

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

Koppers Inc.)
(Property Identification Number) **PCB 17-**
19-04-200-026-000)) **(Tax Certification)**
)

NOTICE

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
Post Office Box 19033
Springfield, Illinois 62794

Clerk
Illinois Pollution Control Board
James R. Thompson Center
100 West Randolph Street, Suite. 11-500
Chicago, Illinois 60601

Katherine Tronsberg
c/o/ Duff and Phelps LLC
2000 Market Street, Suite 2700
Philadelphia, PA 19103

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of the Pollution Control Board an **APPEARANCE and RECOMMENDATION OF THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**, a copy of which is herewith served upon you.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

By: 
Vera Herst
Assistant Counsel
Division of Legal Counsel

DATED: August 30, 2017

Illinois Environmental Protection Agency
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276
(217) 782-5544

THIS FILING IS SUBMITTED ON RECYCLED PAPER

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

Koppers Inc.
(Property Identification Number
19-04-200-026-000)

)
) **PCB 17-**
) **(Tax Certification)**
)

APPEARANCE

The undersigned, as one of its attorneys, hereby enters an APPEARANCE on behalf of Respondent,
Illinois Environmental Protection Agency.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

By: 
Vera Herst
Assistant Counsel
Division of Legal Counsel

DATED: August 30, 2017

Illinois Environmental Protection Agency
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276
(217)782-5544

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BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

Koppers Inc.)
(Property Identification Number) PCB 17-
19-04-200-026-000)) (Tax Certification)
)

RECOMMENDATION OF THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

The Illinois Environmental Protection Agency (“Illinois EPA”) hereby files its Recommendation pursuant to Section 125.204 of the regulations of the Illinois Pollution Control Board (“Board”), 35 Ill. Adm. Code 125.204.

1. On June 27, 2017, the Illinois EPA received two requests from Koppers Inc. (log number TC-138630, Exhibit A) for an Illinois EPA recommendation regarding the tax certification of water pollution control facilities pursuant to 35 Ill. Adm. Code 125.204.
2. The facility’s address is:

Koppers Ince.
3900 South Laramie Ave.
Cicero, Illinois 60804

The proposed water pollution control facilities in this request are located at Section 04, T38N, R13W of the 3rd PM in Cook County, and consist of the following:

- (1) Secondary Containment Additions, which include creosote tank emissions, ortho day tank improvements, spill containment paving, and ortho tank farm containment; and
- (2) Wastewater Treatment System Additions, which include an activated sludge biological treatment systems, which consists of an aeration tank, clarifier, stormwater holding tank, chemical additives instruments and controls.

The primary purpose of the Secondary Containment Additions is to collect leaked and/or spilled wastewater/chemicals. The primary purpose of the Wastewater Treatments

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Additions is for treatment of process wastewater and regulated stormwater runoff. These pollution control facilities are further described in Exhibit A.

3. Section 11-10 of the Property Tax Code, 35 ILCS 200/11-10 (2014), and Section 125.200(a) of the Board's regulations, 35 Ill. Adm. Code 125.200(a), define "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: eliminating, preventing, or reducing air or water pollution ...or treating, pretreating, modifying or disposing of any potential solid, liquid or 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.
4. In order to receive preferential tax treatment as pursuant to 35 ILCS 200/11-5 (2014), pollution control facilities must be certified as such by the Board, 35 ILCS 200/11-20 (2014) and 35 Ill. Adm. Code 125.200(a).
5. Upon receipt of a tax certification application, the Illinois EPA must file a recommendation on the application with the Board, 35 Ill Adm. Code 125.204(a).
6. Based on the information in the application and the purpose of the facility, it is the Illinois EPA's engineering judgment that the described facilities may be considered "pollution control facilities," pursuant to 35 Ill. Adm. Code 125.200(a), with the primary purpose of eliminating, preventing, or reducing water pollution, or as otherwise provided in 35 Ill. Adm. Code 125.200, and are eligible for tax certification from the Board.

