

# TCEQ Interoffice Memorandum

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**To:** Mary Smith, General Counsel

**Thru:** *MBC* Melissa Cordell, Interim Deputy Director  
Enforcement Division

**From:** *MP* Michael Parrish, Team Leader  
Special Functions Team

**Date:** November 7, 2022

**Subject:** **Backup Revision**  
**November 16, 2022 Commission Agenda**  
Draft Item No. 12 – Pilgrim's Pride Corporation  
Docket No. 2019-1440-IWD-E

Enclosed please find the following:

**Executive Summary:**

- Page 1, Penalty Information: Correct Total Paid to General Revenue to \$**29,293** and SEP Conditional Offset to \$**29,294**

Please do not hesitate to call Michael Parrish at (512) 239-2548 if you have any questions regarding this matter.

cc: Garrett Arthur, Public Interest Counsel  
Melissa Schmidt, Public Interest Counsel  
Gill Valls, Office of General Counsel  
Katherine McKenzie, Agenda Coordinator, Litigation Division  
Melissa Cordell, Interim Deputy Director, Enforcement Division  
Rebecca Margain-Nunez, Executive Assistant, Enforcement Division  
Kristy Deaver, Manager, Water Section, Enforcement Division  
Katelyn Tubbs, Water Section, Enforcement Division

**Executive Summary – Enforcement Matter – Case No. 58398**  
**Pilgrim's Pride Corporation**  
**RN102184041**  
**Docket No. 2019-1440-IWD-E**

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

People or environmental receptors have been exposed to pollutants which exceed levels that are protective.

**Media:**

IWD

**Small Business:**

Yes

**Location(s) Where Violation(s) Occurred:**

Pilgrim's Pride Northeast Texas Complex WWTP, 664 Farm-to-Market Road 127, Mount Pleasant, Titus County

**Type of Operation:**

Wastewater treatment facility

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** August 12, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$58,587

**Total Paid to General Revenue:** \$29,293

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**Supplemental Environmental Project ("SEP") Conditional Offset:** \$29,294

Name of SEP: Manhole Improvements Project (Custom)

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** August 19, 2019

**Date(s) of NOE(s):** September 17, 2019

**Executive Summary – Enforcement Matter – Case No. 58398**

**Pilgrim's Pride Corporation**

**RN102184041**

**Docket No. 2019-1440-IWD-E**

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

People or environmental receptors have been exposed to pollutants which exceed levels that are protective.

**Media:**

IWD

**Small Business:**

Yes

**Location(s) Where Violation(s) Occurred:**

Pilgrim's Pride Northeast Texas Complex WWTP, 664 Farm-to-Market Road 127, Mount Pleasant, Titus County

**Type of Operation:**

Wastewater treatment facility

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** August 12, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$58,587

**Total Paid to General Revenue:** \$29,294

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**Supplemental Environmental Project ("SEP") Conditional Offset:** \$29,293

Name of SEP: Manhole Improvements Project (Custom)

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** August 19, 2019

**Date(s) of NOE(s):** September 17, 2019

**Executive Summary – Enforcement Matter – Case No. 58398**  
**Pilgrim's Pride Corporation**  
**RN102184041**  
**Docket No. 2019-1440-IWD-E**

***Violation Information***

Failed to comply with permitted effluent limitations for ammonia nitrogen, dissolved oxygen, total suspended solids, oil and grease, biochemical oxygen demand (5-day), and carbonaceous biochemical oxygen demand (5-day) [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003017000, Effluent Limitations and Monitoring Requirements Nos. 1 and 3].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

1. The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).
2. The Order will also require the Respondent to, within 130 days, submit written certification of compliance with the permitted effluent limitations of TPDES Permit No. WQ0003017000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations to demonstrate compliance.

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Katelyn Tubbs, Enforcement Division, Enforcement Team 1, MC 219, (512) 239-2512; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**TCEQ SEP Coordinator:** Betty Sanders, SEP Coordinator, Litigation Division, MC 175, (512) 239-3992

**Respondent:** William Lovette, Chief Executive Officer, Pilgrim's Pride Corporation, P.O. Box 1268, Mount Pleasant, Texas 75456

Fabio Sandri, President, Pilgrim's Pride Corporation, P.O. Box 1268, Mount Pleasant, Texas 75456

**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

**TCEQ**

|              |                 |             |                  |             |                |            |
|--------------|-----------------|-------------|------------------|-------------|----------------|------------|
| <b>DATES</b> | <b>Assigned</b> | 23-Sep-2019 | <b>Screening</b> | 24-Sep-2019 | <b>EPA Due</b> | 5-Dec-2019 |
|              | <b>PCW</b>      | 3-Oct-2019  |                  |             |                |            |

## RESPONDENT/FACILITY INFORMATION

|                             |                             |
|-----------------------------|-----------------------------|
| <b>Respondent</b>           | Pilgrim's Pride Corporation |
| <b>Reg. Ent. Ref. No.</b>   | RN102184041                 |
| <b>Facility/Site Region</b> | 5-Tyler                     |
| <b>Major/Minor Source</b>   | Major                       |

## CASE INFORMATION

|  |                 |                              |                    |
|--|-----------------|------------------------------|--------------------|
| <b>Enf./Case ID No.</b>                | 58398           | <b>No. of Violations</b>     | 2                  |
| <b>Docket No.</b>                      | 2019-1440-IWD-E | <b>Order Type</b>            | Findings           |
| <b>Media Program(s)</b>                | Water Quality   | <b>Government/Non-Profit</b> | No                 |
| <b>Multi-Media</b>                     |                 | <b>Enf. Coordinator</b>      | Katelyn Tubbs      |
|  |                 | <b>EC's Team</b>             | Enforcement Team 3 |
| <b>Admin. Penalty \$ Limit Minimum</b> | \$0             | <b>Maximum</b>               | \$25,000           |

## Penalty Calculation Section

|   |                   |                 |
|---|-------------------|-----------------|
| <b>TOTAL BASE PENALTY (Sum of violation base penalties)</b> | <b>Subtotal 1</b> | <b>\$53,750</b> |
|---|-------------------|-----------------|

