



Oregon

Tina Kotek, Governor

Department of Environmental Quality
Office of Compliance and Enforcement
700 NE Multnomah Street, Suite 600
Portland, OR 97232-4100
(503) 229-5696
FAX (503) 229-5100
TTY 711

October 9, 2025

CERTIFIED MAIL: 9589 0710 5270 3236 6719 97

Circle K Stores Inc.
c/o Corporation Service Company, Registered Agent
1127 Broadway Street NE, Suite 310
Salem, OR 97301

Re: Notice of Civil Penalty Assessment and Order
Case No. LQ/UST-WR-2024-060

This letter is to inform you that DEQ has issued you a total civil penalty of \$277,008 for underground storage tank (UST) violations at two of your facilities: Circle K #9642 in Tangent, and Circle K #9641 in Woodburn. DEQ documented numerous violations at both facilities during its inspections on April 23, 2024, and January 28, 2025, respectively. DEQ has cited you for a total of thirteen violations, including failing to investigate suspected fuel releases at both facilities, failing to operate functional release detection equipment, failing to conduct required testing of various equipment, and failing to keep required records.

DEQ issued this penalty because both of these facilities are out of compliance with many important UST regulations, and because you have a history of violations at your facilities. Proper operation, maintenance and testing of UST equipment is essential to prevent and detect releases of fuel into the environment. Although both facilities had suspected release conditions, you failed to take action by investigating the releases. These actions are necessary to ensure quick and appropriate response to a release before contamination spreads beyond the immediate area of the USTs. Leaking fuel tanks can have lasting harmful effects on the environment and human health.

Included in Section IV of the Notice is an order requiring you to bring the facilities into compliance with UST requirements by investigating the suspected release conditions, repairing or installing compliant equipment, performing testing, and taking other corrective actions. You are required to submit documentation demonstrating your compliance to DEQ.

You may pay the civil penalty as follows:

Pay online with e-check (ACH) or Credit Card. Go to Your DEQ Online here: <https://ydo.oregon.gov>. Select Register Account or Login, then select Pay Invoices/Fees on your account dashboard. Enter the Invoice number and Account ID included on the attached payment slip. Note: US Bank charges a 2.3% convenience charge for credit card transactions. ACH payments have no additional charges, or

Pay by check or money order: Make checks payable to "Department of Environmental Quality" and mail to the address on the enclosed payment slip. Please make sure to include the payment slip with your check or money order.

If you wish to appeal this matter, DEQ must receive a request for a hearing within 20 calendar days from your receipt of this letter. The hearing request must be in writing. Send your request to DEQ Office of Compliance and Enforcement:

Via mail – 700 NE Multnomah Street, Suite 600, Portland, Oregon 97232

Via email – DEQappeals@deq.oregon.gov

Via fax – 503-229-5100

Once DEQ receives your request, we will arrange to meet with you to discuss this matter. If DEQ does not receive a timely written hearing request, the penalty will become due. Alternatively, you can pay the penalty by sending a check or money order to the above address.

The attached Notice further details DEQ's reasons for issuing the penalty and provides further instructions for appealing the penalty. Please review and refer to it when discussing this case with DEQ.

DEQ may allow you to resolve part of your penalty through the completion of a Supplemental Environmental Project (SEP). SEPs are environmental improvement projects that you sponsor instead of paying a penalty. Further information is available by calling the number below or at <http://www.oregon.gov/deq/Regulations/Pages/SEP.aspx>.

DEQ's rules are available at <http://www.oregon.gov/deq/Regulations/Pages/Statutes.aspx> or by calling the number below.

If you have any questions, please contact Esther Westbrook at 503-229-5374 or toll free in Oregon at 800-452-4011, extension 5374.

