

COMMONWEALTH OF PUERTO RICO / OFFICE OF GOVERNOR



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

Permit Number: TV-2082-50-0597-0038

Permit Application Received: May 27, 1997

Issue and/or Effectiveness Date:

Expiration Date:

In accordance with the provisions of Part VI of the Regulation for the Control of Atmospheric Pollution (RCAP) and the Code of Federal Regulations, Title 40, Part 70

***Grace Valdés
Cervecería India, Inc.***

hereinafter referred to as "permittee" or **Cervecería India, Inc.**, is authorized to operate a stationary source of air pollutants limited to the emission units and conditions described in this permit. Until such time as this permit expires, is modified or revoked, the permittee is allowed to discharge air pollutants from those processes and activities directly related to or associated with air pollutant sources in accordance with the requirements, limitations and conditions of this permit.

The conditions in this permit are federally and state enforceable. Requirements which are only state enforceable are identified as such in the permit. A copy of this permit shall be kept on-site at the above mentioned facility at all times.

**GREEN FORESTS AND CLEAR WATERS, CLEAN AIR AND WHITE CLOUDS.
TAKE CARE OF LIFE, IF NOT YOU CONTAMINATE IT!
NATIONAL PLAZA BUILDING, PONCE DE LEON AVE. 431, HATO REY, PUERTO RICO 00917
BOX 11488 SANTURCE, PUERTO RICO 00910 TELEPHONE: 767-8181**

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Section I - General Information

A. Facility Information:

Name of the Owner: **Sra. Grace Valdés**

Mailing Address : **P. O. Box 1690**

City : **Mayagüez** State : **PR** Zip Code : **00681-1690**

Plant Name: **Cervecería India, Inc.**

Plant Mailing Address: **P. O. Box 1690, Mayagüez P R 00681**

Responsible Official: **Sr. Israel Hilerio** Phone Number: **(787) 834-1000**
Fax Number : **(787) 265-0100**

Facility Contact Person : **Sr. José J. Mendoza**

Primary SIC Code : **2082**

B. Description of Process

Cervecería India is located in Post North Street in Mayagüez, Puerto Rico. It produces alcoholic (beer) and non alcoholic beverages by a grain fermentation process. The facility includes process equipment such as: two steam boilers, two diesel storage tanks and grain handling units.

The different grains (white barley, caramel barley, corn flour and rice barley) blend in the grain milling unit and from there go to the kettles. The beer pass through a grain fermentation process of twenty one days. Then it goes to the rest period from three to five days. The malt comes pasteurized out of the kettles and pass the rest period for two to three days.

The beer or malt mixture is bottled by a filling machine and the bottles are covered.

The two steam boilers are the main sources of sulfur dioxide (SO₂), these burn residual oil number 6 (Bunker C) to provide steam to the different processes of the facility.

Section II - Description of Emission Units

The emission units regulated by this permit are the following:

Emission Unit ID	Description	Control Device
SB-01	Steam boiler of 40MMBTU/hr. (Bobcox Wilcox). Burns residual oil number 6 (Bunker C).	N/A
SB-02	Steam boiler of 42MMBTU/hr. (Bobcox Wilcox). Burns residual oil number 6 (Bunker C).	N/A
RL-01	Rotary lobe unit	Fabric filter
RL-02	Rotary lobe unit	Fabric filter
GMM-01	Grain Milling unit	Cyclone system

Section III - General Permit Conditions

- 1- **Sanctions and Penalties:** The permittee is obligated to comply with all terms, conditions, requirements, limitations and restrictions set forth in this permit. Any violation of the terms of this permit will be subject to administrative, civil or criminal penalties as established in the Puerto Rico Environmental Public Policy Act, Article 17 (Act Number 9, June 18, 1970, as amended). Moreover, all the necessary administrative, civil and criminal measurements could be taken in order to make valid the conditions established in the permit.
- 2- **Right of Entry:** As specified under Rules 103 and 603(c)(2) of the RCAP, the permittee shall allow the EQB, through its authorized representatives, upon presentation of credentials and other documents as may be required by law, to perform the following activities:
 - (A) Enter upon the permittee's premises where an emission source is located or where emission related activities are conducted, or where records must be kept under the conditions of this permit, under the RCAP, or under the Clean Air Act;

