

*COMMONWEALTH OF PUERTO RICO
OFFICE OF THE GOVERNOR*

*FINAL TITLE V OPERATING PERMIT
AIR QUALITY AREA
ENVIRONMENTAL QUALITY BOARD*



Permit Number:	PFE-TV-2085-58-0397-0016
Date of Receipt of the Application:	March 26, 1997
Final Issue and/or Effective Date:	February 25, 2006¹
Expiration Date:	February 25, 2011

Pursuant to the provisions of Part VI of the Environmental Quality Board Regulations for the Control of Atmospheric Pollution (RCAP) and the provisions of the Code of Federal Regulations (CFR), Title 40, Part 70

**DESTILERÍA SERRALLÉS, INC.
PONCE, PUERTO RICO**

"the permi holder" or **Destilería Serrallés, Inc.**, is authorized to operate a stationary source of air pollutant emissions limited to the units and conditions described in this permit. The permit holder may release air pollutants resulting from activities that are directly related to and/or associated with the emission sources, limited or conditioned by this permit, until its expiration date or until the permit is modified or revoked.

The conditions in this permit shall be enforceable by the federal and state governments. Those requirements that may be enforced only by the state government shall be identified as such in this permit. Copy of this permit must be kept in the aforementioned facility at all times.

¹The conditions underlined were revised or added by means of a reconsideration process and the effective date will be April 19, 2007.

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Section I - General Information

A. Facility Information

Company Name: **Destilería Serrallés, Inc.**

Postal Address: **PO Box 198**

City: **Ponce**

State: **P.R.** Zip Code: **00715-0198**

Name of the Facility: **Destilería Serrallés, Inc.**

Location of Facility: **#331 Ahonoray St
Mercedita Sector
Ponce P.R. 00715-0198**

Postal Address of the Facility: **PO Box 198
Ponce PR 00715-0198**

Responsible Official: **Eng. Alberto Torruella
Manufacturing Director**

Telephone: **(787) 840-1000**

Fax: **(787) 840-1150**

Technical Contact Person: **Mr. Henry Huertas
Compliance Director**

Telephone: **(787) 840-1000 Ext. 2333**

Fax: **(787) 840-1155**

SIC Primary Code: **2085**

B. Process Description

Destilería Serrallés, Inc. is an industry dedicated to the production and manufacture of rum, liquors and other distilled spirits, including fermentation, distillation, aging and bottling. It is located in the Municipality of Ponce, in several acres of the Mercedita Ward.

The company is classified as a major source affected by the "Title V" Operational Permits Program, the amendments to the US Clean Air Act (CAA) of 1990, and is subject to the operational requirements of a Title V Permit in accordance with Part VI of the Regulations for the Control of Atmospheric Pollution (RCAP), due to its potential emissions of polluting criteria*.

Destilería Serrallés has the potential to release more than **100 tons** per year of criteria pollutants **SO₂** y **VOC**. The release arises from the operation of a 60.3 MMBtu/hr capacity Nebraska Industrial Boiler and from rum production activities such as: transfer of manufactured product to cistern tanks and storage tanks, in the distillation columns, rum aging process, packaging and disposal of the slop through the trench and/or treatment plant system.

The raw material used in rum manufacture is sugar cane molasses purchased in several countries, principally in Latin America, and shipped in ships and barges to above ground storage tanks (AGST) in the Ponce Docks. It is transferred from these tanks by truck to the storage tanks at the Mercedita facilities.

The molasses is transferred to a 5,000-gallon storage tank located in the distillery's processing area where the dilution process begins. This tank feeds the molasses tank which receives sulfuric acid for pH control, ammonium sulfate as nutrient, and hot water for dilution.

The steam is used to pasteurize the mixture and from this point it is pumped into the yeast tanks (seeding tanks) and the fermenter. During the fermentation process the molasses is transformed into ethanol, producing a mixture. A resulting by-product, carbon dioxide (CO₂), is recovered, purified, liquefied, and stored in "bullet" type tanks for subsequent sale. The fermented mash feeds the distilling columns, the first of which is a vacuum column. It produces 140 to 160 proof alcohols. The water diffuses any non-condensable material by means of vacuum pumps; these then join the effluents that discharge into the slop area. If the rum to be manufactured is low proof then the distillation process comes to an end in this column and the final product is transferred to the cistern tanks (3A and 4A) and the storage tanks (10A, 11A, 12A y 13A) destined for this type of product.

* Particulate Matter (PM₁₀), Sulfur Dioxide (SO_x), Nitrogen Oxides (NO_x) and Volatile Organic Compounds (VOC) and Hydrocarbons (HC)

The bottom sediment of the distillate is called the *slop* and is composed mainly of water and salts. It flows through gravity to a disposal and/or treatment plant area. If high proof rum is to be manufactured, then the product of the first column continues the rectification process to feed the second distillation column (aldehydes) and on to the third column (rectifying). The rum is extracted and fed to the purifier, the last column.

The product is then sent to the Cistern Room for measurement, by volume, weight or meters, and stored in the storage tanks. VOC emissions are attributed to working losses in cistern and storage tanks.

Fractions of these distillation units feed the *Fusel* and *Heads* columns. The safety mechanism, the *bottle vents* of all the columns, except the first, work the same way. Normal operating conditions keep them at a nominally constant water level, which could minimize any diffusion of distillery materials through them. The raw rum in the storage tanks is diluted and transferred to the Cask/barrel Area. The range of proof will vary from 110 to 160 proof, depending on the product to be manufactured. For the rum aging process to take place, the alcohol concentration must be reduced.

The raw rum is fed from the dilution tanks to the casks/barrels/barrelss through feeding cups with nozzles in the filling station. Casks/barrels are stored in the warehouse until they reach an appropriate age and are then emptied using vacuum pumps. The empty casks/barrels are kept in the filling station to be used again. Fugitive VOC emissions occur during the aging and the cask-emptying process and are characterized as annual emission factors by barrel and year. After the aged rum is emptied, measurement is carried out in the processing tanks. Several filtering processes are used during this process, including diatomaceous earth, silicates, and activated carbon. VOC emissions are generated in these tanks. The management of the filtering mediums does not generate particulate matter (PM₁₀) are generated because it is an enclosed operation.

The processed rum is pumped to the Bottling Plant. The bottles are vacuum/gravity filled in several filling stations that generate VOC emissions. The bottles are then labeled, packed and coded. VOC emissions are attributed to this process due to the glues and inks used in the bottling and packaging areas, but are considered to be insignificant.

The bottom sediment of the distillate goes to a disposal area where it is irrigated through a trench and/or treatment plant. DSI has a Pest Control Program developed by an entomologist that uses four different insecticides and whose application sequence depends on several factors. Only insecticides that have been approved by the corresponding agencies are used. The existing boiler is used for steam generation. It burns No.6 fuel (Bunker C), which is stored in two storage tanks, a 20,000-gallon capacity tank for the fuel to be used during the daytime (day tank) and a second 100,000-gallon capacity AGST.

Combustion is controlled through good manufacturing practices, and burnt fuel emissions will be present in the gases released through the stack (sulfur dioxide - SO₂, nitrogen oxides - NOx, carbon monoxide – CO, and particulate matter - PM₁₀).

Section II - Description of the Emission Units

The emission units regulated by this permit are divided into three groups:

- 1) **EU001** – Above Ground Storage Tanks (AGST) and flanges.
- 2) **EU002** – Valves and Botlling Lines.
- 3) **EU003** – 60.33 MMBtu/hr capacity Nebraska boiler.

