

Table of Contents

Commitment outline

Acceptance letter

Application

Attachment 1

Attachment 2

Attachment 3

Green Tier Commitment Outline for Frito-Lay Beloit and Traffic Center Facilities

Approval Date – September 9, 2009

Commitment Outline Updated: February 7, 2020

The updates since participation started are:

- Updated general content, format and links

I. Environmental Management Systems (EMS) & Audit Requirements

Your EMS must either be ISO- certified, or you must demonstrate that it is functionally equivalent. For information on how to demonstrate the functional equivalency of your EMS, please see: <https://dnr.wi.gov/files/PDF/pubs/co/CO503.pdf>

You have supplied us with a copy of your ISO 14001 certification, satisfying initial Green Tier EMS requirements.

To maintain good standing with Green Tier EMS requirements:

- A. On or before, **September 9, 2010**, and every year after that, you must perform an environmental management system audit. The department recommends that your first audit be completed by a DNR-approved outside environmental auditor.
- B. On or before, September 9 ,2012 and every third year, this audit **must** be completed by a DNR-approved outside EMS auditor. The list of approved auditors can be found at: <https://dnr.wi.gov/topic/GreenTier/Auditors.html>

II. Provide an Annual Report

- A. **Annual Report Due Date** - We have mutually agreed that the deadline for your Green Tier annual report is **March 31, 2010** and annually thereafter. (Please feel free to discuss alternative reporting dates with your Project Coordinator, William.Erikson@Wisconsin.gov should your needs change.)
- B. **Reporting on Environmental Performance Commitments:** Your first report should follow the annual report instructions provided below and should provide data on your progress toward meeting your environmental performance commitments laid out in your Green Tier application or your previous year's Green Tier annual report.
- C. **Annually**, you will need to report progress on the commitments that you have made. For more details about annual reports and metrics, see the annual report instructions provided on the website; <https://dnr.wi.gov/topic/GreenTier/ReportInstructions.html>
- D. Please provide annual Green Tier Reports to both of these email addresses: GreenTier@Wisconsin.gov and to your Single Point of Contact, Megan.Corrado@Wisconsin.gov

III. Work toward Superior Environmental Performance

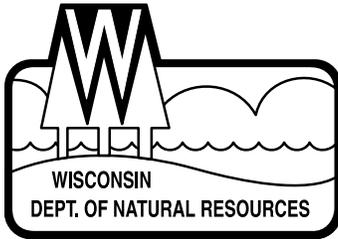
Implement environmental improvements that aim to achieve Superior Environmental Performance as defined in Green Tier law. This means environmental performance that results in measurable or discernible improvement in the quality of the air, water, land,

or natural resources, or in the protection of the environment, beyond that which is achieved under environmental requirements. More information on Superior Environmental Performance can be found here:

<https://dnr.wi.gov/topic/GreenTier/SuperiorEnvironmentalPerformance.html>

IV. Green Tier - Tier 1 – DNR Commitments

- A. **Single Point of Contact (SPOC):** Your single point of contact or SPOC is your liaison to the department, answering your questions or making connections within DNR or with other experts. Your SPOC is: Megan Corrado - DNR, Phone 608-267-0566, Cell 608-405-0327- Megan.Corrado@Wisconsin.gov
- B. **Green Tier Logo:** Green Tier participants may use the Green Tier logo on stationery, promotional and educational materials related to your facility. Logo files as well as the Green Tier Style Guide with additional guidelines and information are available online at: <https://wi-dnr.widencollective.com/portals/nkc57xuv/GreenTierBranding>. Your Project Coordinator can provide you with the current access code.
- C. **Recognition:** Along with the certificate of recognition, the department will host a [participant web page](#) for easy reference. Participants should provide information and pictures on their environmental efforts to populate the webpage. We will also promote your successes throughout your tenure in Green Tier using a variety of DNR communication channels.
- D. **Project Coordinators:** You should also feel free to contact your Project Coordinator for Green Tier specific information. Project Coordinators provide support to SPOCs and participants providing reminders on Green Tier requirement dates and by promoting a participant's successes. Your project coordinator is: Will Erikson, Phone 608-267-3763, Cell 608-215-3930, William.Erikson@Wisconsin.gov
- E. **Minimum Inspection Frequency:** Because you have implemented an EMS, you are entitled to inspections at the lowest frequency permitted by the programs under law. The department will work with you to determine how this will work for you.
- F. **Deferred Civil Action:** You are entitled to Deferred Civil Enforcement as described in statutes (299.83(6m)(d)). If you discover a violation of an existing environmental requirement, you are entitled to protection from any civil penalties that the department might otherwise impose if you:
 - 1. Notify the department
 - 2. Provide a corrective action plan and documentation of your Environmental Management System (EMS) adjustments that ensure the violation will not happen again, and
 - 3. Correct the violations within 90 days



