

July 31st, 2026

Mr. Jeff Gove
Director of Enforcement
Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 94105

TV Tracking #1425: (Semi-Annual)

1. ☐ RECEIVED IN 07/31/2026
ENFORCEMENT: _____

Re: Tesla, Inc. Fremont Factory Site E0459
Semi-annual Reports for MACT Subpart IIII, NSPS Subpart MM, and Title V Standard
Condition I.F

Dear Mr. Gove:

This report satisfies the semi-annual reporting requirements for Tesla, Inc. (Tesla) Fremont Factory Site E0459 for NSPS Subpart MM 60.395, MACT Subpart IIII 63.3120, and Title V Standard Condition I.F for reporting period January 1st, 2026 through June 30th, 2026.

For MACT Subpart IIII, the semi-annual MACT report covers the general requirements identified in Part 63.3120 which include the following:

- A. Company name and address
- B. Statement by responsible official with official's name, title and signature certifying the truth, accuracy, and completeness of report.
- C. Date of report and beginning and ending dates of the reporting period.
- D. Identification of compliance option specified in § 63.3082(c)
- E. Certification of deviation occurrence during reporting period.

For MACT Subpart IIII, the Site E0459 (Fremont Factory), is subject to compliance option 40 CFR 63.3091(a)¹. Note that the North Paint Shop (NPS) is subject to the limits under 40 C.F.R. 63.3090(b) with respect to Best Available Control Technology for Toxics ("TBACT") requirements, not Subpart IIII.

For NSPS MM, the VOC standards as specified under 40 CFR 60.392 for EDP prime, Guide coat and Topcoat were met during each month of operation for this reporting period under consideration for the North paint shop and South paint shop (body line). The semi-annual NSPS MM report will also be submitted via CDX CEDRI.

Unless otherwise noted, the Site E0459 had no instances of exceeding limits, operating limits, or work practices as applicable and as specified under §§63.3090, 63.3091, 63.3092, and 63.3093 (See Attachment 2 for applicability). The semi-annual MACT report will also be submitted via CDX CEDRI.

Unless otherwise noted or disclosed, site E0459 had no instances of deviation from NSPS Subpart MM or Title V permit requirements during the reporting period.

¹ 40 CFR 63.3091: "Limit combined organic HAP ... to no more than 0.072 kg/liter (0.60 lb/gal) of coating solids deposited during each month..".

If you have any questions regarding the enclosed information, please contact Hari Krishna Bharadwaj at HBharadwaj@tesla.com.

Sincerely,

Leonardo Guerrero



Director, Vehicle Component and Remanufacturing Operations (Tesla)

cc: USEPA Region IX

Attachment 1: Signed certification by Responsible Official

Attachment 2: MACT IIII Applicability

Attachment 3: List of Deviations under Applicable Permits (Title V and BAAQMD ATC/PTO)

ATTACHMENT 1: SIGNED CERTIFICATION

Semi-annual Title V, NSPS MM and MACT IIII Compliance Certification pursuant to Standard Condition I.F, 60.395 and 63.3120

Based upon the information and belief formed after a reasonable inquiry, I, as responsible Official of the Tesla, Inc. facility in Fremont, CA, submit the information contained in the semiannual Title V report, semi-annual NSPS Subpart MM [§ 60.395 (b)] and semiannual MACT Subpart IIII [§63.3110(c)(2) & (c)(5)] report as accurate and true to the best of my knowledge.

Name of Responsible Official Signature



Signature

Jan 1st, 2026 through June 30th, 2026
Compliance Period

7/31/2026

Date

Facility # E0459

Tesla, Inc.

45500 Fremont Boulevard

Fremont, CA 94538

ATTACHMENT 2: MACT IIII APPLICABILITY TABLE

Citation	Brief Summary	Tesla Response
40 CFR 63.3090	Emission limits for a new or reconstructed affected source	Not applicable. The Fremont Factory is an existing source.
40 CFR 63.3091	Emission limits for existing affected source	Applicable - In Compliance
40 CFR 63.3092	Control emissions from electrodeposition primer system if I want to comply with the combined primer-surfacer, topcoat, final repair, glass bonding primer, and glass bonding adhesive emission limit	Electrodeposition primer system, as provided by the manufacturer (BASF) - has 0.000 wt% HAP, therefore these requirements are not applicable (Notwithstanding the fact that emissions from the E-coat ovens are always controlled)
40 CFR 63.3093	Operating Limits	Pursuant to 40 CFR 63.3093(a) - As no emission capture systems and add-on controls are required to comply with the emission limits, no operating limit requirements outlined under 40 CFR 63.3093 are applicable
40 CFR 63.3094	Work Practice Standards	Applicable, in compliance