EU001		
Emission Unit ID	Description	Control Equipment
EP-001	HIGH PROOF CISTERN - 14 A (AGST)	Fixed Roof
EP-002	HIGH PROOF CISTERN - 14 R (AGST)	Fixed Roof
EP-003	HIGH PROOF CISTERN - 16 A (AGST)	Fixed Roof
EP-004	HIGH PROOF CISTERN - 15 R (AGST)	Fixed Roof
EP-005	HIGH PROOF CISTERN - 1 A (AGST)	Fixed Roof
EP-006	HIGH PROOF CISTERN - 1 D (AGST)	Fixed Roof
EP-007	HIGH PROOF CISTERN - 2 D (AGST)	Fixed Roof
EP-008	HIGH PROOF CISTERN - 2 RB (AGST)	Fixed Roof
EP-009	HIGH PROOF CISTERN - 3 D (AGST)	Fixed Roof
EP-010	HIGH PROOF CISTERN - 3 RY (AGST)	Fixed Roof
EP-011	HIGH PROOF CISTERN - 4 R (AGST)	Fixed Roof
EP-012	PROCESS CHAMBER HORIZONTAL TANK No. 6 (AGST)	Fixed Roof
EP-013	PROCESS CHAMBER HORIZONTAL TANK No. 7 (AGST)	Fixed Roof
EP-014	PROCESS CHAMBER HORIZONTAL TANK No. 32 PISO 1 (AGST)	Fixed Roof
EP-015	PROCESS CHAMBER HORIZONTAL TANK No. 32 PISO 2 (AGST)	Fixed Roof
EP-016	PROCESS CHAMBER HORIZONTAL TANK No. 33 PISO 1 (AGST)	Fixed Roof

EU001		
Emission Unit ID	Description	Control Equipment
EP-017	PROCESS CHAMBER HORIZONTAL TANK No. 33 PISO 2 (AGST)	Fixed Roof
EP-019	RECTIFICATION PLANT No. 1 (AGST)	Fixed Roof
EP-020	RECTIFICATION PLANT No. 2 (AGST)	Fixed Roof
EP-021	RECTIFICATION PLANT No. 3 (AGST)	Fixed Roof
EP-022	RECTIFICATION PLANT No. 7 (AGST)	Fixed Roof
EP-023	RECTIFICATION PLANT No. 8 (AGST)	Fixed Roof
EP-024	RECTIFICATION PLANT No. 9 (AGST)	Fixed Roof
EP-025	RECTIFICATION PLANT No. 10 (AGST)	Fixed Roof
EP-026	RECTIFICATION PLANT No. 11 (AGST)	Fixed Roof
EP-027	RECTIFICATION PLANT No. 12 (AGST)	Fixed Roof
EP-028	RECTIFICATION PLANT No. 16 (AGST)	Fixed Roof
EP-029	RECTIFICATION PLANT No. 17 (AGST)	Fixed Roof
EP-030	RECTIFICATION PLANT No. 18 (AGST)	Fixed Roof
EP-031	RECTIFICATION PLANT No. 20 (AGST)	Fixed Roof
EP-032	RECTIFICATION CHAMBER - SECTOR II HORIZONTAL TANK # 14 (AGST)	Fixed Roof
EP-033	RECTIFICATION CHAMBER - SECTOR II HORIZONTAL TANK #15 (AGST)	Fixed Roof
EP-034	RECTIFICATION CHAMBER - SECTOR II HORIZONTAL TANK #17 (AGST)	Fixed Roof
EP-035	RECTIFICATION CHAMBER - SECTOR II HORIZONTAL TANK #18 (AGST)	Fixed Roof
EP-036	RECTIFICATION CHAMBER - SECTOR II HORIZONTAL TANK #11 (AGST)	Fixed Roof
EP-037	WINE PLANT No. 12 (AGST)	Fixed Roof
EP-039	MIXING AREA No. 1 (AGST)	Fixed Roof
EP-040	MIXING AREA No. 2 (AGST)	Fixed Roof
EP-041	MIXING AREA No. 3 (AGST)	Fixed Roof
EP-042	MIXING AREA No. 4 (AGST)	Fixed Roof

EU001		
Emission Unit ID	Description	Control Equipment
EP-043	MIXING AREA No. 5 (AGST)	Fixed Roof
EP-044	MIXING AREA No. 8 (AGST)	Fixed Roof
EP-045	MIXING AREA No. 9 (AGST)	Fixed Roof
EP-046	MIXING AREA No. 10(AGST)	Fixed Roof
EP-047	MIXING AREA No. 13 (AGST)	Fixed Roof
EP-048	MIXING AREA No. 14 (AGST)	Fixed Roof
EP-049	MIXING AREA No. 15 (AGST)	Fixed Roof
EP-050	MIXING AREA No. 16 (AGST)	Fixed Roof
EP-051	EXTERIOR ANEX BARREL YARD No. 1 (AGST)	Fixed Roof
EP-052	EXTERIOR ANEX BARREL YARD No. 2 (AGST)	Fixed Roof
EP-053	EXTERIOR ANEX BARREL YARD No. 3 (AGST)	Fixed Roof
EP-054	EXTERIOR ANEX BARREL YARD No. 4 (AGST)	Fixed Roof
EP-055	EXTERIOR ANEX BARREL YARD No. 5 (AGST)	Fixed Roof
EP-056	EXTERIOR ANEX BARREL YARD No. 6 (AGST)	Fixed Roof
EP-057	EXTERIOR ANEX BARREL YARD No. 7 (AGST)	Fixed Roof
EP-058	EXTERIOR ANEX BARREL YARD No. 14 (AGST)	Fixed Roof
EP-059	EXTERIOR ANEX BARREL YARD No. 15 (AGST)	Fixed Roof
EP-060	LOW PROOF CISTERN - 10A (AGST)	Fixed Roof
EP-061	LOW PROOF CISTERN - 11A (AGST)	Fixed Roof
EP-062	LOW PROOF CISTERN - 12A (AGST)	Fixed Roof
EP-063	LOW PROOF CISTERN - 13A (AGST)	Fixed Roof
EP-064	HIGH PROOF CISTERN - 3A (AGST)	Fixed Roof
EP-065	HIGH PROOF CISTERN - 4A (AGST)	Fixed Roof

EU001		
Emission Unit ID	Description	Control Equipment
EP-066	HIGH PROOF CISTERN - 5A (AGST)	Fixed Roof
EP-067	HIGH PROOF CISTERN - 5R (AGST)	Fixed Roof
EP-068	HIGH PROOF CISTERN - 6A (AGST)	Fixed Roof
EP-069	HIGH PROOF CISTERN - 6R (AGST)	Fixed Roof
EP-070	HIGH PROOF CISTERN - 7A (AGST)	Fixed Roof
EP-071	HIGH PROOF CISTERN - 8A (AGST)	Fixed Roof
EP-072	HIGH PROOF CISTERN - 9A (AGST)	Fixed Roof
EP-074	FLANGES	None

EU002		
Emission Unit ID	Description	Control Equipment
EP-075	VALVES	None
EP-076	BOTTLING LINE A	None
EP-077	BOTTLING LINE B	None
EP-078	BOTTLING LINE C (RUM)	None
EP-079	BOTTLING LINE D (RUM)	None
EP-080	BOTTLING LINE II (RUM)	None
EP-081	BOTTLING LINE IV (RUM)	None
EP-082	BOTTLING LINE V (RUM)	None
EP-083	BOTTLING LINE III (RUM)	None
EP-084	BOTTLING LINE I (WINE & CORDIALS)	None
EP-085	BOTTLING LINE II (WINE & CORDIALS)	None
EP-086	BOTTLING LINE III (WINE & CORDIALS)	None
EP-087	BOTTLING LINE IV (WINE & CORDIALS)	None
EP-088	BOTTLING LINE V (WINE & CORDIALS)	None
EP-089	BOTTLING LINE I (ALCOHOLADO)	None

EU003		
Emission Unit ID	Description	Control Equipment
EP-090	NEBRASKA BOILER CAPACITY: 60.3 MM Btu/hr FUEL BURNED: FUEL OIL #6 (%S _{max} =1.7) MAXIMUM CONSUMPTION: <u>2,182,250</u> <u>gals/year</u>	None

Section III - General Conditions of the Permit

1. **Sanctions and Penalties:** The permit holder shall be obliged to comply with all the terms, conditions, requirements, limitations, and restrictions established in this permit. Any violation of the terms of this permit shall be subject to administrative, civil or criminal measures, as established under Article 16 of the Environmental Public Policy Act, (Public Law Number 416 of September 22, 2004, as amended).
2. **Right of Entry:** Pursuant to the provisions of Rules 103 and 603(c)(2) of the RCAP, the permit holder shall grant access to EQB representatives to its facilities, upon presentation of credentials, to perform the following:
 - a) Enter upon any premises where an emission source is located, or where atmospheric emission-related activities are conducted, or where records must be kept under the conditions of the permit, the agreement with the RCAP, or the US Clean Air Act;
 - b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit, the agreement with the RCAP or the US Clean Air Act;
 - c) Inspect and examine any facilities, equipment (including monitoring equipment and air pollution control equipment), practices or operations (including methods used for quality control) regulated or required under the permit, and perform emission and fuel sampling;
 - d) As authorized by the Act and the Regulations, sample at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.
3. **Sworn Statement:** All reports required pursuant to Rule 103(D) of the RCAP (to wit, semiannual sampling reports and annual certification of compliance), shall be submitted together with a sworn statement or affidavit of the Responsible Official or authorized representative. Such sworn statement shall attest to the truthfulness, correctness, and completeness of such records and reports.
4. **Data Availability:** As provided by rule 104 of the RCAP, all emissions data obtained by or submitted to the EQB, including data reported pursuant to Rule 103 of the RCAP, and any

data otherwise obtained, shall be available for public inspection and may also be made available to the public in any additional ways that the EQB may deem appropriate.

