



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



FOR IMMEDIATE RELEASE
June 25, 2008

Contact: Robert McCann
(517) 241-7397

Great Lakes Tissue Company Reaches Settlement with State

The Department of Environmental Quality and Department of Attorney General announced today that a settlement has been reached with Great Lakes Tissue Company regarding water and air quality violations. The settlement is contained in a consent judgment filed with the Cheboygan County Circuit Court on June 23, 2008.

Great Lakes Tissue is a paper products manufacturing facility located on the Cheboygan River in Cheboygan and is surrounded by residences and small businesses. The DEQ has a long enforcement history with the company dating back to 1997 when the DEQ and Great Lakes Tissue entered into an Administrative Consent Order to correct all known violations at the time. That ACO required that the company implement a comprehensive compliance plan, comply with its permits, and pay enforcement costs and civil fines. Great Lakes Tissue failed to comply with the ACO and continued to violate state water and air protection laws.

"The DEQ has continued to press Great Lakes Tissue to make the operational and process changes that are necessary for the protection of the community's health, and the water quality of the Cheboygan River," said DEQ Director Steven E. Chester. "I thank the staff of the DEQ and Department of Attorney General for working together to bring closure to this lengthy and difficult case."

The settlement announced today resolves violations of the ACO including exceeding Effluent Limitation for Biochemical Oxygen Demand, bypassing untreated

waste to the Cheboygan River, having uncovered coal and ash piles on site, failing to have the wastewater treatment system under supervision of a certified operator, and exceeding Effluent Limitation for Total Mercury. In addition, the settlement will resolve air quality violations for exceeding opacity and fallout limits.

The consent judgment requires Great Lakes Tissue to make comprehensive operational and process changes necessary to protect public health and the environment, and to permanently refrain from polluting, impairing, and destroying water and air resources of the state of Michigan. Great Lakes Tissue also agreed to pay \$250,000 as full settlement of civil liability arising from violations stated in the Consent Judgment.

The settlement clears the way for new investors to purchase the facility and continue manufacturing operations in Cheyboygan. These investors intend to purchase the facility after the settlement is finalized, and will make the necessary investment to fulfill the requirements of the consent judgment. The facility currently employs approximately 150 people.

"This settlement is a win, win, win. The contamination of Cheyboygan's air and water will cease, the payment of enforcement costs and penalties sends a strong message to would-be violators, and it preserves over 100 jobs by facilitating the transfer of the facility to a new operator," said Attorney General Mike Cox.

#####

Editor's note: DEQ news releases are available on the department's Internet home page at www.michigan.gov/deq.

"Protecting Michigan's Environment, Ensuring Michigan's Future"