

AGREED BOARD ORDER NO. 17-02

LOUISVILLE METRO AIR POLLUTION CONTROL BOARD

Incident Nos. 05923, 05938, 06103, 06154, 06179, 06248, 06260, 06258, 06301, 06314, 06317, 06435, 06616, 06520, 06578, 06576, 06577, 06580, 06629, 06632, 06628, 06631, 06649, 06651, 06687, 06706, 06753, 06795, 06789, and 06801

This Order is issued by the Louisville Metro Air Pollution Control Board (Board) pursuant to Kentucky Revised Statutes Chapter 77 (Air Pollution Control). This Agreement is made by and between the Board and Swift Pork Company (Company), a Delaware corporation, and is effective on the date of its adoption by the Board.

COMPANY: Swift Pork Company
1200 Story Avenue
Louisville, KY 40206

REGULATIONS INVOLVED:

District Regulation 1.13: Control of Objectionable Odors in the Ambient Air
District Regulation 2.17: Federally Enforceable District Origin Operating Permits

NOTICE OF VIOLATION LETTERS: No. 02263, dated April 3, 2012
No. 02404, dated June 6, 2012
No. 02410, dated September 10, 2012
No. 02471, dated March 7, 2014
No. 02589, dated September 17, 2014
No. 02599, dated February 13, 2015
No. 02607, dated November 3, 2015
No. 02654, dated May 27, 2016

BACKGROUND AND DISCUSSION:

Company operates a pork processing plant pursuant to Louisville Metro Air Pollution Control District (District) federally-enforceable operating permit no. 111-01-F. The District alleges that between February 2011 and March 2016, Company emitted objectionable odors beyond the property line and entering the surrounding neighborhood on the following occasions:

- On February 18, March 3, September 19, and November 22, 2011, the District observed objectionable odors beyond Company's property line and entering the surrounding neighborhood.
- On January 4, January 5, March 7, March 12, April 2, May 4, June 1, June 18, August 22, August 28, September 12, September 18, September 20, October 2, October 4, and November 30, 2012, the District observed objectionable odors beyond Company's property line and entering the surrounding neighborhood.
- On January 30, February 5, April 8, April 10, April 17, April 18, April 25, May 6, May 28, May 30, June 19, August 23, September 3, September 6, September 13, September 20, September 25, October 1, October 15, October 16, October 18, October 24, November 1, November 4, and December 4, 2013, the District observed objectionable odors beyond Company's property line and entering the surrounding neighborhood.
- On February 17, March 10, March 27, April 1, April 2, July 16, July 28, August 13, September 19, September 23, October 13, October 17, October 20, October 27, November 3, November 4, and November 11, 2014, the District observed objectionable odors beyond Company's property line and entering the surrounding neighborhood.
- On February 20, February 26, March 4, April 2, April 9, April 10, April 15, May 6, May 14, May 26, May 29 and September 15, October 12, November 23, and December 29, 2015, the District observed objectionable odors beyond Company's property line and entering the surrounding neighborhood.
- On February 1, February 2, February 3, February 19, and March 1, 2016, the District observed objectionable odors beyond Company's property line and entering the surrounding neighborhood.

Company also reported failure to conduct work practices, monitoring and recordkeeping on its odor control devices as required by its operating permit in its 2015 Annual Compliance Report. Company failed to keep stop records on two occasions, and perform visual inspections of the cooker condenser on 12 occasions; failed to record readings for water outlet temperature and exhaust temperature on 43 days on the hair hydrolyzer condenser, and failed to conduct two monthly inspections; failed to conduct two monthly inspections of the Venturi scrubber; failed to monitor exhaust temperature on 12 days and flow rate on four occasions, and to conduct fourth quarter cleaning on the 75K scrubber; and failed to monitor flow rate on two occasions on one day on the 40K scrubber.

To fully address the violations of District Regulations 1.13 and 2.17 alleged above, the parties agree to this Order assessing against Company an administrative settlement of \$124,500. On January 18, 2017, a public hearing was held before the Board on this proposed Order. Based

upon the information presented at the hearing, the Board determines that the proposed resolution and requirements contained in this Order are reasonable under the circumstances.

NOW, THEREFORE BE IT ORDERED THAT:

1. Company shall pay \$124,500 to the Louisville Metro Air Pollution Control District by March 31, 2017.

2. Company shall conduct quarterly internal audits of the processes and procedures used for odor control of its rendering operations and livestock handling during each quarter of calendar year 2017. Company shall submit copies of the internal audits to the District within 30 days of completion of each audit.

3. Company shall hire an independent third party auditor to review Company's rendering operations and scrubber systems by April 30, 2017. The purpose of the audit shall be to identify any deficiencies in record keeping requirements, odor control equipment, operating procedures, corrective and preventative maintenance procedures; and to determine whether Company's odor control equipment, operating procedures, and practices represent a system of best engineering practices for odor emission reduction for the Swift facility.

4. Company shall complete the audit referenced in paragraph 3 by August 31, 2017. Company shall submit a copy of the audit to the District within 30 days of completion. Company shall submit a timely schedule for implementation of any projects deemed necessary by the auditor to employ a system of best engineering practices for odor emission reduction for the Swift facility to the District within 90 days of completion of the audit.

5. Company has reviewed this Order and consents to all its requirements and terms. Company agrees to pay the cost of publishing legal notice of the public hearing.

6. In the event that it is necessary for the District to obtain a court order to enforce this Order, Company agrees to pay filing fees and costs of such action.

7. This Order fully resolves the violations alleged in District Incident Nos. 05923, 05938, 06103, 06154, 06179, 06248, 06260, 06258, 06301, 06314, 06317, 06435, 06616, 06520, 06578, 06576, 06577, 06580, 06629, 06632, 06628, 06631, 06649, 06651, 06687, 06706, 06753, 06795, 06789, and 06801, any odor violations before January 9, 2017, and as alleged above in this Order against Company.

8. Neither this Order nor the actions taken hereunder shall constitute an admission by Company of any wrongdoing regarding any of the matters referenced in this Order.

Louisville Metro Air Pollution Control Board

Swift Pork Company

By: Robert W Powell MD
Robert W. Powell, M.D.
Chairman

By: Eric Wallin
Eric Wallin
Vice President and General Manager

Date: 1/18/2017

Date: 1/6/17

Louisville Metro Air Pollution Control District

By: Matt King
Matt King, P.E.
Compliance and Enforcement Manager

Date: 11/13/17

Approved as to form and legality:

By: Stacy Fritze Dott
Stacy Fritze Dott
Assistant County Attorney