- 5. Emergency Plan:** Pursuant to Rule 107 (B) of the RCAP, the permit holder shall have an Emergency Plan available, which must be consistent with adequate safety practices, and which provides for the reduction or retention of facility emissions during periods classified by the EQB as alerts, warnings, or emergencies. These plans will identify the source of the emission, include the reduction to be achieved for each source and the means by which such reduction will be accomplished. These plans will be available for inspection by any authorized EQB representative, at any time.

- 6. Certification of Compliance:** Pursuant to Rule 112(B) and 603 (c)(5) of the RCAP, the permit holder must submit, both to the EQB and the EPA², a certification of compliance on **April 1st** of each year, including the real emission calculations for the previous year. The Certification of Compliance must include, but not be limited to:
 - a) identification of the applicable requirement that is the basis of the certification;
 - b) the method used to determine the compliance status of the source;
 - c) the compliance status;
 - d) whether compliance is continuous or intermittent;
 - c) Such other facts as the EQB may require; and
 - d) for the purposes of paragraphs (b) and (d) of this section, the permit holder shall identify the methods or other means used to determine the compliance status with each term and condition during the certification period if said methods or other methods provide continuous or intermittent data. If necessary, the permit holder shall identify any other relevant information that should be included in the certification in order to comply with section 113(c)(2) of the Act, which prohibits knowingly making a false certification or omitting relevant information. For the purposes of paragraphs (c) of this section the permit holder shall identify each deviation and take it into consideration in the certification of compliance.

- 7. Regulatory Compliance:** Pursuant to Rule 115 of the RCAP, in case of infraction of the RCAP or any other applicable rule or regulation, the EQB may suspend, modify or revoke any relevant permit, approval, variance or other authorization issued by the EQB.

2 The EQB certification must be addressed to: Manager, Air Quality Area, Box 11488, Santurce, PR 00910. The EPA certification must be addressed to: Chief, Enforcement and Superfund Branch CEPD, US EPA – Region II, Centro Europa Building, 1492 Ponce de Leon Ave. Stop 22, Santurce PR 00909.

- 8. Location Approval:** Pursuant to Rule 201 of the RCAP, nothing in this permit shall be construed as authorizing the location or construction of a major stationary source, or the significant modification of a major stationary source, without first obtaining the approval of the EQB, and without showing compliance with the National Ambient Air Quality Standards (NAAQS). This permit does not authorize the construction of a new minor source without first obtaining a construction permit as provided under Rule 203 of the RCAP.
- 9. Open Burning:** Pursuant to Rule 402 of the RCAP, no permit holder shall cause or permit the open burning of refuse in the premises as provided in paragraph (E) of said rule. Rule 402 of the RCAP shall not apply to open burning for the purposes of:
- a) Training or research of fire fighting techniques when conducted at an institutionalized training center, as previously approved by the Board.
 - b) The melting of tar, or other materials to be used in repair or construction work provided that these operations are in compliance with Rule 424 of these regulations.
 - c) Campfires and other fires used solely for recreational or ceremonial purposes or for outdoor preparation of food.
- 10. Objectionable odors:** Pursuant to Rule 420 of the RCAP, no permit holder shall cause or permit the emission to the atmosphere of matter that produces *objectionable or disagreeable* odors that can be perceived in an area other than that designated for industrial purposes. [State enforceable condition only].
- 11. Permit Renewal Applications:** Pursuant to Rule 602(a)(1)(iv) of the RCAP, the permit holder shall submit a permit renewal application to the EQB at least 12 months prior to its expiration date. The responsible official shall certify each of the forms required pursuant to paragraph (c)(3) of Rule 602 of the RCAP.
- 12. Permit Duration:** Pursuant to Rule 603 of the RCAP, the following terms shall govern for the duration of this permit:
- a) Expiration: This authorization shall have a fixed term of five (5) years from its Effective Date. The expiration date shall be automatically extended until the EQB approves or denies an application for renewal only when the permit holder submits a complete renewal application at least twelve (12) months prior to the expiration date; [Rules 603 (a)(2), 605 (c)(2), 605 (c)(4) of the RCAP.]
 - b) Permit Shield: Pursuant to Rule 605(c)(4)(i) of the RCAP, the permit shield may be extended beyond the original permit term until the permit renewal has been issued, only if a complete renewal has been submitted on time.
 - c) Should the permit be challenge by third parties, the permit shall remain in effect until a court of justice with jurisdiction revokes it.

13. Recordkeeping Requirements: Pursuant to Rule 603(a)(4)(ii) of the RCAP, the permit holder must keep records of all required monitoring data and support information for 5 years from the date of the sampling, measurement, report or sampling application.

14. Sampling Reporting Requirements: Pursuant to Rule 603(a)(5)(i) of the RCAP, the permit holder must submit reports of any required monitoring every six (6) months, or more frequently if required by the EQB or any other applicable requirement. All instances of deviations from permit requirements must be clearly identified in such reports. All required reports must be certified by a responsible official, consistent with Rule 602(c)(3) of the RCAP.

15. Reporting of Deviations Due to Emergency: Pursuant to Rule 603(a)(5)(ii) of the RCAP, any deviation attributable to upset conditions (such as sudden failure or rupture) or emergency as defined in Rule 603(e) of the RCAP must be reported within 2 working days. Said notification may be used as an affirmative defense should any action be brought against the permit holder. If the permit holder asserts the emergency defense in an action for compliance, the permit holder shall have the burden of proof to show that the deviation was a result of an emergency and that the Board was adequately notified. If such deviation for emergency were to extend beyond twenty-four (24) hours, the affected units may be operated until the end of the cycle or forty-eight (48) hours, whichever comes first. The Board may only extend the operation of an existing source of emission beyond 48 hours if the source were to show, to the Board's Satisfaction, that the National Ambient Air Quality Standards (NAAQS) would not be exceeded and they would not constitute a risk to public health.

16. Affirmative Defense of Emergency: Pursuant to Section (e) (3) of Rule 603 of the RCAP, the affirmative defense of **emergency**, as defined in Section (e) (1) of said rule, shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:

- a) an emergency occurred and that the permittee can identify the cause(s) of the emergency;
- b) the permitted facility was being properly operated at the time;
- c) during the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and
- d) the permittee submitted notice of the emergency to the Board within two (2) working days of the time when emission limitations were exceeded due to the emergency. This notice fulfills the requirements of paragraph (a)(5)(ii) of Rule 603. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

17. Notification of Deviations (Hazardous Air Pollutants): The source shall act as stipulated in its Emergency Response Plan (established in Rule 107 (C)), when said plan has

demonstrated that there is no significant impact in premises other than those designated for industrial use or cease immediately to operate if there is a significant impact in properties other than those designated for industrial purposes. (State enforceable condition only.) Pursuant to Rule 603 (a)(5)(ii)(b) of the RCAP, the Board shall be notified within 24 business hours of any deviation that results in a release of emissions of hazardous air pollutants that continues for more than one hour in excess of the applicable limit. In case of a release of any regulated air pollutant that continues for more than 2 hours in excess of the applicable limit, the Board shall be notified within 24 business hours of the deviation. Destilería Serrallés, Inc. shall, also, within 7 calendar days, submit to the EQB a written detailed report including the probable causes, time and duration of the deviation, remedial action taken, and steps that are being undertaken to prevent a reoccurrence.