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WHEREFORE, the Illinois EPA recommends that the Board issue the requested tax certification.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

By: 
Vera Herst
Assistant Counsel
Division of Legal Counsel

Dated: DATED: August 30, 2017

Illinois Environmental Protection Agency
1021 North Grand Ave. E.
P.O. Box 19276
Springfield, Illinois 62794-9276
217/782-5544

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1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 782-3397
BRUCE RAUNER, GOVERNOR ALEC MESSINA, DIRECTOR

Memorandum

To: Charles Gunnarson, Division of Legal Counsel
From: Alan Keller, Manager, Permit Section *AK*
Date: July 26, 2017
Re: Koppers Inc.
Recommendations of Tax Certification
Log # TC-138360
Property Identification Number 19-04-200-026-000

The Bureau of Water received a request dated June 27, 2017 from Koppers, Inc. for an Illinois EPA recommendation regarding the tax certification of water pollution control facilities pursuant to 35 Ill. Adm. Code 125.204. We offer the following recommendation.

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

Koppers Inc.
3900 South Laramie Ave.
Cicero, IL 60804

Section 04, T38N, R13W of the 3rd P.M., Cicero Township, in Cook County Illinois.

Secondary Containment Additions, which include creosote tank emissions, ortho day tank improvements, spill containment paving, and ortho tank farm containment.

These facilities are further described in the enclosed applications and supporting documents.

Based on the information included in this submittal, it is our engineering judgment that the above proposed facilities may be considered "Pollution Control Facilities" under 35 IAC 125.200(a), with the primary purpose of eliminating, preventing, or reducing water pollution, or as otherwise provided in this section, and therefore eligible for tax certification from the Illinois Pollution Control Board. The Bureau of Water therefore recommends that the Board issue the requested tax certification for these facilities.

The Bureau of Water received a request dated June 27, 2017 from Koppers, Inc. for an Illinois EPA recommendation regarding the tax certification of water pollution control facilities pursuant to 35 Ill. Adm. Code 125.204. We offer the following recommendation.

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

Koppers Inc.
3900 South Laramie Ave.
Cicero, IL 60804

Section 04, T38N, R13W of the 3rd P.M., Cicero Township, in Cook County Illinois.

Wastewater Treatment System Additions, which include an activated sludge biological treatment system, which consists of an aeration tank, clarifier, stormwater holding tank, chemical additives instruments and controls.

These facilities are further described in the enclosed applications and supporting documents.

Based on the information included in this submittal, it is our engineering judgment that the above proposed facilities may be considered "Pollution Control Facilities" under 35 IAC 125.200(a), with the primary purpose of eliminating, preventing, or reducing water pollution, or as otherwise provided in this section, and therefore eligible for tax certification from the Illinois Pollution Control Board. The Bureau of Water therefore recommends that the Board issue the requested tax certification for these facilities.

If you have any questions regarding the above, please contact Leslie Lowry at 217/782-0610.

Attachment

SAK:LRL:TC-138360.docx

cc: Tax Cert File



State of Illinois
Environmental Protection Agency

Subject: Koppers Inc.
Data: Log No. TC-138360
Reviewed By: Leslie R. Lowry

Page 1 of 2
Date: 7-19-17

Applicant: Koppers Inc.
c/o Duff and Phelps LLC
2000 Market Street, Suite 2700
Philadelphia, PA 19103
Signed By: Kathryn Tronsberg
Director – Property Tax

Contact: Kathryn Tronsberg
(215) 430-6059

Facility Location: Koppers Inc.
3900 South Laramie Ave.
Cicero, IL 60804
Cook County
Section 04, T.38N, R.13W

Property ID Number: 19-04-200-026-0000

Project:

The application is seeking approval for 2 separate projects.

1. Secondary Containment Additions – the containment additions were installed to contain and collect small quantities of leaked and/or spilled wastewater/chemicals products from equipment at the facility. Such containment was installed to prevent leaked and/or spilled substances from migrating and contaminating groundwater, surface water, and lands of the State. These containment additions include creosote tank emissions, ortho day tank improvements, spill containment paving, and ortho tank farm containment.

