

ILLINOIS POLLUTION CONTROL BOARD
September 8, 2011

WRB REFINING, LLC, Boiler No. 17 NOx)
Reduction(Property Identification Number)
19-1-08-35-00-000-001))
Petitioner,)
)
v.) PCB 12-37
) (Tax Certification – Air)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
)
Respondent.)

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

On August 25, 2011, the Illinois Environmental Protection Agency (Agency) filed a recommendation that the Board certify certain facilities of WRB Refining, LLC (WRB Refining) as “pollution control facilities” for preferential tax treatment under the Property Tax Code. *See* 35 ILCS 200/11-5 *et seq.* (2010); 35 Ill. Adm. Code 125. WRB Refining’s Wood River petroleum refinery is located at 900 South Central Avenue in Roxana, Madison County. In this order, the Board describes the legal framework for tax certifications, discusses the Agency’s recommendation, and certifies that WRB Refining’s flue gas recirculation systems on boiler no. 17 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 (2010); *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 (2010); *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 (2010); *see also* 35 Ill. Adm. Code 125.216(a).

AGENCY RECOMMENDATION

The Agency states that it received a tax certification application from WRB Refining on October 14, 2010.¹ Rec. at 3. On August 25, 2011, the Agency filed a recommendation on the application with the Board, attaching the application. The Agency's recommendation identifies the facilities as being part of the Wood River petroleum refinery located at 900 South Central Avenue in Roxana, Madison County. *Id.* at 3.

The Agency's recommendation begins by describing the source of pollution as:

a fuel-fired furnace, designated as Boiler No. 17, that combusts refinery fuel gas to generate high pressure steam for use in the refinery's operations. Due to both the presence of nitrous oxides (NOx) in the furnace flue gas and the unique configuration of the furnace, the refinery selected Boiler No. 17 to implement controls that reduce NOx formation through Flue Gas Recirculation (FOR). Rec. at 4.

Drawing from WRB Refining's application, the Agency explained that the Flue Gas Recirculation process:

acts to reduce the flame temperature by returning some component of the flue gas streams to the burners. The recirculated gas is introduced to incoming combustion air, absorbing heat from the burners and cooling the flame temperature. The adoption of FOR required the installation of "ducting, supports and access platforms," as well as modifications to the existing boiler controls and operations system. Rec. at 4.

The Agency recommends that the Board certify that the Flue Gas Recirculation systems are pollution control facilities as defined in Section 11-10 of the Property Tax Code (35 ILCS 200/11-10 (2010)) with the primary purpose of "eliminating, preventing, or reducing air or water pollution." Rec. at 4.

TAX CERTIFICATE

Based on the Agency's recommendation WRB Refining's application, the Board finds and certifies that WRB Refining's facilities identified in this order are pollution control facilities under the Property Tax Code (35 ILCS 200/11-10 (2010)). 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 (2010); *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 (2010)). The Clerk therefore will provide WRB Refining and the Agency with a copy of this order.

¹ The Agency's recommendation is cited as "Rec. at _."

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) (2010); *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, John Therriault, Assistant Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on September 8, 2011, by a vote of 5-0.



John Therriault, Assistant Clerk
Illinois Pollution Control Board