



Enforcement News

California Regional Water Quality Control Board Colorado River Basin Region

73-720 Fred Waring Drive, Suite 100, Palm Desert, California 92260
(760) 346-7491 • FAX (760) 341-6820
<http://www.waterboards.ca.gov/coloradoriver>

October Hearing set on proposed \$3.75 Million Fine against Slaughterhouse

For Immediate Release
June 11, 2014

Contact: Jose Angel
Phone: (760) 776-8932

The Colorado River Basin Regional Water Quality Control Board will consider assessing a proposed \$3.75 million civil liability penalty against National Beef California, a former beef slaughterhouse in the city of Brawley, Imperial County, when the Regional Water Board conducts a public hearing on the matter on Oct. 27.

The hearing has been rescheduled from its original date of June 19. The exact time and place of the hearing will be announced by the Water Board's advisory team, which acts as a neutral advisor to the Water Board in administrative civil liability cases, and will be posted on the Board's web site.

The complaint against National Beef is the result of an investigation that started in early 2013, when the Water Board's prosecution team filed a complaint against the city of Brawley for chronic violations of its wastewater discharge permit and violation of an earlier cease and desist order. The order required the city to develop and implement a pretreatment program to deal with industrial discharges. The complaint against the city identified National Beef's discharge as a significant factor in the city's violations. In September 2013, the Water Board fined the city \$1 million for the violations of its permit and the cease and desist order.

The current civil liability complaint against National Beef alleges that the company violated federal pretreatment standards and requirements in the Clean Water Act, which prohibit an industrial user from introducing into a publicly owned treatment facility any pollutant(s) which cause "pass through" or "interference" with the treatment plant. The complaint alleges that the facility introduced pollutants into the city of Brawley wastewater treatment plant, causing and/or contributing to chronic violations of the city's federal discharge permit. The complaint also alleges that in doing so, National Beef avoided over \$13 million in compliance costs.

A copy of the complaint against National Beef, and its supporting documents can be viewed here: http://www.waterboards.ca.gov/coloradoriver/national_beef.shtml

The slaughterhouse generated about 12,800 gallons per day of discharge to groundwater through unlined ponds, and 1.62 million gallons per day of industrial wastewater to the city's wastewater treatment plant. Effluent from the city plant is discharged into the New River. The New River is a state priority for cleanup because it is severely polluted by sources in Mexico and the Imperial Valley. The New River is a tributary to the Salton Sea. Both the New River and the Salton Sea are "Waters of the United States" and are listed as impaired waters under the Clean Water Act.

In January of this year, National Beef announced that it would be closing the plant, which employed 1,300 people, citing "a declining supply of fed cattle available for the Brawley facility" as a key driver of the decision to close the plant. The plant was closed permanently on May 23.

On March 20, the Water Board adopted a cleanup and abatement order directing National Beef to decommission its onsite wastewater treatment facilities. Prior to that order and the corporation's announced closure of the facility, National Beef and Water Board staff had been working cooperatively on developing a permit for onsite discharges of wastes by the slaughterhouse, but no Water Board requirements had yet been adopted or imposed. With the closure of the plant, the permit was no longer needed.

"We continue to work closely with National Beef staff to ensure the slaughterhouse's onsite treatment facility is decommissioned properly, and its onsite ponds are closed in compliance with the Water Board's directives," said Jose L. Angel, the Board's Assistant Executive Officer.

National Beef California, LP, is a wholly owned subsidiary of National Beef Packing Company, LLC, of Kansas City, Missouri, which in turn is a subsidiary of Leucadia National Corporation, Inc. Leucadia National Corporation has reported its shareholders' equity at more than \$6 billion.

The Water Board will consider the allegations, proposed penalty, and all of the relevant evidence and testimony it receives at the hearing. After the hearing, the Water Board will consider whether to affirm, reject or modify the proposed Administrative Civil Liability, including whether to assess additional liability on a \$10 per gallon basis, or whether to refer the matter to the Attorney General for recovery of judicial civil liability.

For more information on the Colorado River Basin Regional Water Quality Control Board, visit: <http://www.waterboards.ca.gov/coloradoriver/>