BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Katie Rice and Members

of the Executive Committee

From: Chairperson Valerie J. Armento, Esq., and

Members of the Hearing Board

Date: October 22, 2019

Re: Hearing Board Quarterly Report: July – September 2019

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

This report covers the third calendar quarter (July – September) of 2019.

- Held one hearing;
- Processed a total of zero orders; and
- Collected a total of \$0.00 in filing fees.

Below is a detail of Hearing Board activity during the same period:

Location: Alameda County; City of Fremont

Docket: 3714 – Tesla Motors, Inc. – Request for Interim and Regular Variances

Regulation(s): Regulation 2, Rule 1, Section 307 (Permits, General Requirements, Failure to Meet Permit Conditions); and Regulation 2, Rule 6, Section 307 (Permits, Major Facility Review, Non-Compliance).

Synopsis: Applicant produces electric passenger vehicles at its Fremont facility, including the manufacturing and assembly of component parts and coating of parts and vehicles. A thermal oxidizer at the facility was required to maintain a minimum temperature of 1400 degrees Fahrenheit, per Air District Permit Condition #9158 Part 2, but had been operating at 1275 degrees Fahrenheit; Applicant claimed operating at the higher temperature damaged the thermal oxidizer. Applicant submitted permit application 29741 to authorize the use of a different thermal oxidizer, and sought relief from Permit Condition #9158 Part 2, requiring operation at 1400 degrees Fahrenheit. (Applicant was not seeking relief from emission limits, only the temperature requirement.) Applicant believed that new thermal oxidizer would comply with emission limits at

the lower temperature. Applicant planned to comply with the new permit conditions associated with the new control device, once installed.

Status: Application filed on April 2, 2019; interim variance hearing scheduled for April 16, 2019, and regular variance hearing scheduled for May 21, 2019; interim variance was granted by the Hearing Board at the interim variance hearing on April 16, 2019; <u>Order Granting Interim Variance</u> filed on April 17, 2019; both parties requested to continue regular hearing from May 21, 2019 to July 23, 2019; Applicant requested to withdraw application on July 23, 2019, at regular variance hearing; matter withdrawn on July 23, 2019.

Requested Period of Variance: March 28, 2019 to December 31, 2019

Estimated Excess Emissions: None.

Fees collected this quarter: \$0.00.

Respectfully submitted,

Valerie J. Armento, Esq. Chair, Hearing Board

Prepared by: <u>Marcy Hiratzka</u> Reviewed by: <u>Vanessa Johnson</u>