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## Tennessee Air Pollution Control Board Proposed Order/Assessment of Civil Penalty to Columbia, Tennessee Alcoholic Beverage Production Facility

## 12/07/2018

The Tennessee Air Pollution Control Board ("Board") issued a November 28th Technical Secretary's Order and Assessment of Civil Penalty ("Order") to Tennessee Distilling Group, LLC ("TDG") addressing an alleged violation of a provision of the Tennessee Air Regulations. See Case No. APC 18-0192.

The Order involves the construction of an alcoholic beverage production facility ("Facility").

The Division of Air Pollution Control ("Division") of the Tennessee Department of Environment and Conservation is stated to have received an application dated May 7, 2018, from TDG addressing the construction of the Facility. A revised application was stated to have been received on August 22nd .

The applications are stated to have indicated that TDG had constructed a grain handling operation, fermentation, distillation, barrel filling operation and maturation warehouses in 2015. A portion of the Facility was described as having the ability to produce 155,000 proof gallons of product.

The new construction is stated to have increased the amount of equipment involved in the operation. This expansion is stated to have resulted in an increase of production to 2.5 million proof gallons of product.

The Order states that the construction of the additional equipment for the increase in production occurred before the receipt of the construction permit.

The Division is stated to have sent a letter on August 20th to TDG stating that the 7.32 MMBtu/hr. natural gas fired boiler, two cooling towers, and four chillers constituted insignificant activities or insignificant emission units and were therefore exempt from permitting. A construction permit for various equipment was subsequently issued that combined all sources at the Facility (both existing and new construction).

The Order alleges that by constructing an air contaminant source not specifically exempted by Tenn. Comp. R. & Regs. 1200-03-09-.04, without receiving the necessary construction permit, Tenn. Comp. R. & Regs. 1200-03-09-.01(1)(a) has been violated.

The Order further alleges that the operation of the air contaminant source by not being specifically exempted by certain regulations without applying for and receiving the necessary operating permit violates Tenn. Comp. R. & Regs. 1200-03-09-.02(2).

A civil penalty of \$1,500 is assessed.

TDG has certain rights of appeal pursuant to provisions of the Tennessee Code.

A copy of the Order can be found <u>here</u>.