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

|                           |             |                   |                                |                |
|---------------------------|-------------|-------------------|--------------------------------|----------------|
| <b>Compliance History</b> | <b>9.0%</b> | <b>Adjustment</b> | <b>Subtotals 2, 3, &amp; 7</b> | <b>\$4,837</b> |
|---------------------------|-------------|-------------------|--------------------------------|----------------|

|              |   |
|--------------|---|
| <b>Notes</b> | Enhancement for two months of self-reported effluent violations.<br>Reduction for one Notice of Intent. |
|--------------|---|

|                    |    |             |                    |                   |            |
|--------------------|----|-------------|--------------------|-------------------|------------|
| <b>Culpability</b> | No | <b>0.0%</b> | <b>Enhancement</b> | <b>Subtotal 4</b> | <b>\$0</b> |
|--------------------|----|-------------|--------------------|-------------------|------------|

|              |  |
|--------------|--|
| <b>Notes</b> | The Respondent does not meet the culpability criteria. |
|--------------|--|

|  |                   |            |
|--|-------------------|------------|
| <b>Good Faith Effort to Comply Total Adjustments</b> | <b>Subtotal 5</b> | <b>\$0</b> |
|--|-------------------|------------|

|                         |             |                     |                   |            |
|-------------------------|-------------|---------------------|-------------------|------------|
| <b>Economic Benefit</b> | <b>0.0%</b> | <b>Enhancement*</b> | <b>Subtotal 6</b> | <b>\$0</b> |
|-------------------------|-------------|---------------------|-------------------|------------|

|                              |          |
|------------------------------|----------|
| Total EB Amounts             | \$1,683  |
| Estimated Cost of Compliance | \$15,000 |

\*Capped at the Total EB \$ Amount

|                             |                       |                 |
|-----------------------------|-----------------------|-----------------|
| <b>SUM OF SUBTOTALS 1-7</b> | <b>Final Subtotal</b> | <b>\$58,587</b> |
|-----------------------------|-----------------------|-----------------|

|   |             |                   |            |
|---|-------------|-------------------|------------|
| <b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b> | <b>0.0%</b> | <b>Adjustment</b> | <b>\$0</b> |
|---|-------------|-------------------|------------|

Reduces or enhances the Final Subtotal by the indicated percentage.

|              |  |
|--------------|--|
| <b>Notes</b> |  |
|--------------|--|

|                             |                 |
|-----------------------------|-----------------|
| <b>Final Penalty Amount</b> | <b>\$58,587</b> |
|-----------------------------|-----------------|

|                                   |                               |                 |
|-----------------------------------|-------------------------------|-----------------|
| <b>STATUTORY LIMIT ADJUSTMENT</b> | <b>Final Assessed Penalty</b> | <b>\$58,587</b> |
|-----------------------------------|-------------------------------|-----------------|

|                 |             |                  |                   |            |
|-----------------|-------------|------------------|-------------------|------------|
| <b>DEFERRAL</b> | <b>0.0%</b> | <b>Reduction</b> | <b>Adjustment</b> | <b>\$0</b> |
|-----------------|-------------|------------------|-------------------|------------|

Reduces the Final Assessed Penalty by the indicated percentage.

|              |   |
|--------------|---|
| <b>Notes</b> | No deferral is recommended for Findings Orders. |
|--------------|---|

|                        |                 |
|------------------------|-----------------|
| <b>PAYABLE PENALTY</b> | <b>\$58,587</b> |
|------------------------|-----------------|

|                                |                             |                   |                 |                                       |
|--------------------------------|-----------------------------|-------------------|-----------------|---------------------------------------|
| <b>Screening Date</b>          | 24-Sep-2019                 | <b>Docket No.</b> | 2019-1440-IWD-E | <b>PCW</b>                            |
| <b>Respondent</b>              | Pilgrim's Pride Corporation |                   |                 | <i>Policy Revision 4 (April 2014)</i> |
| <b>Case ID No.</b>             | 58398                       |                   |                 | <i>PCW Revision March 26, 2014</i>    |
| <b>Reg. Ent. Reference No.</b> | RN102184041                 |                   |                 |                                       |
| <b>Media</b>                   | Water Quality               |                   |                 |                                       |
| <b>Enf. Coordinator</b>        | Katelyn Tubbs               |                   |                 |                                       |

## Compliance History Worksheet

### >> Compliance History Site Enhancement (Subtotal 2)

| Component                     | Number of...   | Number | Adjust. |
|-------------------------------|--|--------|---------|
| NOVs                          | Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )  | 2      | 10%     |
|                               | Other written NOVs   | 0      | 0%      |
| Orders                        | Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )  | 0      | 0%      |
|                               | Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission | 0      | 0%      |
| Judgments and Consent Decrees | Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgments or consent decrees meeting criteria</i> )                               | 0      | 0%      |
|                               | Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government  | 0      | 0%      |
| Convictions                   | Any criminal convictions of this state or the federal government ( <i>number of counts</i> )   | 0      | 0%      |
| Emissions                     | Chronic excessive emissions events ( <i>number of events</i> )   | 0      | 0%      |
| Audits                        | Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )     | 1      | -1%     |
|                               | Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )  | 0      | 0%      |
| Other                         | Environmental management systems in place for one year or more   | No     | 0%      |
|                               | Voluntary on-site compliance assessments conducted by the executive director under a special assistance program  | No     | 0%      |
|                               | Participation in a voluntary pollution reduction program   | No     | 0%      |
|                               | Early compliance with, or offer of a product that meets future state or federal government environmental requirements  | No     | 0%      |

**Adjustment Percentage (Subtotal 2)** 9%

### >> Repeat Violator (Subtotal 3)

No

**Adjustment Percentage (Subtotal 3)** 0%

### >> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

**Adjustment Percentage (Subtotal 7)** 0%

### >> Compliance History Summary

**Compliance History Notes**

Enhancement for two months of self-reported effluent violations.  
Reduction for one Notice of Intent.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 9%

### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 9%

|                                |   |                                |                 |            |
|--------------------------------|---|--------------------------------|-----------------|------------|
| <b>Screening Date</b>          | 24-Sep-2019   | <b>Docket No.</b>              | 2019-1440-IWD-E | <b>PCW</b> |
| <b>Respondent</b>              | Pilgrim's Pride Corporation   | Policy Revision 4 (April 2014) |                 |            |
| <b>Case ID No.</b>             | 58398   | PCW Revision March 26, 2014    |                 |            |
| <b>Reg. Ent. Reference No.</b> | RN102184041   |                                |                 |            |
| <b>Media</b>                   | Water Quality   |                                |                 |            |
| <b>Enf. Coordinator</b>        | Katelyn Tubbs   |                                |                 |            |
| <b>Violation Number</b>        | 1   |                                |                 |            |
| <b>Rule Cite(s)</b>            | 30 Tex. Admin. Code § 305.125(1), Tex. Water Code § 26.121(a)(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003017000, Effluent Limitations and Monitoring Requirements Nos. 1 and 3 |                                |                 |            |
| <b>Violation Description</b>   | Failed to comply with permitted effluent limitations, as shown in the attached effluent violation table.  |                                |                 |            |
| <b>Base Penalty</b>            |   |                                | \$25,000        |            |