45500 Fremont BLVD., Fremont CA 94578
P 650 681 5100 F 650 681 5101

ATTACHMENT 3: LIST OF DEVIATIONS DURING THIS PERIOD (January 1st, 2026 through June 30th, 2026)

Attachment 3.1 - Deviations List (Self-Reported Deviations for the North Paint Shop (NPS), Castings, Plastic Paint Shop (PPS) and South Paint Shop (SPS))									
Time Period	January 1, 2026 through June 30, 2026								
Source No.	Deviation Summary	Root Cause	Resolution Summary	Date of Discovery	Compliance Status	Shop/Area	Date and Time of Event	NOV Issuance	NOV Number
S-4039/ A-30195	CO, NOX and VOC DRE exceedance for A-30195 (Part 14 and 16 of Permit Condition 100236) based on December 2025 Source Testing	TO (Thermal Oxidizer) Burner Issues	Tesla is already in the process of installing a central RTO/wheel at the south paint shop body line which would serve as the central abatement system in lieu of the existing thermal oxidizers/wheels (which will be retired permanently).	2/3/2026	In compliance (TO shutdown)	SPS	December 2025 Source test	--	N/A
S-4036/A-30180	On February 9, 2026, the PLC analog output card had faulted, causing the SPS Primer (System 1) TO to shut down. The temperature of the TO dropped below 1400 F during production while the bypass damper did not open during this event.	The root cause of this event was a fault in the PLC analogue card. As explained in the meeting, there are a few plausible reasons why the card might have faulted- a temporary charge, an increase in voltage or even a temporary loss of contact. The fault in the card resulted in the signal not being received/ sent to the valve.	The maintenance team removed the card, and inspection of the card showed no damage. The card was re-seated, and the fault was resolved. As a preventative measure, the controls team added an alarm in Ignition for when the card faults. The alarm will show up as a high priority fault that the team can track. Since this software update, there has been no fault statuses.	2/9/2026	In compliance	SPS	2/9/2026 4:32pm-5:39pm	Yes	A64276
S-4038/A-30182	On February 9, 2026, there was a high temperature fault on the burner controller at the SPS Clearcoat (System 3) TO that caused the temperature of the TO to drop below 1400 F during production. The bypass damper did not open during this event.	Thermocouple Damage . Note that internal inspections of the TO are typically completed every 6 months by third-party contractors, as it requires cladding to be removed. The last inspection was completed in December 2025, where the thermocouples were not reported to be damaged)	The team managed to replace the thermocouples and the thermowells (the protective fitting around the thermocouple) over a shutdown. The position of the thermocouples was also changed from the top of the chamber to a slightly downward sloped position on opposite sides of the chamber, all which have improved the conditions in the chamber. Maintenance team will increase the visual inspections of the thermocouples to every 3 months. Tesla is already in the process of installing a central RTO/wheel at the south paint shop body line which would serve as the central abatement system in lieu of the existing thermal oxidizers/wheels (which will be retired permanently).	2/9/2026	In compliance	SPS	2/9/2026 10:31 PM - 2/10/2026 2:20 AM	Yes	A64277
S-57, S-58, S-59 and S-65 abated by PPS RTO (Pending Permit)	On February 19th, 2026, the Plastics Paint Shop abatement system experienced a malfunction event that caused the bypass damper to open from 8:00 AM - 8:37 during production.	The event root cause was determined to be the PLC fault on a VFD.	The team stalled units in the booths and ovens (no active production) for about one hour before downloading the PLC to disable the VFD, which shut down the fans. As a result of the download, all process air fans shut off and the bypass damper opened. As explained to the District inspector on 2/26/2026, the fresh air damper also opened to keep air flowing through the RTO to prevent a vacuum in the ducting, which would damage the system. Tesla would like to emphasize that this fault is unique and has not occurred in the past.	2/19/2026	In compliance	PPS	2/19/26 8am-8:37am	Yes	A65054
S-4038/A-30182	On March 2, 2026, the SPS team received a "lockout 17" main flame fault at the System 3 (Clearcoat) TO, which caused the lost flame signal. This caused the TO temperature to drop below 1400 F during production; however, the bypass damper remained closed.	The team began troubleshooting the fault and discovered that the fault was due to the position of the UV detector	To correct this, the team repositioned the UV detector, ensuring a clear view of the flame. Additionally, when the signal drops below 50%, there is a temporary alert in Ignition. Due to the temporary nature of the alarm, the team did not have time to see and react to it. The controls team has since added an email alert that will let the team know if the flame signal drops below 50%, even if it is for a brief amount of time.	3/2/2026	In compliance	SPS	3/2/2026 1:58 PM - 2:14 PM	Yes	A65055

