

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD  
OF THE STATE OF ILLINOIS

MARATHON PETROLEUM COMPANY, LLC )  
Enhanced Selective Non-Catalytic Reduction )  
)  
)  
) PCB 12-  
) (Tax Certification - Air)  
PROPERTY IDENTIFICATION NUMBER )  
51-34-021-001 or portion thereof )

NOTICE

TO: [Electronic filing] John Therriault, Assistant Clerk  
Illinois Pollution Control Board  
State of Illinois Center  
100 W. Randolph Street, Suite 11-500  
Chicago, Illinois 60601

[Service by mail] John S. Swearingen  
Marathon Ashland Petroleum  
Refinery Office Building  
Robinson, Illinois 62454

[Service by mail]  
Steve Santarelli  
Illinois Department of Revenue  
101 West Jefferson  
P.O. Box 19033  
Springfield, Illinois 62794

PLEASE TAKE NOTICE that I have today electronically filed with the Office of the Pollution Control Board the **APPEARANCE** and **RECOMMENDATION** of the Illinois Environmental Protection Agency, a paper copy of which is herewith served upon the applicant and a representative of the Illinois Department of Revenue.

Respectfully submitted by,

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

Date: July 6, 2011

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY  
1021 North Grand Avenue East  
P.O. Box 19276  
Springfield, IL 62794-9276  
Telephone: (217) 524-9137





3. The subject matter of this request consists of an Enhanced SNCR, which was installed by Marathon on a Carbon Monoxide Boiler affiliated with the operation of the Fluid Catalytic Cracking Unit ("FCCU") at the Robinson refinery. As described in the application, the installation of the control system included the following components: ammonia storage tank, ammonia vaporizer, injection skid, new soot blowers, new feed-water heat exchanger and analyzers for nitrogen oxides and ammonia slip. The control system will enable the refinery to reduce emissions of nitrogen oxides from the boiler that would otherwise be emitted through the boiler stack 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 Enhanced SNCR 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 Enhanced SNCR 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 6<sup>th</sup> 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 62792

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                |
| <del>Y098</del> | FCCU NOx Controls (Enhanced SNCR)                     |

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

Sincerely,

A handwritten signature in cursive script that reads "Debora R. Krupp".