The primary purpose of this containment system is to collect leaked and/or spilled wastewater/chemicals. The regulations state for tax certification purposes the primary purpose must be water or air pollution control facilities, which this is, therefore the secondary containment additions are approved.

2. Wastewater Treatment Additions – these additions were installed to contain, collect, and treat process waters and regulated stormwater runoff. The types of additions were an activated sludge biological treatment system, which consists of an aeration tank, clarifier, stormwater holding tank, chemical additives instruments and controls.

The primary purpose of the wastewater treatment additions is for treatment of process wastewater and regulated stormwater runoff. The regulations state for tax certification

DUFF & PHELPS

Illinois Environmental Protection Agency
Permit Section
Division of Water Pollution Control
P.O Box 19276
Springfield, IL 62794-9276
ATTN: Al Keller

June 27, 2017

Re: Application for Property Tax Treatment for Water Pollution Control Property located at Koppers Inc.'s Stickney Plant in Cook County, Illinois.

Enclosed please find one application (the "Application") for property tax treatment for a Water Pollution Control Facility located at the Koppers Inc.'s Stickney Plant (the "Facility") located in Cicero, Cook County, Illinois.

The Application has been prepared pursuant to Illinois Compiled Statutes § 200/11-5, and includes any necessary information and supporting documentation. Submission of this Application is required as a process step in the Illinois Environmental Protection Agency and the Illinois Department of Revenue pollution control certification process for special value treatment of certain assets used in water pollution control capacities at the Facility.

The Application can be summarized as follows:

<u>Description</u>	<u>Fair Cash Value</u>
Secondary Containment Additions	\$ 551,862

Please send one copy of the completed property tax special value treatment certificate to the following address:

Kathryn Tronsberg Macciocca
c/o Duff & Phelps, LLC
2000 Market Street, Ste 2700
Philadelphia, PA 19103

RECEIVED
JUN 28 2017

IEPA
BOW/WPC/PERMIT SECTION

TC-138360

**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 Koppers Inc.			
	Person Authorized to Receive Certification Kathryn Tronsberg c/o Duff and Phelps LLC		Person to Contact for Additional Details Kathryn Tronsberg c/o Duff and Phelps LLC	
	Street Address 2000 Market Street, Suite 2700		Street Address 2000 Market Street, Suite 2700	
	Municipality, State & Zip Code Philadelphia, PA 19103		Municipality, State & Zip Code Philadelphia, PA 19103	
	Telephone Number (215) 430-6059		Telephone Number (215) 430-6059	
	Location of Facility Quarter Section	Township	Range	Municipality
	04	38	13	Stickney
	Street Address 3900 South Laramie Avenue, Cicero, IL 60804		County	Book Number
			Cook	N/A
	Property Identification Number 19-04-200-026-0000		Parcel Number 19-04-200-026-0000	
Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location The Koppers Facility is a coal tar distillation plant that converts coal tar into finished products including: chemical oil, coal tar pitch, creosote and refined tars; and a phthalic anhydride plant, which converts orthoxylene or naphthalene into phthalic anhydride.			
	Water Pollution Control Construction Permit No. Koppers Approved SPCC Plan Required Under 40 CFR 112		Date Issued 05/2015	
	NPDES PERMIT No. N/A		Date Issued N/A	Expiration Date N/A
	Air Pollution Control Construction Permit No. N/A		Date Issued N/A	
	Air Pollution Control Operating Permit No. N/A		Date Issued N/A	
Sec. C MANUFACTURING PROCESS	Describe Unit Process The Facility's Secondary Containment additions are installed to contain and collect contaminated substance(s). No manufacturing activities take place at this pollution control facility.			
	Materials Used in Process Liquid pitch and other liquid products such as creosote, refined tars, chemical oils and various grades of coal tar pitch are used in the Facility's manufacturing processes.			
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility The Facility has installed the Secondary Containment additions to contain and collect small quantities of leaked and/or spilled Wastewater/Chemicals products from equipment at the Facility. Such containment is installed to prevent leaked and/or spilled substance(s) from migrating and contaminating ground waters, surface waters, and lands of the State of Illinois.			

