



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

KOPPERS, INC.	)	
Sulfur Dioxide Scrubber	)	
	)	PCB 20-
	)	(Tax Certification - Air)
	)	
PROPERTY IDENTIFICATION NUMBER	)	
19-04-200-026-0000 or portion thereof	)	

**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: May 29, 2020

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

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**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 December 18, 2019, the Illinois EPA received an application and supporting information from KOPPERS, INC., (“Koppers”) concerning the proposed tax certification of certain air emission sources and/or equipment located at its coal tar distillation manufacturing facility in Stickney, Cook County, Illinois. A copy of the application is attached hereto. **[Exhibit A]**.

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

Koppers, Inc.  
Att: Kathryn Tronsberg Macciocca  
c/o Duff & Phelps, LLC  
2000 Market Street, Suite 2700  
Philadelphia, PA 19103

3. The facility address is as follows:

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

4. The subject matter of this request consists of a Sulfur Dioxide (“SO<sub>2</sub>”) Scrubber, which was constructed and installed by Koppers on its naphthalene process at the coal distillation manufacturing facility. The SO<sub>2</sub> Scrubber controls SO<sub>2</sub> emissions from the naphthalene process. Koppers is obligated to control the SO<sub>2</sub>-laden gases from the process to no more than 2,000 parts per million in accordance with 35 Ill. Adm. Code 214.301, which is cited as an applicable requirement in the facility’s existing CAAPP permit. *See*, Exhibit A, Attachment A thereto. As generally recognized in the field of air pollution control technology, a SO<sub>2</sub> Scrubber acts to prevent or reduce SO<sub>2</sub> emissions that would otherwise be emitted by a manufacturing activity subject to 35 Ill. Adm. Code 214.301.

5. 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.”

6. Pollution control facilities are entitled to preferential tax treatment, as provided by 35 ILCS 200/11-5 (2002).

7. Based on information in the application and the primary purpose of the SO<sub>2</sub> Scrubber to prevent or reduce air pollution, it is the Illinois EPA’s engineering judgment that such systems and/or devices 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]**. In this instance, the subject system or equipment is comprised of a traditional, end-of-the-pipe control system and therefore falls within the definition of a pollution control facility.

8. Because the information in the application demonstrates that the SO<sub>2</sub> Scrubber satisfies 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: May 29, 2020

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 29<sup>th</sup> day of May 2020, 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

Koppers, Inc.  
Att: Kathryn Tronsberg Macciocca  
c/o Duff & Phelps  
2000 Market Street, Suite 2700  
Philadelphia, PA 19103

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

DUFF & PHELPS

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

December 17, 2019

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 process for special value treatment of certain assets used in water pollution control capacities at the Facility.

The Application can be summarized as follows:

Description

Sulfur Dioxide Scrubber Addition

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

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

Exhibit A

Koppers, Inc  
Application for Pollution Control Facility Certification  
Illinois Environmental Protection Agency  
December 17, 2019

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 at [kathryn.tronsberg@duffandphelps.com](mailto:kathryn.tronsberg@duffandphelps.com) or Leonard Salvato at (215) 430-6192 or by e-mail at [leonard.salvato@duffandphelps.com](mailto:leonard.salvato@duffandphelps.com).

Very truly yours,

A handwritten signature in black ink that reads "Kathryn Tronsberg Macciocca". The signature is written in a cursive style with a large initial "K" and "M".

Kathryn Tronsberg Macciocca  
Director  
Property Tax

cc: Leonard Salvato (Duff & Phelps—Philadelphia)





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

### II. Facility Information:

Facility Location: Quarter Section: W29004 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 Ave. 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:

Koppers Inc.'s (the "Company's" or "Koppers's") Stickney Plant (the "Facility") is located in Stickney, Cook County, Illinois. The Facility was constructed in 1920-1921 by the Koppers Company on a 36-acre plot. The Stickney Plant is capable of converting various crude tars into liquid pitch and other liquid products such as creosote, refined tars, chemical oils and various grades of coal tar pitch.

### Permit Information:

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

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:

Koppers' Stickney 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.