Debora R. Krupp  
Senior Tax Analyst

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

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

Exhibit A

\*\*\*\*\* PCB 12-003 \*\*\*\*\*

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

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

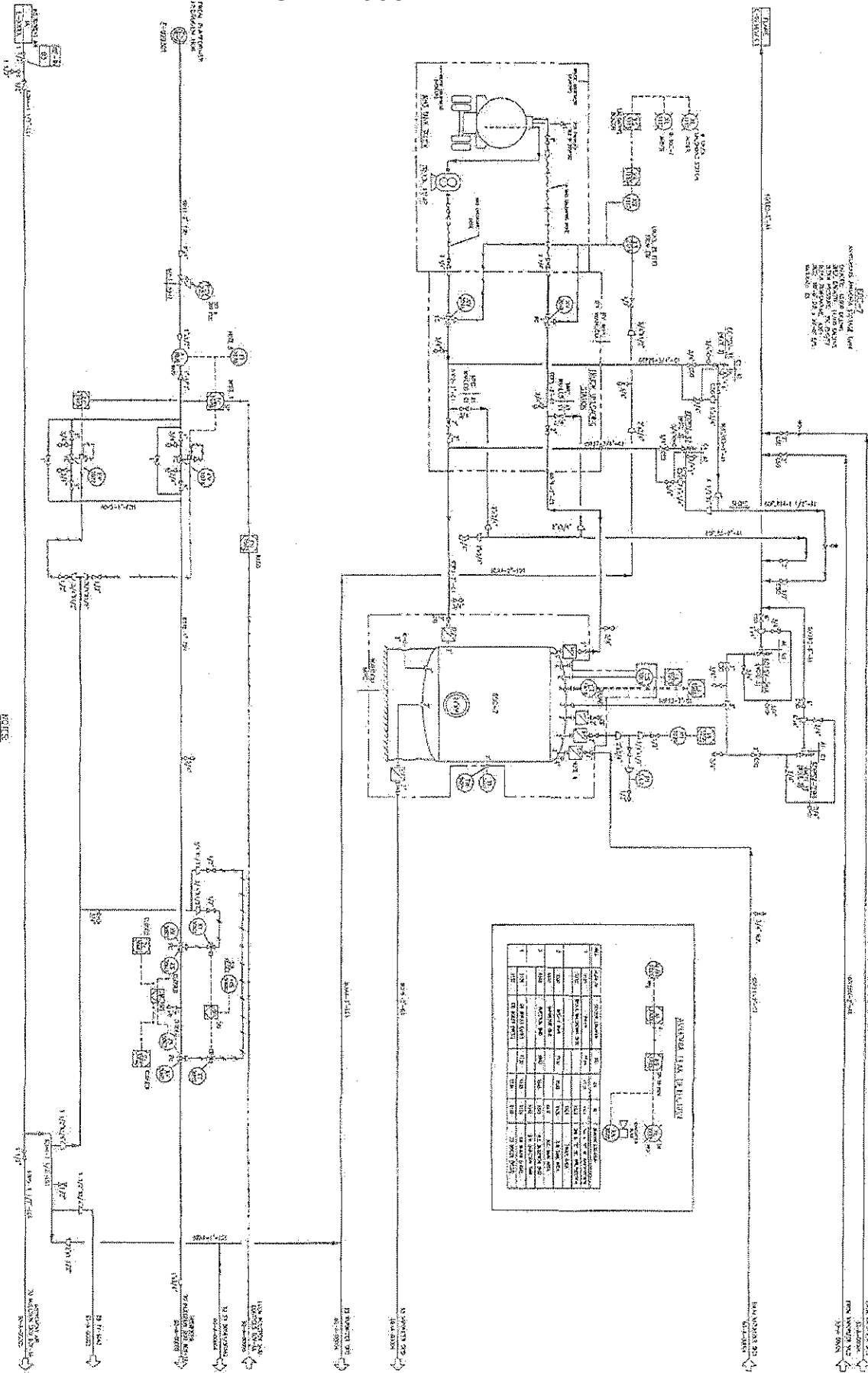
This Agency is authorized to request this information under Illinois Revised Statutes, 1979, Chapter, 120, Section 502a-5. Disclosure of this information is voluntary. However, failure to comply could prevent your application from being processed or could result in denial of your application for certification.

| FOR AGENCY USE   |   |   |   |  |
|--|---|---|---|--|
| File No.   | Date Received   | Certification No.   | Date  |  |
| Sec. A<br><br>APPLICANT  | Company Name<br>Marathon Petroleum Company LLC  |   |   |  |
|  | Person Authorized to Receive Certification<br>John Swearingen   |   | Person to Contact for Additional Details<br>Deb Krupp |  |
|  | Street Address<br>Refinery Office Building  |   | Street Address<br>539 South Main Street               |  |
|  | Municipality, State & Zip Code<br>Robinson, IL 62454  |   | Municipality, State & Zip Code<br>Findlay, OH 45840   |  |
|  | Telephone Number<br>(618) 544-2121  |   | Telephone Number<br>(419) 421-4527                    |  |
|  | Location of Facility<br>Quarter Section      Township      Range  |   | Municipality      Township                            |  |
|  | Street Address<br>Route 33  |   | County      Book Number                               |  |
|  | Property Identification Number  |   | Parcel Number<br>Part of 51-34-021-001                |  |
|  | Sec. B<br><br>MANUFACTURING OPERATIONS  | Nature of Operations Conducted at the Above Location<br>Petroleum Refining      AFE Y098<br>Project R-650 |   |  |
|  |   | FCCU NOx Controls (Enhanced SNCR)   |   |  |
| Water Pollution Control Construction Permit No.                            |   | Date Issued   |   |  |
| NPDES PERMIT No.   |   | Date Issued   | Expiration Date                                       |  |
| Air Pollution Control Construction Permit No.<br>FCCU NOx Revamp #07040058 |   | Date Issued<br>05/29/07   |   |  |
| Air Pollution Control Operating Permit No.                                 |   | Date Issued   |   |  |
| Sec. C<br><br>MANUFACTURING PROCESS  | Describe Unit Process<br>Enhanced Selective Non-Catalytic Reduction on the CO Boiler of FCCU for NOx reduction. The system includes an ammonia storage tank, an ammonia vaporizer, and injection skid from Hamon Research Cottrell, new soot blowers, a new feedwater heat exchanger and analyzers for NOx and ammonia.   |   |   |  |
|  | Materials Used in Process<br>Ammonia and Hydrogen injection into the Carbon Monoxide Boiler   |   |   |  |
| Sec. D<br><br>POLLUTION CONTROL FACILITY DESCRIPTION                       | Describe Pollution Abatement Control Facility<br>The system installed will be utilized to reduce NOx emissions from the CO boiler. The new system will essentially be taking liquid anhydrous ammonia from a storage vessel and pumping it to ammonia vaporizers and on to an injection skid. The vaporized ammonia is then mixed with steam and hydrogen and is carried downstream to the CO boiler. Once in the boiler, a reaction occurs to reduce the NOx emissions traveling out of the boiler and eventually out of the stack. An ammonia slip and NOx analyzers were also installed to monitor the amount of NOx and ammonia leaving the boiler. |   |   |  |