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JUN 28 2017

DUFF & PHELPS

Illinois Environmental Protection Agency
Permit Section
Division of Water Pollution Control
P.O Box 19276
Springfield, IL 62794-9276
ATTN: Al Keller

June 27, 2017

Re: Application for Property Tax Treatment for Water Pollution Control Property located at Koppers Inc.'s Stickney Plant in Cook County, Illinois.

Enclosed please find one application (the "Application") for property tax treatment for a Water Pollution Control Facility located at the Koppers Inc.'s Stickney Plant (the "Facility") located in Cicero, Cook County, Illinois.

The Application has been prepared pursuant to Illinois Compiled Statutes § 200/11-5, and includes any necessary information and supporting documentation. Submission of this Application is required as a process step in the Illinois Environmental Protection Agency and the Illinois Department of Revenue pollution control certification processes for special value treatment of certain assets used in water pollution control capacities at the Facility.

The Application can be summarized as follows:

<u>Description</u>	<u>Fair Cash Value</u>
Wastewater Treatment System Additions	\$ 351,998

Please send one copy of the completed property tax special value treatment certificate to the following address:

Kathryn Tronsberg Macciocca
c/o Duff & Phelps, LLC
2000 Market Street, Ste 2700
Philadelphia, PA 19103

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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 Koppers Inc.			
	Person Authorized to Receive Certification Kathryn Tronsberg c/o Duff and Phelps LLC		Person to Contact for Additional Details Kathryn Tronsberg c/o Duff and Phelps LLC	
	Street Address 2000 Market Street, Suite 2700		Street Address 2000 Market Street, Suite 2700	
	Municipality, State & Zip Code Philadelphia, PA 19103		Municipality, State & Zip Code Philadelphia, PA 19103	
	Telephone Number (215) 430-6059		Telephone Number (215) 430-6059	
	Location of Facility Quarter Section Township Range		Municipality Township	
	04 38 13		Stickney 38	
	Street Address 3900 South Laramie Avenue, Cicero, IL 60804		County Book Number Cook N/A	
	Property Identification Number 19-04-200-026-0000		Parcel Number 19-04-200-026-0000	
	Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location The Koppers Facility is a coal tar distillation plant that converts coal tar into finished products including: chemical oil, coal tar pitch, creosote and refined tars; and a phthalic anhydride plant, which converts orthoxylene or naphthalene into phthalic anhydride.		
Water Pollution Control Construction Permit No. Industrial User Discharge Authorization No. 10157-5		Date Issued 4/17/2015		
NPDES PERMIT No. N/A		Date Issued N/A		
		Expiration Date N/A		
Air Pollution Control Construction Permit No. N/A		Date Issued N/A		
Sec. C MANUFACTURING PROCESS	Describe Unit Process The Facility's Wastewater Collection and Treatment System additions are installed at the Facility to contain, collect, and treat process waters and regulated storm water run-offs. No manufacturing activities take place at this pollution control facility.			
	Materials Used in Process Liquid pitch and other liquid products such as creosote, refined tars, chemical oils and various grades of coal tar pitch are used in the Facility's manufacturing processes.			
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility The Facility's Wastewater Collection and Treatment System additions are an activated sludge biological treatment system. The Wastewater Collection and Treatment System additions consists of an aeration tank, clarifier, storm water holding tank, chemical additives instruments and controls. These items are additions to the prior Wastewater Collection and Treatment System certification No. 21-RA-ILL-WAC91-261. A copy of last year's PTAX-401 has been provided in Attachment B.			

