

ILLINOIS POLLUTION CONTROL BOARD  
September 8, 2011

EXXONMOBIL OIL COMPANY, New	)	
Source Review Project (Property Identification	)	
Number 04-10-22-100-006-0010),	)	
	)	
Petitioner,	)	
	)	
v.	)	PCB 12-34
	)	(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 ExxonMobil Oil Company (ExxonMobil) 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. ExxonMobil’s refinery is located in Joliet, Will County. In this order, the Board describes the legal framework for tax certifications, discusses the Agency’s recommendation, and certifies that ExxonMobil’s Tail Gas Cleanup Unit (TGPU); Wet Gas Scrubber; selective catalytic reduction reactor(s), with associated ductwork and in-line components; Purge Treatment Unit and associated caustic delivery/storage and dilution/distribution system; Integrated Biological System; and equipment for providing chemical treatment to the feed water from the existing North and South Benzene Recovery Units (BRU) 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 ExxonMobil on July 11, 2007.<sup>1</sup> Rec. at 1. 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 at issue:

A Tail Gas Cleanup Unit ("TGPU") was installed to the South Sulfur Recovery Unit that will remove hydrogen sulfide ("H<sub>2</sub>S") and sulfur dioxide ("SO<sub>2</sub>") emissions from the tail gas generated by the East and West Trains of the South Sulfur Recovery Unit. The TGPU is a two-phase process of controls consisting, among other things, of a heater, reactors, waste heat boiler, condensing tower and amine tower and regeneration. A Wet Gas Scrubber was installed on the Fluid Catalytic Cracking Unit ("FCCU") to reduce SO<sub>2</sub> and particulate matter emissions, while selective catalytic reduction reactor(s), together with associated ductwork and in-line components (i.e., future ammonia injection grid), for the FGGU were installed for controlling nitrous oxide emissions. A Purge Treatment Unit was constructed to handle the liquid purge from the aforementioned scrubber prior to its conveyance to the Wastewater Treatment Plant ("WWTP") and an associated caustic delivery/storage and dilution/distribution system was designed and installed to handle the caustic used in the same scrubber. An Integrated Biological System was added to the WWTP to enable the refinery to manage the scrubber's purge stream without affecting the WWTP's continuous operation. Lastly, new equipment for providing chemical treatment to the feed water from the existing North and South Benzene Recovery Units (CBRU") was installed to control and reduce H<sub>2</sub>S from the overhead gas streams prior to being combusted in the incinerators. *Id.* at 1-2.

The Agency’s recommendation further describes the facilities: “A construction permit for the aforementioned activities was obtained on October 3, 2006. . . The implementation of this comprehensive New Source Review ("NSR") project derives from the requirements of a consent decree that was entered with the United States Environmental Protection Agency and the Illinois EPA on or about December 13, 2005.” Rec. at 2. The Agency’s recommendation also identifies the location of the facilities: ; Quarter Section 22, Township 10, Range 9, Channahon Municipality. *Id.* at Exhibit A.

The Agency recommends that the Board certify that the identified facilities 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 “prevent, eliminate or reduce air pollution.” Rec. at 3.

---

<sup>1</sup> The Agency’s recommendation is cited as “Rec. at \_.”

**TAX CERTIFICATE**

Based on the Agency's recommendation and ExxonMobil's application, the Board finds and certifies that ExxonMobil'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 ExxonMobil and the Agency with a copy of this order.

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