

**AIR EMISSION PERMIT NO. 16300108- 002
IS ISSUED TO**

Imation Enterprises Corporation

IMATION CORPORATION

1 Imation Place
Oakdale, Washington County, Minnesota 55128-3414

The emission units, control equipment and emission stacks at the stationary source authorized in this permit are as described in the following permit application(s):

Permit Type	Application Date
Total Facility Operating Permit	April 6, 1998
Major Amendment	

This permit authorizes the Permittee to modify and operate the stationary source at the address listed above unless otherwise noted in Table A. The Permittee must comply with all the conditions of the permit. Any changes or modifications to the stationary source must be performed in compliance with Minn. R. 7007.1150 to 7007.1500. Terms used in the permit as defined in the state air pollution control rules unless the term is explicitly defined in the permit.

Permit Type: Major Amendment

Issue Date: July 27, 1998

Expiration: Upon issuance of a Part 70 Permit

Michael J. Sandusky
Division Manager
Air Quality Division

for Peder A. Larson
Commissioner
Minnesota Pollution Control Agency

JR:lao

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NOTICE TO THE PERMITTEE:

Your stationary source may be subject to the requirements of the Minnesota Pollution Control Agency's (MPCA) solid waste, hazardous waste, and water quality programs. If you wish to obtain information on these programs, including information on obtaining any required permits, please contact the MPCA general information number at:

Metro Area	(612)296-6300
Outside Metro Area	1-800-657-3864
TTY	(612)282-5332

The rules governing these programs are contained in Minn. R. chs. 7000-7105. Written questions may be sent to: Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul, Minnesota 55155-4194.

Questions about this air emission permit or about air quality requirements can also be directed to the telephone numbers and address listed above.

PERMIT SHIELD:

Subject to the limitations in Minn. R. 7007.1800, compliance with the conditions of this permit shall be deemed compliance with the specific provision of the applicable requirement identified in the permit as the basis of each condition. Certain requirements which have been determined not to apply are listed in Table A of this permit.

The permit shield, however does not apply to:

1. **Any national ambient air quality standards adopted under section 109 of the Clean Air Act or increment or visibility under Part C of Title I of the Clean Air Act,**
2. **Any state ambient air quality standard under Minn. R. ch. 7009, and**
3. **The state noise pollution control rules, Minn. R. ch. 7030.**

FACILITY DESCRIPTION:

A previously issued permit authorized construction and operation of a new research and development and office complex. Several boilers fired by natural gas and two back-up diesel generators support the operation of the facility. Chemicals containing Volatile Organic Compounds (VOCs) are used at the facility, and are tracked to ensure that emissions of VOCs and Hazardous Air Pollutants (HAPs) are below major source thresholds. To avoid major source classification for other pollutants, in addition to VOCs and HAPs, the permit contains limits on fuel use in the boilers and hours of operation for the generators.

The modifications included in this permit amendment include installation and operation of new pilot-scale coaters and associated equipment. This amendment includes limits on VOC emissions to maintain the facility's status as non-major relative to the prevention of significant deterioration portion of New Source Review. The potential HAP emissions associated with the modification, however, are above Part 70 permitting thresholds.

In addition to this modification, the total facility permit was amended to account for several changes to the originally permitted emission units. The originally permitted boilers are capable of combusting natural gas only, so the permit conditions were revised accordingly. In addition, the originally permitted backup generators are smaller than permitted, so the allowable hours of operation have been increased.

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
 Permit Number: 16300108 - 002

Table A contains limits and other requirements with which your facility must comply. The limits are located in the first column of the table (What To do). The limits can be emission limits or operational limits. This column also contains the actions that you must take and the records you must keep to show that you are complying with the limits. The second column of Table A (Why to do it) lists the regulatory basis for these limits. Appendices included as conditions of your permit are listed in Table A under total facility requirements.