**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 produced for other Koppers' manufacturing operations

**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 SO2 Scrubber Addition installed at the Facility is a pollution control facility installed for the purpose of preventing and/or reducing Sulfur Dioxide ("SO2") emissions from the naphthalene process.

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

The Facility has installed SO2 Scrubber Addition for the purpose of reducing and/or eliminating pollution to the atmosphere of the State of Illinois. The Facility's SO2 Scrubber Addition was installed to reduce and eliminate SO2 emissions from entering the atmosphere. A Process Flow Diagram is not applicable. Influent/Effluent analysis is not applicable.

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).

Per Title V- Clean Air Act Permit Program ID 031300AAJ that states: "No person shall cause or allow the emission of sulfur dioxide into the atmosphere from any process emission unit to exceed 2000 ppm, [ 35 IAC 214.301]." See Attachment A for the relevant section of the Facility's Clean Air Act Permit Program ID 031300AAJ.

**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
Sulfur Dioxide ("SO2")	N/A	N/A

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



Attachment A: Title V - Clean Air Act Permit

which construction or modification commenced on or after April 14, 1972, at a source or premises, exceeds the allowable emission rates specified in subsection (c) of 35 IAC 212.321 (see also Attachment 1) [35 IAC 212.321(a)].

- ii. Because the expected process weight rate for the affected stills is 91,324 pounds per hour, combined, the allowable PM emission rate for the affected stills set by 35 IAC 212.321 is 19.55 pounds per hour, combined.
- d. No person shall cause or allow the emission of sulfur dioxide into the atmosphere from any process emission unit to exceed 2000 ppm, [35 IAC 214.301].
- e. The affected stills are subject to 35 IAC 218 Subpart G, Use of Organic Material, which provides that:
  - i. No person shall cause or allow the discharge of more than 3.6 kg/hr (8 lb/hr) of organic material into the atmosphere from any emission unit, except as provided in Condition 7.4.3(e)(ii) (see also 35 IAC 218.302) and the following exception: If no odor nuisance exists the limitation of 35 IAC 218 Subpart G shall apply only to photochemically reactive material [35 IAC 218.301].
  - ii. Pursuant to 35 IAC 218.302, emissions of organic material in excess of those permitted by Condition 7.4.3(e)(i) (see also 35 IAC 218.301) are allowable if such emissions are controlled by one of the following methods:
    - A. Flame, thermal or catalytic incineration so as either to reduce such emissions to 10 ppm equivalent methane (molecular weight 16) or less, or to convert 85 percent of the hydrocarbons to carbon dioxide and water [35 IAC 218.302(a)]; or
    - B. A vapor recovery system which adsorbs and/or condenses at least 85 percent of the total uncontrolled organic material that would otherwise be emitted to the atmosphere [35 IAC 218.302(b)]; or
    - C. Any other air pollution control equipment approved by the Illinois EPA and approved by the USEPA as a SIP revision capable of reducing by 85 percent or more the uncontrolled organic material that would be otherwise emitted to the atmosphere [35 IAC 218.302(c)].



## ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 782-3397

JB PRITZKER, GOVERNOR

JOHN J. KIM, DIRECTOR

### Technical Recommendation for Tax Certification Approval

Date: April 13, 2020  
To: Robb Layman  
From: Raymond E. Pilapil *REP/wdm*  
Subject: Koppers, Inc. LP TC-19-12-18B

This Agency received a request on December 18, 2019 from Koppers, Inc. for an Illinois EPA recommendation regarding tax certification of air pollution control facilities pursuant to 35 Ill. Adm. Code 125.204. I offer the following recommendation.

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

Sulfur Dioxide Scrubber Addition which reduces SO<sub>2</sub> emissions resulting from the naphthalene process from entering the atmosphere. Because the primary purpose of this system is to reduce or eliminate air pollution, it is certified as a pollution control facility.

This facility is located at 3900 S. Laramie Avenue, Cicero, Cook County  
The property identification number is 19-04-200-026-0000

Based on the information included in this submittal, it is my engineering judgement 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.

FEM:tan

*Exhibit B*