- 18. Severability Clause:** Pursuant to Rule 603(a)(6) of the RCAP, the permit clauses are severable. In the event of a successful challenge to any part of the permit in an administrative or judicial forum, or should any of the clauses of the permit be declared invalid, said determination shall not affect the remaining clauses herein, including those that deal with emission limits, terms and conditions, whether specific or general, and sampling requirements, and maintenance of records and reports.
- 19. Noncompliance with the Permit:** Pursuant to Rule 603(a)(7)(i) of the RCAP, the permit holder must comply with all the conditions of the permit. Any permit noncompliance constitutes a violation of the Regulations and shall be grounds for enforcement action, sanctions, revocation, termination, modification, and reissue of the permit, or for denial of a permit renewal application.
- 20. Non-permissible Defense:** Pursuant to Rule 603(a)(7)(ii) of the RCAP, the permit holder may not allege as defense in an enforcement action, that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit.
- 21. Modification and Revocation of the Permit:** Pursuant to Rule 603(a)(7)(iii) of the RCAP, the permit may be modified, revoked, reopened, reissued or terminated for cause. The filing of a request by the permit holder for a permit modification, revocation and reissue or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit conditions.
- 22. Property Rights:** Pursuant to Rule 603(a)(7)(iv) of the RCAP, this permit does not create or convey any property rights of any sort, or any exclusive privilege.
- 23. Obligation to Furnish Information:** Pursuant to Rule 603(a)(7)(v) of the RCAP, the permit holder must furnish the EQB, within a reasonable time, any information that the EQB may request to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permit holder shall also furnish to the EQB copies of the records required to be kept by the permit.

- 24. Change of Operating Scenario:** Pursuant to Rule 603(a)(10) of the RCAP, the permit holder shall, contemporaneously with making a change from one operating scenario to another, record in a log the scenario under which it is operating. This record shall be kept in the facilities at all times.
- 25. Final Action:** Pursuant to Rule 605(d) of the RCAP, no permit shall be deemed issued by default as a result of the EQB's failure to take final action on a permit application within eighteen (18) months. The EQB's failure to issue a final permit within 18 months should be treated as a final action solely for the purpose of obtaining judicial review in state court.
- 26. Administrative Amendments and Permit Modifications:** Pursuant to Rule 606 of the RCAP, no amendments or changes that qualify as permit revisions may be made to the permit without first complying with the administrative amendments and permit modifications requirements established by the RCAP.
- 27. Permit Reopening:** Pursuant to Rule 608(a)(1) of the RCAP, the permit must be reopened and reviewed for any of the following circumstances:
- a) When additional requirements under any law or regulation become applicable to the permit holder with a remaining permit term of three (3) or more years. Such a reopening shall be completed 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions has been extended pursuant to Rule 605(c)(4)(i) or 605(c)(4) (ii) of the RCAP.
 - b) When the EQB or the EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emission standards or other terms or conditions of the permit.
 - c) When the EQB or the EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements.
- 28. Change of Name or Ownership:** This permit is issued to **Destilería Serrallés, Inc.** Should the name of the company or facility change, or should it be transferred to a different owner, the new responsible official must submit a sworn statement accepting and agreeing to comply with all the conditions established in this permit.
- 29. Renovation / Demolition Activities:** The permit holder must comply with the provisions under 40 CFR 61.145 and 61.150 and Rule 422 of the RCAP when carrying out any renovation or demolition in its facilities.
- 30. Compliance Clause:** Compliance with the permit shall in no way exempt the permit holder from complying with all other state and federal laws, regulations, permits, administrative orders or applicable judicial decrees.

31. Calculation of Emissions: On or before April 1st of each year, the permit holder shall send the estimate of real or permissible emissions for the previous calendar year. The estimate of emissions shall be provided in the forms prepared by the EQB for such purposes. The responsible official will certify that all the information submitted is correct, true and representative of the permitted activity. On June 30 of each year, or earlier, the permit holder shall pay for the emissions of the previous calendar year.

32. Risk Management Plan: If during the effective date of this permit, the permit holder were subject to 40 CFR Part 68, said permit holder must submit a Risk Management Plan in accordance with the schedule of compliance in 40 CFR Part 68.10. If during the effectiveness of this permit, the permit holder were subject to 40 CFR Part 68, as part of the annual certification of compliance required under 40 CFR 70, said permit holder must include a certification of compliance with the requirements of Part 68, including recordkeeping and Risk Management Plan. The permit holder must comply with the general obligation requirements of section 112(r)(1) of the act as follows:

- a) Identify the risks that may result in accidental leaks using appropriate risk evaluation techniques.
- b) Design, maintain, and operate a safe facility.
- c) Minimize the consequences of accidental leaks, should they occur.

33. Refrigerant Requirements (Climate Protection and Protection of Stratospheric Ozone):

- a) Should the permit holder have cooling equipment or small cooling appliances in its installations, including air conditioners, that use refrigerants with Class I or II rating under 40 CFR Part 82, Subpart A, Appendices A and B, it must provide maintenance, service or repair according to the practices, personnel certification requirements, disposal requirements, and certification of recycling and recovery equipment pursuant to 40 CFR Part 82, Subpart F. Owners or operators of devices or equipment normally containing 50 or more pounds of refrigerant must keep records of refrigerant purchases and the refrigerant added to such appliances pursuant to §82.166.
- b) Servicing of Motor Vehicles: The permit holder must comply with all applicable requirements under 40 CFR 82 Subpart B, Servicing of Motor Vehicle Air Conditioners, if the permit holder repairs a motor vehicle air conditioner involving refrigerant substances (or regulated substitute substances) that affect the ozone layer. The term motor vehicle, as used in Subpart B, does not include compressed air cooling systems used as refrigerated cargo or systems using HCFC-22 refrigerant used on passenger buses.

34. Fugitive Emissions of Particulate Matter: Pursuant to Rule 404 of the RCAP, no permit holder shall cause or permit:

- a) any materials to be handled, transported or stored in a building or its appurtenances, or a road to be used, constructed, altered, repaired or demolished without taking reasonable precautions to prevent particulate matter from becoming airborne.
- b) visible emissions of fugitive dust beyond the boundary line of the property on which the emissions originate.

35. Control Equipment: The permit holder shall comply with Rule 108 of the RCAP, as follows:

- a) All air pollution control equipment or control measure shall provide the control needed for continuous compliance with applicable rules and regulations. Such equipment or measures shall be installed, maintained, and operated according to those conditions imposed by this Title V Permit, within the operational limits specified by the manufacturer.
- b) The material collected from the air pollution control equipment shall be disposed of in accordance with applicable rules and regulations. The removal, handling, transport, storage, treatment or disposal shall be done in such a way that it will not produce environmental degradation, and in accordance with applicable rules and regulations.
- c) The EQB may require the installation and maintenance of additional, complete, and separate air pollution control equipment of a capacity equal to the capacity of the primary control equipment, when deemed appropriate to safeguard the health and welfare of human beings. Furthermore, the Board may require that such additional air pollution control equipment be operated continuously and together with the air control equipment regularly required.
- d) All air pollution control equipment shall be operated at all times when the source being controlled is in operation.
- e) In case of a shutdown of air pollution control equipment for the necessary scheduled maintenance, the Board shall be informed of the intention to shut down such equipment, at least three days prior to the planned shutdown. Such prior notice shall include, but is not limited to:
 - (1) Identification of the specific source to be removed from service, including its location and permit number.
 - (2) The expected length of time that the air pollution control equipment will be out of service.
 - (3) The nature and quantity of the air pollutants that are likely to be emitted during the control equipment shutdown period.

