

# **Extension of the Environmental Cooperative Agreement between 3M Company and Wisconsin Department of Natural Resources**

This Agreement serves to extend the Environmental Cooperative Agreement (Agreement) between the Wisconsin Department of Natural Resources (DNR) and 3M Company (3M) that was originally signed on October 1, 2002 and amended on December 22, 2004. As with the original Agreement, this applies only to the 3M facility located in Menomonie, Wisconsin.

The extension of this Agreement, consistent with s. 299.80(2), Wis. Stats. and s. 299.80(6e), Wis. Stats., represents the negotiated and agreed to conditions between the DNR and 3M. The negotiated conditions reflect a continued commitment to improved environmental performance relating to both regulated and non-regulated operation and production activities at the 3M Menomonie facility.

## **CONTENTS**

- I. Facility Information/Contacts/Project Summary
- II. Definitions
- III. Period of Agreement
- IV. Amendment/Revocation of the Agreement
- V. Entire Agreement
- VI. Approvals Covered
- VII. Interested Persons Group
- VIII. Commitment to Environmental Management System
- IX. Commitment to Superior Environmental Performance
- X. Pollution Limits
- XI. Operational Flexibility and Variances
- XII. Reporting of Violations
- XIII. Baseline and Periodic Performance Evaluation

XIV. Applicable Law

XV. Addresses

XVI. Appendix:

- A. [Environmental Performance Plan \(PDF, 29KB\)](#)
- B. [Analysis, Preliminary Determination for Air Pollution Control Permit On The Operation Of A Manufacturing Of Plastics And Films \(PDF 1.20MB\)](#)
- C. [Entire Air Pollution Construction Permit \(#04-SJZ-142\) and Operation Permit \(# 617056660-P01\) \(PDF, 630KB\)](#)
- D. [2006 Annual Performance Report for the Environmental Cooperative Agreement between 3M -Menomonie and the Department of Natural Resources \(PDF 156KB\)](#)

FOR AND IN CONSIDERATION of the terms and conditions contained in this Agreement, DNR and 3M set forth the following:

## **I. FACILITY INFORMATION**

### **Headquarters**

3M Company  
Building 0042-02-E-27  
P.O. Box 33331  
St. Paul, MN 55133

### **Facility Location**

3M Company-Menomonie Plant  
1425 Stokke Parkway  
Menomonie, WI 54751

### **Contacts:**

Paul Gerbec  
Environmental Engineering Specialist  
Phone: (651) 778- 4086  
Fax: (651) 778-7203  
E-mail: [pgerbec@mmm.com](mailto:pgerbec@mmm.com)

Mike Wendt  
EHS Specialist  
Phone: (715) 235-5541 Ext. 2318  
E-mail: [mrwendt@mmm.com](mailto:mrwendt@mmm.com)

3M-Menomonie provides a flexible manufacturing environment and infrastructure to enable long-term growth of existing and new businesses and rapid process development and successful commercialization of new technologies and products for 3M. The resident site management maintains responsibility for overall site management.

The entire 3M Menomonie sight encompasses 505 acres consisting of roughly 100 acres of unmanaged open and wooded natural space, and the remaining in leased agricultural production and facility operations.

Since 2001, the 3M-Menomonie facility has increased employment from 525 to 673 and has expanded their facility from roughly 403,000 to 583, 000 square feet in production, office, and associated warehouse space under one roof.

The plant currently operates a variety of production shifts with several business units operating continuously. There are several major operations located within the facility. A brief description of each operation or service area follows, and includes what aspects or impacts this operation could have on the environment.

#### **A. Staff Groups**

- Plant Engineering
- Logistics (Shipping/Receiving/Warehousing)
- Environmental, Health, Safety & Security Group
- Human Resources
- Information Technology Support

#### **B. Production Groups**

**\*E-Beam Line** - Typical products include adhesive film for flexible printing circuits, automotive weather-stripping, and foam backings for the laminate floor industry. This process does produce some hazardous waste and solid landfill waste. This group manages operations that potentially affect air emissions, hazardous waste generation, and solid waste disposal.