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor
Matthew J. Frank, Secretary

101 S. Webster St.
Box 7921
Madison, Wisconsin 53707-7921
Telephone 608-266-2621
FAX 608-267-3579
TTY Access via relay - 711

September 9, 2009

Mr. Michael Stahl, Technical Manager
Frito-Lay, Inc.
2810 Kennedy Drive
Beloit, WI 53511

Subject: Acceptance Letter for Tier 1 of Green Tier

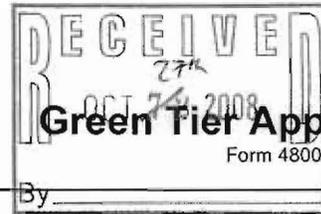
Dear Mr. Stahl:

Congratulations! The Wisconsin Department of Natural Resources (DNR) is pleased to approve your application and accept you into Green Tier. This letter of acceptance recognizes the value of Frito-Lay, Inc., Beloit's accomplishments to date. You have proposed future projects and goals in your application which continue to demonstrate your commitment to superior environmental performance.

By entering the Green Tier program and through your commitment to an Environmental Management System (EMS), you will systematically identify opportunities for environmental improvement. Frito-Lay, Inc, Beloit commits to supporting the overarching environmental goals of the corporation by continuing to minimize waste, conserve energy, reduce emissions and save water. You have also committed to perform an annual audit of your EMS, with every third audit performed by an outside environmental auditor approved by the department. Should circumstances arise that delay the fulfillment of these commitments, please notify us.

As a part of your commitments, you have agreed to submit to DNR an annual report regarding your participation in the program. These reports should document your current objectives and targets, as well as discuss any measured progress made toward those goals stated in your EMS or in your application. Attached to this letter is guidance on meeting your annual reporting commitments. You should also present the results of your annual EMS and environmental compliance audits if you choose to include compliance audits as part of your environmental performance objectives. Results of audits conducted under this program should be disclosed as part of your annual report and follow the format provided under §299.83 (6m), Wis. Stats. As a Green Tier participant you will be afforded deferred civil enforcement for violations that are disclosed in the report and corrected in timely fashion. Please note that nothing in this acceptance letter replaces any obligation that you have to report and correct any violations of law or regulation. Your first report should be submitted to Mark McDermid with a copy to your single point of contact by March 31, 2010 and annually thereafter.

Our experiences have shown that organizations realize significant benefits from working regularly with an external group of interested stakeholders. As your participation in Green Tier matures, we would encourage you to collaborate with stakeholders in the development of your objectives and targets. The department can provide assistance in forming such a group should



Green Tier Application

Form 4800-022 (Rev. 3/06)
Page 1 of 2

Notice: Collection of this information is authorized under s. 299.83 Wis. Stat. Participation in Green Tier and completion of this form are voluntary. Personal information collected on this form, including such data as your name, address, phone number, etc., will be used in the implementation of Green Tier and will be made broadly available under the Green Tier program. Information will also be made accessible to requesters under Wisconsin's Public Records Law (ss. 19.32 - 19.39, Wis. Stats.). If you need to request confidential treatment of any information in order to protect a trade secret, please contact a DNR representative prior to submitting this form. Applications must be considered complete by the DNR in order to be processed. For complete application instructions, see "Green Tier Application Instructions," publication number CO-501.

This application is for... (check one): Tier 1 Tier 2 (attach Letter of Intent to this form)

I. Applicant Information

Contact Name	Title		
Lisa Carroll	Environmental Coordinator		
Street Address	City	State	ZIP Code
2810 Kennedy Drive	Beloit	WI	53511-3973
Telephone Number	Fax Number	E-mail Address	
(800) 367-5659	(608) 365-2905	lisa.in.carroll@frito-lay.com	

II. Facility Information

Facility Name	County		
Beloit Frito-Lay, Inc	Rock		
Street Address	City	State	ZIP Code
2810 Kennedy Drive	Beloit	WI	53511-3973
Mailing Address	City	State	ZIP Code
2810 Kennedy Drive	Beloit	WI	53511-3973

Please provide all DNR Facility Identification numbers (FID #) that apply to the covered facility or activity.

FID# 154008800 WPDES# WI-S067857-2

III. Scope of Green Tier Participation (check one)

- This application covers all activities at the facility listed in Section II.
- This application covers all activities at more than one facility. For each facility to be covered under this application provide the information from Section II on a separate page labeled **Attachment 1**.
- This application **does not** cover all activities at every covered facility. Please describe the exact scope of activities and facilities to be covered in the program on a separate page labeled **Attachment 1**.