- (B) Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit, under the RCAP, or under the Clean Air Act;
 - (C) Inspect and examine any facility, equipment (including monitoring and air pollution control equipment), practices or operations (including QA/QC methods) regulated or required under this permit; as well as sampling emission fuels;
 - (D) As authorized by the Clean Air Act and the RCAP, to sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or other applicable requirements.
- 3- **Data Availability:** As specified under Rule 104 of the RCAP, all emission data obtained by or submitted to the EQB, including data reported pursuant to Rule 103 of the RCAP, as well as that obtained in any other way, shall be available for public inspection and may also be made available to the public in any additional manner that the EQB may deem appropriate.
- 4- **Sworn Statement:** As specified under Rule 103 (D) of the RCAP, all records and reports required shall be submitted together with a sworn statement or affidavit of the corporate President or of an equivalent responsible officer. Such sworn statement shall attest to the truth, correctness and completeness of such records and reports.
- 5- **Test Methods:** As specified under Rule 106 of the RCAP, the permittee shall perform test methods to comply with applicable rules and regulations. During the test, the source must be operated at its maximum rated capacity or based on representative performance of the facility.
- 6- **Emergency Plan:** As specified under Rule 107 of the RCAP, the permittee shall have an Emergency Plan which must be consistent with adequate safety practices, and provide for the reduction or retention of the emissions from the plant during periods classified by the EQB as alerts, warnings or emergencies. These plans shall identify the emission sources, include the reduction to be accomplished for each source and the means by which such reduction will be accomplished. These plans shall be available for inspection, as required by representatives of the EQB, at all times.
- 7- **Control Equipment:** Cerveceria India shall comply with Rule 108 of the RCAP, as follows:
- (A) All air pollution control equipment or control measures shall provide for continuous compliance with applicable rules and regulations. Such equipment or measures shall be installed, maintained, and operated according to those

conditions imposed by the Board, within the specified operating limitations of the manufacturer.

- (B) The collected material from air pollution control equipment shall be disposed in accordance with applicable rules and regulations. The removal, manipulation, transportation, storage, treatment or disposal will be done in such or manner that shall not to produce environmental degradation, and in accordance with applicable rules and regulations.
- (C) The Board may require, when deemed appropriate to safeguard the health and welfare of human beings, the installation and maintainance of additional, complete and separate air pollution control equipment of a capacity equal to the capacity of the primary control equipment. Futhermore, the Board may require that such additional air pollution control equipment be operated continuously and conjunctionally with the primary air pollution control equipment.
- (D) All air pollution control equipment shall be operated at all times while the source being controlled is in operation
- (E) In the case of a shutdown of air pollution control equipment for the necessary scheduled maintenance, the intent to shutdown such equipment shall be reported to the Board at least three days prior to the planned shutdown. Such prior notice shall include, but is not limited to the following:
 - (1) Identification of the specific source to be taken out of service with 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 emissions of air pollutants likely to be emitted during the shutdown period.
 - (4) Measures such as the use of off-shift labor and equipment that will be taken to minimize the length of the shutdown period.
 - (5) The reasons why it will be impossible or impractical to shutdown the operating source during the maintenance period.
- (F) Cerveceria India shall to the extent possible, maintain and operate at all times, including periods of start-up, shutdown and malfunction, any affected source and the associated air pollution control equipment, in a manner consistent with

the original manufacturers design specifications and in compliance with applicable rules and regulations and permit conditions.

- (G) Cervecería India shall maintain copies of all the monthly calibrations and inspections of the control equipments such as baghouses and scrubbers. Cervecería India shall record in a log book all the periods when the control equipment is in shutdown and the process continues its operation. All the

8- **Compliance Certification:** According with Rule 112(B) and 603(c)(5) of the RCAP, the permittee shall submit a compliance certification, including the actual emission calculations for the previous year, on the first day of April of each year. The compliance certification shall be sent to both the EQB and the EPA¹. It shall include, but is not limited to, the following information:

- (A) identification of the applicable requirement that is the basis for the certification;
- (B) the method used for determining the compliance status of the source;
- (C) the compliance status;
- (D) whether compliance is continuous or intermittent; and
- (E) such other facts as the EQB may require.

9- **Regulation Compliance:** As specified under Rule 115 of the RCAP, any violation to said Regulation, or to any other applicable rule or regulation, shall be grounds for the EQB to suspend, modify, or revoke any relevant permit, approval, variance or other authorization issued by the EQB.

10- **Public Nuisance:** According with Rule 116 of the RCAP, nothing in this authorization shall be understood to authorize or legalized the creation or maintenance of a public nuisance as defined in Article 329 of the Penal Code of authorization Puerto Rico.