Subject Item: Total Facility

What to do	Why to do it
Record keeping: Retain all records in a central location at the stationary source for a period of five (5) years from the date of monitoring, sample, measurement, or report. Records which must be retained at this location include all calibration and maintenance records, all original recordings for continuous monitoring instrumentation, and copies of all reports required by the permit. Records must conform to the requirements listed in Minn. R. 7007.0800, subp. 5(A).	Minn. R. 7007.0800, subp. 5(C)
Record keeping: Maintain records describing any insignificant modifications (as required by Minn. R. 7007.1250, subp. 3) or changes contravening permit terms (as required by Minn. R. 7007.1350, subp. 2), including records of the emissions resulting from those changes.	Minn. R. 7007.0800, subp. 5(B)
Performance Testing: Conduct all performance tests in accordance with Minn. R. ch. 7017 unless otherwise noted in Tables A, B, and/or C.	Minn. R. ch. 7017
Limits set as a result of a performance test (conducted before or after permit issuance) apply until superseded as specified by Minn. R. 7017.2025 following formal review of a subsequent performance test on the same unit.	Minn. R. 7017.2025
Shutdown Notifications: Notify the Commissioner at least 24 hours in advance of a planned shutdown of any control equipment or process equipment if the shutdown would cause any increase in the emissions of any regulated air pollutant. If the owner or operator does not have advance knowledge of the shutdown, notification shall be made to the Commissioner as soon as possible after the shutdown. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 3. At the time of notification, the owner or operator shall inform the Commissioner of the cause of the shutdown and the estimated duration. The owner or operator shall notify the Commissioner when the shutdown is over.	Minn. R. 7019.1000, subp. 3
Breakdown Notifications: Notify the Commissioner within 24 hours of a breakdown of more than one hour duration of any control equipment or process equipment if the breakdown causes any increase in the emissions of any regulated air pollutant. The 24-hour time period starts when the breakdown was discovered or reasonably should have been discovered by the owner or operator. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 2. At the time of notification or as soon as possible thereafter, the owner or operator shall inform the Commissioner of the cause of the breakdown and the estimated duration. The owner or operator shall notify the Commissioner when the breakdown is over.	Minn. R. 7019.1000, subp. 2
Notification of Deviations Endangering Human Health or the Environment: As soon as possible after discovery, notify the Commissioner or the state duty officer, either orally or by facsimile, of any deviation from permit conditions which could endanger human health or the environment.	Minn. R. 7019.1000, subp. 1
Notification of Deviations Endangering Human Health or the Environment Report: Within 2 working days of discovery, notify the Commissioner in writing of any deviation from permit conditions which could endanger human health or the environment. Include the following information in this written description: 1. the cause of the deviation; 2. the exact dates of the period of the deviation, if the deviation has been corrected; 3. whether or not the deviation has been corrected; 4. the anticipated time by which the deviation is expected to be corrected, if not yet corrected; and 5. steps taken or planned to reduce, eliminate, and prevent reoccurrence of the deviation.	Minn. R. 7019.1000, subp. 1
Application for Permit Amendment: If you need a permit amendment, submit application in accordance with the requirements of Minn. R. 7007.1150 through Minn. R. 7007.1500. Submittal dates vary, depending on the type of amendment needed.	Minn. R. 7007.1150 through Minn. R. 7007.1500
Circumvention: Do not install or use a device or means that conceals or dilutes emissions, which would otherwise violate a federal or state air pollution control rule, without reducing the total amount of pollutant emitted.	Minn. R. 7011.0020
Emission Fees: due 60 days after receipt of an MPCA bill	Minn. R. 7002.0005 through Minn. R. 7002.0095

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
Permit Number: 16300108 - 002