**\*\*Optical Systems Division (OSD)** - This process produces an optical film used as a brightness enhancing film on lap top computer screens and other liquid crystal display (LCD) applications. There is a supporting tool making process (chrome and copper plating) that produces tooling for this process. The hard chrome (VI) plating process requires an air pollution control permit. The division also has a converting section for some of the web products produced. This group manages operations that potentially affect air emissions, hazardous waste generation, and solid waste disposal.

**Personal Care Division (PCD)** - This process produces both the hook and the matching loop to be used as an integrated fastening system. This process produces some hazardous waste and a moderate amount of solid waste. This process recycles a considerable amount of waste product back into the process.

**Proteus Group** - Research and development project for new fuel cell technology. This process produces some hazardous and solid wastes. Recycling is applied to reduce waste levels where economically viable.

**Semiconductor Wafer Planerization (SWP)** – This process line produces abrasive products for application in the semi-conductor industry. The process does produce minimal amounts of solid and hazardous waste.

**\*\*Specialty Fibers & Composites (SF&C)** - The fibers are used in the manufacture of high temperature insulation products used in various applications.

**\*\*C5 Tape** – This process produces a variety of coated adhesive tapes for the electrical products markets that generates hazardous waste and a considerable amount of solid waste. Includes solvent coating in the process.

**\*Traffic Safety System (TSS)** – This process produces diamond grade reflective sheeting used in the traffic sign and traffic construction safety industries. The process consists of an extrusion, laminating, rewind/unwind stations. The tool fabrication area involves a protective spray coating booth, which potentially affects air emissions and produces some hazardous and solid wastes.

\* - denotes operations group having the potential to effect air emissions

\*\* - denotes operations group that require an air pollution control permit

**Other permits or regulations in effect at the time of renewal:**

- General Tier II Storm Water Permit WI-S067857-2
- General Non-contact Cooling Water Permit WI-0044938
- EPA Hazardous Waste WID078673084
- Federal and state pretreatment categorical standards for metal finishing category Pretreatment Notification FID # 617007490
- POTW Local Ordinance Restrictions

**Project Summary**

Since December 22, 2004 the 3M facility has been operating under an Agreement which includes a Title V permit entailing a facility-wide air pollution control construction and operating permit for 3M Menomonie that combines environmental management commitments beyond those ordinarily required by DNR rules with operational flexibility for the manufacturing facility. The operational flexibility written into the Title V permit has, in part, been responsible for controlled or reduced emissions accomplished during the initial 5 year term of the Agreement. By enabling process changes and experimentation that might otherwise not be attempted, prior to the Agreement, the company and DNR have avoided unnecessary permit writing in consideration of traditional timelines for securing the necessary DNR permit authorizations. Upon signing of this Agreement, 3M will continue operations under those conditions defined in Section **XVI, (Appendix C )** Entire Air Pollution Construction Permit (#04-SJZ-142) and Operation Permit (# 617056660-P01).

**Title V Construction and Operation Permits under This Agreement**

Following the signing of this Agreement, DNR will pursue the statutory process for issuing the new Construction permit and renewing the Operational Permit. Upon approval by USEPA and WDNR the permits will be assigned as Construction Permit (# 07-SJZ-075) and Air Pollution Control Operation Permit Renewal (# 617056660-P10). DNR will reflect these changes at the time of permit renewal.

**II. DEFINITIONS**

The following definitions are applicable to this agreement:

A. "Approval" means a permit, license or other approval issued by the Department under chapters 280 to 295 Wis. Stats.

B. "Environmental Cooperative Agreement" means an agreement entered into under section 299.80(6), Wis. Stats.

C. "Environmental management system" means an organized set of procedures implemented by the owner or operator of a facility to evaluate the environmental performance of the facility and to achieve measurable or noticeable improvements in that environmental performance through planning and changes in the facility's operations.

D. "Environmental performance" means the effects, whether regulated under chapters 280 to 295 Wis. Stats. or unregulated, of a facility on air, water, land, natural resources and human health.

E. "Facility" means all buildings, equipment and structures located on a single parcel or on adjacent parcels that are owned or operated by the same person.

F. "Interested person" means a person who is or may be affected by the activities at a facility that is covered or proposed to be covered by a cooperative agreement or a representative of such a person.