11- **Segregation and Combination of Emissions:** As specified under Rule 118 of the RCAP, the emissions from any source are specifically subject to the applicable emission limitations imposed by the RCAP, regardless of whether the emissions

¹ The certification to the EQB shall be mailed to: Director, Air Quality Program, P.O. Box 11488, Santurce, PR, 00910. The certification to the EPA shall be mailed to: Chief, Permitting Section, Air Program Branch, EPA Region II, 290 Broadway, New York, NY, 10007.

generated by each individual source are totally emitted through one stack, or whether two or more stacks are simultaneously used for such purpose. However, if the total emissions from two or more sources are simultaneously emitted through one stack, the aggregate of the individual emissions shall be considered as originating from one discrete source with a capacity equal to the sum of the capacities of each individual source.

12- **Location Approval:** As specified under Rule 201 of the RCAP, nothing in this permit shall be interpreted as authorizing the location or construction of a major source, or the modification of a stationary major source, or a major modification of a significant source, without prior authorization from the EQB and without first demonstrating compliance with the National Ambient Air Quality Standards (NAAQS). Nor shall it be interpreted as authorizing the construction of minor sources without prior authorization by the EQB, as specified under Rule 203 of the RCAP.

13- **Generic Prohibitions:** According with Rule 401 of the RCAP, Cervecería India shall not cause or permit the emission of any air pollutant in violation of applicable rules and regulations. Moreover, Cervecería India shall not install or cause the installation or use of any device or fuel additive or of any means which, without resulting in a reduction in the total amount of air pollutants emitted, conceals or dilutes an emission of air pollutants which would otherwise violate any applicable rules and regulations. Nonetheless, this does not prohibit the use of any deodorizer or fuel additive, the use of which is required by any other law, regulation or standard established by any duly constituted governmental authority having jurisdiction, if the effect previously mentioned would not occur.

The degree of emission limitations required by any applicable rules and regulations shall not be affected in any manner by:

- (a) That portion of the stack height of any source which exceeds the good engineering practice stack height as defined in Rule 102 of the RCAP, or
- (b) Any other dispersion technique in existence before December 31, 1970.

14- **Open Burning:** As specified under the Rule 402 of the RCAP, the permittee shall not cause or permit the open burning of refuse.

15- **Objectionable Odors:** As specified under Rule 420 of the RCAP, the permittee shall not cause or permit emissions to the atmosphere of any matter which produces "objectionable" odors that can be perceived in an area other than that designated for industrial purposes. (This condition is enforceable only by the State).

- 16- **Fugitive Emissions:** As established under Rule 404 of the RCAP, Cerveceria India, Inc. shall not cause nor permit the following:
- (a) Any materials to be handled, transported, or stored in a building, 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) The discharge of visible emissions of fugitive dust beyond the boundary line of the property on which the emissions originate.
- 17- **Permit Applications:** As specified under the Rule 602(a)(1)(iv) of the RCAP, the permittee shall submit its permit renewal application to the EQB twelve (12) months prior to the permit expiration date. Every application form, report or compliance certification submitted pursuant to the RCAP shall be certified by a responsible official, who will attest to his/her appointment as such, as well as of the truth, accuracy and completeness of the submitted documents.
- 18- **Reporting of Deviations due to Emergencies:** As specified under Rule 603(a)(5)(ii)(a) of the RCAP, any deviation resulting from an upset (such as sudden malfunction or break-down) or emergency conditions, as defined in Rule 603(e) of the RCAP, must be reported within the next two (2) working days if the permittee is to assert the affirmative defense authorized under such section. The permittee shall have the burden of proof in establishing a defense due to an emergency in a nonfulfilment action and that the Board was properly notified. In an emergency deviation, the source shall only be operated for 48 hours or until the end of the cycle, whatever happens first. EQB shall only extend the source operation in excess of the 48 hours, if the source demonstrate that the National Ambient Air Quality Standards shall not be exceeded and that there is no risk to public health.
- 19- **Deviation Reporting (Hazardous Air Pollutants):** As specified under Rule 603(a)(5)(ii)(b) of the RCAP, in case of any deviation that results in emissions of a hazardous air pollutant that continues for more than an hour in excess of the applicable limit or in the release of any other regulated air pollutant that continues for more than two (2) hours in excess of the applicable limit, the permittee shall notify the EQB within 24 hours of such deviation. The permittee shall also submit to the EQB, within seven (7) days of the deviation, a detailed written report including probable causes, time and duration of the deviation, remedial action taken, and steps which are being taken to prevent a reoccurrence.