IV. Environmental Performance

Please provide the following information on a separate page labeled **Attachment 2**. Refer to the *Application Instructions* for definitions of environmental performance and superior environmental performance.

Tier 1 Applicants:

- Describe your past and current environmental performance with respect to each covered facility or activity included in this application. Within this attachment establish a baseline date against which future progress can be measured.
- Describe your future plans for enhancing the environment with respect to the same facilities/activities.

Tier 2 Applicants:

- Provide information demonstrating your record of superior environmental performance. Within this attachment establish a baseline date against which future progress can be measured.
- Describe the measures you propose to take to maintain and improve your superior environmental performance.

V. Environmental Management System (EMS)

- a. Have you implemented an EMS that is certified to the ISO 14001 standard? Yes No (circle one)
- b. Have you implemented an EMS that is functionally equivalent to ISO 14001? Yes No (circle one)

If you circled "No" for both questions, you are not eligible for Tier 2. Please proceed to Section VI only if you are applying for Tier 1.

If you circled "Yes" for either question, please provide a copy of the following documents labeled as **Attachment 3**:

- Proof of ISO 14001 certification OR functional equivalence (refer to *Application Instructions* for details)
- Environmental policy statement and scope statement
- Documented objectives and targets for the covered facilities/activities



VI. Public Notice/Stakeholder Identification

Please provide in a separate document labeled **Attachment 4** a list of stakeholders whom you know or expect will have a strong interest in your Green Tier application, as well as contact information for those stakeholders. This information will help DNR expedite the processing of your application. Tier 2 applicants must provide additional information about stakeholder involvement in a Letter of Intent. Refer to *Application Instructions* for details.

VII. Enforcement Record

Please review the Enforcement Record requirements described in the *Application Instructions* very carefully, and then check the appropriate box:

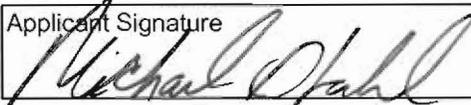
- All enforcement record requirements relevant to this application are satisfied.
- All enforcement record requirements relevant to this application are **not** currently satisfied. A waiver of the enforcement record requirements is requested.

If a waiver is requested, please provide information describing any requirements not met and a justification for the waiver request on a separate page labeled **Attachment 5**. Note that waivers will be granted only in exceptional circumstances.

VIII. Tier 1 Applicant Statement of Commitments

I commit with my signature to the following statements and certify that all information provided in this application is true and correct under penalty of law:

- a. Implement, within one year of the date of this application, an EMS for each covered facility or activity that is certified to the ISO 14001 standard or is functionally equivalent to ISO 14001 as determined by DNR.
- b. Conduct annual EMS audits, with every 3rd EMS audit performed by a DNR-approved outside environmental auditor.
- c. Submit to DNR an annual report on each EMS audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.
- d. Submit to DNR an annual report on progress towards meeting objectives related to improved environmental performance for aspects regulated under chs. 29 to 31, 160, or 280 to 299, Wis. Stats., unregulated environmental aspects, or voluntary actions to restore, enhance, or preserve natural resources.

Applicant Signature 	Date Signed 10/18/08
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IX. Tier 2 Applicant Statement of Commitments

I commit with my signature to the following statements and certify that all information provided in this application is true and correct under penalty of law:

- a. Conduct annual EMS audits performed by a DNR-approved outside environmental auditor.
- b. Conduct or have another person conduct an annual audit of compliance with environmental requirements that are applicable to the facilities and activities covered under Green Tier.
- c. Submit to DNR an annual report on each EMS audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.
- d. Submit to DNR an annual report on each compliance audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.

Applicant Signature	Date Signed
---------------------	-------------

X. For Department Use Only					
Date Received	Initials of Reviewer	Status	Date Returned to Applicant for Additional Information	Date Denied	Date Approved

Attachment 1

State of Wisconsin
Department of Natural Resources
P.O. Box 7921, Madison WI 53707-7921
http://greentier.wi.gov

RECEIVED
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OCT 22 2008

Green Tier Application

By _____ Form 4800-022 (Rev. 3/06) Page 1 of 2

Notice: Collection of this information is authorized under s. 299.83 Wis. Stat. Participation in Green Tier and completion of this form are voluntary. Personal information collected on this form, including such data as your name, address, phone number, etc., will be used in the implementation of Green Tier and will be made broadly available under the Green Tier program. Information will also be made accessible to requesters under Wisconsin's Public Records Law (ss. 19.32 - 19.39, Wis. Stats.). If you need to request confidential treatment of any information in order to protect a trade secret, please contact a DNR representative prior to submitting this form. Applications must be considered complete by the DNR in order to be processed. For complete application instructions, see "Green Tier Application Instructions," publication number CO-501.