**>> Environmental, Property and Human Health Matrix**

|           |                |             |          |       |  |
|-----------|----------------|-------------|----------|-------|--|
| <b>OR</b> |                | <b>Harm</b> |          |       |  |
|           | <b>Release</b> | Major       | Moderate | Minor |  |
|           | Actual         | x           |          |       | <b>Percent</b> <span style="border: 1px solid black; padding: 0 10px;">100.0%</span> |
|           | Potential      |             |          |       |  |

**>> Programmatic Matrix**

|                     |  |   |       |          |       |  |
|---------------------|--|---|-------|----------|-------|--|
| <b>Matrix Notes</b> |  | Falsification   | Major | Moderate | Minor |  |
|                     |  |   |       |          |       | <b>Percent</b> <span style="border: 1px solid black; padding: 0 10px;">0.0%</span> |
|                     |  |   |       |          |       |  |
|                     |  | A simplified model was used to evaluate biochemical oxygen demand (5-day) and ammonia nitrogen to determine whether the discharged amount of pollutants exceeded levels protective of human health or the environment. Total suspended solids, oil and grease, carbonaceous biochemical oxygen demand (5-day), and dissolved oxygen were also considered. Human health or the environment has been exposed to pollutants which exceed levels that are protective of human health or environmental receptors as a result of the violation. |       |          |       |  |

**Adjustment** \$0

\$25,000

**Violation Events**

|                            |   |  |    |                          |
|----------------------------|---|--|----|--------------------------|
| Number of Violation Events | 2 |  | 61 | Number of violation days |
|----------------------------|---|--|----|--------------------------|

|  |              |   |  |   |
|--|--------------|---|--|---|
|  | daily        |   |  | <b>Violation Base Penalty</b> <span style="border: 1px solid black; padding: 0 10px;">\$50,000</span> |
|  | weekly       |   |  |   |
|  | monthly      | x |  |   |
|  | quarterly    |   |  |   |
|  | semiannual   |   |  |   |
|  | annual       |   |  |   |
|  | single event |   |  |   |

Two monthly events are recommended for the months of May and June 2019.

**Good Faith Efforts to Comply**

|               |  |                |                                   |                  |     |
|---------------|--|----------------|-----------------------------------|------------------|-----|
|               |  | <b>0.0%</b>    |                                   | <b>Reduction</b> | \$0 |
|               |  | Before NOE/NOV | NOE/NOV to EDPRP/Settlement Offer |                  |     |
| Extraordinary |  |                |                                   |                  |     |
| Ordinary      |  |                |                                   |                  |     |
| N/A           | x  |                |                                   |                  |     |
| Notes         | The Respondent does not meet the good faith criteria for this violation. |                |                                   |                  |     |

**Violation Subtotal** \$50,000

**Economic Benefit (EB) for this violation**

|  |         |  |
|--|---------|--|
|  |         | <b>Statutory Limit Test</b>  |
| <b>Estimated EB Amount</b>   | \$1,683 | <b>Violation Final Penalty Total</b> <span style="border: 1px solid black; text-align: right;">\$54,500</span> |
| <b>This violation Final Assessed Penalty (adjusted for limits)</b> |         | \$54,500   |

# Economic Benefit Worksheet

**Respondent** Pilgrim's Pride Corporation  
**Case ID No.** 58398  
**Reg. Ent. Reference No.** RN102184041  
**Media** Water Quality  
**Violation No.** 1

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0              | 15                    |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Costs Saved | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

## Delayed Costs

|                          |          |             |             |      |         |     |         |
|--------------------------|----------|-------------|-------------|------|---------|-----|---------|
| Equipment                |          |             |             | 0.00 | \$0     | \$0 | \$0     |
| Buildings                |          |             |             | 0.00 | \$0     | \$0 | \$0     |
| Other (as needed)        |          |             |             | 0.00 | \$0     | \$0 | \$0     |
| Engineering/Construction |          |             |             | 0.00 | \$0     | \$0 | \$0     |
| Land                     |          |             |             | 0.00 | \$0     | n/a | \$0     |
| Record Keeping System    |          |             |             | 0.00 | \$0     | n/a | \$0     |
| Training/Sampling        |          |             |             | 0.00 | \$0     | n/a | \$0     |
| Remediation/Disposal     |          |             |             | 0.00 | \$0     | n/a | \$0     |
| Permit Costs             |          |             |             | 0.00 | \$0     | n/a | \$0     |
| Other (as needed)        | \$15,000 | 31-Aug-2018 | 27-Nov-2020 | 2.24 | \$1,683 | n/a | \$1,683 |

### Notes for DELAYED costs

Estimated Other cost to determine the cause of noncompliance and to make necessary repairs/adjustments to the Facility and achieve compliance with permitted effluent limitations. The Date Required is the end date of the first month of noncompliance and the Final Date is the estimated date of compliance.

## Avoided Costs

### ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

|                               |  |  |  |      |     |     |     |
|-------------------------------|--|--|--|------|-----|-----|-----|
| Disposal                      |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Personnel                     |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Supplies/Equipment            |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Financial Assurance           |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs        |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Other (as needed)             |  |  |  | 0.00 | \$0 | \$0 | \$0 |

### Notes for AVOIDED costs

Approx. Cost of Compliance

\$15,000

**TOTAL**

\$1,683



|   |                                   |   |
|---|-----------------------------------|---|
| <b>Screening Date</b> 24-Sep-2019<br><b>Respondent</b> Pilgrim's Pride Corporation<br><b>Case ID No.</b> 58398<br><b>Reg. Ent. Reference No.</b> RN102184041<br><b>Media</b> Water Quality<br><b>Enf. Coordinator</b> Katelyn Tubbs | <b>Docket No.</b> 2019-1440-IWD-E | <b>PCW</b><br><i>Policy Revision 4 (April 2014)</i><br><i>PCW Revision March 26, 2014</i> |
|---|-----------------------------------|---|

|                              |   |   |
|------------------------------|---|---|
| <b>Violation Number</b>      | 2 |   |
| <b>Rule Cite(s)</b>          |   | 30 Tex. Admin. Code § 305.125(1), Tex. Water Code § 26.121(a)(1), and TPDES Permit No. WQ0003017000, Effluent Limitations and Monitoring Requirements No. 1 |
| <b>Violation Description</b> |   | Failed to comply with permitted effluent limitations, as shown in the attached effluent violation table.  |

|                     |          |
|---------------------|----------|
| <b>Base Penalty</b> | \$25,000 |
|---------------------|----------|