G. "Performance evaluation" means a systematic, documented and objective review, conducted by or on behalf of the owner or operator of a facility, of the environmental performance of the facility, including an evaluation of compliance with the cooperative agreement covering the facility, approvals that are not replaced by the cooperative agreement and the provisions of chapters 280 to 295 Wis. Stats. and rules promulgated under those chapters for which a variance is not granted under section 299.80(4) Wis. Stats.

H. "Pollutant" means any of the following:

1. Any dredged spoil, solid waste, incinerator residue, sewage, garbage, refuse, oil, sewage sludge, munitions, chemical wastes, biological materials, radioactive substance, heat, wrecked or discarded equipment, rock, sand, cellar dirt, or industrial, municipal, or agricultural waste discharged into water or onto land.

2. Any dust, fumes, mist, liquid, smoke, other particulate matter, vapor, gas, odorous substances or any combination of those things emitted into the air, but not uncombined water vapor.

I. "Violation" means a violation of a cooperative agreement, of an approval that is not replaced by the cooperative agreement or of a provision of chapters 280 to 295 Wis. Stats. and rules promulgated under those chapters for which a participant has not received a variance under section 299.80(4) Wis. Stats.

J. "Volatile Organic Compounds (VOCs) – Compound or VOC" means any organic compound which participates in atmospheric photochemical reactions. This includes any such organic compound other than a number of specifically-listed compounds, which have been determined to have negligible photochemical reactivity. The list of excluded compounds can be found in Wisconsin Rule NR 400.02(162).

K. “Toxic Release Inventory (TRI)” – A publicly available EPA database that contains information on toxic chemical releases and other waste management activities reported annually by certain covered industry groups as well as federal facilities. This inventory was established under the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) and expanded by the Pollution Prevention Act of 1990.

L. “Pollution Prevention Pays (3P)” – A 3M internal program, begun in 1975, with the goal of eliminating or reducing sources of pollution in 3M products and processes. The program has been recognized the world over for its innovation in environmental management by focusing on pollution prevention, rather than pollution control. Since program inception, 3M worldwide has developed over 6000 projects that have prevented over 2.5 billion pounds of pollution in their first year with a corresponding first-year savings of more than \$1 billion.

This prevention approach has become standard practice at 3M. The company is engaged in a continuing effort to eliminate pollution at the source through product reformulation, process modification, equipment redesign, recycling and the recovery of waste materials for resale. These efforts are generally the result of employees that view pollution prevention as a personal responsibility rather than a job requirement.

M. “Integrated Contingency Plan (ICP)” – means a response plan prepared and used by facilities for responding to releases of oil and non-radiological hazardous substances. The Integrated Contingency Plan creates one functional emergency response plan by consolidating plans necessary to comply with multiple regulations.

N. “Six Sigma” – is a business-driven, multi-faceted approach to process improvement. With a fundamental principle to improve customer satisfaction by reducing defects, its ultimate performance target is virtually defect-free processes and products.

O. “Lean Manufacturing” - is a methodology used to accelerate the velocity of and reduce the cost of any process by removing waste. Although Lean was pioneered in a manufacturing environment, Lean principles can be applied to operational or transactional processes as well.

### **III. PERIOD OF AGREEMENT**

1.) This Agreement has met the requirements of 299.80(6e) Wis. Stats., and subject to its signing by both parties, shall continue until October 1, 2012 during which time 3M and DNR shall abide by all terms and conditions contained herein.

2). The performance commitments **Section XIII.** contained herein shall apply to 3M for the term of this Agreement unless the Agreement is revoked or terminated pursuant to Section IV below.

### **IV. AMENDMENT/REVOCATION OF THE AGREEMENT**

Pursuant to s. 299.80(7), Wis. Stats., DNR may amend this Agreement with the consent of 3M or for cause. 3M may terminate this Agreement after providing 30 days written notice to DNR. DNR may revoke this Agreement if 3M is in substantial noncompliance, refuses to amend this Agreement, is unable or unwilling to meet commitments to superior environmental performance, or has not addressed a substantive issue raised by a majority of the interested persons, s. 299.80(7), Wis. Stats. Furthermore, at any time during the period of this Agreement, 3M may request to reopen the Agreement for potential modifications to reflect changing business conditions, environmental performance goals, modification or inclusions of other provisions under s. 299.80(7), as mutually agreed with DNR. DNR shall provide at least 30 days for public comment on a proposal to amend or revoke an Environmental Cooperative Agreement and provide an opportunity for a hearing if comments demonstrate considerable public interest in the proposed action.