Inspections: Upon presentation of credentials and other documents as may be required by law, allow the Agency, or its representative, to enter the Permittee's premises, to have access to and copy any records required by this permit, to inspect at reasonable times (which include any time the source is operating) any facilities, equipment, practices or operations, and to sample or monitor any substances or parameters at any location.	Minn. R. 7007.0800, subp. 9(A)
Extension Requests: The permittee may apply for an Administrative Amendment to extend a deadline in a permit by no more than 120 days, provided the proposed deadline extension meets the requirements of Minn. R. 7007.1400, subp. 1(H).	Minn. R. 7007.1400, subp. 1(H)
Noise: The Permittee shall comply with the noise standards set forth in Minn. R. 7030.0010 to 7030.0080 at all times during the operation of any emission units. This is a state only requirement and is not federally enforceable.	Minn. R. 7030.0010 through 7030.0080
Fugitive Emissions: Do not cause or permit the handling, use, transporting, or storage of any material in a manner which may allow avoidable amounts of particulate matter to become airborne. Comply with all other requirements listed in Minn. R. 7011.0150.	Minn. R. 7011.0150
The permittee shall comply with the General Conditions listed in Minn. R. 7007.0800, subp. 16.	Minn. R. 7007.0800, subp.16

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
Permit Number: 16300108 - 002

Subject Item: GP 001 Boilers - not Subpart Dc

Associated Items: EU 007 Boiler 01
EU 008 Boiler 303-5A

What to do	Why to do it
Total Particulate Matter: less than or equal to 0.4 lbs/million Btu heat input . This limit applies individually to each emission unit in GP 001.	Minn. R. 7011.0515, subp. 1
Opacity: less than or equal to 20 percent opacity No owner or operator of existing ; except that a maximum of 60 percent opacity shall be permissible for four minutes in any 60-minute period and that a maximum of 40 percent opacity shall be permissible for four additional minutes in any 60-minute period. This limit applies individually to each emission unit in GP 001.	Minn. R. 7011.0515, subp. 2
Fuel burned: natural gas only.	Minn. R. 7007.0800, subp. 2

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
 Permit Number: 16300108 - 002

Subject Item: GP 002 Laboratory, Solution Preparation, and Coating Equipment

Associated Items: EU 009 Solution Prep Area
 EU 010 Mainline Coater
 EU 011 Mainline Condensation Dryer
 EU 012 Mainline Oven
 EU 013 Offline Coater 1
 EU 014 Offline Condensation Dryer
 EU 015 Offline Coater 2
 EU 016 Offline Coater 2 Oven

What to do	Why to do it
<p>Volatile Organic Compounds: less than or equal to 950.5 lbs/hour from the solution preparation and coating equipment.</p>	<p>Minn. R. 7007.0800, subp. 2</p>
<p>Volatile Organic Compounds: less than or equal to 96.0 tons/year using 12-month Rolling Sum</p> <p>For the first 12 months of operation the VOC emission limit shall be determined using the following equation:</p> $N = 72 \text{ tons} + [(2.182) \times (n-1)]$ <p>Where:</p> <p>"N" is the cumulative VOC emission limit in tons for the current month "n" is the number of months since commencing operation.</p>	<p>Title I Condition: Limit to avoid classification as a major source under 40 CFR 52.21</p>
<p>VOC Usage Calculations: Calculate VOC usage by multiplying the quantity of VOC-containing materials used in the laboratory, solution preparation, and coating areas by the fractional content of VOC as listed in the Material Safety Data Sheets (MSDS) provided by the manufacturer for each material used. If a material content range is indicated on the MSDS, the highest number in the range shall be used in all compliance calculations. The MPCA reserves the right to require the permittee to take samples of the VOC-containing materials and conduct analyses as per EPA reference methods in lieu of using MSDS data. Alternative methods (such as calculation by material balance) may be used to determine VOC content, after receipt of written MPCA approval.</p>	<p>Title I Condition: Recordkeeping to avoid classification as a major source under 40 CFR 52.21</p>
<p>Recordkeeping: by the 15th day of each month calculate and record:</p> <ol style="list-style-type: none"> VOC emissions during the preceeding month; VOC emissions for the previous 12-month period (12-month rolling sum). <p>If waste from the facility is tracked for any given month, VOC emissions shall be calculated by material balance. When condensation drying is used, the amount of condensate recovered shall be considered part of the monthly VOC waste totals. If waste from the facility is not tracked for any given month, VOC emissions shall be assumed to be all VOC used in the laboratory, solution preparation, and coating areas.</p> <p>Record all calculations at the time of calculation. All records for calculating VOC emissions at the facility shall be maintained in a central location at the facility.</p>	<p>Title I Condition: Recordkeeping to avoid classification as a major source under 40 CFR 52.21</p>
<p>The Permittee may quantify the VOCs in materials used at the facility that are shipped offsite as waste. Prior to shipment these materials shall be stored in a central area. Each container of waste shall be accompanied by a waste composition profile. The profile shall be obtained from the material's MSDS sheets from which the waste was generated and a material balance if raw materials are mixed, or Imation waste stream profiles of the material. The profile shall indicate the VOC content of the subject materials.</p> <p>The total VOC shipped offsite as waste shall be calculated on a monthly basis by multiplying the waste quantity by the VOC content, and totaling the results. The quantity of VOC recovered in the condensation drying system shall be included in the waste totals. The total VOC in waste may be subtracted when calculating the monthly total VOC emissions. Maintain records of all calculations of the quantity of VOC shipped offsite as waste.</p>	<p>Title I Condition: Monitoring for limit to avoid classification as a major source under 40 CFR Section 52.21</p>

