

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS**

KOPPERS, INC.)
Thermal Oxidizer Piping Additions)
)
) PCB 18-
) (Tax Certification - Air)
)
PARCEL NUMBER 19-04-200-026-0000)

NOTICE

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

[*Service by mail*]
Katheryn Tronsberg Macciocca
c/o Duff & Phelps, LLC
2000 Market Street, Suite 2700
Philadelphia, PA 19103

[*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: August 11, 2017

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

**BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
OF THE STATE OF ILLINOIS**

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| KOPPERS, INC. |) | |
| Thermal Oxidizer Piping Additions |) | |
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| |) | (Tax Certification - Air) |
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| PARCEL NUMBER 19-04-200-026-0000 |) | |

APPEARANCE

I hereby file my Appearance in this proceeding on behalf of the Illinois Environmental Protection Agency.

Respectfully submitted by,

/s/ Robb H. Layman

Robb H. Layman
Assistant Counsel

Date: August 11, 2017

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KOPPERS, INC.)
Thermal Oxidizer Piping Additions)
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PARCEL NUMBER 19-04-200-026-0000)

RECOMMENDATION

NOW COMES the ILLINOIS ENVIRONMENTAL PROTECTION AGENCY (“Illinois EPA”), through its attorneys, and pursuant to 35 Ill. Adm. Code 125.204 of the ILLINOIS POLLUTION CONTROL BOARD’S (“Board”) procedural regulations, files the Illinois EPA’s Recommendation in the above-referenced request for tax certification of pollution control facilities. The Illinois EPA recommends **issuance** of a tax certification covering the subject matter of the request. In support thereof, the Illinois EPA states as follows:

1. On or about June 28, 2017, the Illinois EPA received an application from KOPPERS, INC. (“Koppers”) concerning the proposed tax certification of a coal tar distillation manufacturing facility operating in Cicero, Cook County, Illinois. A revised application on current Illinois EPA Form APC-151 was submitted by electronic mail on August 3, 2017. A copy of the revised application is attached hereto. [Exhibit A].

2. The applicant’s facility address is as follows:

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

3. The subject matter of this request consists of enhancements to an existing thermal oxidizer that serves various processes engaged in the manufacture of finished products from coal tar (i.e., chemical oil, coal tar pitch, refined tars, phthalic anhydride, and creosote). More

specifically, the project installed additional piping to collect and distribute fugitive volatile organic material ("VOM") emissions from the creosote tanks, which store creosote-related products, to the thermal oxidizer. In doing so, the control device acts to prevent and/or reduce fugitive VOM emissions that would otherwise be emitted 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 primary purpose of the project to prevent or reduce air pollution, it is the Illinois EPA's engineering judgment that the piping additions 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 information in the application demonstrates that the thermal oxidizer's piping additions satisfy the aforementioned statutory and regulatory 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: August 11, 2017

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 11th day of August 2017, I electronically filed the following instruments entitled **NOTICE, APPEARANCE and RECOMMENDATION** with:

Don Brown, 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

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

/s/ Robb H. Layman

Robb H. Layman
Assistant Counsel

DUFF & PHELPS

Illinois Environmental Protection Agency
Permit Section
Division of Air Pollution Control
P.O. Box 19276
Springfield, IL 62794-9276
ATTN: Ray Pilapal

June 27, 2017

RECEIVED
STATE OF ILLINOIS

JUN 28 2017

Environmental Protection Agency
BUREAU OF AIR

Re: Application for Property Tax Treatment for Air 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 an Air 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 air pollution control capacities at the Facility.

The Application can be summarized as follows:

| <u>Description</u> | <u>Fair Cash Value</u> |
|-----------------------------------|------------------------|
| Thermal Oxidizer Piping Additions | \$252,199 |

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

Duff & Phelps, LLC
2000 Market Street
Suite 2700
Philadelphia, PA 19103

T +1 215 430 6059
F +1 215 240-8334

kathryn.tronsberg@duffandphelps.com
www.duffandphelps.com

Exhibit A

Koppers, Inc. Application for Pollution Control Facility Certification
Illinois Environmental Protection Agency
June 27, 2017

If you have any questions regarding the Application or the information supplied within the Application, please feel free to contact me at (215) 430-6059 or by e-mail at kathryn.tronsberg@duffandphelps.com.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kathryn Tronsberg Macciocca". The signature is written in a cursive style with some capital letters.

