous Emission Monitors for 3F-1/2 furnace stack
243	Vent Gas Recovery Project
Y058	External Floating Roof on Tank 21D-811
Y098	FCCU NOx Controls (Enhanced SNCR)

Please contact me if you have questions or need any additional information. My email is drkrupp@marathonoil.com and my phone number is 419-421-4527.

Sincerely,

Debora R. Krupp
Senior Tax Analyst

Cc: Mr. Robert Layman, Division of Legal Counsel (w/enclosures)

M:\DOCS\2008\Pollution Control\MI, air transmittal ltr.doc

Exhibit A

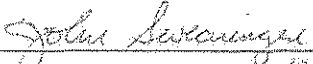
***** PCB 12-004 *****

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 Deb Krupp		
	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) 421-4527		
	Location of Facility Quarter Section	Township Robins	Range	Municipality Robinson	Township Robins
	Street Address Route 33		County Crawford	Book Number	
	Property Identification Number		Parcel Number Part of 51-34-021-001		
	Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location Petroleum Refining Tank 21D-811 (External Floating Roof)			
				AFE: Y058 Project # R-527	
Water Pollution Control Construction Permit No.		Date Issued			
NPDES PERMIT No.		Date Issued		Expiration Date	
Air Pollution Control Construction Permit No. 06030062		Date Issued 04/24/06			
Air Pollution Control Operating Permit No.		Date Issued			
Sec. C MANUFACTURING PROCESS	Describe Unit Process See attached				
	Materials Used in Process External Floating Roof				
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility				
	See attached				

POLLUTION CONTROL FACILITY - CONTAMINANTS	Sec. F (1) Nature of Contaminants or Pollutants.		
			Material Retained, Captured or Recovered
	Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE
	VOC	VOC	Captured
ACCOUNTING DATA	(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 type="checkbox"/> No <input checked="" type="checkbox"/>
	(4)	Date installation completed <u>12/31/08</u> status of installation on date of application <u>12/31/08</u>	
	(5)	a. FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ 440,000.00
		b. NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$ 2,200.00
		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:	% .0318	
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.		
	 Signature <u>12/18/08</u> Title <u>Manager, Illinois Refining Div.</u>		
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 pollution control facility. Include a listing of each major piece of equipment included in the claimed fair cash value for real property. Include an average 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 62794-0276	Al Keller Permit Section Division of Water Pollution Control	Donald E. Sulton Permit Section Division of Air Pollution Control

Attachment
Application for Certification (Property Tax) Pollution Control Facility
Marathon Petroleum Company LLC

AFE Y058

Budget No. R-527

Cost Center: 810021

Project Name: Tank 811

Section C - Manufacturing Process

Describe Unit Process:

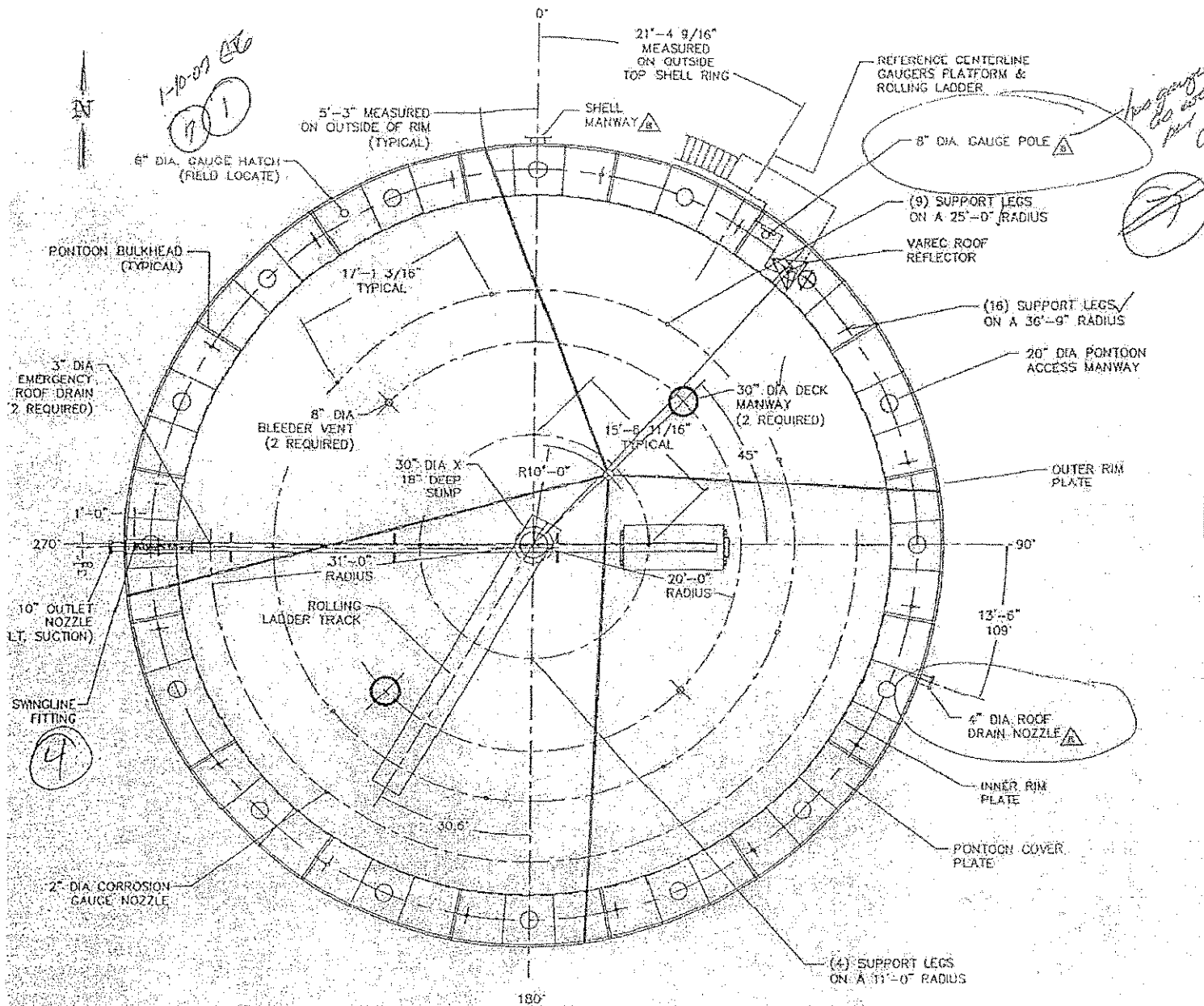
The purpose of constructing Tank 21D-811 is to improve crude dewatering and to provide additional storage capacity for refinery wastewater prior to treatment. Tank 21D-811 will substantially expand the refinery's ability to inventory high salt content water until it can be routed to the Waste Water Treatment Plant (WWTP) for treatment and discharge via Outfall 001. Construction of Tank 21D-811 will not increase the rate of crude processing, nor will it increase the volume of wastewater sent to the WWTP, but rather it will allow for more control over the rate of flow to the WWTP leading to improved treatment prior to discharge.