## **V. ENTIRE AGREEMENT**

This Agreement, together with any specifications, referenced parts, attachments and effective amendments, shall constitute the entire Agreement. The terms, specific language and changes contained in the extension of this Agreement have been established between DNR and 3M Company for the 3M – Menomonie facility. All revisions to this agreement must be made by a written Amendment to this Agreement, signed by both parties and issued under the same procedures as this Agreement pursuant to the requirements under s. 299.80, Wis. Stats.

## **VI. APPROVALS COVERED**

The air pollution permit, Part III of Permit No.617056660-P01 and Air Pollution Construction Permit No. 04-SJZ-142 was established under a Cooperative Environmental Agreement signed on October 1, 2002 and Amended on December 22, 2004 pursuant to s. 299.80, Wis. Stats. Following statutory requirements for issuing air pollution control permits under Title V, the new permits will be reissued, as Construction Permit No. 07-SJZ-075 and Operation Permit No. 617056660-P10 under **Part III, Section XVI, Appendix C.** of this Agreement. The extension process and the conditions covered under the Extended Agreement are consistent with those procedures established in s. 299.80(6e), Wis. Stats., under the Environmental Cooperation Pilot Program.

All of the conditions and requirements, including potential emissions rates where applicable, embodied in these permits remain in effect without modification and are incorporated in **Section XVI, Appendix C.**, unless otherwise addressed in **Section XI.** (Operational Flexibility and Variances) of this Agreement.

The Agreement grants 3M approval for certain types of projects that will meet all of the conditions specified in **Section XI** of this Agreement or such conditions stated in the, construction and operating permit, **PART III, XVI. Appendix C.**, 3M will pursue normal DNR procedures required by State Statute for issuing permits for projects not eligible for approval under **Section XI** or the terms of the Agreement.

## **VII. INTERESTED PERSONS GROUP**

As stated under the Environmental Cooperation Pilot Program, "An 'interested person' is a person who is, or may be, affected by the activities at a facility that is covered, or proposed to be covered, by a Cooperative Environmental Agreement or a representative of such a person." The interested person group participation is voluntary and subject to change over the course of this Agreement. The group provides consultation to the facility and provides a valuable, additional channel of communication between 3M and the surrounding community during the course of the Agreement. The Interested Persons Group was responsible for reviewing and understanding 3M's proposal under the Environmental Cooperation Pilot Program and for providing input to the subsequent Cooperative Environmental Agreement. 3M has familiarized the group with the EMS, objectives and targets, and the environmental impacts from the facility and have involved the participants in review of annual reports submitted to the Department from 2002 to 2007. 3M has met all previous conditions established in the 2002 to 2007 Cooperative Agreement which included a Baseline Performance Evaluation and subsequent yearly reports on their progress. 3M will continue to provide yearly annual reports on their environmental performance and project results and the relationship between environmental, social and economic impacts. These reports will be made available to the public through the DNR and Interested Persons Groups. Under this Agreement 3M will meet with interested persons group at a minimum of twice yearly and has engaged the interested persons group in the development of the subsequent Agreement. 3M and DNR are committed to working with the stakeholders interested persons group to make this Agreement a success. The core stakeholders represent a mix of community and business as well as both local and state representatives.

Following is a list of the backgrounds of individuals currently represented on the interested persons group for 3M Menomonie. Any revision of the membership of this group, such as in the case of an individual who may no longer be available for service, will be done in consultation with WI DNR. 3M will work to maintain and encourage representation in the interested persons group through the term of this Agreement.

