

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

Enbridge Pipelines (Southern Lights), LLC )  
(Property Identification Number ) PCB 014-  
12-29-101-002-0000 ) (Tax Certification  
 ) Water)

NOTICE

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

Toby Reese  
Duff & Phelps, LLC  
14850 Quorum Drive, Ste. 500  
Dallas, Texas 75254

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

**PLEASE TAKE NOTICE** that I have today filed with the Office of the Clerk of the Pollution Control Board an **APPEARANCE AND THE RECOMMENDATION** of the Illinois Environmental Protection Agency, a copy of which is herewith served upon you.

ILLINOIS ENVIRONMENTAL PROTECTION  
AGENCY

By: Vera Herst  
Vera Herst  
Assistant Counsel  
Division of Legal Counsel

DATED: November 1, 2013

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**

Enbridge Pipelines (Southern Lights), LLC )  
(Property Identification Number ) PCB 014-  
12-29-101-002-0000 ) (Tax Certification  
 ) Water)

**A P P E A R A N C E**

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  
Vera Herst  
Assistant Counsel  
Division of Legal Counsel

DATED: November 1, 2013  
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**

Enbridge Pipelines (Southern Lights), LLC )  
(Property Identification Number ) PCB 014-  
12-29-101-002-0000 ) (Tax Certification  
 ) Water)

**RECOMMENDATION**

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, 35 Ill. Adm. Code 125.204.

1. On March 8, 2012, the Illinois EPA received a request from Duff and Phelps, LLC, on behalf of Enbridge Pipelines (Southern Lights), LLC, (log number TC-011-12, 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 applicant's address is: Enbridge Pipelines (Southern Lights), LLC  
15637 West Bruns Road  
Manhattan, Illinois 60442

3. The proposed water pollution control facilities in this request are located at the NW ¼ of Section 29, T34N, R11E of the 3<sup>rd</sup> PM in Will County, at the above street address and consist of the following:

Sump systems

This pollution control facility has the primary purpose of collecting and conveying any petroleum or petroleum product wastes that have been captured in the facility's waste drainage system, and are further described in Exhibit A.

4. Section 11-10 of the Property Tax Code, 35 ILCS 200/11-10 (2012), defines "pollution control facilities" as:

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“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 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.”

5. Pollution control facilities are entitled to preferential tax treatment, 35 ILCS 200/11-5.
  
6. Based on the information in the application and the purpose of the facilities, 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.

WHEREFORE, the Illinois EPA recommends that the Board issue the

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requested tax certification.

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ILLINOIS ENVIRONMENTAL  
PROTECTION AGENCY

By:   
Vera Herst  
Assistant Counsel  
Division of Legal Counsel

Dated: November 1, 2013  
Illinois Environmental Protection Agency  
1021 North Grand Ave. E.  
P.O. Box 19276  
Springfield, Illinois 62794-9276  
217/782-5544

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**ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217)782-2829

**PAT QUINN, GOVERNOR**

**LISA BONNETT, DIRECTOR**

## Memorandum

To: Connie Tonsor, Division of Legal Counsel  
From: Alan Keller, Manager, Permit Section *AKK*  
Date: October 30, 2013  
Re: Enbridge Pipelines (Southern Lights), LLC  
Recommendations of Tax Certification  
Log # TC-11-12  
Property Identification Number 12-29-101-002-0000

**RECEIVED**  
Division of Legal Counsel

OCT 31 2013

**Environmental Protection  
Agency**

The Bureau of Water received a request on March 8, 2012 from Duff & Phelps, LLC on behalf of Enbridge Pipelines (Southern Lights), LLC 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 these requests include the following:

Enbridge Pipelines (Southern Lights), LLC  
2000 Market Street, Suite 2700  
Philadelphia, PA 19103

Facility Location:  
15637 West Bruns Road  
Manhattan Illinois 60442

NW ¼ of Section 29, T34N, R11E of the 3<sup>rd</sup> P.M., Manhattan Township, in Will County Illinois.

Sump systems used for the primary purpose of collecting and conveying any petroleum or petroleum product wastes that have been captured in the facility's process waste drainage system.

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 Brian W. Cox at 217/782-0610.

Attachment

SAK:BWC:TC-11-12.docx

cc: Tax Cert File

**Cox, Brian**

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**From:** Miller, Kayla <Kayla.Miller@duffandphelps.com>  
**Sent:** Friday, December 14, 2012 10:54 AM  
**To:** Cox, Brian  
**Cc:** Tronsberg Macciocca, Kathryn; Reese, Toby; Ivey, Ryan  
**Subject:** Enbridge Manhattan Terminal Pollution Control Certifications

**Importance:** High

Hi Brian,

Per our discussion on Tuesday, I have received information from Enbridge and compared it with the property tax records we have in our Workpapers for Enbridge's Manhattan Terminal Pollution Control Certification applications. The location of the Manhattan Terminal is as follows:

**Section:** Northwest Quarter of Section 29  
**Township:** 34 North  
**Range:** 11 East of the Third Principal Meridian

Please let me know if you have any questions or if you need any further information in order to recommend the applications for certification to the Pollution Control Board.