- 20- **Record-keeping Requirement:** As specified under Rule 603(a)(4)(ii) of the RCAP, the permittee shall retain records of all required monitoring data and supporting information for a period of five (5) years from the date of the monitoring sample, measurement, report or application
- 21- **Reporting Requirement:** As specified under Rule 603(a)(5)(i) of the RCAP, the permittee shall submit reports of all required monitoring every six (6) months, or more frequently if required by the EQB or any other underlying applicable requirement. All instances of deviations from permit requirements must be clearly identified in such reports. All required reports shall be certified by a responsible official, pursuant to Rule 602(c)(3) of the RCAP
- 22- **Severability Clause:** As specified under Rule 603(a)(6) of the RCAP, the clauses in this permit are severable. In the event of a successful challenge to any portion of the permit in an administrative or judicial forum, or in the event any of its clauses is held to be invalid, all other portions of the permit shall remain valid and in effect, including those related to emission limits, terms and conditions, be they specific or general, as well as monitoring, record keeping and reporting requirements.
- 23- **Permit Noncompliance:** As specified under Rule 603(a)(7)(i) of the RCAP, the permittee must comply with all conditions of the permit. Permit noncompliance constitutes a violation of the RCAP and will be grounds for taking the appropriate enforcement action, impose sanctions, revoke, terminate, modify, and/or reissue the permit, or to deny a permit renewal application.
- 24- **Defense not Allowed:** As specified under Rule 603(a)(7)(ii) of the RCAP, it shall not be a defense for a permittee 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 this permit
- 25- **Permit Modification and Revocation:** As specified under Rule 603(a)(7)(iii) of the RCAP, the permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.
- 26- **Property Rights:** As specified under Rule 603(a)(7)(iv) of the RCAP, this permit does not convey any property rights of any sort, nor does it grant any exclusive privilege.
- 27- **Obligation to Furnish Information:** As specified under Rule 603(a)(7)(v) of the RCAP, the permittee shall be obligated to furnish to 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 permittee shall also furnish to the EQB copies of documents related to this permit.

- 28- **Changes in Operating Scenarios:** As specified under Rule 603(a)(10)(i) of the RCAP, the permittee shall record in a log book, contemporaneously with making a change from one operating scenario to another, the scenario under which it is operating. This log book must be kept at the permittee's facility at all times.
- 29- **Prohibition on Default Issuance:** As specified under Rule 605(d) of the RCAP, it shall never be considered that a permit has been issued by default as a result of the EQB's failure to take final action on a permit application within eighteen (18) months as of the application completeness date. The EQB's failure to issue a final permit within eighteen (18) months should be treated as a final action solely for the purpose of obtaining judicial review in a state court.
- 30- **Administrative Permit Amendments and Permit Modifications:** As specified under Rule 606 of the RCAP, the permit shall not be amended nor modified unless the permittee complies with the requirements for administrative permit amendments and permit modifications as described in the RCAP.
- 31- **Permit Reopenings:** As specified under Rule 608(a)(1), this permit shall be reopened and revised under the following circumstances:
- (A) Whenever additional applicable requirements under any law or regulation become applicable to the permittee, when the remaining permit term is of three (3) or more years. Such reopening shall be completed eighteen (18) months after promulgation of said 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 have been extended pursuant to Rule 605(c)(4)(i) or Rule 605(c)(4)(ii) of the RCAP.
 - (B) Whenever the EQB or the EPA determine 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) Whenever the EQB or the EPA determine that the permit must be revised or revoked to assure compliance with the applicable requirements.
- 32- **Changes in Name and/or Ownership:** This permit is issued to **Grace Valdés or Cervecería India, Inc.** In the event that the company and/or installation changes its name or is transferred to a different owner, the new responsible official must

a sworn statement in which he/she accepts and validates compliance with all conditions of this permit

33- **Renovation Work:** The permittee shall comply with the provisions set forth in 40 CFR 61.150 when doing renovation or demolition work at the installation.

34- **Asbestos Containing Material Management:** According with Rule 422 of the RCAP, Cerveceria India, Inc. shall not cause nor permit the management of asbestos containing material as defined in the RCAP without obtaining an operational permit approval from the Board and as required under Rule 204 of the RCAP.

Test procedures shall be performed before and after the removal activity. The test procedures shall follow the OSHA and Transportation Department methodology.

To demonstrate compliance with Rule 422, the permittee shall maintain a record with a copy of the permit to remove asbestos, a copy of the workplan, the manifests generated for the disposition of the removed material, evidence that the workplan was followed and copy of the results of the test performed.

The manifests shall reflect that the authorized limit in the permit was not exceeded.

The permittee shall inform EQB when the asbestos removal activity is finished.