- (4) Special measures to be taken to minimize the duration of the control equipment shutdown period, such as the use of irregular personnel and additional equipment.
- (5) The reasons why it will be impossible or impractical to shut down the operations of the source during the repair period.
- f) To the extent possible, any affected source and associated air pollution control equipment shall be maintained and operated, at all times, including startup, shutdown and malfunction periods in a manner that is consistent with the original manufacturer's design specifications, and in compliance with applicable rules and regulations and permit conditions.
- g) The permit holder shall keep copies of the monthly calibration and inspections reports of all control equipment such as dust collectors and gas scrubbers. The permit holder shall maintain a record of all control equipment shutdown incidents if processes continue to operate. Said records must be available to EQB personnel, if required.

36. Annual Fee: The permit holder shall submit an annual payment based on real emissions of regulated pollutants at a rate of \$37.00 per ton unless the Board determines a different fee based on the provisions of Rule 610(b)(2)(iv) of the RCAP. Payment shall be made on June 30 of each year or earlier.

37. Emergency Electric Generators

- a) The operation of each electric generator identified as insignificant activity is limited to 500 hours per year.
- b) The permit holder shall keep a record of the hours of operation and fuel use of each generator. This record shall be available for inspection by Board and EPA personnel.

38. Weatherproofing of Roof Surfaces: Pursuant to Rule 424 of the RCAP, the permit holder shall not cause or permit hot tar or any other weatherproofing material containing organic compounds to be applied without the prior authorization of the Board. The use of used oils or hazardous wastes for weatherproofing is prohibited.

- a) Such activity could be performed after the submittal to the Board of an application to operate an emission source, and which shall include but not be limited to, the following:
 - (1) Copy of the license or permit issued by the state or municipal Regulations and Permits Administration (ARPE, Spanish acronym), Department of State or the Public Service Commission.
 - (2) Copy of the Materials Safety Data Sheet (MSDS) of the components of the tar or any other material used in the roof surface coating.
 - (3) Complete and sworn permit application form.

- (4) Initial and final date and time of the material coating activities in roof surface.
 - (5) Location map of the area where the structure or surface is located including nearby buildings.
 - (5) Description of the combustion equipment, fuel used and photos of such equipment, if any such equipment is in use.
- b) When the request is for the application of hot tar or similar materials using a combustion device for heating the tar or similar material during working hours and in a radius of 200 meters from any school, senior citizen center, day care center, hospital or church, a written endorsement must be obtained from the officials of the school, church, hospital, etc. prior to beginning the activity. Such endorsement must be submitted with the permit application.
 - c) These requirements shall also apply to any activity where isolating materials containing asbestos are used. In such cases, the applicant must provide to the Board, evidence that qualifies the applicant to manage such materials and evidence that such activity has been notified to the owners of the building or structure. The activity performed with materials containing asbestos must comply with the applicable requirements of Rule 422 of the RCAP.
 - d) These requirements shall not apply to activities where tar or isolating material is applied without heat and such material is asbestos-free.
- c) At the beginning of each month, the EQB will be provided a list of the weatherproofing activities that includes, but is not limited to, information regarding the following:
 - (1) Physical address of the site where the activity will be performed.
 - (2) Startup date of the activity and the time it will require.
 - (3) Estimated quantity of weatherproofing material to be applied.
 - (4) Name of the persons and/or owners of the site where the weatherproofing material will be applied.
 - (5) Method to be used to notify schools, senior citizen center, day care center, hospital or church.
 - (6) Working hours for the application of the weatherproofing material.

39. Reservation of Rights or Reserved Rights: Except as expressly provided in this Title V permit:

- a) Nothing herein shall bar the Board or the EPA from taking administrative or legal action to enforce the terms of the Title V permit, including, but not limited to, the right to request an injunction and impose statutory penalties and fines.
- b) Nothing herein shall be construed as a limitation of the rights of the Board or the EPA to take any criminal action against the permit holder or any other person.
- c) Nothing herein shall be construed as a limitation of the authority of the Board or the EPA to take any action in response to conditions that constitute a substantial and imminent danger to the health or well being of the public or the environment.
- d) Nothing herein shall be construed as a limitation of the right of the permit holder to an administrative hearing and judicial review of a termination/ revocation/ denial action pursuant to the Environmental Public Policy Act and Regulations.

40. Source Modification Without A Permit Revision: According to Rule 607 of the RCAP, Destilería Serrallés, Inc. may perform:

(a) Source Changes

(1) Permitted sources may make Section 502(b)(10) changes without requiring a permit revision, if the changes are not modifications under any provision of Title I of the Act and the changes do not exceed the emissions allowable under the permit (whether expressed therein as a rate of emissions or in terms of total emissions).

(i) For each such change, the facility must provide the Administrator and the Board with written notification in advance of the proposed changes, which shall be seven (7) days. The written notification shall include a brief description of the change within the permitted facility, the date on which the change will occur, any change in emissions, and any permit term or condition that is no longer applicable as a result of the change. The source, the Board, and EPA shall attach each such notice to their copy of the relevant permit.

(ii) The permit shield described in paragraph (d) of Rule 603 shall not apply to any change made pursuant to section (a)(1) of Rule 607.

(2) Permitted sources may trade increases and decreases in emissions in the permitted facility for the same pollutant, where the permit provides for such emissions trades without requiring a permit revision and based on the 7-day notice prescribed in section (a)(2) of Rule 607. This provision is available in those cases where the permit does not already provide for such emissions trading.

- (i) Under paragraph (a)(2) of Rule 607, the written notification required shall include such information as may be required by the provision in the Puerto Rico State Implementation Plan (PR-SIP) authorizing the emissions trade, including when the proposed change will occur, a description of each such change, any change in emissions, the permit requirements with which the source will comply using the emissions trading provisions of the PR-SIP, and the pollutants emitted subject to the emissions trade. The notice shall also refer to the provisions with which the source will comply in the PR-SIP and that provide for the emissions trade.
 - (ii) The permit shield described in paragraph (d) of Rule 603 shall not extend to any change made under section (a)(2) of Rule 607. Compliance with the permit requirements that the source will meet using the emissions trade shall be determined according to requirements of the applicable implementation plan authorizing the emissions trade.
 - (3) If a permit applicant requests it, the Board shall issue permits that contain terms and conditions (including all terms required under sections (a) and (c) of Rule 603 to determine compliance) allowing for the trading of emissions increases and decreases in the permitted facility solely for the purpose of complying with a federally-enforceable emissions cap. Such a cap must be established in the permit independent of otherwise applicable requirements. The permit applicant shall include in its application proposed replicable procedures and permit terms that ensure the emissions trades are quantifiable and enforceable. The Board shall not be required to include in the emissions trading provisions any emissions units for which emissions are not quantifiable or for which there are no replicable procedures to enforce the emissions trades. The permit shall also require compliance with all applicable requirements.
 - (i) Under section (a)(3) of Rule 607, the written notification required shall state when the change will occur and shall describe the changes in emissions that will result and how these increases and decreases in emissions will comply with the terms and conditions of the permit.
 - (ii) The permit shield described in paragraph (d) of Rule 603 may extend to terms and conditions that allow such increases and decreases in emissions.
- (b) **Off-permit Changes.** The Board may allow changes that are not addressed or prohibited by the permit and/or State Law.
 - (1) A permitted facility may make changes without obtaining a permit revision if such changes are not addressed or prohibited by the permit, other than those described in paragraph (c) of Rule 607.

- (i) Each such change shall meet all applicable requirements and shall not violate any existing permit term or condition.
- (ii) Sources must provide contemporaneous written notice to the Board and EPA of each such change, except for changes that qualify as insignificant under paragraph (c)(1) of Rule 602. Such written notice shall describe each such change, including the date, any change in emissions, pollutants emitted and any applicable requirement that would apply because of the change.
- (iii) The change shall not qualify for the shield under paragraph (d) of Rule 603.
- (iv) The permittee shall keep a record describing changes made at the source that result in emissions of a regulated air pollutant subject to an applicable requirement, but not otherwise regulated under the permit, and the emissions resulting from those changes.

(c) A permitted facility cannot make changes without a permit revision if such changes are modifications under any provision of Title I of the Act.