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
Permit Number: 16300108 - 002

Performance Test: due 90 days after Initial Startup of solution preparation and coating equipment to determine Volatile Organic Compound (VOC) emissions. The performance test shall consist of a mass balance calculation of VOC emissions and shall be conducted with the solution preparation and coating equipment operating at maximum design capacity. VOC emissions shall be calculated on lbs/hour basis using MSDS and material usage data (as described above in "VOC Usage Calculations").	Minn. R. 7017.2020, subp. 1
Performance Test Pre-test Meeting: due 7 days before Performance Test (See Table B for additional performance testing requirements).	Minn. R. 7017.2030, subp. 4
Any new coating equipment that utilizes less than 38 cubic meters of solvent for the manufacture of magnetic tape per calendar year is subject only to the requirements of 40 CFR Sections 60.714(a), 60.717(b), and 60.717(c).	40 CFR Section 60.710(b); Minn. R. 7011.3450
Make semiannual estimates of the projected annual amount of solvent to be utilized for the manufacture of magnetic tape at the affected facility in that calendar year and maintain records of these estimates. Maintain records of actual solvent use.	40 CFR Section 60.714(a)
At the end of the initial calendar year of operation, submit records of actual solvent use.	40 CFR Section 60.717(b)
Report the first calendar year in which actual annual solvent use exceeds the applicable volume specified in 40 CFR Section 60.710(b).	40 CFR Section 60.717(c)(1)
Report the first semi-annual estimate in which the annual solvent use would exceed the applicable volume specified in 40 CFR Section 60.710(b).	40 CFR Section 60.717(c)(2)

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
Permit Number: 16300108 - 002

Subject Item: GP 003 Insignificant Kb Tanks

Associated Items: TK 001

What to do	Why to do it
Records: For each volatile organic liquid storage tank with a design capacity of greater than 40 cubic meters and less than 75 cubic meters (19,815 gallons), keep records showing the dimension of the storage vessel and an analysis showing the capacity of the storage vessel. Retain records for the life of the tank. Any such tank must qualify as an insignificant activity under Minn. R. 7007.1300.	40 CFR Sections 60.116b(b) and 60.116b(a), and Minn. R. 7011.1520(C)

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
Permit Number: 16300108 - 002

Subject Item: GP 004 Boilers - Subpart Dc

Associated Items: EU 001 Boiler 303-1A
EU 002 Boiler 303-2A
EU 003 Boiler 303-3A
EU 004 Boiler 303-4A