Tank 21D-811 will be a 100,000 barrel capacity tank with a dual seal external floating roof, two (2) steam lances, and a mixing system. The tank will be painted and not insulated. Access to the top of the tank will be from a spiral staircase with access platforms at each of the three (3) Straham sample valves. A mixing/transfer pump (21G-811A) will be installed to enable tank contents to be routed to the existing Tank 21D-809 or the WWTP Diversion Box, and to provide mixing in Tank 21D-811. A metering pump (21G-811B) will be installed to allow the stored water to be routed directly to the API separator if desired, and a skimmer pump (21G-811C) will be installed to allow the removal of free hydrocarbons from Tank 21D-811 via the slop oil system.

Section D - Pollution Control Facility Description

Describe Pollution Abatement Control Facility:

A floating roof was installed exclusively as a pollution control device on Tank 811 to reduce pollution by preventing the escape of hydrocarbon emissions and volatile organic compounds which are harmful to the atmosphere.



*has gauge hatch
on wheel
not
chng - 1/10/07 etc*

NOTE:
20" DIA. FLOAT WELL WILL BE FIELD
LOCATED.

PONTON ROOF PLAN VIEW
(DIMENSIONS ARE CHORD DISTANCES)

AS NOTED-NOTED		REVISION	
REVISION		REVISION	
		This drawing and information contained the property of Marathon Petroleum and/or its subsidiaries and/or its licensors. It is to be used only in connection with the project for which it was prepared and is not to be used for any other purpose.	
PROJ. NO.	12414024	DRAWN BY	RC
ENGR. NO.	034316	DATE	02/07/06
TANK NO.	21D-815	PONTON ROOF ORIE	
TANK SIZE	80'-0" DIA. X 48'-0" TALL	CUSTOMER	
LOCATION	ROBINSON, IL	Marathon Petroleum, LLC	



Memorandum

Technical Recommendation for Tax Certification Approval

Date: June 22, 2011
To: Robb Layman
From: Ed Bakowski *EB*
Subject: Marathon Petroleum Company LLC/TC-12-18-08D

This Agency received a request on December 18, 2008, from Marathon Petroleum Company, LLC, for an Illinois EPA recommendation regarding tax certification of certain air pollution control facilities pursuant to 35 Ill. Adm. Code 125.204. A resubmission of the application was presented to the Illinois EPA on May 18, 2011. I offer the following recommendation:

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

External Floating Roof for Tank 21D-811, which reduces the emissions of volatile organic materials from the affected storage tank. Because the primary purpose of this project is to eliminate, prevent or reduce air pollution, it can be certified as a pollution control facility.

This facility is located at 100 Marathon Avenue, Robinson
The property identification number is Part of 51-34-021-001

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