41. (a) Destilería Serrallés, Inc. may make changes under section 502(b)(10) of the Act without requiring a permit revision if such changes:

- (1) are not modifications under any provision of Title I of the Act,
- (2) do not exceed the allowable emissions under the permit,
- (3) do not result in the emission of any pollutant not previously emitted,
- (4) do not violate any applicable requirement or contravene federally enforceable terms and permit conditions such as monitoring (including test methods), recordkeeping, reporting and compliance certification requirements,
- (5) are not changes under Title I of the Act to an emission limit, a work practice or a voluntary emissions cap.

(b) The Rule 203 of the RCAP is required for any construction or modification of an emission source, except if it is exempted under Rule 206 of the RCAP. For purposes of Part II of the RCAP, a modification is defined as any physical change in, change in the method of operation or a change in type of fuel used of an existing stationary source, that would result in a net increase in that stationary source's potential to emit any air pollutant (subject to any standard), or which results in the emission of any pollutant (subject to an standard) not previously emitted. A physical change shall not include routine maintenance, repair and the replacement of any equipment having the same capacity, equal efficiency or greater environmental benefit to be used for the same purpose.

- (c) The written notification addressed in condition 40(a)(1)(i) refer to changes covered under condition 40(a)(1).
- (d) Any emission trading as provided in the condition 40(a)(2) above will not be authorized if the facility does not provide the reference to the PR-SIP provisions authorizing such emissions trading.
- (e) If Destilería Serrallés, Inc. requests so, the Board may allow the emission trading in the facility solely for the purpose of complying with a federally enforceable emissions cap. The application shall be based in replicable procedures and shall include permit terms that ensure the emission trades are quantifiable, replicable and enforceable.
- (f) Off- permit will not be exempt from complying with the requirements and procedures of Rule 203 of the RCAP, if applicable.

Section IV-Potential Emissions and Emission Limits for Sulfur Dioxide for the Project of Nebraska (EP-090) Boiler

A. The emissions described on the following table represent the facility potential emissions at the moment of the permit application and will be used only for payment purposes. According to Resolution R-97-47-1, the emission calculations shall be based on Destilería Serrallés Inc. actual emissions, although calculations based on the facility permissible emissions will be accepted. If Destilería Serrallés Inc. decides to perform the calculations based on permissible emissions, Destilería Serrallés, Inc. shall pay the same charge per ton as the facilities that decides to do the calculations based on actual emissions. Also, when Destilería Serrallés, Inc. applies for a modification, administrative change or minor modification to its Title V permit, the source will pay only those charges related with any emission increase (if any) per ton, based on the change and not based on the total fees paid previously according to Rule 610(a) of the RCAP.

<u>Pollutants</u>	<u>Emission Limits [tons/yr]</u>
<u>PM₁₀</u>	<u>11.73</u>
<u>NO_x</u>	<u>77.02</u>
<u>CO</u>	<u>7.00</u>
<u>VOC</u>	<u>482.56</u>

B. Emission Limits for Sulfur Dioxide for the Project of the Nebraska Boiler (EP-090):

1. According to the permit PFE-58-0292-0217-II-C, Destilería Serrallés, Inc. shall not exceed the emission limits described as follows in any consecutive 365 days. The emissions of any consecutive 365 days period shall be calculated by adding the emissions of the unit EP-090 to the total emissions of the unit during the previous 364 days.

<u>Pollutants</u>	<u>Emission Limits (tons/yr)</u>
<u>SO₂</u>	<u>285.82</u>

Section V- Permit Provisions and Conditions

This section contains the specific enforceable permit conditions as regards the applicable requirements and the methods to show compliance. The tables below contain a summary of the applicable requirements together with the methods required to show compliance for all emission units identified in Section I of this permit.

A) EP-090: 60.3 MM Btu/hr Nebraska Boiler burning fuel #6

Condition	Parameter	Value	Units	Testing Method	Method Frequency	Recordkeeping Requirements	Reporting Frequency
Particulate matter emission limit	Particulate Matter	0.3	Pounds per million Btu heat input	Method 5	Once during the first year of the permit	Sampling protocol record, support data and final report.	<u>Sampling Protocol</u> : 30 days before beginning the test. <u>Final Report</u> : No later than 60 days from the day of sampling
Visible Emissions	<u>Opacity</u>	20	Six (6) minute in period of averaging percent	Method 9 Inspection of visible emissions	Once during the first year of the permit <u>Weekly</u>	Record of opacity sampling reading Record of date and time of the inspections, results and corrective actions taken.	No later than 60 days from the day of sampling <u>Semiannual</u>
SO ₂ Emission limit	Sulfur Content	1.7	Percent by weight	Analysis of supplier fuel	With each purchase	Sulfur percentage and fuel analysis provided by the supplier	Monthly
Fuel consumption limit	Fuel No. 6	2,182,250	Gallons per year	Consumption through fuel flow meter	Monthly	Log	Semiannual

1- Particulate Matter Emission Limit:

- a) The permit holder shall not cause or permit the emission, from any fuel burning equipment burning solid or liquid fuel, of particulate matter in excess of 0.3 lb/MMBtu of heat input. [Rule 406 of the RCAP.]
- b) The permit holder shall perform a sampling during the first year of the permit to determine compliance with the PM standard using Method 5 of 40 CFR 60, Appendix A. [Rule 602 (c)(2)(ix)(C) of the RCAP.]
- c) Pursuant to Rule 603(a)(4)(ii) of the RCAP, the permit holder must retain records of all required monitoring data and support information for 5 years from the date of the sampling, measurement, report or sampling application.
- d) The permit holder shall submit a sampling protocol to the EQB (30) days prior to the start of the test. [Rule 106 (C) of the RCAP]
- e) The permit holder shall provide fifteen (15) days prior written notification of any sampling, to afford the EQB the opportunity to have an observer present. [Rule 106 (D) of the RCAP]
- f) The permit holder shall submit a final report within sixty (60) days after the performance of the sampling [Rule 106 (E) of the RCAP]] and shall include it in the annual certification required under general condition No. 5 of Section III in the year when the sampling was performed.

2- Visible Emissions Limit:

- a) The permit holder shall **not** exceed the **20%** opacity limit in a six-minute average. However, pursuant to Rule 403 (A) of the RCAP, it may discharge visible emissions of opacity of up to 60% for a period of no more than four (4) minutes in any consecutive thirty (30) minute interval. [Rule 403 of the RCAP]
- b) The permit holder shall hire an independent opacity reader, certified by a program approved by the EPA or the EQB to perform an opacity reading in the stack of the Nebraska boiler, during the first year of the permit using Method 9 of 40 CFR part 60, Appendix A.
- c) The permit holder shall submit a sampling protocol to the EQB 30 days prior to the start of the test. [Rule 106 (C) of the RCAP]
- d) The permit holder shall provide at least 15 days of prior written notification of any sampling, to afford the EQB the opportunity to have an observer present. [Rule 106 (D) of the RCAP].

- e) The permit holder shall submit a final report within sixty (60) days after the performance of the sampling. [Rule 106 (E) of the RCAP]
- f) The permit holder shall perform weekly visual opacity inspections during the daytime using a Visible Emissions Reader certified by a program approved by the EPA or the EQB. When a certified reader establishes that the opacity limit is being exceeded pursuant to Rule 403 of the RCAP, DSI must verify that the equipment and control equipment causing the visible emissions is operating as per manufacturing specifications and permit conditions. Should it not be operating adequately, corrective actions will immediately be taken to eliminate the excess opacity.
- g) The Board reserves the right to require additional visible emission readings in order to demonstrate compliance with the opacity reading.
- h) Pursuant to Rule 603(A)(4)(ii) of the RCAP, the permit holder must retain the records of all required monitoring data and support information for a period of five years from the date of the sampling, measurement, report or sampling application. This includes a record of the visible emission readings including the dates and times of the readings, and information regarding the corrective measures taken.