**>> Environmental, Property and Human Health Matrix**

|           |                |             |          |       |                      |
|-----------|----------------|-------------|----------|-------|----------------------|
| <b>OR</b> |                | <b>Harm</b> |          |       |                      |
|           | <b>Release</b> | Major       | Moderate | Minor |                      |
|           | Actual         |             |          | x     |                      |
|           | Potential      |             |          |       | <b>Percent</b> 15.0% |

**>> Programmatic Matrix**

|                     |  |  |          |       |                     |
|---------------------|--|--|----------|-------|---------------------|
| <b>Matrix Notes</b> |  | <b>Falsification</b>   |          |       |                     |
|                     |  | Major  | Moderate | Minor |                     |
|                     |  |  |          |       | <b>Percent</b> 0.0% |
|                     |  | Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation. |          |       |                     |

|                   |          |
|-------------------|----------|
| <b>Adjustment</b> | \$21,250 |
|-------------------|----------|

|                   |         |
|-------------------|---------|
| <b>Adjustment</b> | \$3,750 |
|-------------------|---------|

**Violation Events**

|                            |   |    |                          |
|----------------------------|---|----|--------------------------|
| Number of Violation Events | 1 | 31 | Number of violation days |
|----------------------------|---|----|--------------------------|

|  |              |   |  |  |  |  |
|--|--------------|---|--|--|--|--|
|  | daily        |   |  |  |  |  |
|  | weekly       |   |  |  |  |  |
|  | monthly      |   |  |  |  |  |
|  | quarterly    | x |  |  |  |  |
|  | semiannual   |   |  |  |  |  |
|  | annual       |   |  |  |  |  |
|  | single event |   |  |  |  |  |

|                               |         |
|-------------------------------|---------|
| <b>Violation Base Penalty</b> | \$3,750 |
|-------------------------------|---------|

One quarterly event is recommended for the quarter containing the month of August 2018.

**Good Faith Efforts to Comply**

|  |             |                      |
|--|-------------|----------------------|
|  | <b>0.0%</b> |                      |
|  |             | <b>Reduction</b> \$0 |

|               |   |                |                                   |
|---------------|---|----------------|-----------------------------------|
|               |   | Before NOE/NOV | NOE/NOV to EDPRP/Settlement Offer |
| Extraordinary |   |                |                                   |
| Ordinary      |   |                |                                   |
| N/A           | x |                |                                   |

|              |  |
|--------------|--|
| <b>Notes</b> | The Respondent does not meet the good faith criteria for this violation. |
|--------------|--|

|                           |         |
|---------------------------|---------|
| <b>Violation Subtotal</b> | \$3,750 |
|---------------------------|---------|

**Economic Benefit (EB) for this violation**

|                            |     |                             |
|----------------------------|-----|-----------------------------|
| <b>Estimated EB Amount</b> | \$0 | <b>Statutory Limit Test</b> |
|----------------------------|-----|-----------------------------|

|                                      |         |
|--------------------------------------|---------|
| <b>Violation Final Penalty Total</b> | \$4,088 |
|--------------------------------------|---------|

|  |         |
|--|---------|
| <b>This violation Final Assessed Penalty (adjusted for limits)</b> | \$4,088 |
|--|---------|

# Economic Benefit Worksheet

**Respondent** Pilgrim's Pride Corporation  
**Case ID No.** 58398  
**Reg. Ent. Reference No.** RN102184041  
**Media** Water Quality  
**Violation No.** 2

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0              | 15                    |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Costs Saved | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

## Delayed Costs

|                          |  |  |  |      |     |     |     |
|--------------------------|--|--|--|------|-----|-----|-----|
| Equipment                |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Buildings                |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Other (as needed)        |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Engineering/Construction |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Land                     |  |  |  | 0.00 | \$0 | n/a | \$0 |
| Record Keeping System    |  |  |  | 0.00 | \$0 | n/a | \$0 |
| Training/Sampling        |  |  |  | 0.00 | \$0 | n/a | \$0 |
| Remediation/Disposal     |  |  |  | 0.00 | \$0 | n/a | \$0 |
| Permit Costs             |  |  |  | 0.00 | \$0 | n/a | \$0 |
| Other (as needed)        |  |  |  | 0.00 | \$0 | n/a | \$0 |

Notes for DELAYED costs

See the Economic Benefit for Violation No. 1.

## Avoided Costs

### ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

|                               |  |  |  |      |     |     |     |
|-------------------------------|--|--|--|------|-----|-----|-----|
| Disposal                      |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Personnel                     |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Supplies/Equipment            |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Financial Assurance           |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs        |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Other (as needed)             |  |  |  | 0.00 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

**TOTAL**

\$0

Pilgrim's Pride Corporation  
Docket No. 2019-1440-IWD-E  
TPDES Permit No. WQ0003017000  
Case No. 58398

Effluent Violation Table

|                   | Carbonaceous Biochemical Oxygen Demand (5-day) |                  |                     |                     | Biochemical Oxygen Demand (5-day) |                  |                     |                     | Oil & Grease     |                     |
|-------------------|--|------------------|---------------------|---------------------|-----------------------------------|------------------|---------------------|---------------------|------------------|---------------------|
|                   | Daily Avg. Conc.                               | Daily Max. Conc. | Daily Avg. Load.    | Daily Max. Load.    | Daily Avg. Conc.                  | Daily Max. Conc. | Daily Avg. Load.    | Daily Max. Load.    | Daily Max. Conc. | Daily Max. Load.    |
| Monitoring Period | Limit = 5 mg/L                                 | Limit = 10 mg/L  | Limit = 146 lbs/day | Limit = 292 lbs/day | Limit = 16 mg/L                   | Limit = 26 mg/L  | Limit = 454 lbs/day | Limit = 738 lbs/day | Limit = 14 mg/L  | Limit = 376 lbs/day |
| August 2018       | 5.7  | c                | c                   | c                   | c                                 | c                | c                   | c                   | c                | c                   |
| May 2019          | 52.7   | 213              | 1,266               | 5,058               | 86.35                             | 320.7            | 2,108               | c                   | 36               | 943.45              |
| June 2019         | 34.88  | 115              | 812.4               | 3,080.6             | 46.45                             | 157              | 1,058               | 2,135               | 42.5             | 1,058               |

|                   | Ammonia-Nitrogen |                  |                    |                    | Dissolved Oxygen | Total Suspended Solids |                  |                     |                     |
|-------------------|------------------|------------------|--------------------|--------------------|------------------|------------------------|------------------|---------------------|---------------------|
|                   | Daily Avg. Conc. | Daily Max. Conc. | Daily Avg. Load.   | Daily Max. Load.   | Min. Conc.       | Daily Avg. Conc.       | Daily Max. Conc. | Daily Avg. Load.    | Daily Max. Load.    |
| Monitoring Period | Limit = 1 mg/L   | Limit = 2 mg/L   | Limit = 29 lbs/day | Limit = 58 lbs/day | Limit = 6 mg/L   | Limit = 15 mg/L        | Limit = 30 mg/L  | Limit = 376 lbs/day | Limit = 751 lbs/day |
| May 2019          | 3.73             | 24.5             | 94.87              | 642                | 5.23             | 192                    | 969              | 272,210             | 1,632,455           |
| June 2019         | 1.8              | 4.78             | 42.94              | 128                | 0.25             | 191.1                  | 640              | 213,277             | 728,324             |