Sincerely,



Erin Saylor, Interim Manager
Office of Compliance and Enforcement

Enclosures

cc: Reyna Mendez, Circle K Stores, Inc., 255 E. Rincon St., Suite 100, Corona, CA 92879
Dylan Eckert, Eugene Office, DEQ
Ingrid Gaffney, Northwest Region, DEQ
Diana Foss, HQ, DEQ
Mark Drouin, Northwest Region, DEQ

BEFORE THE ENVIRONMENTAL QUALITY COMMISSION
OF THE STATE OF OREGON

IN THE MATTER OF:
CIRCLE K STORES INC.,
a Texas corporation,

Respondent.

) NOTICE OF CIVIL PENALTY
) ASSESSMENT AND ORDER

) CASE NO. LQ/UST-WR-2024-060
)

I. AUTHORITY

The Department of Environmental Quality (DEQ) issues this Notice of Civil Penalty Assessment and Order (Notice) pursuant to Oregon Revised Statutes (ORS) 468.100, ORS 468.126 through 468.140, ORS 466.706 through 466.882, ORS 466.994, ORS Chapter 183 and Oregon Administrative Rules (OAR) Chapter 340, Divisions 011, 012, and 150.

II. FINDINGS OF FACT

1. At all material times, Respondent was the owner and permittee of the underground storage tank (UST) systems at the following facilities:

- a. Circle K #9642, located at 33651 Highway 99E in Tangent, Linn County, Oregon (Tangent Facility). Respondent operates the UST system under Certificate to Operate #7639.
- b. Circle K #9641, located at 90 S. Pacific Highway in Woodburn, Marion County, Oregon (Woodburn Facility). Respondent operates the UST system under Certificate to Operate #2355.

2. The UST systems at the Tangent Facility and the Woodburn Facility are described as follows:

- a. The UST system at the Tangent Facility consists of five USTs and connected piping, with a total capacity of 90,000 gallons of gasoline and diesel fuel, which are regulated substances.
- b. The UST system at the Woodburn Facility consists of five USTs and connected piping, with a total capacity of 48,000 gallons of gasoline and diesel fuel.

3. Respondent is the owner or permittee of 19 UST facilities in Oregon.

Tangent Facility

4. On April 23, 2024, DEQ conducted an inspection of the Tangent Facility and reviewed Respondent's records for the UST system.

5. On April 23, 2024, there was an accumulation of liquid product (gasoline or diesel fuel) in multiple sumps at the Tangent Facility. Both transition sumps from the USTs to the bulk rack had fuel accumulated in them.

6. As of April 23, 2024, Respondent had not made efforts to investigate or confirm the suspected release.

7. On April 3, 2024, there was no leak detection equipment (sensor) installed in the under-dispenser containment (UDC) for the cardlock dispenser.

8. As of April 3, 2024, Respondent had not tested the spill prevention and overflow prevention equipment at the Tangent Facility.

9. As of April 23, 2024, the cathodic protection equipment had not been tested since January 2019.

10. As of April 23, 2024, Respondent had not tested the containment sumps used for piping release detection since 2021.

11. On April 23, 2024, in several of the sumps at the Tangent Facility, the sensors used for interstitial monitoring had been lifted up so they would not trigger alarms due to liquid accumulated in the sumps.

12. On April 23, 2024, there was no leak detection equipment in the containment sump for a line carrying fuel for the satellite fuel dispensing equipment at the Tangent Facility.

13. As of April 23, 2024, Respondent had not tested the line leak detectors in 2021 or 2024.

14. On April 23, 2024, there was a patch repair job on the fuel line leading from the regular unleaded tank to the bulk rack. Respondent did not have any records of the repair and did not provide records to DEQ upon request.

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15. On April 23, 2024, one or more shear valves were not functional because the test ports had been left bypassed. This condition could prevent the shear valves from shutting off the flow of fuel in the event of an impact to the dispenser.

16. The Tangent Facility uses automatic tank gauging (ATG) as its primary release detection method.

17. On April 23, 2024, the ATG system was calibrated to the wrong detection setting, which did not meet the third-party evaluation parameters.