|   |  |  |   |
|---|--|--|---|
| POLLUTION CONTROL FACILITY - CONTAMINANTS | Sec. E (1) Nature of Contaminants or Pollutants  |  |   |
|   |  |  | Material Retained, Captured or Recovered                                |
|   | Contaminant or Pollutant   | DESCRIPTION  | DISPOSAL OR USE   |
|   | Nitrogen Oxides  | Nitrogen Oxides  | Destroyed   |
|   |  |  |   |
|   |  |  |   |
|   |  |  |   |
|   | (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 checked="" type="checkbox"/> No <input type="checkbox"/>     |
| (4)                                       | Date installation completed <u>10/31/08</u> status of installation on date of application <u>10/31/08</u>  |  |   |
| ACCOUNTING DATA                           | (5) a.   | FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:   | \$ 7,452,000.00   |
|   | b.   | NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:   | \$ 37,260.00  |
|   | 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:   | % .538  |
| 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. |  |   |
|   | <u>John Swainice</u><br>Signature  | <u>013/18/08</u><br>Date   | <u>Illinois Refining Div. Manager</u><br>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.<br>Item (1) - Refers to pollutants and contaminants removed from the process by the pollution control facility.<br>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.<br>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.<br>Item (4) - State the date which the pollution control facility was first placed in service and operated. If not, explain.<br>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<br>P.O. Box 19276<br>Springfield, IL 62794-9276   | Al Keller<br>Permit Section<br>Division of Water Pollution Control   | Donald E. Sutton<br>Permit Section<br>Division of Air Pollution Control |

\* \* \* \* \* PCB 12-003 \* \* \* \* \*



- NOTES:**
1. REFER TO DATA FOR A COMPLETE LIST OF ALL EQUIPMENT AND MATERIALS TO BE INSTALLED.
  2. REFER TO DATA FOR A COMPLETE LIST OF ALL EQUIPMENT AND MATERIALS TO BE INSTALLED.
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  4. REFER TO DATA FOR A COMPLETE LIST OF ALL EQUIPMENT AND MATERIALS TO BE INSTALLED.

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*Handwritten signature and date:*  
 [Signature]  
 7/11/03





**Memorandum**

**Technical Recommendation for Tax Certification Approval**

Date: June 22, 2011  
To: Robb Layman  
From: Ed Bakowski *RB*  
Subject: Marathon Petroleum Company LLC/TC-12-20-06D

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:

Enhanced Selective Non-Catalytic Reduction installed on the Carbon Monoxide Boiler for the Fluid Catalytic Cracking Unit, which will capture and control emissions of nitrogen oxides from the FCCU. 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.