- Superintendent, Menomonie Wastewater Utility
- Dunn County Department of Public Health
- Director, Indianhead Enterprises
- UW-Stout, Chemistry Department
- Menomonie City Council Member and Plan Commission
- WDNR Representative
- member of local Sierra Club

## **VIII. COMMITMENT TO ENVIRONMENTAL MANAGEMENT SYSTEM**

3M Menomonie has a strong Environmental Management System (EMS) in place that was ISO 14001 certified on December 7, 2000 and renewed to the revised ISO 14000: 2004(E) standard on September 12, 2005. Wisconsin DNR is in receipt of the certificate issued to the facility from Underwriter's Laboratory (file A8582) and accepts this as satisfaction of the requirement to have an environmental management system in place under the Environmental Cooperative Pilot Program. 3M agrees to provide documentation of recertification certificates, as issued, as a part of the annual reporting under this Agreement. The performance of this system and related systems is documented in **Section XVI, Appendix A.** of this agreement and the annual performance reports submitted as part of the requirements under s.299.80 Wis. Stats.. The documentation and subsequent reports describes the policy as well as environmental results that have been achieved by the company through their Pollution Prevention Pays (3P) and other environmental programs. The DNR will work with 3M to incorporate green design elements into components of the cooperative agreement as proportional incentives can be identified.

## **IX. COMMITMENT TO SUPERIOR ENVIRONMENTAL PERFORMANCE**

### **Summary**

3M agrees to pursue superior environmental performance while achieving a balance between economic, social and environmental impacts from its efforts. The extended Agreement will provide, as anticipated at the time of signature of the original Agreement, further testing of the effectiveness of an Environmental Management System (EMS), designed under ISO 14001 requirements, to identify and find solutions to those aspects of plant operations that have the most significant impacts on the environment.

The reduced impacts which were accomplished during the initial 5 year term of this Agreement were driven not only by the plant's EMS, but also through broad application of the analysis and change methodologies of both Six Sigma and Lean Manufacturing. 3M will continue to expand application of all such tools for the period of this Agreement, such that under the Environmental Cooperation Pilot Program, and in coordination with the facility EMS, 3M commits to pursue and track the following:

- Reduce waste (Non Product Output) per pound of good output by 20% by 2010 (2005 baseline)
- Sustain or reduce Volatile Organic Compound Air Emissions (VOC) per 1000 pound of good output to less than 7.1 pounds VOC/1000 pound good output (2005 baseline)
- Improve Energy Efficiency per pound of good output (with attendant reductions in greenhouse gas emissions) by 20% by the end of 2010
- Accomplish at least two accepted 3P (Pollution Prevention Pays) projects each year through 2010

- Work to certify, improve, and/or protect adjacent 3M properties to those standards established by the Wildlife Habitat Council (WHC) Establish wildlife habitat on the facility site certified by the Wildlife Habitat Council (WHC)

According to communications between 3M and WI DNR which occurred during the initial term of the Agreement, 3M has elected to define “good output” more aggressively as finished or semi-finished product only. (This approach provides a lesser credit for emission reductions, and thereby a more challenging goal to attain). Waste, defined as Non-product Output (NPO), thereby includes recycled waste, off-site reuse of materials, waste to energy, and in plant recycle and reuse, in addition to the previous categories of chemical waste, landfill waste, and air emissions.

As a component of the initial cooperative agreement, 3M agreed to a substantial reduction in its facility-wide limit of VOC emissions, from over 400 tpy to 249 tpy. This reduction represented a significant commitment and challenge on the part of 3M, as its Menomonie facility was, and continues to be, a key factor in 3M’s overall plan for growth. Accompanying the reduction in the VOC emission limit, 3M reduced its actual VOC emission, on a per pound of product basis, by more than 26%. Currently 3M Menomonie emits VOC at a rate of only 7.1 lbs of VOC for every 1000 lbs of product produced. Additional reduction efforts by the facility, over the term of the renewed agreement, to reduce the pounds of VOCs released per pound of good output may allow the 250 TPY cap on VOC emissions to be further reduced. The actual level at which the VOC cap could be re-established will be evaluated at the end of the term of the renewed agreement and will be based on the level of reduction achieved, as well as other relevant regulatory and business considerations of 3M.

Any negotiated changes will be consistent with the objectives of the Environmental Cooperation Pilot Program and renewal of Title V Operating Permit, federal NSR rules in effect at the time, and the business needs of 3M.