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Illinois Department of Revenue

PTAX-401

Pollution Control Facility Tax Return

Step 1: Complete the following information

040-016-1173

KOPPERS INC
436 SEVENTH AVENUE
SUITE 1750
PITTSBURGH, PA 15219

2 Write the name and telephone number of the person we should contact for additional information. (If different from preprinted information above.)

Donna Latimer

Name

(412) 227-2084

Phone

3 Write the assessment year. 2016

4 Write the principal nature of your business.

Coal TAR DISTILLATION

1 Is the preprinted information above correct? Yes No
If no, cross through it and write the correct information here.

5 a Is your facility still in use? Yes No

b If no, do you wish to revoke your certification? Yes No

Step 2: Identify the pollution control facility

1 Check the box that identifies the type of pollution control facility.

- 1a Air pollution
- 1b Water pollution
- 1c Low-sulfur dioxide emission coal-fueled device

2 Write the number written on the facility's Illinois EPA certification.

2 21-RA-ILL-WAC91-26L

3 Write the three-digit classification number of the pollution control facility. (See instructions.)

3 110

4 Write the complete description of the pollution control facility written on the Illinois EPA certification.

This is a wastewater collection and treatment system designed to handle the process waters and regulated storm water run-offs. The process is an activated sludge biological treatment system. The equipment consists of an aeration tank, clarifier, storm water holding tank, chemical additives instruments and controls.

5 Write the location of the pollution control facility.

3900 South Laramie Avenue
Street address

Cicero IL 60804
City State Zip

STICKNEY COOK
Township County

6 Write the location's property index number (PIN).

6 19-09-200-026-000

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Koppers Inc.
 Cook County (Stickney), IL
 Pollution Control Facility Tax Return - Year 2016
 as of 12/31/2015

POLLUTION CONTROL ASSETS:

<u>Description</u>	<u>Class</u>	<u>Sys No</u>	<u>Asset No</u>	<u>In Svc Date</u>	<u>Acq Value</u>
City Water Back-flow Preventers	EP	11256		12/01/05	110,859
Effluent Transfer Line Repair and Upgrade from Termina	EP	9167	18559600	12/01/00	47,007
WASTEWATER TREATMENT SYSTEM	EP	8115	18551605	12/01/90	202,102
WASTEWATER TREATMENT SYSTEM	EP	8110	18551600	12/01/90	454,304
WASTEWATER TREATMENT SYSTEM	EP	8113	18551603	12/01/90	553,444
WASTEWATER TREATMENT SYSTEM	EP	8111	18551601	12/01/90	617,464
WASTEWATER TREATMENT SYSTEM	EP	8112	18551602	12/01/90	424,165
WASTEWATER TREATMENT SYSTEM	EP	8114	18551604	12/01/90	396,666
SEAL OIL OVERFLOW AND TRANSFER	EP	6258	10627500	12/01/90	50,729
WATER TREATING EQUIP & CONTROLS	EP	7912	18483300	01/01/89	2,645
WASTE ACID SURGE & COLLECTION SYSTM	EP	7917	18485100	01/01/89	30,919
					<u>2,890,304</u>

STATE OF ILLINOIS

COUNTY OF SANGAMON

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)
)

CERTIFICATE OF SERVICE

I, the undersigned attorney at law, hereby certify that I have served on the date of August 30, 2017, the attached **APPEARANCE** and **RECOMMENDATION OF THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**, upon the following persons by causing to be mailed a true copy thereof in an envelope duly addressed, bearing proper first class postage, and deposited in the United States mail at Springfield, Illinois:

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
P.O. Box 19033
Springfield, Illinois 62794

Katherine Tronsberg
c/o/ Duff and Phelps LLC
2000 Market Street, Suite 2700
Philadelphia, PA 19103

[Electronic Filing]

Clerk
Illinois Pollution Control Board
James R. Thompson Center
100 West Randolph Street, Suite. 11-500
Chicago, Illinois 60601

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

/s/ Vera Herst
Assistant Counsel
Division of Legal Counsel
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62794-9276
217.782.5544
217.782.9143 (TDD)

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