3- SO₂ Emission Limit (*Fuel sulfur content*):

- a) The permit holder shall **not** burn or allow the use of any fuel with per weight sulfur percent greater than **1.7%** in any equipment used to burn fuel. [PFE-58-0292-0217-II-C]
- b) Pursuant to Rule 603(A)(4)(ii) of the RCAP, the permit holder must retain records of all required monitoring data and support information for five (5) years from the date of the sampling, measurement, report or sampling application. This includes a record of the fuel consumption results, and sulfur content monthly reports, and sulfur content of the burned fuels.
- c) Pursuant to Rule 410(F) of the RCAP, during the first fifteen (15) days of the month following the reported month, the permit holder must submit a monthly report indicating daily fuel consumption and the percent sulfur content by weight of the burned fuels for the boiler.
- d) Each year the permit holder must file, together with the annual certification of compliance, a copy of the reports for that year indicating the fuel consumption, the percent per weight sulfur content of burned fuels, and the amount of SO₂ tons emissions per year. It must also file sampling reports that include the following:
 - 1) the date, place (as defined in the permit) and time the sample was taken;
 - 2) the date on which the analysis were made;

- 3) the company or entity who performed the analyses;
- 4) the analytical methods or techniques used;
- 5) the results of said analyses; and
- 6) operational conditions at the time the sample was taken.

4- Fuel Consumption Limit:

- a) The permit holder shall at no time exceed the consumption ratio limit for fuel No. 6 equal to 389 gallons per hour, for the 60.3 MM Btu/hr Nebraska boiler. [PFE-58-0292-0217-II-C]
- b) The permit holder shall **not** exceed the **2,182,250 gallons per year** No. 6 fuel consumption limit for any consecutive twelve (12) month period. Fuel consumption for any consecutive 12-month period shall be calculated by adding the monthly fuel consumption of the 60.3 MM Btu/hr Nebraska boiler to total fuel consumption during the previous eleven (11) months.
- c) The permit holder must install and operate flow meters for this boiler within the first 90 days that the permit is in effect. These flow meters must be calibrated every six months or following the manufacturer's recommendations.
- d) Pursuant to Rule 603(a)(4)(ii) of the RCAP, the permit holder must keep records of all required monitoring data and support information for five (5) years from the date of the sampling, measurement, report or sampling application. This includes a record of the monthly and annual fuel consumption reports and the results and the methodology used to calibrate the flow meters for every combustion unit. Monthly compliance is determined by adding total fuel consumption for the previous eleven (11) months.
- e) The permit holder must keep accessible in the facilities a monthly record of fuel consumption for the boiler (EP-090). It must also keep the results and the methodology used to calibrate the flow meters for said unit.
- f) Every year the permit holder must file copy of the monthly and annual fuel consumption reports for the boiler together with the annual certification of compliance.

B) Stationary Tanks

The following requirements are state enforceable only:

Condition	Parameter	Value	Units	Testing Method	Method Frequency	Recordkeeping Requirements	Reporting Frequency
VOC Emission limit	VOC (ethanol)	3	Lbs/hr	Emission calculations or exemption documentation	Annual	Emission calculations or exemption documentation	Annual
		15	Lbs/day				

EP-005 (High Proof Cistern / capacity: 51,700 gallons)

1- Emission Limits for VOC:

- a) Pursuant to Rule 419 of the RCAP, the permit holder shall not permit the emission of 3 lbs/hr or 15 lbs/day of volatile organic compounds from any item, machine, equipment or any other device unless it is provided with an adequate control system, pollution prevention and reduction mechanism or programs or both, as approved or required by the Board.
- b) The permit holder must provide an acceptable control system or else establish an emissions prevention and reduction program for these units no later than 180 days after this permit is granted.

Section VI – Insignificant Emission Units

The list below includes the storage tanks and activities that are considered to be **insignificant activities** based on their emission potential during facility operations. Given that it is not required to keep this list up-to-date, the activities may have suffered changes from the time when it was submitted.

Identification of the Emission Unit	Description	Exemption Criteria
Daily storage tank for Fuel No. 6 (EP-038)	20,000 gal. cap.	Appendix B (3)(ii)(P) of the RCAP
Storage tank for Fuel No. 6 (EP-073)	100,000 gal. cap.	Appendix B (3)(ii)(P) of the RCAP
Storage tank for LPG	< 500 lbs. (118 gals)	Appendix B (3)(ii)(N) of the RCAP
Storage tank for Fire Pump fuel	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Storage tank - Molasses	< 2 ton/yr	Appendix B (2) of the RCAP
Storage tank - Diesel	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Sulfuric Acid Tank	< 99% W	Rule 206 (B)(12)(a) of the RCAP
Aging Warehouse 3R	N/A	Rule 206 (B)(1) of the RCAP
Aging Warehouse 4	N/A	Rule 206 (B)(1) of the RCAP
Aging Warehouse 5	N/A	Rule 206 (B)(1) of the RCAP
Aging Warehouse 9R	N/A	Rule 206 (B)(1) of the RCAP
Aging Warehouse 11R	N/A	Rule 206 (B)(1) of the RCAP
Aging Warehouse 16R	N/A	Rule 206 (B)(1) of the RCAP
Aging Warehouse 20R	N/A	Rule 206 (B)(1) of the RCAP
High Proof Cistern 1R (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
High Proof Cistern 4D (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
High Proof Cistern 5D (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
High Proof Cistern 7R (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Vertical Process Chamber 1 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Vertical Process Chamber 2 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Vertical Process Chamber 3 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP

Identification of the Emission Unit	Description	Exemption Criteria
Vertical Process Chamber 4 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Vertical Process Chamber 5 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Vertical Process Chamber 6 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Vertical Process Chamber 7 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Vertical Process Chamber 8 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 3 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 5 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 8 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 9 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 10 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 11 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 12 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 13 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Horizontal Process Chamber 14 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Alcoholate Plant No. 2 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Alcoholate Plant No. 3 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Alcoholate Plant No. 4 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Alcoholate Plant No. 5 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant No. 4 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant No. 6 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant No. 19 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant No. 13 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant No. 14 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant inos No. 15 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant No. 16 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant No. 17 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant No. 18 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant No. 19 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Mixing Area No. 6 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Mixing Area No. 7 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Mixing Area No. 11 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Mixing Area No. 12 (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Exterior Area No. 11 (annex to barrel yard)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Exterior Area No. 12 (annex to barrel yard)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Exterior Area No. 13 (annex to barrel yard)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Weighing Room Receiving Tank (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
High Proof Cistern 2R (AGST)	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Painting and General Maintenance	N/A	Appendix B (3)(ii)(I) of the RCAP
Maintenance Cleaners/Degreasers	N/A	Appendix B (3)(ii)(B) of the RCAP
Maintenance Workshop	N/A	Appendix B (3)(ii)(E) of the RCAP
Laboratory (QA/QC and R&D)	N/A	Appendix B (3)(ii)(M) of the RCAP A
Pest Control Operations	N/A	Rule 206 (B)(11) of the RCAP
Distillation Operations	< 2 tons/yr	Appendix B (2) of the RCAP
Fermentation Operations	< 2 tons/yr	Appendix B (2) of the RCAP
Romana Tank 1	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Romana Tank 1A	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Romana Tank 2	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP

Section VI – Insignificant Emission Units (continues)

Identification of the Emission Unit	Description	Exemption Criteria
Romana Tank 2A	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant Tank 15A	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant Tank 15B	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant Anex - Interior Weighing Tank	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant Anex - Exterior Weighing Tank	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant Anex -Alcohol Tank NS#1	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Rectification Plant Anex -Alcohol Tank NS#2	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Alcoholate Tank 1	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Alcoholate Tank 2	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Alcoholate Tank 5	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant Tank 6	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Process Chamber Tank 4H	< 10,000 gals	Appendix B (3)(ii)(N) of the RCAP
Wine Plant 10	< 10,000 gals.	Appendix B (3)(ii)(N) of the RCAP
Process Chamber Tank 2H	< 10,000 gals.	Appendix B (3)(ii)(N) of the RCAP
Wine Plant 7	< 10,000 gals.	Appendix B (3)(ii)(N) of the RCAP
Wine Plant 9	< 10,000 gals.	Appendix B (3)(ii)(N) of the RCAP
Process Chamber Tank IX Vertical	< 10,000 gals.	Appendix B (3)(ii)(N) of the RCAP
Two electric generators	1,500 KW ea.	Appendix B (3)(ii)(O) of the RCAP