## **Innovation**

By establishing interim and final "beyond-compliance goals" to be achieved by 3M in the next five years and by providing 3M with the time to investigate the best methods to achieve the reduction goals, this proposal encourages technological innovation by 3M. In contrast, under the current regulatory environment, companies often have limited time and flexibility to implement the emission control and waste reduction requirements. This Amendment encourages 3M to establish progressively lower emissions based, in part, by facilitating research and development of new products and their corresponding manufacturing processes, that may result in new or replacement products which have lower emissions and less waste.

## **X. POLLUTION LIMITS**

The December 24, 2004 Amended Agreement established a facility-wide VOC emissions cap of 249 tons per year in **Part III, XVI. Appendix C.**, Air Pollution Control Construction and Operation Permit, which significantly reduced the maximum amount of VOC that can be emitted by the plant. In order to maintain levels below the cap during periods of growth in manufacturing operations, the company initiated numerous changes to operations at the facility. The needed innovations were bolstered in part by the speed

of manufacturing change provided for by the flexibility portions of the Agreement. The Air Pollution Control Construction and Operation Permit includes the requirements of all applicable regulations, including as necessary the requirements listed in the Preamble of the permit, which were established in former permits for purposes of satisfying LACT, RACT, BACT, MACT, or NR 445, Wis. Admin. Codes, Hazardous Air Pollutant (HAP) emission limits contained in the permits previously issued by DNR for discrete operations at 3M Menomonie. Any provisions of permits or approvals not covered by this Agreement in **Section XI** shall remain in effect. As a matter of continuing 3M Company Policy, 3M commits to abide by all current applicable environmental requirements including those requirements established under the Clean Air Act, Clean Water Act, RCRA and any other federal or state environmental statute or rule.

## **XI. OPERATIONAL FLEXIBILITY AND VARIANCES**

***NOTE: Please Refer to XVI. Appendix C. PART III of the Air Pollution Control Construction Permit and Operation Permit***

### **PRE-APPROVED PROJECTS/FACILITY CHANGES**

Overview:

In exchange for the environmental commitments discussed above (**section IX and X**), 3M and DNR designed and incorporated in the Title V construction and operating permit, Part III, a number of pre-approved projects and facility changes which can be implemented by 3M at any time during the term of the Agreement. All pre-approved changes are structured in a manner consistent with EPA's draft White Paper #3 and will rely in key part on the facility-wide VOC cap of 249 tpy, which establishes the facility as a synthetic minor source for purposes of Prevention of Significant Deterioration (PSD) applicability. Each of the pre-approved projects and facility changes will specify all emission control, monitoring, record keeping, reporting, and any other requirements which must be performed by 3M at the time that the pre-approved project is implemented. All such requirements will be equal to, or exceed those which would have been put in place had the pre-approved project been permitted under DNR's existing permitting workflow, including, but not limited to, any applicable requirements under federal MACT standards, NSPS, LACT, RACT, and NR 445. The research and testing approval will be the first pre-approved project designed, tested and implemented for the Title V construction and operating permit as a part of this Agreement in order to provide more responsive time frames and more effective involvement of stakeholders. General procedures for implementing pre-approved projects and performing certain analyses are contained in the listing of appendices that follow this paragraph. The diagrammed logic in the appendices are provided at this time for purposes of example and for purposes of emphasizing that pre-approved projects would be structured to allow rapid implementation of the project and more effective consideration of environmental impact.

Any proposed change at the 3M facility which is not addressed under a pre-approval process will require issuance of a construction or other permit by DNR according to the permitting authority's normal workflow. **Please refer to Section XVI. Appendix B**

[\(Analysis, Preliminary Determination for Air Pollution Control Permit On The Operation Of A Manufacturing Of Plastics And Films\).](#)

## **XII. REPORTING OF VIOLATIONS**

Any violations discovered, as part of the annual performance report required under **Section XIII**, shall be disclosed to WDNR within 45 days of the completion of the evaluation or report. Any such notification shall contain the information required under s. 299.80(12), Wis. Stats. DNR may not take any civil enforcement action on any such reported violations if they are corrected within 90 days of notification, unless the violations present an imminent threat to public health or the environment or may cause serious harm to public health or the environment, or the department discovers the violations before 3M discloses them. This does not exempt the 3M from the requirements for immediate notification contained in s. 292.11, Wis. Stats. Any criminal violations are subject to DNR enforcement action. If a longer period of time is needed to correct the violations, a compliance schedule can be negotiated and the agreement modified allowing a compliance schedule of up to 12 months.

