



July 24, 2015

Pamela Leong  
Air Quality Engineer Manager  
BAAQMD  
939 Ellis St.  
San Francisco, CA 94109

Dear Pamela,

Tesla Motors, Inc. (Tesla) is submitting a Schedule of Compliance for abatement device A-1002 of Source S-1002. Tesla received a Notice of Violation (NOV), ticket #A53212, from Bay Area Air Quality Management District (BAAQMD) on November 13, 2014. Tesla self reported that A-1002 was exceeding the NOx emission limit of 0.1 lbs/MMBtu. Tesla is continuing to work diligently to address this issue.

Source S-1002 is subject to Condition Set # 9156 and 9158. Applicable conditions to A-1002 is Condition Set # 9158. A-1002 is currently unable to comply with Part 7 of Condition Set # 9158 and Tesla is continuing to address this issue to ensure compliance as soon as possible. Excluding Part 7 of Condition Set # 9158, Tesla is in compliance with all other conditions applicable to A-1002 and will continue to remain in compliance. Tesla will meet all applicable requirements on a timely basis as requirements become effective during the permit term.

Tesla is currently out of compliance with Part 7 of Condition Set # 9158 for A-1002. Table 1 below is a plan by which Tesla will achieve compliance.

**Table 1.** Proposed Schedule of Compliance

Proposed Date	Task
08/03/2015	Submit application to replace existing RTO (A-571) with a new RTO under the Accelerated Permitting Program.
10/01/2015	Refurbishment of old RTO (formerly A-571) begins. Review process involves noting any improvements/repairs potentially needed. Determine necessary parts need to be purchased.
10/09/2015	Progress Report to BAAQMD
11/02/2015	Submit application to BAAQMD to replace A-1002 with the refurbished RTO.
12/01/2015	Preparation for installation begins. Facility team starts planning for installation of refurbished RTO
12/08/2015	Progress Report to BAAQMD
01/18/2016	Any necessary parts will arrive. It can potentially take at least 12 weeks for parts to be machined. This deadline accounts for shipping time.
01/30/2016	Installation complete

02/08/2016

Progress Report to BAAQMD

As detailed in Table 1 above, Tesla will submit periodic progress reports that will contain the dates by which each item in the Schedule of Compliance plan was achieved and, if needed, will contain an explanation of why any dates in the plan were not or will not be met. The progress report will also detail any preventive or corrective measures that will be adopted.

Please reach out to Susan Rigmaiden, Environmental Compliance Manager, at (510) 249-8824 by phone or [srigmaiden@teslamotors.com](mailto:srigmaiden@teslamotors.com) by Email, for any questions or comments.

Thanks,

A handwritten signature in black ink, appearing to read "Josh Ensign", is written over a circular stamp or watermark.

Josh Ensign  
Vice President of Production