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CLIENT BRIEFING
November 17, 2006

NEW REGULATORY DEVELOPMENT

RE: *Puerto Rico Environmental Quality Board – General Permit Regulation*

Today, the Puerto Rico Environmental Quality Board (the "Board") issued a public notice announcing the proposed General Permit Regulation (the "Regulation"). The Regulation would establish a new one-step permitting process for the procurement of several types of permits currently issued by the Board.

In general, the permits covered under the Regulation include:

- 1) Erosion Control and Sedimentation Prevention Permits for, among other activities, construction or demolition of structures in areas of nine hundred square meters (900 m²) or more, in which the total volume of the earth crust components to be extracted or used as fill material exceed forty cubic meters (40m³), the demolition of structures free of lead-based paint and asbestos, and the operation of asphalt plants;
- 2) Air Emission Source Permits for earth movement and construction activities in areas of nine hundred square meters (900 m²) or more, the operation of emergency generators to be used in facilities not affected by regulatory provisions pursuant to the Clean Air Act, and the management of asbestos containing materials;
- 3) Non-hazardous Solid Waste Generation Permits for the disposal of asbestos containing materials and the generation of non-hazardous solid waste where more than fifteen cubic yards (15 yds³) per week are accumulated;
- 4) Lead-based Paint Mitigation Activities Permit; and
- 5) Used Oil Collection Centers.

Under the provisions of the Regulation, applicants will be immediately covered under the above permit programs for those activities for which permits are being sought, once a complete application is filed. Further, the Regulation requires that the Board issue the permit the same day the application is filed. The Regulation also establishes that the regulatory conditions applicable to the permitted activities will be included in the permit to be issued. Based on the information available, the Board will develop a single permit application form to be used in

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seeking authorization/permits for the mentioned activities. The Regulation proposes the imposition of significant administrative penalties for the violation of its provisions.

The Board will receive comments to the proposed regulation until December 18, 2006, and will hold a public hearing at the main offices of the Environmental Quality Board, Ponce de León 1308, Carr. Estatal 8838, Sector El Cinco, Río Piedras, P.R., on December 19, 2006.

If you need additional information on the Regulation, its potential impact on, and applicability to, your operations, or would like us to prepare and file comments on your behalf, please contact any of the attorneys at the O'Neill & Borges Environmental Law Practice Group.

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