Kathryn Tronsberg Macciocca
Director
Property Tax

Enclosures

Layman, Robb

From: Salvato, Dom <Leonard.Salvato@DuffandPhelps.com>
Sent: Thursday, August 03, 2017 3:51 PM
To: Layman, Robb
Cc: Tronsberg Macciocca, Kathryn
Subject: [External] Updated Koppers - Stickney: Application for Certification (Property Tax Treatment) Pollution Control Facility
Attachments: Koppers IL Application For Cer.pdf

Robb:

As promised on our call yesterday, please see the revised Application for Certification (Property Tax Treatment) Pollution Control Facility for the Koppers' Stickney Facility.

Best,

Dom

Dominic Salvato

Analyst, Property Tax

T +1 215 430 6192

M +1 215 200 0408

Duff & Phelps, LLC

2000 Market Street

Suite 2700

Philadelphia, PA 19103

leonard.salvato@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>.



Illinois Environmental Protection Agency

1021 North Grand Avenue East • P.O. Box 19276 • Springfield • Illinois • 62794-9276 • (217) 782-3397

Application for Certification (Property Tax Treatment) Pollution Control Facility

| FOR AGENCY USE ONLY | |
|-----------------------------|-------------------|
| File Number: _____ | Date Rec'd: _____ |
| Certification Number: _____ | Date: _____ |

Facility Type (check one): Air Water

This form is to be used for any application for certification of property tax treatment for a pollution control facility for air or water from the Illinois EPA. Separate applications must be completed for each control facility claimed. Do not mix types (air and water). Where both air and water operations are related, file two applications.

If attachments are needed, record them consecutively on an index sheet.

You may complete this form online, save a copy locally, print, sign and submit it to:

Illinois EPA
Attention: Ray E. Pilapil, Permit Section
Division of Air Pollution Control
1021 North Grand Avenue East, P.O. Box 19276
Springfield, IL 62794-9276

Illinois EPA
Attention: Al Keller, Permit Section
Division of Water Pollution Control
1021 North Grand Avenue East, P.O. Box 19276
Springfield, IL 62794-9276

I. Applicant Information:

| | |
|---|--|
| Company Name: <u>Koppers Inc.</u> Person Authorized to Receive Certification: <u>Kathryn Tronsberg Macciocca c/o Duff and Phelps LLC</u> Street Address: <u>2000 Market Street, Suite 2700</u> City: <u>Philadelphia</u> State: <u>PA</u> Zip: <u>19103</u> Phone: <u>(215) 430-6059</u> Email Address: <u>Kathryn.Tronsberg@duffandphelps.com</u> | Person to Contact for Additional Details: <u>Kathryn Tronsberg Macciocca c/o Duff and Phelps LLC</u> Street Address: <u>2000 Market Street, Suite 2700</u> City: <u>Philadelphia</u> State: <u>PA</u> Zip: <u>19103</u> Phone: <u>(215) 430-6059</u> Email Address: <u>Kathryn.Tronsberg@duffandphelps.com</u> |
|---|--|

II. Facility Information:

Facility Location: Quarter Section: 04 Township: 38 Range: 13
 Municipality: Stickney Township: 38
 Note: A plat map location is requested for facilities located outside of municipal boundaries.
 Address: 3900 South Laramie Avenue City: Cicero
 State: IL Zip Code: 60804 County: Cook Book Number: N/A
 Property Index Number: 19-04-200-026-0000

Note: The Property Index Number is the numerical reference used to identify a parcel of real property for assessment and taxation purposes.

Manufacturing Operations Information:

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.

