



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGIONAL ADMINISTRATOR
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

AUG 01 2017

C. Heidi Grether, Director
Michigan Department of Environmental Quality
525 West Allegan Street
PO Box 30473
Lansing, Michigan 48909

Dear Director Grether:

Thank you for your May 2, 2017 letter seeking clarification as to whether the Michigan Department of Environmental Quality (MDEQ) may forgive current outstanding Drinking Water State Revolving Fund (DWSRF) debt for the City of Flint, Michigan. The \$20,770,336 in debt is from four DWSRF loans originated between 1999-2003. It is MDEQ's option on whether and how much of the outstanding DWSRF debt to forgive due to the Consolidated Appropriation Act, 2017, Pub. Law 115-31, signed by the President on May 5, 2017. The City of Flint is the only Michigan community eligible for this action. MDEQ would need to articulate the plans in the intended use plan and annual report.

We look forward to continuing our efforts working together to improve the City's water system. If you have any questions about this letter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Robert A. Kaplan".

Robert A. Kaplan
Acting Regional Administrator

cc: Mr. Keith Creagh, Director, Michigan Department of Natural Resources
Ms. Mary Martin, Michigan Finance Authority, Michigan Department of Treasury
Mr. John Barton, Michigan Finance Authority, Michigan Department of Treasury
Ms. Amy Epkey, Deputy Director, MDEQ
Ms. Sonya Butler, MDEQ
Ms. Kelly Green, MDEQ