## **XIII. BASELINE AND PERIODIC PERFORMANCE EVALUATIONS**

Pursuant to s. 299.80, Wis. Stats., within 180 days of signing the October 1, 2002 Agreement, 3M submitted their Baseline Performance Evaluation to DNR and members of the interested persons group. 3M submitted their first annual performance report to DNR on January 30, 2003. The 2006 performance report includes the overall performance evaluation of the existing agreement and a Baseline Performance Evaluation that reflects the ET 10 performance objectives and targets for 3M and the renewed Agreement (**XVI. Appendix D**).

### **Explanation**

As a part of its environmental management system (EMS), 3M sets goals and reports on progress as outlined in **Section XIII**. These goals are not only established as part of this agreement; they are also a component of 3M's own internal voluntary environmental initiative. During the first term of this agreement, 3M's Environmental Targets '05 (ET05) helped to establish the framework for the commitments embodied in the agreement. Through this program, 3M Menomonie developed a set of 5-year pollution reduction goals, which used year 2000 emissions, waste, and energy levels as a baseline. In 2006, the ET05 program was concluded and replaced with the ET10 program, which challenged each of 3M's manufacturing facilities to establish new environmental targets for the five year period from 2006 through 2010. The ET10 goals have formed the basis for the commitments included in **Section IX**. The ET10 program utilizes year 2005 as a baseline year for its pollution reduction metrics. In addition to re-establishing the baseline at 2005 levels, the ET10 program now requires facilities to calculate "good output" more aggressively as finished or semi-finished product only. Waste, defined as Non-product Output (NPO), now includes recycled waste, off-site reuse of materials,

waste to energy, and in plant recycle and reuse, in addition to the previous categories of chemical waste, landfill waste, and air emissions. This approach raises the bar on every quantitative environmental goal of the ET10 program.

Periodic Performance Evaluations- In exchange for agreeing to limitations that are more stringent than pre-agreement permit requirements, 3M and DNR have established construction and operational flexibilities, accomplished through a number of pre-approved facility changes that are subject to the limitations expressed in **Section XI and XVI, Appendix C**, of this Agreement. The pre-approved changes are in-line with EPA's draft White Paper #3, and were reflected in the December 22, 2004 Amended Agreement.

## **ANNUAL REPORT**

The annual reporting date was established between DNR and 3M to coincide with 3M structure of internal environmental reporting deadlines and the availability of information immediately upon the end of the reporting year. As part of the renewed Agreement, the reporting deadline for 3M will be changed to March 15, of each year following the signing of this Agreement in order to accommodate 3M's reporting structure. Each annual performance report shall satisfy the requirements of s 299.80(11), Wis. Stats. In addition, each annual performance report shall include the following information:

1. Status of Reductions of hazardous waste levels per pound of good output
2. Status of the goal of maintaining or reducing the emissions of VOC per pound of good output (semi-finished and finished goods) to a level equal or less than 7.1 pounds VOC / 1000 pounds good output through 2010 (2005 baseline)
3. Status of progress toward the goal of 20% reduction in non-product output per pound of good output by the end of 2010 (2005 baseline)
4. At least two approved 3P (Pollution Prevention Pays) projects each year through 2010
5. Status progress toward the goal of reducing energy usage per pound of good output by 20% by the end of 2010 (2005 baseline).
6. Status of progress made for Wildlife Habitat Counsel (WHC) site certification
7. Evaluation of the EMS, areas of success and areas for improvements beyond those specified above in addition objectives and targets set in the previous year report.
8. A general assessment of the success of the project in reducing the time and money spent by 3M and DNR on paperwork and other administrative activities that may not directly benefit the environment.
9. DNR will maintain a record of its own administrative savings and other cost savings associated with this Agreement. WDNR shall provide this information to 3M on at least an annual basis.
10. 3M shall provide a draft of each annual performance report to DNR for review and comment prior to final publication. The interested person's group will receive a copy of the submitted performance report for review. 3M shall also solicit

suggestions from DNR and the interested persons group on how to improve performance under the Agreement. 3M Menomonie shall make copies of all baseline and periodic performance evaluations available for public inspection on the Internet or in other formats upon request, as deemed mutually agreeable to 3M and DNR.