What to do	Why to do it
Recordkeeping - Fuel Usage: by the 15th day of each month, record the fuel usage for the previous month. Natural gas usage shall be stated in million cubic feet per month, and may be in the form of fuel bills or meter readings.	40 CFR Section 60.13(i) and February 20, 1992, EPA memorandum to meet requirements of 40 CFR Section 60.48c(g)
Fuel burned: natural gas only.	Minn. R. 7007.0800, subp. 2

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
Permit Number: 16300108 - 002

Subject Item: SV 009

Associated Items: EU 009 Solution Prep Area
EU 010 Mainline Coater
EU 011 Mainline Condensation Dryer
EU 012 Mainline Oven
EU 013 Offline Coater 1
EU 014 Offline Condensation Dryer
EU 015 Offline Coater 2
EU 016 Offline Coater 2 Oven

What to do	Why to do it
Total Particulate Matter: less than or equal to 0.3 grains/dry standard cubic foot unless required to reduce emissions to the less stringent limit of either Minn. R. 7001.0730 (Table 1) or Minn. R. 7011.0735 (Table 2).	Minn. R. 7011.0715, subp. 1(A)
Opacity: less than or equal to 20 percent opacity	Minn. R. 7011.0715, subp. 1(B)

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
 Permit Number: 16300108 - 002

Subject Item: EU 005 Backup Generator - 01

Associated Items: SV 005

What to do	Why to do it
<p>Operating Hours: less than or equal to 200 hours/year using 12-month Rolling Sum for EU 005. Operating hours shall be determined using an hour run-time meter. During the first 12 months of operation the applicable limit shall be determined using the following equation:</p> $N = 190 + [0.45 \times (n-1)]$ <p>Where:</p> <p>"n" is the number of months in operation "N" is the limit as of month "n"</p>	<p>Title I Condition: Limit to avoid classification as major source and modification under 40 CFR Sections 52.21 and 70.2, and Minn. R. 7007.0200</p>
<p>Recordkeeping - Hours of Operation: by the 15th day of each month:</p> <ol style="list-style-type: none"> 1. Calculate and record the EU 005 operating hours during the previous month; 2. Calculate and record the EU 005 operating hours during the previous 12-month period (12-month rolling sum). <p>Record all calculations at the time of calculation.</p>	<p>Title I Condition: Recordkeeping to avoid classification as major source and modification under 40 CFR Sections 52.21 and 70.2, and Minn. R. 7007.0200</p>
Sulfur Dioxide: less than or equal to 0.5 lbs/million Btu heat input	Minn. R. 7011.2300, subp. 2
Opacity: less than or equal to 20 percent opacity once operating temperatures have been attained.	Minn. R. 7011.2300, subp. 1
Fuel Burned: diesel fuel only.	Minn. R. 7007.0800, subp. 2

TABLE A: LIMITS AND OTHER REQUIREMENTS

07/27/98

Facility Name: Imation Corp
 Permit Number: 16300108 - 002

Subject Item: EU 006 Backup Generator - 02

Associated Items: SV 006

What to do	Why to do it
<p>Operating Hours: less than or equal to 200 hours/year using 12-month Rolling Sum for EU 006. Operating hours shall be determined using an hour run-time meter. During the first 12 months of operation the applicable limit shall be determined using the following equation:</p> $N = 190 + [0.45 \times (n-1)]$ <p>Where:</p> <p>"n" is the number of months in operation "N" is the limit as of month "n"</p>	<p>Title I Condition: Limit to avoid classification as major source and modification under 40 CFR Sections 52.21 and 70.2, and Minn. R. 7007.0200</p>
<p>Recordkeeping - Hours of Operation: by the 15th day of each month:</p> <ol style="list-style-type: none"> 1. Calculate and record the EU 006 operating hours during the previous month; 2. Calculate and record the EU 006 operating hours during the previous 12-month period (12-month rolling sum). <p>Record all calculations at the time of calculation.</p>	<p>Title I Condition: Recordkeeping to avoid classification as major source and modification under 40 CFR Sections 52.21 and 70.2, and Minn. R. 7007.0200</p>
Sulfur Dioxide: less than or equal to 0.5 lbs/million Btu heat input	Minn. R. 7011.2300, subp. 2
Opacity: less than or equal to 20 percent opacity once operating temperatures have been attained.	Minn. R. 7011.2300, subp. 1
Fuel Burned: diesel fuel only.	Minn. R. 7007.0800, subp. 2