Avg. = Average

c = compliant

Min. = Minimum

Conc. = Concentration

Load. = Loading

mg/L = milligrams per liter

lbs/day = pounds per day

Max. = Maximum

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



# TCEQ Compliance History Report

Compliance History Report for CN601276660, RN102184041, Rating Year 2019 which includes Compliance History (CH) components from September 1, 2014, through August 31, 2019.

**Customer, Respondent, or Owner/Operator:** CN601276660, Pilgrim's Pride Corporation **Classification:** SATISFACTORY **Rating:** 1.61

**Regulated Entity:** RN102184041, PILGRIMS PRIDE NORTHEAST TEXAS COMPLEX WWTP **Classification:** SATISFACTORY **Rating:** 0.20

**Complexity Points:** 14 **Repeat Violator:** NO

**CH Group:** 14 - Other

**Location:** 664 Farm-to-Market Road 127 West in Mount Pleasant, Titus County, Texas

**TCEQ Region:** REGION 05 - TYLER

**ID Number(s):**

**WASTEWATER PERMIT** WQ0003017000

**WASTEWATER LICENSING LICENSE** WQ0003017000

**POLLUTION PREVENTION PLANNING ID NUMBER**  
P09709

**TAX RELIEF ID NUMBER** 20378

**WASTEWATER EPA ID** TX0062936

**INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE**  
**REGISTRATION # (SWR)** 31649

**POLLUTION PREVENTION PLANNING ID NUMBER**  
P09908

**Compliance History Period:** September 01, 2014 to August 31, 2019 **Rating Year:** 2019 **Rating Date:** 09/01/2019

**Date Compliance History Report Prepared:** September 23, 2019

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** September 23, 2014 to September 23, 2019

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**

**Name:** Katelyn Tubbs

**Phone:** (512) 239-2512

**Site and Owner/Operator History:**

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES  
2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO

**Components (Multimedia) for the Site Are Listed in Sections A - J**

**A. Final Orders, court judgments, and consent decrees:**

N/A

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

**D. The approval dates of investigations (CCEDS Inv. Track. No.):**

|        |                    |           |         |                   |           |
|--------|--------------------|-----------|---------|-------------------|-----------|
| Item 1 | January 19, 2015   | (1231908) | Item 9  | January 18, 2016  | (1316422) |
| Item 2 | February 16, 2015  | (1243053) | Item 10 | February 18, 2016 | (1325789) |
| Item 3 | March 14, 2015     | (1249419) | Item 11 | March 17, 2016    | (1332534) |
| Item 4 | May 20, 2015       | (1248471) | Item 12 | April 18, 2016    | (1339679) |
| Item 5 | September 18, 2015 | (1291040) | Item 13 | May 17, 2016      | (1331547) |
| Item 6 | October 14, 2015   | (1297238) | Item 14 | May 19, 2016      | (1346506) |
| Item 7 | November 18, 2015  | (1302683) | Item 15 | June 17, 2016     | (1352927) |
| Item 8 | December 17, 2015  | (1309649) | Item 16 | July 20, 2016     | (1359897) |

N/A

## **Component Appendices**

### **Appendix A**

#### **All NOV's Issued During Component Period 9/23/2014 and 9/23/2019**

- 1            Date:     09/30/2014     (1213005)  

Classification:     Moderate

Self Report?   YES     For Informational Purposes Only

Citation:            2D TWC Chapter 26, SubChapter A 26.121(a)  
                             30 TAC Chapter 305, SubChapter F 305.125(1)

Description:       Failure to meet the limit for one or more permit parameter
- 2            Date:     10/31/2014     (1219263)  

Classification:     Moderate

Self Report?   YES     For Informational Purposes Only

Citation:            2D TWC Chapter 26, SubChapter A 26.121(a)  
                             30 TAC Chapter 305, SubChapter F 305.125(1)

Description:       Failure to meet the limit for one or more permit parameter
- 3            Date:     11/30/2014     (1225042)  

Classification:     Moderate

Self Report?   YES     For Informational Purposes Only

Citation:            2D TWC Chapter 26, SubChapter A 26.121(a)  
                             30 TAC Chapter 305, SubChapter F 305.125(1)

Description:       Failure to meet the limit for one or more permit parameter
- 4            Date:     03/31/2015     (1256299)  

Classification:     Moderate

Self Report?   YES     For Informational Purposes Only

Citation:            2D TWC Chapter 26, SubChapter A 26.121(a)  
                             30 TAC Chapter 305, SubChapter F 305.125(1)

Description:       Failure to meet the limit for one or more permit parameter
- 5            Date:     04/30/2015     (1263033)  

Classification:     Moderate

Self Report?   YES     For Informational Purposes Only

Citation:            2D TWC Chapter 26, SubChapter A 26.121(a)  
                             30 TAC Chapter 305, SubChapter F 305.125(1)

Description:       Failure to meet the limit for one or more permit parameter
- 6            Date:     05/31/2015     (1270181)  

Classification:     Moderate

Self Report?   YES     For Informational Purposes Only

Citation:            2D TWC Chapter 26, SubChapter A 26.121(a)  
                             30 TAC Chapter 305, SubChapter F 305.125(1)

Description:       Failure to meet the limit for one or more permit parameter
- 7            Date:     06/30/2015     (1277715)  

Classification:     Moderate

Self Report?   YES     For Informational Purposes Only

Citation:            2D TWC Chapter 26, SubChapter A 26.121(a)  
                             30 TAC Chapter 305, SubChapter F 305.125(1)

Description:       Failure to meet the limit for one or more permit parameter
- 8            Date:     07/31/2015     (1283891)  

Classification:     Moderate

Self Report?   YES     For Informational Purposes Only

Citation:            2D TWC Chapter 26, SubChapter A 26.121(a)  
                             30 TAC Chapter 305, SubChapter F 305.125(1)

Description:       Failure to meet the limit for one or more permit parameter
- 9            Date:     08/31/2018     (1528032)

Classification: Moderate

Self Report? YES For Informational Purposes Only  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter

10\* Date: 09/07/2018 (1506344)

Classification: Minor

Self Report? NO For Informational Purposes Only  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to maintain sludge records as required by the permit.