Permit Information:

WPC Construction Permit Number: N/A Date Issued: N/A
 NPDES Permit Number: _____ Date Issued: N/A Exp. Date: N/A
 APC Construction Permit Number: Title V - Clean Air Act Permit Date Issued: 7/20/2000
 APC Operating Permit Number: N/A Date Issued: N/A Exp. Date: N/A

Note: Submit copies of all relevant permits issued by local pollution control agencies. (e.g. MSD Construction Permit)

This Agency is authorized to request this information under 415 ILCS 5/4(b)(2012). Disclosure of this information is voluntary and no penalties will result from the failure to provide the information. However, the absence of the information could prevent your application from being processed or could result in denial of your application.

Manufacturing Process Information:

Please provide information on the manufacturing process and materials on which pollution control facility is used, including each major piece of equipment associated with the pollution control facility (or low sulfur dioxide emission coal fueled device).
Description of the Process:

The Facility's newly installed Thermal Oxidizer piping was installed on the creosote tanks to prevent and/or reduce fugitive Volatile Organic Compound ("VOC") emissions. No manufacturing activities take place at/within this pollution control facility.

Materials Used in the 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.

Pollution Control Facility Information:

Please provide a narrative description of the pollution control facility (or low sulfur dioxide emission coal fueled device), and an explanation of why its primary purpose is to eliminate, prevent or reduce pollution. State the type of control facility, as well as a narrative description and a process flow diagram describing the pollution control facility. Include an average analysis of the influent and effluent of the control facility stating the collection efficiency, if applicable.

Describe the Pollution Control Facility (or Low Sulfur Dioxide Emission Coal Fueled Device):

The Facility's newly installed Thermal Oxidizer piping property installed on the Creosote Tank is a pollution control facility installed for the purpose of preventing and/or reducing Volatile Organic Compound ("VOC") emissions resulting from the storage of creosote products at the Facility.

Describe the Primary Purpose of the Pollution Control Facility (or Low Sulfur Dioxide Emission Coal Fueled Device):

The Facility's newly installed Thermal Oxidizer piping property installed on the Creosote Tank is a pollution control facility installed for the purpose of preventing and/or reducing Volatile Organic Compound ("VOC") emissions resulting from the storage of creosote products at the Facility.

Identify the statute or regulation (federal or state), or local ordinance, if any, requiring the installation of the subject pollution control facility (or low sulfur dioxide emission coal fueled device).

N/A

Nature of Contaminants or Pollutants:

List air contaminants or water pollution substances released as effluents to the manufacturing processes. Also list the final disposal of any contaminants removed from the manufacturing processes.

| Contaminant or Pollutant | Material Retained, Captured or Recovered | |
|-------------------------------------|--|-----------------|
| | Description | Disposal or Use |
| Volatile Organic Compounds ("VOCs") | N/A | N/A |
| | | |
| | | |
| | | |

Note: Contaminant or pollutant means that which is removed from the process by the pollution control facility.

Point(s) of Waste Water Discharge:

Identify the location of the discharge to the receiving stream. This will typically refer to a source of water pollution but can include water-carried wastes from air pollution control facilities.

Plans and Specifications Attached Yes No

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.

Are contaminants (or residues) collected by the control facility? Yes No

Note: If the collected contaminants are disposed of other than as wastes, state the disposition of the materials, and the value dollars reclaimed by the sale or reuse of the collected substances. State the cost of reclamation and related expense.

Project Status:

Date Installation Completed: 12/01/2012

Provide the date the pollution control facility was first placed into service and operated. If not, explain.

The pollution control facility was first placed into service and operated on 12/01/2012.

Status of installation on date of application:

Completed.

III. Verification and Signature:

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.

Any person who knowingly makes a false, fictitious, or fraudulent material statement, orally or in writing, to the Illinois EPA commits a Class 4 felony. A second or subsequent offense after conviction is a Class 3 felony. (415 ILCS 5/44(h))

| | |
|-----------------------------|-------------------------|
| Kathryn Tronsberg Macciocca | Director - Property Tax |
| Printed Name: | Title: |

For incorporated entities, signature should be from an authorized corporate representative.

| | |
|---|----------|
|  | 8/3/2017 |
| Signature: | Date: |