The permittee shall submit a final report with the test results within 60 days of completed the removal activity.

The permittee shall submit a monthly report that includes the areas or buildings where the asbestos removal activities were performed, the amount of material removed and the place of final disposition.

The permittee shall submit a copy of the test performed and a copy of the manifest of the final disposition.

35- **Requirements for Refrigerants (Climatologic and Stratospheric Ozone Protection):** In the event that the permittee has equipment or appliances, including air conditioning units, which use Class I or II refrigerants as defined in 40 CFR 82, Subpart A, Appendices A and B, he/she shall take the necessary measures to ensure that all maintenance, service or repair services performed are done so according to the practices, certification and personnel requirements, disposition requirements, and recycling and/or recovery equipment certification requirements specified under 40 CFR 82, Subpart F.

- 36- **Compliance Clause:** Compliance with this permit does not waive permittee's obligation to comply with all other applicable laws, regulations, permits, administrative orders, and/or decrees, be they state or federally enforceable.
- 37- **Emissions Calculation:** The permittee shall submit, on the first day of April each year, the actual or permissible emissions calculation for the previous natural year. The emissions calculation shall be submitted on the forms prepared by the EQB for this purpose and the responsible official shall certify all the information submitted as true, correct and representative of the permitted activity.
- 38- **Annual Fee:** The permittee shall submit an annual fee based on the actual emissions of the regulated pollutants at a rate of \$31.00 per ton, unless the Board determine another fee as established under Rule 610(B)(2)(iv) of the RCAP. This payment must be made on or before June 30 of each year.
- 39- **Motor Vehicles Air Conditioner Repairment:** Cerveceria India, Inc., shall comply with all applicable requirements specified in the 40 CFR, Part 82, Subpart B, if the permittee perform repairs of motor vehicles air conditioner which use refrigerant substances that affect the ozone.

Motor vehicle, as defined in Subpart B, does not include cooling systems of compressed air that are used as a cooling charge or systems with HCFC-22 refrigerant used for passenger buses

- 40- **Roof Surface Coating:** According with Rule 424 of the RCAP, Cerveceria India, Inc. shall not cause nor permit the roof surface coating by applying hot tar or any other coating material containing organic compounds without an operating permit approved by the Board. The use of used oil or hazardous waste for roof surface coating is strictly prohibited. (This condition is enforceable only by the State.)
- 41- **Risk Management Plan:** If during the effectiveness of this permit, the permittee exceeds the threshold of any substance regulated in the 40 CFR 68, he/she shall submit a Risk Management Plan according with the compliance schedule in the 40 CFR part 68.10. As part of the annual compliance certification required under 40 CFR part 70, the permittee shall submit a compliance certification with the requirements of Part 68, including the recordkeeping and the Risk Management Plan.
- 42- **New Applicable Requirements:** Cerveceria India, Inc. shall provide to EQB a written notification according with all the applicable requirements for which he/she will be subject during the permit term. Cerveceria India, Inc. shall get all the construction permits under Rule 203 of the RCAP and shall make the necessary Title I modifications to authorize the operation under new applicable requirements. Owens shall modify the Title V permit according with Rule 607 of the RCAP.

43- **Permit Duration:** As specified under Rule 603 of the RCAP, the following terms will apply during the duration of this permit:

- (A) **Effective Date:** If EPA informs PREQB that it will not object to the permit or if EPA's 45 days review period elapses without an objection, the permit will become valid and in effect once it is signed by the Governing Board of the Environmental Quality Board.
- (B) **Expiration:** This authorization shall have a fixed term of five (5) years. The expiration date will be automatically extended until the EQB approves or denies a renewal application but only in those cases where the permittee submits a complete application twelve (12) months before the expiration date. Rule 603 (a)(2) and Rule 605 (c)(2) and (c)(4) of the RCAP.
- (C) **Permit Shield:** As specified under Rule 605 (c)(4)(i) of the RCAP, the permit shield may be extended until the time it is renewed, if a timely and complete renewal application is submitted.
- (D) In the event that this permit is challenged by a third party, the permit shall remain in effect until the time it is revoked by a court of law with jurisdiction and competence in the matter.

Section IV - Emission Caps

1- The emission limits authorized under this permit are mentioned below. The source shall certify annually that its actual emissions do not exceed the emission limits. This certification shall be based on the actual operation of the natural previous year and using the AP-42 emission factors that were used for the Title V application.

Criteria Pollutant	Emission Cap (tons /year)
PM-10	380.283
SO ₂	769.320
NO _x	107.803
COV	2.509