11\* Date: 05/31/2019 (1584770)

Classification: Moderate

Self Report? YES For Informational Purposes Only  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter

12\* Date: 06/30/2019 (1593925)

Classification: Moderate

Self Report? YES For Informational Purposes Only  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter

\* NOV's applicable for the Compliance History rating period 9/1/2014 to 8/31/2019

## Appendix B

### All Investigations Conducted During Component Period September 23, 2014 and September 23, 2019

|         |                     |  |
|---------|---------------------|--|
| Item 1  | October 18, 2014**  | (1213005)<br>For Informational Purposes Only |
| Item 2  | November 19, 2014** | (1219263)<br>For Informational Purposes Only |
| Item 3  | December 12, 2014** | (1225042)<br>For Informational Purposes Only |
| Item 4* | January 19, 2015**  | (1231908)<br>For Informational Purposes Only |
| Item 5* | February 16, 2015** | (1243053)<br>For Informational Purposes Only |
| Item 6* | March 14, 2015**    | (1249419)<br>For Informational Purposes Only |
| Item 7  | April 17, 2015**    | (1256299)<br>For Informational Purposes Only |
| Item 8  | May 19, 2015**      | (1263033)<br>For Informational Purposes Only |
| Item 9* | May 20, 2015**      | (1248471)<br>For Informational Purposes Only |
| Item 10 | June 19, 2015**     | (1270181)<br>For Informational Purposes Only |
|         |                     | (1277715)                                    |

|          |                      |  |
|----------|----------------------|--|
| Item 11  | July 18, 2015**      | For Informational Purposes Only<br>(1283891) |
| Item 12  | August 19, 2015**    | For Informational Purposes Only<br>(1291040) |
| Item 13* | September 18, 2015** | For Informational Purposes Only<br>(1297238) |
| Item 14* | October 14, 2015**   | For Informational Purposes Only<br>(1302683) |
| Item 15* | November 18, 2015**  | For Informational Purposes Only<br>(1309649) |
| Item 16* | December 17, 2015**  | For Informational Purposes Only<br>(1316422) |
| Item 17* | January 18, 2016**   | For Informational Purposes Only<br>(1325789) |
| Item 18* | February 18, 2016**  | For Informational Purposes Only<br>(1332534) |
| Item 19* | March 17, 2016**     | For Informational Purposes Only<br>(1339679) |
| Item 20* | April 18, 2016**     | For Informational Purposes Only<br>(1321967) |
| Item 21  | May 12, 2016**       | For Informational Purposes Only<br>(1331547) |
| Item 22* | May 17, 2016**       | For Informational Purposes Only<br>(1346506) |
| Item 23* | May 19, 2016**       | For Informational Purposes Only<br>(1352927) |
| Item 24* | June 17, 2016**      | For Informational Purposes Only<br>(1359897) |
| Item 25* | July 20, 2016**      | For Informational Purposes Only<br>(1366341) |
| Item 26* | August 19, 2016**    | For Informational Purposes Only<br>(1373018) |
| Item 27* | September 14, 2016** | For Informational Purposes Only<br>(1379208) |
| Item 28* | October 18, 2016**   | For Informational Purposes Only<br>(1385161) |
| Item 29* | November 17, 2016**  | For Informational Purposes Only<br>(1391290) |
| Item 30* | December 19, 2016**  | For Informational Purposes Only<br>(1397915) |
| Item 31* | January 19, 2017**   | For Informational Purposes Only<br>(1404806) |
| Item 32* | February 18, 2017**  | For Informational Purposes Only              |



|          |                      |  |
|----------|----------------------|--|
| Item 33* | March 16, 2017**     | (1411893)<br>For Informational Purposes Only |
| Item 34* | April 17, 2017**     | (1418398)<br>For Informational Purposes Only |
| Item 35* | May 19, 2017**       | (1425997)<br>For Informational Purposes Only |
| Item 36* | June 16, 2017**      | (1432036)<br>For Informational Purposes Only |
| Item 37* | June 28, 2017**      | (1422376)<br>For Informational Purposes Only |
| Item 38* | July 20, 2017**      | (1440603)<br>For Informational Purposes Only |
| Item 39* | August 18, 2017**    | (1444288)<br>For Informational Purposes Only |
| Item 40* | October 19, 2017**   | (1450882)<br>For Informational Purposes Only |
| Item 41* | November 18, 2017**  | (1462211)<br>For Informational Purposes Only |
| Item 42* | December 19, 2017**  | (1468593)<br>For Informational Purposes Only |
| Item 43* | January 18, 2018**   | (1475303)<br>For Informational Purposes Only |
| Item 44* | February 19, 2018**  | (1487500)<br>For Informational Purposes Only |
| Item 45* | March 27, 2018**     | (1491177)<br>For Informational Purposes Only |
| Item 46* | April 19, 2018**     | (1494429)<br>For Informational Purposes Only |
| Item 47* | May 18, 2018**       | (1501375)<br>For Informational Purposes Only |
| Item 48* | June 18, 2018**      | (1508469)<br>For Informational Purposes Only |
| Item 49* | July 19, 2018**      | (1514797)<br>For Informational Purposes Only |
| Item 50* | August 20, 2018**    | (1520853)<br>For Informational Purposes Only |
| Item 51  | September 19, 2018** | (1528032)<br>For Informational Purposes Only |
| Item 52* | October 18, 2018**   | (1534378)<br>For Informational Purposes Only |
| Item 53  | October 22, 2018**   | (1519850)<br>For Informational Purposes Only |

|          |                     |                                 |  |
|----------|---------------------|---------------------------------|--|
|          |                     | (1542212)                       |  |
| Item 54* | November 19, 2018** | For Informational Purposes Only |  |
|          |                     | (1545981)                       |  |
| Item 55* | December 18, 2018** | For Informational Purposes Only |  |
|          |                     | (1561972)                       |  |
| Item 56* | January 20, 2019**  | For Informational Purposes Only |  |
|          |                     | (1561970)                       |  |
| Item 57* | February 20, 2019** | For Informational Purposes Only |  |
|          |                     | (1561971)                       |  |
| Item 58* | March 14, 2019**    | For Informational Purposes Only |  |
|          |                     | (1553997)                       |  |
| Item 59* | April 18, 2019**    | For Informational Purposes Only |  |
|          |                     | (1572579)                       |  |
| Item 60* | April 19, 2019**    | For Informational Purposes Only |  |
|          |                     | (1584769)                       |  |
| Item 61* | May 19, 2019**      | For Informational Purposes Only |  |
|          |                     | (1584770)                       |  |
| Item 62  | June 20, 2019**     | For Informational Purposes Only |  |
|          |                     | (1593925)                       |  |
| Item 63  | July 18, 2019**     | For Informational Purposes Only |  |
|          |                     | (1590546)                       |  |
| Item 64  | September 18, 2019  | For Informational Purposes Only |  |

\* No violations documented during this investigation

\*\*Investigation applicable for the Compliance History Rating period between 09/01/2014 and 08/31/2019.