Best Regards,

Kayla

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**Kayla Miller**

Senior Associate, Property Tax

T +1 215 430 6043

M +1 215 896 6562

Duff & Phelps, LLC

2000 Market Street

Suite 2700

Philadelphia, PA 19103

kayla.miller@duffandphelps.com

www.duffandphelps.com

This email is confidential and subject to important disclaimers and conditions, including those regarding confidentiality, legal privilege and certain legal entity disclaimers, available at <http://www.duffandphelps.com/disclosure>. Circular 230 Disclosure: Any advice contained in this email (including any attachments unless expressly stated otherwise) is not intended or written to be used, and cannot be used, for purposes of avoiding tax penalties that may be imposed on any taxpayer.

Illinois Environmental Protection Agency  
ATTN: Mr. Al Keller  
P.O. Box 19276  
Springfield, IL 62794-9276

March 6, 2012

Re: Application for Property Tax Treatment for Air Pollution Control Property Located at  
Manhattan Terminal

Dear Mr. Keller:

Enclosed please find one Application For Certification (Property Tax Treatment) Pollution Control Facility (the "Application") for Air Pollution Control Property located at Manhattan Terminal (the "Facility") in Will County, Illinois.

The Application has been prepared pursuant to ILCS Statute § 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 Illinois Department of Revenue pollution control certification process for special value treatment of certain assets used in air pollution control capacities at the Facility.

The Application can be summarized as follows:

<u>Description</u>	<u>Fair Cash Value</u>
Sump Systems	\$525,999

Please send one copy of the completed property tax certification to the following address:

Ms. Kathryn Tronsberg Macciocca  
Duff & Phelps LLC  
2000 Market Street, Suite 2700  
Philadelphia, PA 19103

Mr. Al Keller  
Illinois Environmental Protection Agency  
March 6, 2012  
Page 2 of 2

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If you have any questions regarding the Application or the information supplied within the Application, please contact me, at (215) 430-6059 or by e-mail (kathryn.tronsberg.macciocca@duffandphelps.com) or Mr. Toby Reese at (972) 463-5564 or by e-mail (toby.reese@duffandphelps.com).

Very truly yours,



Kathryn Tronsberg Macciocca  
Director  
Specialty Tax

Enclosures

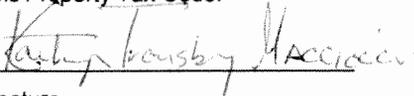
cc: Mr. Toby Reese (Duff & Phelps, LLC)

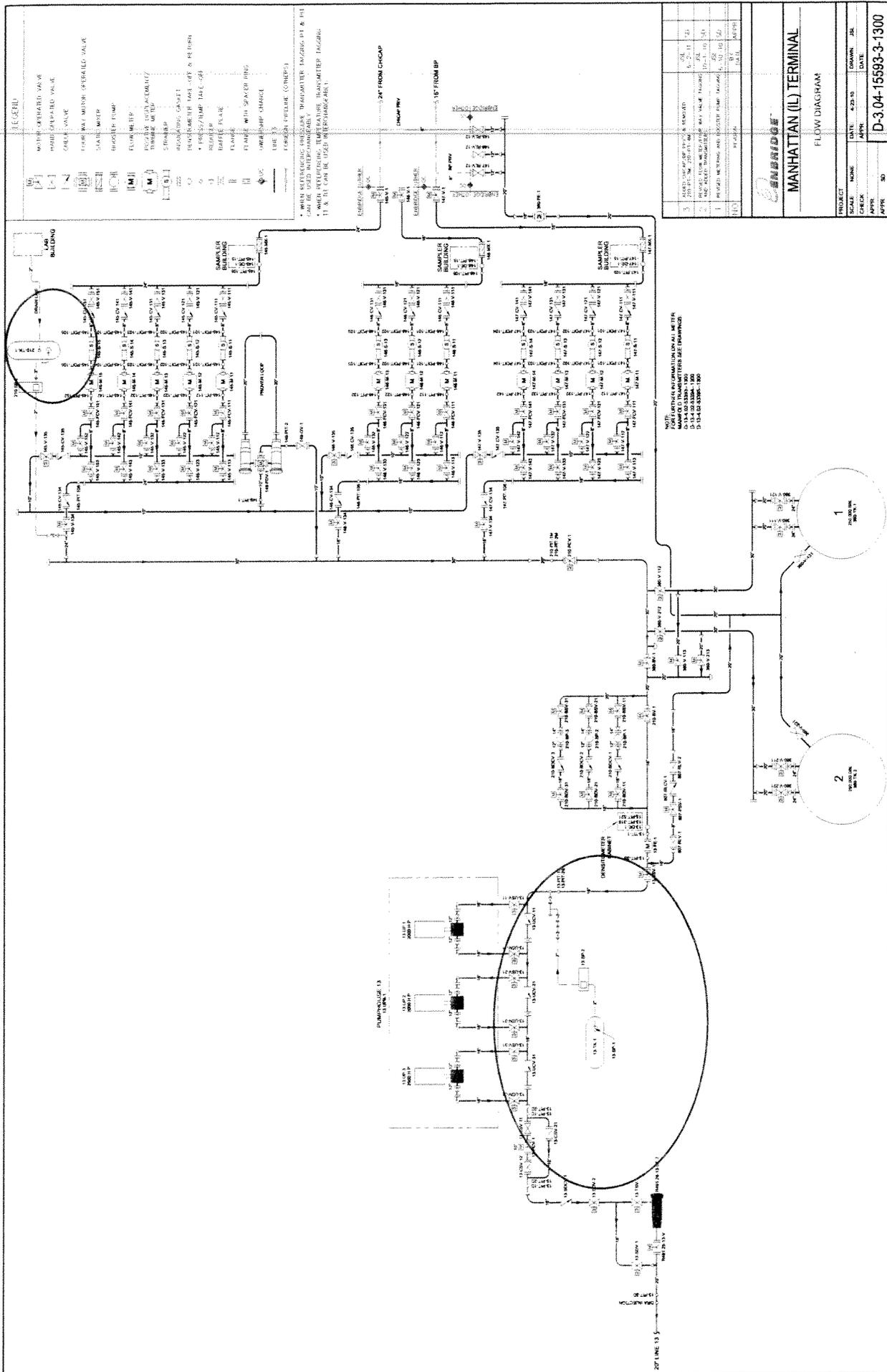
**APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)  
 POLLUTION CONTROL FACILITY  
 AIR  WATER**