This application is for... (check one): Tier 1 Tier 2 (attach Letter of Intent to this form)

I. Applicant Information

Contact Name	Title		
Street Address	City	State	ZIP Code
Telephone Number	Fax Number	E-mail Address	

II. Facility Information

Facility Name	County		
Street Address	City	State	ZIP Code
Mailing Address	City	State	ZIP Code

Please provide all DNR Facility Identification numbers (FID #) that apply to the covered facility or activity.

FID# 154008800 WPDES# WI-5067857-2

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 - Describe the measures you propose to take to maintain and improve your superior environmental performance.

V. Environmental Management System (EMS)

a. Have you implemented an EMS that is certified to the ISO 14001 standard?	Yes	No	(circle one)
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Frito-Lay is committed to conducting its business operations in a manner that is consistent with concern and respect for our fragile environment. Toward this end, operational decisions shall reflect our strong belief in sound environmental management and environmental conservation as we faithfully seek to comply with all federal, state, provincial and local environmental laws, rules and regulations.

Frito-Lay will work toward continual improvement of our Environmental Management System, with the goal of improved environmental performance through the prevention of pollution and the minimization of waste and emissions from our operations. Performance will be measured against objectives and targets that are established and reviewed annually.



Environmental Management System Description

Frito-Lay, Inc., Beloit, Wisconsin

1. **Policy:** Previously submitted. Please let us know if additional information is needed.

2. **Aspects and Impacts:** Frito-Lay assesses Aspects and Impacts and sets Objectives and Targets annually and reviews with the Leadership Team (Upper Management). Objectives and Targets are reviewed and updated quarterly. Aspects are assessed for the entire facility, including ancillary operations. They are then evaluated as follows: whether the aspect is regulated, likelihood to occur, community concern and environmental impact. Each of these 4 qualifications is ranked and the resulting score determines significance. The facility then sets objectives and targets for significant aspects, as appropriate.

3. **Compliance:** The Beloit plant maintains a robust environmental program. Identification of regulatory matters is discussed in the next question; however, here is how Beloit maintains compliance with requirements.

- Instituted an electronic calendar system that includes all regulatory and EMS requirements. The Environmental Coordinator manages this calendar daily and follows-up with responsible individuals to ensure completion.
- Operational controls are maintained, operated and monitored to ensure compliance requirements are achieved. This will be discussed later; however, operators are trained to ensure that operational controls required for compliance are in good working order. Any breakdowns/malfunctions are repaired in a timely manner to ensure compliance is maintained.
- A Green Team (lead by the Environmental Coordinator) has been established. This team is a group of individuals from all shifts, and all functions that assists the Environmental Coordinator with the implementation of the environmental program. Unit leaders and Green Team members assist the EC in implementing EMS and compliance requirements. The Beloit Green Team is made up of 25 individuals. The EMS establishes clear roles and responsibilities for the EC, unit leaders, the Green Team members, and site leadership.
- On an annual basis, the plant participates in a compliance and EMS audit. This audit assesses the whole program and identifies any deficiencies. The plant also participates in mock audit coaching visits from the HQ environmental manager, where compliance matters are thoroughly evaluated.
- Non-conformance forms are utilized when non-conformances (considered break downs in the facility's environmental management system) are identified outside the Environmental audit process. The Environmental Coordinator will notify the affected department and corrective actions will be put in place and documented.

4. **Environmental Requirements:** The following is a list of ways that the Beloit plant ensures that environmental requirements are identified:

- The EMS details that the Corporate environmental managers will identify and monitor Federal regulatory requirements and notify the plant of any changes. This occurs on a regular basis through email or phone communication, through the distribution of formal

EMS guidance documents and at the annual Frito Lay Environmental Sustainability Summit.

- The EC subscribes to several regulatory publications including Environmental Compliance Alert, Air Matters, and the Federation of Environmental Technologists. Also, the EC attends the City bi-monthly wastewater meetings and receives updates from applicable consultants. On a monthly basis the EC distributes this information to Unit leaders, management and Corporate managers as appropriate.

5. Objectives and Targets: Objects and Targets are established annually and reviewed quarterly. They are reviewed with upper management annually. Objectives and Targets are set for significant aspects, and for other aspects the plant deems as significant (even though the analysis may not have shown them to be). Actions are set to meet the objectives and targets and progress is measured on a quarterly basis.

