

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4**

**EXPEDITED SETTLEMENT AGREEMENT**

**DOCKET NO: CAA-04-2023-0203(b)**

**This ESA is issued to: Pilgrim's Pride Corporation  
3500 Lake Guntersville Park Dr.  
Guntersville, Alabama 35976**

**for violating 40 C.F.R. § 68.65(d)(2), 40 C.F.R. § 68.73(e), 40 C.F.R. § 68.87(b)(5) and Section 112(r)(7) of the Clean Air Act.**

This Expedited Settlement Agreement (ESA) is being entered into by the United States Environmental Protection Agency, Region 4, Director of the Enforcement and Compliance Assurance Division (Complainant), and by Pilgrim's Pride (Respondent), pursuant to Section 113(d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(d), and pursuant to 40 C.F.R. §§ 22.13(b) and 22.18(b)(2).

**ALLEGED VIOLATIONS**

Based on a compliance monitoring inspection conducted at the Respondent's facility located at 3500 Lake Guntersville Park Dr., Guntersville, Alabama, on May 17, 2022, the EPA alleges that the Respondent violated the Act's Section 112(r)(7), Chemical Accident Prevention Provisions, 42 U.S.C. § 7412(r)(7), when at the time of inspection, Respondent did not provide evidence that:

1. It documented that equipment complies with recognized and generally accepted good engineering practices as required by 40 C.F.R. § 68.65(d)(2), because:
  - a. There was frost build up observed around piping and equipment in the engine room where valve groups are present, which could cause problems when trying to operate those valves. American National Standards Institute/International Institute of Ammonia Refrigeration (ANSI/IIAR) 2-2014 section 5.10.1 (Condensation and Frost Control) states, "*Piping and equipment surfaces not intended for heat exchange shall be insulated, treated, or otherwise protected to mitigate condensation and excessive frost buildup where the surface temperature is below the dew point of the surrounding air during normal operation and in an area where condensation and frost could develop and become a hazard to occupants or cause damage to the structure, electrical equipment, or refrigeration system,*"
  - b. Some ammonia pipes on the roof had missing labels or labels that were faded and/or peeling off. ANSI/IIAR 2-2014 section 5.14.6 states, "*Ammonia piping*

*mains, headers, and branches shall be identified with the following information:*

- 1. "AMMONIA";*
- 2. Physical state of the ammonia;*
- 3. Relative pressure level of ammonia, being low or high as applicable;*
- 4. Pipe service, which shall be permitted to be abbreviated; and*
- 5. Direction of flow.*

*The marking system shall either be one established by a recognized model code or standard or one described and documented by the facility owner,"* and

- c. A valve group associated with a condenser (EC-2) that is located outside on the roof had signs of rust. ANSI/IIAR 6-2019 section 11.1.1.2 states, "*Where pitting, surface damage, general corrosion, or a combination thereof, has not materially reduced the remaining pipe wall thickness, the piping metal surface shall be cleaned and recoated to arrest further deterioration;*"
2. The owner or operator corrected deficiencies in equipment that are outside acceptable limits (defined by the process safety information in 40 C.F.R. § 68.65) before further use or in a safe and timely manner when necessary means are taken to assure safe operation as required by 40 C.F.R. § 68.73(e), because there was moisture and mold with slight corrosion on the metal surfaces around the sight glasses on the high pressure receiver making it impossible to see the contents inside. ANSI/IIAR 6-2019, Table 10.1 indicates the metal surfaces of the sight glass should be visually inspected annually; and
3. The performance of the contract owner or operator in fulfilling their obligations as specified in 40 C.F.R. § 68.87(c) was periodically evaluated, as required by 40 C.F.R. § 68.87(b)(5) because, when asked how contract employees are evaluated, facility representatives supplied the inspection team with a document titled "Safety Audit Sheet." The document is a checklist that allows the facility to evaluate each contract employee; however, the document given to the inspection team didn't identify which employee is being evaluated.

## SETTLEMENT

In consideration of Respondent's size, its full compliance history, its good faith efforts to comply, and other factors as justice may require, and upon consideration of the entire record the parties enter into the ESA in order to settle the violations cited above, for the total penalty amount of **\$3,000**.

