

NEWS RELEASE

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Air District fines Tesla for air quality violations *Company to pay \$139,500 penalty and install solar roof project*

SAN FRANCISCO – The Bay Area Air Quality Management District announced today that Tesla, Inc., has agreed to pay a \$139,500 penalty, and to install a rooftop solar power system at a Boys and Girls Club, to settle air quality violations at its manufacturing plant in Fremont.

The settlement covers a series of violations from 2013 through 2016 involving malfunctioning burners on several pieces of equipment. The malfunctioning burners emitted elevated levels of nitrogen oxides, a pollutant that combines with other pollutants and hot temperatures to cause smog. The elevated emissions exceeded Tesla's air permit limits.

“Although Tesla develops electric vehicles and related technologies that California needs to address global climate change, the company still must comply with all their permit conditions,” said Jack Broadbent, executive officer of the Air District. “Air quality improves when industries abide by their emissions limits and the public does their part to reduce reliance on fossil fuels.”

In addition to paying a monetary penalty, the settlement requires Tesla to install a 9-kilowatt photovoltaic rooftop solar power system at the Boys and Girls Club of Silicon Valley in San Jose. The system will allow the Boys and Girls Club to generate its own clean power instead of having to purchase electricity from the grid. Over 30 years, the typical net reduction in greenhouse gas emissions for this type of system is the equivalent of leaving more than 166,000 pounds of coal unburned.

The settlement agreement is structured as an upfront penalty of \$139,500, along with an additional \$46,500 against which Tesla will earn credit by implementing the solar roof project. For every \$2 Tesla spends on the solar roof project, it will earn a \$1 credit towards the \$46,500. Assuming the total costs of the project exceed \$93,000 when it is fully implemented after 8 months, Tesla will not owe any additional penalty under the agreement.

All the violations have now been corrected and Tesla is in compliance. The Air District will use all penalty funds received for its programs to improve air quality in the Bay Area.

The [Bay Area Air Quality Management District](#) is the regional agency responsible for protecting air quality in the nine-county Bay Area. Connect with the Air District via [Twitter](#), [Facebook](#), and [YouTube](#).

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