6. Operational Controls: Procedures are in place to ensure that every piece of control equipment is operated and maintained according to the Operations and Maintenance Manual. Preventative Maintenance and corrective actions are completed in a timely manner according to established procedures to ensure optimal operation. The EMS describes how employees must be familiar with the O&M manuals in their area and must receive proper training as part of their on-boarding to ensure they have the competence to complete the task. The facility also has an electronic preventative maintenance system that generates work orders according to the operational control manual. This program also generates emergency work orders if breakdowns/malfunctions occur. The advantage of the electronic system is that it generates notifications if items are not addressed in the required timeline.

7. Training: Frito-Lay has a robust training program described in the EMS to ensure employees are aware and know their responsibilities. Training activities include:

- Annual General Awareness for the entire plant which covers the requirements of the EMS, the importance of conforming with the Environmental Policy, the Green Team structure, explains what is the incident reporting protocol, covers the waste minimization program, reviews the Aspects, objectives and targets and reviews the pollution prevention/sustainability program implemented at the site.
- Annual Focused training for specific employee groups that could potentially have a greater impact on the environment (spill responders, maintenance, lab technicians, etc)
- Regulatory training at required intervals (DOT, Opacity, Backflow preventer, Refrigerant certification)
- Regular training for the EC through the annual Frito Lay Environmental Sustainability Summit and quarterly webcasts.

8. Corrective Action and Emergency Response: The EMS has several checks embedded into every day operation. For example, there are daily, weekly, monthly, quarterly, semi-annual and annual inspections, monitoring, recordkeeping and communication requirements. This ensures that potential items are identified and addressed before becoming a substantial issue. If a deficiency is identified, corrective actions must be established and completed in a timely manner. A system for identifying

non-conformances has been established and each facility participates in the annual environmental audit (and sets action plans against findings). The facility also maintains response plans such as SPCC and SWPPP, in addition to internal and regulatory Incident Reporting Protocols. Should an environmental emergency occur, these protocols would be used to ensure the appropriate response is taken. Several emergency response procedures are also embedded in our safety program. Teams are trained on these procedures annually.

9. Communication Plan: The EMS requires the plant to work with regulatory agencies prior to project implementation to ensure that environmental requirements are met according to regulatory timelines. Permits and permit applications also go through the public comment process before approval. Several project managers also attend City and wastewater meetings and discuss improvements scheduled to occur at the plant. All projects also go through an environmental review process prior to implementation. This is to ensure that the environmental coordinator is aware of the project and has the opportunity to provide feedback on environmental requirements or controls.

Employee communication uses various methods to communicate projects and activities, such as:

- Notice boards
- General Awareness training of facility personnel
- Environmental training of relevant job functions, practices and procedures as appropriate
- Newsletters
- Electronic notes, e-mails
- Team meetings and meeting minutes
- Environmental Action Plans

The EMS also describes a formal procedure which addresses environmental community concerns. Facility individuals involved with addressing these concerns are trained annually on specific response procedures. Environmental concerns received by phone calls, letters and visitors to the facility are directed to the Environmental Coordinator. A hierarchy of individuals exists if the Environmental Coordinator is unavailable for responding to the concern. Environmental community concerns are typically managed as follows: The Environmental Coordinator collects the necessary data regarding the concern. The concern and associated data are discussed with facility management and Frito-Lay Headquarters' Environmental Staff, and the necessary response action (i.e. phone call, letter, etc) is developed and executed to address the concern.

10. Document Control: Corporate documents are issued through the corporate environmental manager as required to ensure that the plant has access to the most up-to-date version. Revision dates, revision logs, and EMS numbers are placed on all corporate documents. At the plant level, the EC is the individual responsible for maintaining documents (as defined in the EMS). A corporate filing structure is implemented at the facility to ensure that regulatory and EMS documents are kept for the required time. Typically documents are kept for 5 years (or longer if specified in permits).

11. **Audits:** The EMS requires that the facility participate in an EMS and compliance audit annually. An external audit firm is hired to come on site and perform a 3 – 5 day audit of the facility. Upon conclusion on the audit, the facility receives a score and rating, and an summary of findings. The facility then must produce a follow-up action plan to address any deficiencies in a timely manner. The action plan is updated to reflect completion of activities.

12. **Continual Improvement:** As mentioned above, the facility continually works toward completing the action plan from the previous year's audit. The EC conducts monthly Green Team meetings to assess the health of each unit leader's programs. Upper management also meets on a weekly basis to discuss events at the plant, including environmental requirements, and annually reviews progresses against objectives and targets. The EC also sends out monthly updates to HQ to apprise them of issues at the plant.