Section VII – Permit Shield

Pursuant to Rule 603(d) of the RCAP compliance with the conditions of the permit shall be deemed compliance with any applicable requirements as of the date of permit issuance, provided that such applicable requirements are specifically identified in the permit. Likewise, it shall be deemed in compliance with any requirement specifically identified as "Not Applicable" in the permit.

a) Not Applicable Requirements

Not Applicable Requirements		
State	Federal	Reason
	Hazardous air pollutant limits	See section VII, Part (B) of the permit
	Standards of Performance for Small Industrial-Commercial Institutional Steam Generating Units (40 CRF Part 60 Subpart Dc)	See section VII, Part (B) of the permit

Not Applicable Requirements		
State	Federal	Reason
	Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) (40 CRF Part 60 Subpart Kb)	See section VII, Part (B) of the permit

b) Basis for Non-Applicability

Code to Determine Non-Applicability	
Code	Basis
Hazardous air pollutant limits	There are no applicable requirements
40 CRF Part 60 Subpart Dc	Is not applicable at the time the permit is issued because the 60.3 MM Btu/hr emission capacity boiler was not constructed, modified or reconstructed after June 9, 1989.
40 CRF Part 60 Subpart Kb	Not applicable to tanks used to store beverage alcohol [Section 60.110b (d)(7)]

Section VIII- Permit Approval

Pursuant to the powers granted to the Environmental Quality Board by the Environmental Public Policy Act, Public Law No. 416 of September 22, 2004, as amended and after verifying the administrative record and in compliance with the Uniform Administrative Procedures Act, Public Law Number 170 of August 12, 1998, as amended, the US Clean Air Act, the Puerto Rico Environmental Public Policy Act, and the Environmental Quality Board Regulations for the Control of Atmospheric Pollution, the Environmental Quality Board approves the permit subject to the terms and conditions stipulated therein.

In San Juan, Puerto Rico, today April 4, 2007.

ENVIRONMENTAL QUALITY BOARD

/s/

Julio I. Rodríguez Colón
Alternate Member

/s/

Lcdo. Carlos W. López Freytes
President

APPENDIXES

APPENDIX I – DEFINITIONS AND ABBREVIATIONS

A. Definitions:

1. Act - US Clean Air Act, as amended, 42 U.S. 7401, *et sq.*
2. Responsible Official - See definition for Responsible Official as established in the Environmental Quality Board Regulations for the Control of Atmospheric Pollution (1995).
3. Regulations - Environmental Quality Board Regulations for the Control of Atmospheric Pollution.
4. Permit Holder - Person and entity to which the Puerto Rico Environmental Quality Board has issued an Emission Source Operation Permit covered under Title V.
5. Title V - Title V of the US Clean Air Act (42 U.S.C. 7661.)
6. State Enforceable Only – Permit conditions that are enforceable only by the state government and are not part of the approved State Implementation Plan. These conditions are not federally enforceable.

B. Abbreviations:

1. AGST – Above Ground Storage Tank
2. Btu – British Thermal Unit
3. CFR – Code of Federal Regulations
4. CO – Carbon Monoxide
5. DSI – Destilería Serrallés, Inc.
6. EQB – Puerto Rico Environmental Quality Board
7. EPA – US Environmental Protection Agency
8. NAAQS – National Ambient Air Quality Standards
9. NO_x – Nitrogen Oxides
10. PM₁₀ – Particulate matter with a mass median aerodynamic diameter equal or less than ten (10) micrometers
11. RCAP – Environmental Quality Board Regulations for the Control of Atmospheric Pollution
12. SIC – Standard Industrial Classification
13. SO₂ – Sulfur Dioxide

14. VOC – Volatile Organic Compounds

C. Address for Notifications

Compliance and Permit Changes Notifications

Environmental Quality Board
Air Quality Area
Box 11488
Santurce, PR 00910

APPENDIX II - REGULATED ETHANOL STORAGE TANKS

DESCRIPTION	TANK ID	DIMENSIONS		CAPACITY (Gallons)	ETHANOL (°Proof)
		HEIGHT (Feet)	DIAMETER (Inches)		
HIGH PROOF CISTERNS	EP-001	17	10	10,000	95
	EP-002	17	10	10,000	95
	EP-003	17.5	10	10,500	55
	EP-004	13	14	15,000	95
	EP-005	22	20	51,700	95
	EP-006	21	16	31,573	95
	EP-007	16	21	31,573	100
	EP-008	21.5	20	51,500	95
	EP-009	8	15	10,663	95
	EP-010	13.5	12	11,368	95
	EP-011	13.5	12	11,368	95
PROCESS CHAMBER HORIZONTAL TANK	EP-012	16	10	10,000	95
	EP-013	16	10	10,000	95
	EP-014	16	10	10,000	95
	EP-015	16	10	10,000	100
	EP-016	16	10	10,000	95
	EP-017	16	10	10,000	95
RECTIFICATION PLANT	EP-019	17.5	14	20,000	100
	EP-020	17.5	14	10,000	95
	EP-021	17.5	14	20,000	100
	EP-022	17	10	10,000	69
	EP-023	17	10	10,000	40

APPENDIX II (continues)

DESCRIPTION	TANK ID	DIMENSIONS		CAPACITY (Gallons)	ETHANOL (°Proof)
		HEIGHT (Feet)	DIAMETER (Inches)		
RECTIFICATION PLANT	EP-024	10.5	13	10,300	80
	EP-025	10.5	13	10,300	80
	EP-026	10.40	13	10,300	80
	EP-027	10.40	13	10,300	80
	EP-028	17	10	10,000	95
	EP-029	17	10	10,000	100
	EP-030	17.7	16	10,400	95
	EP-031	17	10	10,000	40
RECTIFICATION CHAMBER	EP-032	17	10	10,000	100
	EP-033	16	10	10,000	95
	EP-034	16	10	10,000	100
	EP-035	16	10	10,000	95
	EP-036	16	10	11,000	76
WINE PLANT	EP-037	11	13	11,000	100
MIXING AREA	EP-039	15.25	11	10,750	85
	EP-040	15.25	11	10,750	85
	EP-041	15.25	11	10,750	85
	EP-042	14.5	11	10,750	85
	EP-043	15.25	11	10,750	85
	EP-044	16	10	10,000	85
	EP-045	15.25	11	10,750	100

APPENDIX II (continues)

DESCRIPTION	TANK ID	DIMENSIONS		CAPACITY (Gallons)	ETHANO L (°Proof)
		HEIGHT (Feet)	DIAMETER (Inches)		
MIXING AREA	EP-046	15.25	11	10,750	85
	EP-047	15.25	10.60	10,000	85
	EP-048	15.25	10.8	10,500	85
	EP-049	15.25	10.60	10,000	85
	EP-050	15.25	11	10,000	85
EXTERNAL VERTICAL TANKS (Receive the intermediate product of the aging casks/barrels)	EP-051	16.50	15.40	23,000	85
	EP-052	16.50	15.40	23,000	85
	EP-053	16.50	15.40	23,000	85
	EP-054	16.50	15.40	23,000	85
	EP-055	16.50	15.40	23,000	85
	EP-056	16.50	15.40	23,000	100
	EP-057	16.50	15.40	23,000	85
	EP-058	16	14.40	19,600	85
	EP-059	16	14.40	19,600	100
LOW PROOF CISTERNS	EP-060	25	20	58,000	65
	EP-061	25	20	58,000	75
	EP-062	25	20	58,000	95
	EP-063	25	20	58,000	94

APPENDIX II (continues)

DESCRIPTION	TANK ID	DIMENSIONS		CAPACITY (Gallons)	ETHANOL (°Proof)
		HEIGHT (Feet)	DIAMETER (Inches)		
HIGH PROOF CISTERN	EP-064	21.5	20	51,500	95
	EP-065	22	20	50,500	95
	EP-066	21.5	20	51,700	95
	EP-067	22	20	51,700	90
	EP-068	21	20	49,500	95
	EP-069	22	20	49,500	95
	EP-070	21	20	49,350	95
	EP-071	22	20	50,500	100
	EP-072	22	20	50,500	95