TABLE B: SUBMITTALS

07/27/98

Facility Name: Imation Corp
Permit Number: 16300108 - 002

Table B lists most of the submittals required by this permit. Please note that some submittal requirements may appear in Table A or, if applicable, within a compliance schedule located in Table C. Table B is divided into two sections in order to separately list one-time only and recurrent submittal requirements.

Each submittal must be postmarked or received by the date specified in the applicable Table. Those submittals required by parts 7007.0100 to 7007.1850 must be certified by a responsible official, defined in Minn. R. 7007.0100, subp. 21. Other submittals shall be certified as appropriate if certification is required by an applicable rule or permit condition.

Send any application for a permit or permit amendment to:

Permit Technical Advisor
Permit Section
Air Quality Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Also, where required by an applicable rule or permit condition, send to the Permit Technical Advisor notices of:

- accumulated insignificant activities,
- installation of control equipment,
- replacement of an emissions unit, and
- changes that contravene a permit term.

Unless another person is identified in the applicable Table, send all other submittals to:

Supervisor
Compliance Determination Unit
Air Quality Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Send submittals that are required to be submitted to the U.S. EPA regional office to:

Mr. George Czerniak
Air and Radiation Branch
EPA Region V
77 West Jackson Boulevard
Chicago, Illinois 60604

TABLE B: ONE TIME SUBMITTALS OR NOTIFICATIONS

07/27/98

Facility Name: Imation Corp
 Permit Number: 16300108 - 002

What to send	When to send	Portion of Facility Affected
Notification of the Actual Date of Initial Startup	due 15 days after Initial Startup . This requirement applies individually to each emission unit in GP 004.	GP004
Notification of the Actual Date of Initial Startup	due 15 days after Initial Startup of solution preparation and coating equipment. Submit the name and number of each solution preparation and coating unit and the actual date of initial startup of each unit.	GP002
Notification of the Anticipated Date of Initial Startup	due 30 days before Anticipated Date of Initial Startup . Submit the name and number of each solution preparation and coating unit and the anticipated date of initial startup of each unit. Submit a material flow chart indicating projected solvent use with this notification.	GP002
Notification of the Anticipated Date of Initial Startup	due 30 days before Startup (but no greater than 60 days before such date). This requirement applies individually to each emission unit in GP 004.	GP004
Notification of the Date Construction Began	due 30 days after Start Of Construction . This requirement applies individually to each emission unit in GP 004.	GP004
Notification of the Date Construction Began	due 30 days after Start Of Construction of solution preparation and coating equipment. Submit the name and number of each solution preparation and coating unit and the date construction began for each unit.	GP002
Notification	due 15 days after Initial Startup to be submitted with Notification of the Actual Date of Initial Startup. The notification shall include the design heat input capacity and identification of fuels to be combusted for each emission unit in GP 004, and the annual capacity factor at which the Permittee anticipates operating each emission unit in GP 004 based on all fuels fired and based on each individual fuel fired.	GP004
Performance Test Notification (written)	due 30 days before Performance Test	GP002
Performance Test Plan	due 30 days before Performance Test	GP002
Performance Test Report - Microfiche Copy	due 105 days after Performance Test	GP002
Performance Test Report	due 45 days after Performance Test	GP002