**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 Enbridge Pipelines (Southern Lights) L.L.C.			
	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	
	29                              12                              12		Village of Manhattan      12	
	Street Address 15637 West Bruns Road, Manhattan II 60442		County      Book Number 14                              101	
	Property Identification Number 12-29-101-002-0000		Parcel Number 14-12-29-101-001-0000	
Sec. B           MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location Petroleum and Petroleum Product Storage Facility			
	Water Pollution Control Construction Permit No. Approved Enbridge SPCC Plan Required Under 40 CFR 112		Date Issued April 2010	
	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 Sump Systems are installed at the Facility to collect and control petroleum and petroleum product waste. No manufacturing activities take place at this site.			
	Materials Used in Process Petroleum and Petroleum Products			
Sec. D           POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility Sump Systems are installed at the Facility to collect petroleum and/or petroleum product wastes that have been captured in the Facility's process waste drainage systems. The Sump Systems are located at the Facility pump station and lab to collect small quantities of used and/or spilled petroleum or petroleum products. The system, when used in conjunction with the Facility's process waste drain system, prevents the contamination of the ground waters, surface waters, and lands of the State of Illinois by controlling and containing such wastes.			

Sec. E	(1) Nature of Contaminants or Pollutants			
	Material Retained, Captured or Recovered			
		DESCRIPTION	DISPOSAL OR USE	
	Contaminant or Pollutant	Leaked and/or Spilled Petroleum	If Leak/Spill Occurs Cleanup Procedures Commence Per Enbridge SPCC Plan	
		Petroleum		
POLLUTION CONTROL FACILITY - CONTAMINANTS	(2) Point(s) of Waste Water Discharge			
	N/A. No Discharge Associated with Sump Systems			
	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 type="checkbox"/> No <input checked="" type="checkbox"/>	
	(4)	Date installation completed <u>06/30/10</u> status of installation on date of application <u>Complete</u>		
	ACCOUNTING DATA	(5) a.	FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ 525,999.00
		b.	NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$ 26,300.00
		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:	% 2.34
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.			
	 _____ Director - Tax Services Signature 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 pollution control facility. 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:	Attention:	Attention:
		Illinois EPA P.O. Box 19276 Springfield, IL 62794-9276	Al Keller Permit Section Division of Water Pollution Control	Donald E. Sutton Permit Section Division of Air Pollution Control



3	ALLOY STEEL PIPE 1/2\"/>
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**MANHATTAN (IL) TERMINAL**  
 FLOW DIAGRAM

PROJECT	DATE	4-2-10	DRAWN	JSL
SCALE	AS SHOWN		APP'D	
CHECK				
APPR.				

D-3-04-15593-3-1300

STATE OF ILLINOIS )

COUNTY OF SANGAMON )

**PROOF OF SERVICE**

I, the undersigned attorney at law, hereby certify that on November 1, 2013, I served true and correct copies of an **APPEARANCE AND THE RECOMMENDATION**, upon the persons and by the methods as follows:

**[1<sup>st</sup> Class U.S. Mail]**

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

**[1<sup>st</sup> Class U.S. Mail]**

Toby Reese  
Duff & Phelps, LLC  
14850 Quorum Drive, Ste. 500  
Dallas, Texas 75254

**[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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