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Time Period	January 1, 2026 through June 30, 2026								
Source No.	Deviation Summary	Root Cause	Resolution Summary	Date of Discovery	Compliance Status	Shop/Area	Date and Time of Event	NOV Issuance	NOV Number
Multiple shops (NPS, SPS and PPS)	On March 16 2026, there was an unforeseen PG&E power sag that affected SPS, NPS and PPS. The power sag resulted in: The SPS 3-Wet Oven TO temperature dropped below 1400 F from 7:08AM - 7:57 AM. The bypass dampers remained closed. The NPS Primer Oven bypass damper opened from 7:11 AM - 7:50 AM. The RTO stayed above 1400 F. The PPS bypass damper opened from 7:13 AM - 7:36 AM, the RTO temperature stayed above 1400 F.	Unforeseen PG&E voltage drop that impacted the entire Fremont Factory	The root cause was out of the control of Tesla and was an unforeseen event. Breakdown relief was requested and reported. For NPS, to account for startup after such an event - A procedure for these types of shutdowns and start ups was created, documented, and are being implemented via training to shop stakeholders.	3/16/2026	In compliance	NPS	03/16/2026 7:11 AM - 7:50 AM	Yes	A65064
S-3008 S-3009 S-3014 S-3015 S-3016 S-4010 / A-3008	On March 23, 2026 there was an unforeseen event at the North Paint Shop (NPS) that affected the abatement system of the NPS booths and ovens. A contractor was performing work that included drilling concrete for the new RTO. The vibration from the drilling triggered the pressure sensor in neighboring equipment, causing the existing RTO (A-3008) to fault and the bypass dampers opened. The RTO temperature did not drop below 1400 F.	A team of contractors doing foundation work by the existing North Paint RTO (A-3008) for the new RTO project. The team was using a cat backhoe with a jack hammer to break up the concrete when vibration from the jack hammer set off the pressure sensors on the RTO which then faulted the RTO and required a restart to the RTO.	The North Paint team instructed the contractors to stop work. To ensure safe next steps, the team investigated differing construction techniques, such as padded barriers or low-vibration tools. The team decided to use a series of ever-increasing diameter saws which cut the concrete horizontally, resulting in much less vibration. After testing to verify this method, the team has been excavating for the new RTO foundation without any reoccurring issues. Tesla would like to state that this deviation was not caused by faulty or improper operation of the booths, ovens, or abatement devices, rather it was due to external events beyond the control and purview of Tesla	3/23/2026	In compliance	NPS	03/23/2026 8:33 AM – 8:45 AM	Yes	A65063
S-4045 and S-4046	As required by ACT # 30914 Permit Condition 14, the Castings Furnaces S-4045 and S-4046 were source tested for NOx and CO on March 24 and 25, 2026. Pursuant with ACT # 30914 Permit Condition 16, the source test protocol and testing notification was sent to the District on March 16, 2026, and the District assigned NST-11501 and NST-11502 to the testing. The source test report is due 60 days after testing. However, the source test report deadline of May 24, 2026, was inadvertently missed and the source test report was submitted two days later on May 26, 2026	The root cause of the missed due date of the source test report was an error in the internal tracking of the due date. This incorrect internal deadline caused the report to be submitted two days after the deadline	Tesla immediately submitted the source test report to the source testing division at the Air District. To ensure future compliance, all deadline tracking of source test reports will be added to an internal tracking tool, and deadlines will be checked upon completion of testing to ensure accurate dates	May 26th, 2026	In compliance	Castings	May 24th, 2026	--	N/A
Multiple	On June 11, 2026 there was an unforeseen event at the North Paint Shop (NPS) that affected the abatement system of the NPS booths and ovens. A contractor was performing work that triggered the fire alarm; the following bypass dampers opened: CC Oven Bypass, E-coat Oven Bypass, Primer Oven Bypass, Desorb Bypass and Filterhouses Bypass. The RTO temperature did not drop below 1400 F.	Contractor was completing fire alarm programming at the NPS. Due to the installation of new fire and life safety devices at NPS (specifically the waterflow switches for newly added standpipes and the aerosol suppression system for the new CEMS shelter), the fire alarm system needed to be updated. The contractor began the program upload and shortly after, the deluge system at the Basecoat booth was activated, causing the dampers to open	This was out of the control of Tesla and was an unforeseen event. Never before has Fire team nor contractors seen this in their 30 years of experience. Investigation with the contractor revealed that there was no deviation in procedures and protocols. The contractor has completed previous programming updates at North Paint and throughout the Fremont Factory campus with no issues following the same procedures and protocols. As a preventive action, new device programming has been scheduled for maintenance shutdowns.	6/11/2026	In compliance	NPS	6/11/2026 12:14 PM – 1:33 PM	Yes	A65833