TABLE B: RECURRENT SUBMITTALS

07/27/98

Facility Name: Imation Corp
Permit Number: 16300108 - 002

What to send	When to send	Portion of Facility Affected
Semiannual Deviations Report	due 30 days after end of each calendar half-year starting 03/18/98 . The first report period of each calendar year covers January 1 - June 30. The second report period of each calendar year covers July 1 - December 31. If no deviations have occurred, the Permittee shall submit the report stating no deviations.	Total Facility
Compliance Certification	due 30 days after end of each calendar year following Initial Startup The report covers all deviations experienced during the calendar year.	Total Facility
Emissions Inventory Report	due 91 days after end of each calendar year following Permit Issuance (April 1). To be submitted on a form approved by the Commissioner	Total Facility

TECHNICAL SUPPORT DOCUMENT
For
DRAFT AIR EMISSION PERMIT NO. 16300108-002

This Technical Support Document (TSD) is for all the interested parties of the draft permit. The purpose of this document is to set forth the legal and factual basis for the draft permit conditions, including references to the applicable statutory or regulatory provisions.

1. General Information

1.1. Applicant and Stationary Source Location:

Owner/Operator Address and Phone Number	Facility Address (SIC Code: 8730)
1 Imation Place Oakdale, Minnesota 55128-3414 (612)704-5527	1 Imation Place Oakdale, Minnesota 55128-3414

1.2. Description Of The Facility

The Imation facility serves as the company's corporate headquarters and primary research and development center. The buildings on-site consist of administrative office space, laboratories, and pilot-scale production areas.

1.3 Description of the Activities Allowed By This Permit Action

The actions allowed in this permit action are mainly the installation and operation of pilot-scale coating equipment, which consists of coaters, dryers, and solution preparation equipment. In addition, two emergency generators were originally permitted to operate for 100 hours/year for each unit. Because the permittee installed units with lower Potential to Emit (PTE), the operating limit is being increased to 200 hours/year for each unit. Similarly, four boilers originally permitted to combust fuel oil or natural gas were actually installed being capable of only combusting natural gas. Therefore, the fuel oil specific permit requirements are being removed in this permit action.

The facility was previously permitted as a synthetic minor source relative to the Prevention of Significant Deterioration (PSD) portion of New Source Review (NSR). The Volatile Organic Compound (VOC) potential emissions increases associated with this permit action will also be limited to avoid PSD permitting requirements. On the

other hand, the potential emissions increases will result in the facility-wide PTE being above Part 70 permitting thresholds. In fact, the permittee submitted a Part 70 permit application at the time this permit action was requested. Due to a short timeline for getting the new coating line operational, however, the permittee requested that an installation/operation (I/O) permit be issued prior to issuance of the Part 70 permit.

1.4. Facility Emissions:

Table 1. Emissions Associated With the Modification

Pollutant	Potential to emit (uncontrolled) from the modification (lb/hr)	Potential to emit (limited) from the modification (TPY)	NSR/ 112(g) threshold level (TPY)	Total Facility Actual Emissions (from 1996 MPCA emissions inventory database) (TPY)	NSR/ MACT review required (Yes or No)
PM	0.1	0.2	25	0.02	No
PM ₁₀	0.1	0.2	15	0.02	No
SO ₂	0.0	0.0	40	NA	No
NO _x	0.0	0.0	40	0.15	No
VOC	950.5	96.0	40	3.59	No
CO	0.0	0.0	100	0.02	No
Lead	0.0	0.0	0.6	NA	No
Acetonitrile	57.0	96.0	NA	NA	NA
MEK	950.5	96.0	NA	NA	NA
Toluene	950.5	96.0	NA	NA	NA
Methanol	22.8	96.0	NA	NA	NA

Table 2. Permit Action Classification

Classification	Major/Affected Source	*Synthetic Minor	*Minor
PSD		X	
NAAR			
Part 70 Permit Program	X		

* Refers to potential emissions that are less than those specified as major by 40 CFR § 52.21, 40 CFR pt. 51 Appendix S, and 40 CFR pt. 70.