11. Each quarter, 3M will calculate VOC emissions from the facility on the basis of pounds VOC emitted per pound of good output (finished and semi-finished goods) produced, and will calculate a four-quarter rolling average involving the preceding three-quarters. 3M has committed to a goal of sustaining or further reducing the amount of VOC emitted per pound of good output produced (lb VOC emitted/lb good output) that is equal to or less than 7.1 pounds VOC emitted/1000 pounds good output based on 2005 levels. In the event that in a quarter, both the VOC emissions for that quarter and the four-quarter rolling average exceeds 7.1 pounds VOC/1000 pounds good output 3M will contact DNR to inform them of the reasoning behind the increase. In the event that in a quarter, both the VOC emissions for that quarter and the four-quarter rolling average exceeds 7.1 pounds VOC/1000 pounds good output by-more than 10% (to 7.8 pounds VOC/1000 pounds good output) 3M will meet with DNR. The purpose of any such meeting will be to discuss the trend in VOC emissions and to ensure that DNR is aware of any factors which might be responsible, such as increases which might be associated with a new product line. Any such calculation in excess of 10% of the 7.1 pounds (7.8 pounds VOC/1000 pounds good output) does not constitute a violation of this Agreement.

#### **XIV. APPLICABLE LAW**

The laws of the State of Wisconsin shall govern this Agreement. Except as provided herein, 3M shall at all times comply with all federal, state, and local laws, ordinances and regulations in effect during the period of this Agreement.

#### **XV. ADDRESSES**

DNR and 3M shall each assign a Project Manager for the duration of this Agreement. The Project Managers shall be familiar with the history and contents of the Agreement and it shall be their responsibility to oversee and coordinate the necessary actions as contained in the Agreement. The Project Managers shall facilitate communications between the parties to this Agreement and serve as the primary contacts for all related inquiries. The following individuals are initially assigned to serve as Project Managers. Changes in the information listed below shall be forwarded to the other party when effective and shall become part of this Agreement without a formal amendment.

Mark Harings  
Wisconsin Department of Natural Resources  
West Central Region  
1300 W. Clairemont Ave.  
Box 4001  
Eau Claire, WI 54702-4001  
Phone: (715) 831-3263  
E-mail: [Mark.Harings@Wisconsin.gov](mailto:Mark.Harings@Wisconsin.gov)

Fax: (715) 839 – 6076

Paul Gerbec  
Environmental Engineering Specialist  
3M Environmental Operations  
Building 42-2E-27  
PO Box 33331  
St. Paul, MN 53133-3331  
Phone: (651) 778 – 4086  
Fax: (651) 778 – 7203  
E-mail: [pgerbec@MMM.COM](mailto:pgerbec@MMM.COM)

Mike Wendt  
EHS Specialist  
Phone: (715) 235 - 5541  
E-mail: [mrwendt@mmm.com](mailto:mrwendt@mmm.com)  
1425 Stokke Parkway  
Menomonie, WI 54751

**Extension  
of  
Environmental Cooperative Agreement  
between  
3M Company - Menomonie  
and  
Wisconsin Department of Natural Resources**

IN WITNESS WHEREOF, the parties by their signatures shall cause this agreement to be in effect until October 1, 2012.

Signed for and on behalf of:

STATE OF WISCONSIN  
DEPARTMENT OF NATURAL RESOURCES



By: /s/ Mathew J. Frank  
Mathew J. Frank  
Secretary

Date: 09/24/07

Signed for and on behalf of:

3M COMPANY – MENOMONIE



By: /s/ James M. McSweeney  
James M. McSweeney  
Plant Manager

Date: 09/27/07

By: /s/ Michael R. Wendt  
Michael R. Wendt  
EHS Specialist

Date: 09/28/07