

FOR IMMEDIATE RELEASE
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**CENTRAL VALLEY WATER BOARD ASSISTANT EXECUTIVE OFFICER
ISSUES \$487,893 ADMINISTRATIVE CIVIL LIABILITY COMPLAINT TO
WINEMUCCA TRADING COMPANY**

REDDING - Winemucca Trading Company, LTD, the British Virgin Islands-based company that acquired the former Shasta Paper and Pulp Mill in Anderson, faces a proposed administrative civil liability of \$487,893 for its failure to comply with the terms of a Cleanup and Abatement Order (the "CAO") issued by the Central Valley Regional Water Quality Control Board in 2004.

On April 1, 2011, Robert Crandall, Assistant Executive Officer of the Central Valley Water Board, issued a \$487,893 Administrative Civil Liability Complaint (the "Complaint") to Winemucca Trading Company, LTD for its failure to remediate significant environmental hazards at the former mill site. Winemucca had acquired the site at a bankruptcy auction for \$500,001 in 2004. The Complaint is available for public review on the Central Valley Water Board's website at:

http://www.waterboards.ca.gov/centralvalley/board_decisions/tentative_orders/

The Complaint is scheduled for consideration at the Central Valley Water Board's regular public meeting on June 8/9/10, 2011 in Rancho Cordova.

Costs associated with the cleanup of the former mill site, including cleanup of the several-acre waste lagoons that were used to treat liquid waste from the facility and that still contain dioxin-containing sludge, are estimated to be in the millions of dollars. As stated in the Complaint, the Board's Prosecution Team believes that Winemucca has "thoroughly failed to conduct remediation commensurate with the magnitude of environmental harm posed by the waste still present at the site." Furthermore, "Winemucca has exhibited a pattern of behavior whereby it routinely misses its own proposed cleanup dates by failing to expend the necessary resources to properly execute its workplans."

Due to the numerous violations of the CAO, Winemucca faces a potential liability in excess of \$10 million. The proposed administrative civil liability has been determined based on factors contained in the State Water Board's Enforcement Policy, including a calculation of the economic benefits of non-compliance. Members of the public are invited to comment on the proposed civil liability; comments should be received by May 16, 2011.

Questions and comments regarding the proposed Order may be directed to Clint Snyder at (530)224-3213 or csnyder@waterboards.ca.gov. Media inquiries may be directed to Robert Crandall at (530) 224-4845.

The Central Valley Water Board is a California state agency tasked with preservation and enhancement of quality in water resources.