

## **Today, Tomorrow and Beyond: USG in Iosco County**

### **Frequently Asked Questions**

#### **What is happening?**

USG has applied for a permit to construct its next gypsum quarry operation at Alabaster, in Iosco County.

#### **Who is USG?**

USG is the parent company of United States Gypsum Company, one of Michigan's oldest manufacturers. Founded in 1902, we've grown into an international company, 7,100 employees across North America and operations around the world. Today, we are a leading manufacturer of building products and innovative solutions. One of our most well-known products is Sheetrock® drywall, which celebrated its 100<sup>th</sup> anniversary in 2017. Many of our products are made with gypsum.

#### **What is gypsum?**

Gypsum is a calcium-based mineral (calcium sulfate dihydrate, or  $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$ ) used in a wide variety of applications, from construction material like drywall and plaster to food additives found in beer and hot dog buns to aspirin, animal feed, soil conditioner in farming, and more.

Gypsum is one of the world's most plentiful minerals and can be harvested from the ground in a quarry or mine. Having a reliable, steady supply of gypsum is important to the dozens of industries and hundreds of companies USG serves in Michigan.

#### **What is synthetic gypsum? Why can't it be used instead of rock?**

Synthetic gypsum can be created as a byproduct of coal-burning power plants. This technology has existed since the 1980s. However, many areas across the country are transitioning away from coal-burning plants, which will significantly reduce the availability of synthetic gypsum. That's why it's critical to have a local, reliable source of natural gypsum rock.

#### **Why does the company need a new quarry?**

The current quarry is nearing the end of its productive life. Its ability to supply gypsum has been very limited over the past several years, even as demand for gypsum-based construction products has increased significantly.

#### **Where will the new quarry be located?**

USG plans to develop a quarry on approximately 600 acres immediately adjacent to the west boundary of our existing Alabaster quarry, south of Tawas.

#### **What is the state permit for?**

USG is committed to being a good steward of our natural resources. We have applied to the state Department of Environment, Great Lakes and Energy for a wetlands permit. This permit is required any time human activity impacts wetlands.

### **What happens without a permit?**

If USG is unable to open a new quarry at Alabaster, it will likely be forced to use imported material until it can identify and create a new quarry someplace else. No other locations in Michigan have demonstrated economically obtainable gypsum.

Closing Alabaster permanently could have economic ramifications beyond Iosco County. The Alabaster quarry serves USG's Detroit factory, which makes Durock® brand cement board and has operated since 1925, as well as a variety of other Michigan businesses.

### **Why not quarry gypsum away from wetlands?**

Simply put, gypsum occurs where it occurs. It's a mineral located in the ground, so quarries must be developed where the rock is located.

In the case of Iosco County, more of the landscape is wetland than not. The gypsum reserves on USG's property are very high quality – some of the finest in the country. And they occur relatively close to the surface, meaning the challenge of digging down to them is less than it would be in other places.

Siting a quarry that would not impact wetlands in Alabaster is nearly impossible, so the company is working with state regulators on a plan that minimizes wetland disturbance and mitigates the impacts by restoring and protecting wetlands elsewhere in the watershed.

### **What happens when the quarry is finished?**

We will open and use one section of the quarry at a time, lasting for around 50 years. When removal of gypsum deposits is complete, the areas are restored to create wetlands, lakes, prairies and forests. This work is done according to township ordinances and environmental permits. USG has a 116-year track record on the land at Alabaster as visible proof of our commitment to restoring the landscape when the work is done.

### **Is this mining? How is the gypsum produced from the land?**

The gypsum reserves in Iosco County are close enough to the surface that the process for obtaining them is a quarry operation – different from an underground mine. Surface soils and clays are cleared until the gypsum layer is exposed, and machines similar to road resurfacing equipment essentially mow rows of gypsum approximately 12 inches thick. The materials are crushed and sorted by size on-site and transported by truck to manufacturing operations and other business across Michigan and North America.

### **Will this process harm the environment?**

No. Gypsum is a very safe mineral, and its removal is a mechanical process that does not use chemicals or create pollution. We uphold very high standards for our quarry operations. The quarry can collect rain and surface water. That water is pumped out of the quarry and passes through a series of lakes before traveling to Lake Huron. We closely monitor the quantity and quality of water and regularly report that data to the State of Michigan. We also monitor dust created by the quarry when there are dry conditions, and take action to suppress the dust and minimize impact to the community.

### **Will there be blasting as part of the operation?**

Limited blasting is needed in our operations today. On average, we blast only three to eight times per year to create holes (sumps) to collect water from the quarry or access the deeper layers of gypsum. No explosive materials are kept on site but are brought to the quarry only as needed.

### **What happens after the operation is done?**

When removal of gypsum deposits is complete, the areas are restored to create wetlands, lakes, prairies and forests. This work is done according to township ordinances and environmental permits. USG has a 120-year track record on the land at Alabaster as visible proof of our commitment to restoring the landscape when the work is done.

### **Why should Michigan support this proposal?**

- It keeps a historic Michigan company invested and working in Michigan.
- It maintains Michigan's supply of gypsum, a key building block for our economy, construction, agriculture and other industries.
- It keeps a quarry operation where one already exists.
- It provides safe, steady employment for local residents.
- It supports the local, regional and state economy.

### **How do I learn more about this proposal?**

Visit [www.USGAlabaster.com](http://www.USGAlabaster.com) to learn more about the project, ask questions or submit a letter of support.