2. Regulatory and/or Statutory Basis of Permit Conditions

Table 3. Regulatory Overview*

Emission Unit, Control Device, or Stack/Vent	Applicable Regulations	Comments
GP 001	Minn. R. 7011.0510, subp. 1 Minn. R. 7011.0510, subp. 2	The non-NSPS boilers are subject to the state limits for particulate matter and opacity.
GP 002	40 CFR Section 52.21	The laboratory, solution preparation, and coating equipment are subject to long-term (tons/year) emission limits for VOCs to avoid PSD permitting requirements. Recordkeeping requirements will also be necessary to document compliance with the emission limits.
GP 002	Minn. R. 7007.0800, subp. 2	The solution preparation and coating equipment are subject to short-term (lbs/hour) emission limits for VOCs to minimize potential human health risks. These emission units are also subject to a one-time performance test for verification of the proposed emission rates.
GP 002	40 CFR § 60.710(b) 40 CFR § 60.714(a) 40 CFR § 60.717(b) 40 CFR § 60.717(c) 40 CFR § 60.717(c)(2)	The coating operations are subject to specific recordkeeping and reporting elements of the magnetic tape coating NESHAP.
GP 004	40 CFR § 60.48(c)(g)	The NSPS Subpart Dc boilers are subject to recordkeeping requirements for fuel usage.
SV 009	Minn. R. 7011.0715, subp. 1(A) Minn. R. 7011.0715, subp. 1(A)	The stack associated with coating operations is subject to the state standards of performance for industrial process equipment (total particulate matter and opacity emission limits).

* Please refer to the permit for a complete citation of regulatory requirements.

3. Technical Information

The facility was previously permitted as a synthetic minor source for PSD (Air Emission Permit No. 16300108-001). The existing permit contains a 99 tons/year VOC emission limit as a Title I condition, along with monitoring, recordkeeping, and reporting requirements. The proposed modification involves a 96 tons/year VOC emission limit, resulting in the total facility's PTE remaining less than the major source thresholds for PSD. The Hazardous Air Pollutant (HAP)

PTE will cross Part 70 total facility permitting thresholds, so the permittee submitted a Part 70 permit application. Due to a tight construction schedule, the permittee requested issuance of an Installation/Operating (I/O) permit for the coating and solution preparation equipment via the MPCA expedited permits program. Because the original state total facility permit was done in Delta, the I/O modification will be done as reissuance of the total facility permit with the additional requirements as previously described.

The permit application listed the PTE, both long-term and short-term for criteria pollutants and HAPs. The short term HAP PTE for Methyl Ethyl Ketone (MEK) and toluene was listed in excess of 17,000 lbs/hour for each compound. These potential emission rates were above the MPCA air toxics screening emission rates. Therefore, a screening model was implemented, and the concentrations were evaluated relative to Minnesota Department of Health (MDH) draft acute health risk values. The resultant Hazard Indices (HI) were deemed not protective of human health ($HI > 60$).

Consequently, the permittee conducted a more detailed analysis of the proposed coating process and identified a bottleneck. This bottleneck would, in effect, limit the operation of select pieces of coating equipment to less than maximum rated design capacity, effectively reducing the HAP PTE and associated hazard indices to acceptable levels ($HI < 3.4$) over the short-term. Although a hazard index greater than 1.0 is generally not considered protective of human health, a risk management decision was made to allow the permittee to operate with a hazard index of up to 3.4, since the long-term VOC emission limit of 96 tons/year will only allow about 200 hours of operation per year at maximum capacity. Any potential long-term (chronic) effects will be mitigated through assumption of synthetic minor limits for PSD permitting.

4. Conclusion

Based on the information provided by Imation Enterprises Corporation, the MPCA has reasonable assurance that the proposed operation of the emission facility, as described in the Air Emission Permit No. 16300108-002, and this TSD, will not cause or contribute to a violation of applicable federal regulations and Minnesota Rules.

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