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
PILGRIM'S PRIDE  
CORPORATION  
RN102184041**

**§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2019-1440-IWD-E**

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Pilgrim's Pride Corporation (the "Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this Order to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

### **I. FINDINGS OF FACT**

1. The Respondent owns and operates a wastewater treatment facility located at 664 Farm-to-Market Road 127 West in Mount Pleasant, Titus County, Texas (the "Facility"). The Facility is near or adjacent to water in the state as defined in TEX. WATER CODE § 26.001(5).
2. During a record review conducted on August 19, 2019, an investigator documented that the Respondent did not comply with permitted effluent limitations, as shown in the effluent violation table below:

|                   | Carbonaceous Biochemical Oxygen Demand (5-day) |                  |                     |                     | Biochemical Oxygen Demand (5-day) |                  |                     |                     | Oil & Grease     |                     |
|-------------------|--|------------------|---------------------|---------------------|-----------------------------------|------------------|---------------------|---------------------|------------------|---------------------|
|                   | Daily Avg. Conc.                               | Daily Max. Conc. | Daily Avg. Load.    | Daily Max. Load.    | Daily Avg. Conc.                  | Daily Max. Conc. | Daily Avg. Load.    | Daily Max. Load.    | Daily Max. Conc. | Daily Max. Load.    |
| Monitoring Period | Limit = 5 mg/L                                 | Limit = 10 mg/L  | Limit = 146 lbs/day | Limit = 292 lbs/day | Limit = 16 mg/L                   | Limit = 26 mg/L  | Limit = 454 lbs/day | Limit = 738 lbs/day | Limit = 14 mg/L  | Limit = 376 lbs/day |
| August 2018       | 5.7  | c                | c                   | c                   | c                                 | c                | c                   | c                   | c                | c                   |
| May 2019          | 52.7   | 213              | 1,266               | 5,058               | 86.35                             | 320.7            | 2,108               | c                   | 36               | 943.45              |
| June 2019         | 34.88  | 115              | 812.4               | 3,080.6             | 46.45                             | 157              | 1,058               | 2,135               | 42.5             | 1,058               |

|                   | Ammonia-Nitrogen |                  |                    |                    | Dissolved Oxygen | Total Suspended Solids |                  |                     |                     |
|-------------------|------------------|------------------|--------------------|--------------------|------------------|------------------------|------------------|---------------------|---------------------|
|                   | Daily Avg. Conc. | Daily Max. Conc. | Daily Avg. Load.   | Daily Max. Load.   | Min. Conc.       | Daily Avg. Conc.       | Daily Max. Conc. | Daily Avg. Load.    | Daily Max. Load.    |
| Monitoring Period | Limit = 1 mg/L   | Limit = 2 mg/L   | Limit = 29 lbs/day | Limit = 58 lbs/day | Limit = 6 mg/L   | Limit = 15 mg/L        | Limit = 30 mg/L  | Limit = 376 lbs/day | Limit = 751 lbs/day |
| May 2019          | 3.73             | 24.5             | 94.87              | 642                | 5.23             | 192                    | 969              | 272,210             | 1,632,455           |
| June 2019         | 1.8              | 4.78             | 42.94              | 128                | 0.25             | 191.1                  | 640              | 213,277             | 728,324             |

Avg. = Average  
c = compliant  
Min. = Minimum

Conc. = Concentration  
Load. = Loading  
mg/L = milligrams per liter

lbs/day = pounds per day  
Max. = Maximum

## **II. CONCLUSIONS OF LAW**

1. As evidenced by Finding of Fact No. 1, the Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE ch. 26 and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2, the Respondent failed to comply with permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003017000, Effluent Limitations and Monitoring Requirements Nos. 1 and 3.
3. Pursuant to TEX. WATER CODE § 7.051, the TCEQ has the authority to assess an administrative penalty against the Respondent for violations of state statutes within the TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of \$58,587 is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent paid \$29,293 of the penalty. Pursuant to TEX. WATER CODE § 7.067, \$29,294 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A", incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

## **III. ORDERING PROVISIONS**

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Conclusion of Law No. 4 for violations of state statutes and rules of the TCEQ. The payment of this penalty and the Respondent's compliance with all the requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations that are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Pilgrim's Pride Corporation, Docket No. 2019-1440-IWD-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall implement and complete an SEP as set forth in Section I, Paragraph No. 4. The amount of \$29,294 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. The Respondent shall, within 130 days after the effective date of this Order, submit written certification of compliance with the permitted effluent limitations of TPDES Permit No. WQ0003017000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Water Section  
Enforcement Division, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Water Section Manager  
Tyler Regional Office  
Texas Commission on Environmental Quality  
2916 Teague Drive  
Tyler, Texas 75701-3734

4. All relief not expressly granted in this Order is denied.
5. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
6. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
7. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.
8. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms in this Order.
9. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
10. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
11. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting,

lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

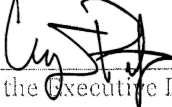
12. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.



## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

Date

9/28/2022

Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Signature

Fabio Sandri

Name (Printed or typed)  
Authorized Representative of  
Pilgrim's Pride Corporation

Date

July 6, 2022

President and CEO

Title

☐ If mailing address has changed, please check this box and provide the new address below:

**Attachment A**  
**Docket Number: 2019-1440-IWD-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

|                           |   |
|---------------------------|---|
| <b>Respondent:</b>        | Pilgrim's Pride Corporation                                       |
| <b>Penalty Amount:</b>    | Fifty-Eight Thousand Five Hundred Eighty-Seven Dollars (\$58,587) |
| <b>SEP Offset Amount:</b> | Twenty-Nine Thousand Two Hundred Ninety-Four Dollars (\$29,294)   |
| <b>Type of SEP:</b>       | Custom  |
| <b>Project Name:</b>      | <i>Manhole Improvements</i>                                       |
| <b>Location of SEP:</b>   | Titus County  |

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for Respondent to perform a Supplemental Environmental Project ("SEP"). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

Respondent shall hire a contractor to perform improvements to the City of Mount Pleasant's sanitary sewer collection system to reduce infiltration and inflow ("I&I"). Respondent will hire a contractor to repair multiple manholes throughout Mount Pleasant's sanitary sewer collection system that currently exhibit condition defects that contribute to I&I. Rehabilitating and repairing manholes in the sewer collection system will allow Mount Pleasant's collection system (and ultimately the wastewater treatment facility) to operate more efficiently and improve water quality downstream of the discharge. Specifically, the SEP Offset Amount shall be used for materials, supplies, and equipment for the manhole rehabilitation (the "Project"). Respondent shall coordinate with the City of Mount Pleasant throughout performance of the Project.<sup>1</sup> If at any point the City of Mount Pleasant withdraws its consent to performance of the Project, Respondent may contribute the remaining SEP Offset Amount to an eligible Pre-Approved SEP. Respondent shall solicit bids from qualified contractors to perform the Project. Any advertisement, including publication, related to the SEP must include the enforcement statement as stated in Section 6, Publicity. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations, including permits that may be required prior to commencement of the SEP.

Respondent shall use the SEP Offset Amount only for the direct cost of implementing the Project, including supplies, materials, and equipment rentals, as listed in Subsection C. Minimum Expenditure, Estimated Cost Schedule, below. No portion of the SEP Offset Amount shall be spent on administrative costs, including but not limited to operating costs, reporting expenses, handling of expenses, project coordination, liability, or equipment breakdowns.

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<sup>1</sup> TCEQ acknowledges that Respondent has obtained the consent of the City of Mount Pleasant to perform the Project.

Respondent's signature affixed to the attached Agreed Order certifies that Respondent has no prior commitment to perform this Project and that the SEP is being performed solely as part of the terms of settlement in this enforcement action.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by preventing wastewater discharges being released into the environment during the collection process. Wastewater discharges can carry bacteria, viruses, protozoa (parasitic organisms), helminths (intestinal worms), and bioaerosols (inhalable molds and fungi). The diseases they may cause range in severity from mild gastroenteritis to life-threatening ailments such as cholera, dysentery, infectious hepatitis, and severe gastroenteritis. Additional risks include occurrences of low dissolved oxygen, fish kills, algal bloom, and bacterial contamination in waterways.

**C. Minimum Expenditure**

Respondent shall spend at least the SEP Offset Amount to complete the project described in Section 1, above, and comply with all other provisions of this SEP. Respondent understands that it may cost more than the SEP Offset Amount to complete the Project.

**Estimated Cost Schedule**

| Item  | Quantity | Units         | Cost    | Total    |
|---|----------|---------------|---------|----------|
| Mobilization, Insurance, and Bonding  | 1 *      | Lump Sum      | \$4,000 | \$4,000  |
| Barricades, Signs, and Traffic Control  | 1 *      | Lump Sum      | \$2,900 | \$2,900  |
| Clean, Remove Roots, and Repair as Needed, Coat 48-Inch and Less Diameter Manhole | 86*      | Vertical Feet | \$325   | \$27,950 |
| Manhole Testing   | 1 *      | Lump Sum      | \$2,500 | \$2,500  |
| Temporary Bypass Pumping  | 1 *      | Lump Sum      | \$7,500 | \$7,500  |
| Total   |          |               |         | \$44,850 |

\*Estimated quantity shall be adjusted as needed to ensure SEP offset amount is met.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, Respondent shall begin implementation of the SEP. Respondent shall have completed the SEP in its entirety within 365 days after the effective date of this Agreed Order.

**3. Records and Reporting**

**A. Progress Report**

Within 30 days after the effective date of this Agreed Order, Respondent shall submit a Notice of Commencement to the TCEQ describing actions performed to date to implement the Project. Within 90 days after the effective date of this Agreed Order, Respondent shall submit a report detailing the progress made and all actions completed on the Project during the previous 60-day period and setting forth a schedule for achieving completion of the Project within the 365-day timeframe set forth in Section 2, Performance Schedule, above. Thereafter, Respondent

shall submit progress reports to the containing detailed information on all actions completed on the Project to date as set forth in the Reporting Schedule table below:

**Reporting Schedule**

| <b>Days from Effective Order Date</b> | <b>Information Required</b>                                      |
|---------------------------------------|--|
| 30                                    | Notice of Commencement describing actions taken to begin project |
| 90                                    | Actions completed during previous 60-day period                  |
| 180                                   | Actions completed during previous 90-day period                  |
| 270                                   | Actions completed during previous 90-day period                  |
| 365                                   | Notice of SEP completion   |

**B. Final Report**

Within 365 days after the effective date of the Agreed Order, or within 30 days after completion of the SEP, whichever is earlier, Respondent shall submit a Final Report to the TCEQ, which shall include the following:

1. Itemized list of expenditures and total cost of the Project;
2. Copies of invoices or receipts corresponding to the itemized list in paragraph 3.B.1., above;
3. Copies of cleared checks or payment records corresponding to the itemized list in paragraph 3.B.1., above;
4. Copies of proof of advertisement of invitation for bids, if applicable;
5. A certified statement of SEP completion and document authentication;
6. Detailed map showing specific location of the project site(s);
7. Copies of all engineering plans related to work performed pursuant to the Project, if applicable;
8. Equipment logs showing the hours the equipment was utilized on the project, if applicable;
9. Dated photographs of the purchased materials and supplies; before and after work being performed during the Project; and of the completed Project; and
10. Any additional information Respondent believes will, or that is requested by TCEQ to demonstrate compliance with this Attachment A.

**C. Address**

Respondent shall submit all SEP reports and any additional information as requested to the following address:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Additional Information and Access**

Respondent shall provide additional information as requested by TCEQ staff and shall allow access to all records related to the SEP Offset Amount. Respondent shall also allow representatives of the TCEQ access to the site of any work being financed in whole or in part by the SEP Offset Amount. This provision shall survive the termination of this Agreed Order.

**5. Failure to Fully Perform**

If Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 through 4 above, the Executive Director ("ED") may require immediate payment of all or part of the SEP Offset Amount as set forth in the attached Agreed Order.

In the event the ED determines that Respondent failed to fully implement and complete the Project, Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**6. Publicity**

Any public statements concerning this Project made by or on behalf of Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

**7. Recognition**

Respondent may not seek recognition for this project in any other state or federal regulatory program.

**8. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.