This settlement is subject to the following terms and conditions: the Respondent by signing below admits the jurisdictional allegations contained herein, neither admits nor denies the specific factual allegations contained herein, and consents to the assessment of the penalty as stated above; Respondent waives its rights to a hearing afforded by Section 113(d)(2)(A) of the Act, 42 U.S.C. § 7413(d)(2)(A), and to appeal this ESA and Final Order or otherwise contest the

allegations contained in this ESA; and each party to this action shall bear its own costs and fees, if any.

Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the Respondent has corrected the alleged violations listed in this ESA.

Within **fifteen (15) days** of receiving a copy of the fully executed ESA, Respondent shall pay a civil penalty in the amount of **\$3,000**. Respondent's payment shall be made by sending a cashier's check or certified check (payable to the "Treasurer, United States of America") in the amount of **\$3,000** in payment of the full penalty amount to one of the following addresses or via wire transfer:

For payment sent via electronic transfer

For payment by wire transfer, in lieu of a cashier's check or certified check, if desired, should be directed to the Federal Reserve Bank of New York using the following information:

ABA: 021030004

Account: 68010727

SWIFT address: FRNYUS33

33 Liberty Street

New York, New York 10045

Beneficiary: "U.S. Environmental Protection Agency";

**The wire transfer instructions shall reference the Respondent's name and Docket Number of this ESA.**

For payment sent via Standard Delivery

U.S. Environmental Protection Agency  
Cincinnati Finance Center Box 979077  
St. Louis, MO 63197-9000; or

For payment sent for Signed Receipt Confirmation (FedEx, DHL, UPS, USPS Certified, Registered, etc.)

U.S. Environmental Protection Agency  
Cincinnati Finance Center Box 979077  
1005 Convention Plaza  
SL-MO-C2-GL  
St. Louis, MO 63101  
Delivery Location Phone Number: 314- 425-1819

**The Respondent's name and the Docket Number of this ESA must be included on the check.** The Docket Number is located at the top left corner of the first page of this ESA. At the time of payment, Respondent shall send a separate copy of the check, and a written statement that payment has been made in accordance with this ESA to: R4\_Regional\_Hearing\_Clerk@epa.gov and noles.jordan@epa.gov.

The penalty specified in this ESA shall represent civil penalties assessed by the EPA and shall not be deductible for purposes of State or Federal taxes.


Respondent's full compliance with this ESA shall only resolve Respondent's liability for Federal civil penalties for the violations alleged in this ESA. The EPA does not waive any other enforcement action for any other violations of the Act or any other statute.

This ESA is binding on the parties signing below. This ESA is effective upon filing with the Regional Hearing Clerk.

In accordance with 40 C.F.R. § 22.5, the individuals named in the certificate of service are authorized to receive service related to this proceeding and the parties agree to receive service by electronic means.

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FOR RESPONDENT:

  
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Date: 2/6/2023

Name (print): Cliff Rule

Title (print): Complex Manager - Guntersville  
Pilgrim's Pride Corporation

FOR COMPLAINANT:

for

\_\_\_\_\_  
Carol L. Kemker  
Director  
Enforcement and Compliance Assurance Division

**FINAL ORDER**

I hereby ratify the ESA and incorporate it herein by reference. It is so ORDERED.

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Tanya Floyd  
Regional Judicial Officer

## CERTIFICATE OF SERVICE

I certify that the foregoing Expedited Settlement Agreement and Final Order in the Matter of Pilgrim's Pride Corporation Docket No. CAA-04-2023-0203(b), were filed and copies of the same were emailed to the parties as indicated below.

**Via email to all parties at the following email addresses:**

**To Respondent:** Jamie Hancock, PSM Coordinator  
Pilgrim's Pride Corporation  
Email: jamie.hancock@pilgrims.com  
Phone number: (256) 571-0250  
3500 Lake Guntersville Park Dr.  
Guntersville, Alabama 35976

**To EPA:** Jordan Noles, Case Development Officer  
Noles.Jordan@epa.gov  
Phone number: (404) 562-9105

Marirose Pratt, Associate Regional Counsel  
Pratt.Marirose@epa.gov  
Phone Number: (404) 562-9023

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Shannon L. Richardson, Regional Hearing Clerk  
U.S. EPA Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303-8960