Nestlé Waters North America: Draining the Great Lakes?

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**Introduction**

Water. It is a chemical compound that makes up sixty percent of a person’s weight. From removing waste, regulating body temperature and cushioning joints, as humans we are dependent upon water for survival (Mayo Clinic, 2017). With water being so essential, it is no wonder that companies such as Nestlé have taken a fondness to the profits produced by bottling it for retail sale. But what happens when water resources become tainted and large companies increase their demand, despite a debilitating decrease in fresh, local water supplies? This is exactly what Nestlé has done in the state of Michigan in the heat of Flint’s notorious water woes (“Permit 1701,” 2018). Should Nestlé be allowed to continue pumping from Michigan’s precious resource while Flint residents suffer a shortage of fresh, quality water in their area? On the surface, it hardly seems to make much sense to allow Nestlé to continue this practice while raking in profits, but the answer, as I found, is much more complex than you might initially think.

**Opposing Arguments**

Water in Michigan is a free resource. When a resident receives a water bill, it is not for the charge of the water itself, but a fee processing and transmitting that water to the resident through a municipality (Malewitz, 2018). Land owners are free to draw on water that exists under their land at no charge as long as it does not negatively impact others or surrounding ecosystems (“Water law explained,” 2018) - a fact that Nestlé has been taking advantage of. Still, Nestlé ranks 85th on the list of the state’s top water users; far behind many Michigan farms. Combining the measurements with other bottled water companies across the state, total consumption per the bottled water producers sector is only approximately 0.26% according to the Michigan Department of Environmental Quality (MDEQ) (“Water use statistics,” 2017).

Nestlé regularly monitors 100 location points in Michigan, working with independent, professional scientists to ensure sustainability (“Know the facts,” n.d.). In April of 2018, the MDEQ approved a permit allowing Nestlé Waters North America to increase pumping from 250 gallons per minute (gpm) to 400 gpm at their plant located in Osceola Township (“Permit 1701,” 2018). In conjunction with the request for this permit, Nestlé submitted their data to the MDEQ. The process to obtain the approval was called “the most extensive analysis of any water withdrawal in Michigan history” by MDEQ Director C. Heidi Grether (2018).

Nestlé is committed to Michigan. A study by Public Sector Consultants shows a positive impact on the economy locally and statewide. Their presence in Michigan has directly created 280 jobs. Nestlé’s purchases of goods and services from Michigan vendors returns approximately $51 million to local communities (Public Sector Consultants, 2017). Furthermore, the support provided to Flint during and after the water crisis has been paramount. Nestlé has donated approximately 1.5 million bottles of FREE water to Flint schools (“Caring for the People,” n.d.) - a venture they were not obligated to undertake. In early 2018, former Governor Rick Snyder revoked access to free bottled water from the state for Flint residents, citing that the lead levels had been below the federal action level for two years (Ahmad, 2018). Nestlé recognized the need and took a stand, promising additional donations of their bottled water through April of 2019 in the approximate amount of 3.2 million bottles (“Caring for the People,” n.d.).

**Analysis**

A one-time application fee of $5,000 and an additional $200 per year in administrative fees is a small price to pay for the bottled water giant to pump 576,000 gallons of pure Michigan water each day (Taillard, 2018). According to a survey by Food and Water Watch, the City of Flint has the highest water rates in the country, averaging around $900 annually (2015), making Nestlé’s $200 annual fee seem as if the state is almost giving away the resource - and that is what many angered residents fighting against Nestlé want you to believe.

Although the permit for Nestlé to increase their pump flow was approved, an overwhelming 81,020 public comments were received by the MDEQ in response to the permit with only 75 in favor of the increase in pumping (Malewitz, 2019). Residents continue to voice their concern about the perceived negative effects increased pumping will have on the environment. Nestlé’s chief of sustainability, Nelson Switzer, rebuts “Water is a renewable resource. As long as you manage the area, water will flow in perpetuity.” (Winter, 2017). Residents base their concerns on a similar situation in Mecosta County in 2003, where Nestlé’s own data convinced a judge that over a 3 year span, there was a significant enough negative impact to streams and wetlands, that it warranted a reduction in pumping flow from 400 gpm to 218 gpm (Winter, 2017). Given the similar numbers of the most recent approved request to pump 400 gpm from Osceola Township, I can understand how the residents could compare the history in Mecosta and develop concerns that this increase may produce a similar outcome.

Nestlé, a foreign-based company, is the largest bottled water presence existing in Michigan for more than sixteen years (“Know the facts,” n.d.). At first glance, I can understand how a Michigander can look at headlines attacking this large company that is profiting from our beautiful natural resource and find it easy to get angry and jump on the bandwagon. Many of these headlines are geared to stir up emotions by making hasty generalizations and human nature dictates that we must find someone to blame. The crisis in Flint only adds fuel to the proverbial fire.

The request for permit drew interest from residents near and far, as was evident by the exorbitant amount of public comments received by the MDEQ. However, Grether notes “the department is required to follow the rule of law when making determinations,” and further points out, “the majority of the public comments were in opposition of the permit, but most of them related to issues of public policy which are not, and should not be, part of an administrative permit decision” (Grether, 2018). Nestlé seems to be very transparent about their business in our state as they have posted a large amount of information directly from the MDEQ on their website reporting on this process. Their transparency makes it hard to argue that they are participating in bad business, even if you do not agree with the outcome of the decision. If anything, the disturbance this has caused may be a good indicator that Michigan should review and possibly revise some of the laws surrounding our natural resources as related to large businesses in the state.

**Conclusion**

While I cannot personally help but feel that Nestlé should probably be paying higher standard rate for their withdrawal of our natural resource given the large profits they make from it, I wonder if the arguments occur simply because of timing of their permit request coming on the coattails of the Flint water crisis and the perceived connection through brand awareness within the Flint community. However, all of the attention is on Nestlé for a request to increase their pumping rate during a time when water has become a sensitive subject, even though the permit to withdrawal water happens to be in a location on the opposite side of the state from the Flint water crisis. A crisis in which Nestlé has consistently offered support. On their website, Nestlé claims they are committed to Michigan (“Committed to Michigan,” n.d.) and my research on this topic reflects that. Not only have they supported Michigan through philanthropy throughout the Flint water crisis, they have also strengthened Michigan’s economy with revenue to local businesses and vendors, and where appropriate, they pay the same rate in services that residents pay to pump water from municipalities (Malewitz, 2018). As a company and as a community, Nestlé is constantly giving back to our state in various ways, overall contributing far more than the mere $200 a year in fees, a monetary figure that certain news outlets seem to be stuck on. Water is a renewable resource. Contrary to my original opinion, I now believe that as long as there is no negative impact to the surrounding ecosystems or our state residents, I do not see why we should not allow a company willing to provide support to the state as well as to a community impacted by a crisis they did not cause, to partner with our Great Mitten State.

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