18. As of April 23, 2024, Respondent had not tested the electronic and mechanical components of the ATG system in 2021 or 2024.

Woodburn Facility

19. On January 28, 2025, DEQ conducted a full compliance inspection at the Woodburn Facility and reviewed Respondent's records for the UST system.

20. On January 28, 2025, there was fuel weeping from piping in the UDC for dispenser #10, and the transition sump was full of water and had an oil sheen.

21. As of January 28, 2025, Respondent had not made efforts to investigate or confirm the suspected release.

22. As of January 28, 2025, Respondent had not tested the spill and overfill prevention equipment at the Woodburn Facility.

23. The Woodburn Facility uses interstitial monitoring as its primary release detection method.

24. On January 28, 2025, Respondent did not have records of interstitial monitoring for the previous twelve months, and did not provide these records upon request.

25. On January 28, 2025, the annular sensor for the premium tank had a frayed cable, and the annular sensor for the regular tank had a frayed cable and was not operable, as it did not trigger an alarm when removed.

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26. As of January 28, 2025, Respondent had not performed monthly walkthrough inspections of the spill prevention equipment and release detection equipment, and Respondent did not have records of such inspections for at least one year.

27. On January 28, 2025, the Woodburn Facility did not have an annual operation certificate posted in a conspicuous location so it could be readily viewed by a fuel distributor.

28. On January 28, 2025, there was no staff at the facility who was trained as a Class A or B UST system operator.

III. CONCLUSIONS

1. Respondent has violated OAR 340-150-0510(1) by failing to immediately initiate investigation and confirmation of suspected releases of fuel at the Tangent Facility and the Woodburn Facility, as alleged in Section II above. These are Class I violations according to OAR 340-012-0067(1)(a). DEQ hereby assesses a \$55,384 civil penalty for these violations.

2. Respondent has violated OAR 340-150-0310(10) by failing to initially test its spill prevention and overfill prevention equipment at the Tangent Facility and the Woodburn Facility prior to October 1, 2020, and violated OAR 340-150-0310(8)(b) and (9) by failing to test the equipment within three years of the initial deadline, as alleged in Section II above. These are Class I violations according to OAR 340-012-0067(1)(j). DEQ hereby assesses a civil penalty of \$41,476 for these violations.

3. Respondent has violated OAR 340-150-0325(2)(b) by failing to have the corrosion protection system inspected and tested for proper operation by a cathodic protection supervisor licensed by DEQ at least once every three years at the Tangent Facility, as alleged in Section II above. Since Respondent has not conducted the testing since 2019, it has missed one test. This is a Class I violation according to OAR 340-012-0067(1)(j). DEQ hereby assesses a \$17,030 civil penalty for this violation.

4. Respondent has violated OAR 340-150-0310(8)(b) by failing to test containment sumps used for piping release detection every three years at the Tangent Facility, as alleged in Section II above. Since Respondent did not conduct testing since 2021, it missed one test. This is a Class I violation according to OAR 340-012-0067(1)(j). DEQ hereby assesses a civil penalty of \$22,999 for this violation.

10. Respondent has violated OAR 340-150-0465(6) by failing to retain the most current 12 consecutive months of release detection records at the Woodburn Facility, as alleged in Section II above. This is a Class II violation according to OAR 340-012-0053(2). DEQ hereby assesses a \$7,702 civil penalty for this violation.

11. Respondent has violated OAR 340-150-0315(1)(a) by failing to conduct walkthrough inspections of the spill prevention equipment and release detection equipment at the Woodburn Facility every thirty (30) days, as alleged in Section II above. This is a Class II violation according to OAR 340-012-0053(2). DEQ hereby assesses a civil penalty of \$8,853 for this violation.

12. Respondent has violated OAR 340-150-0163(1)(a) by failing to display a valid annual operation certificate in a conspicuous location at the Woodburn Facility clearly visible to distributors depositing regulated substances into the UST, as alleged in Section II above. This is a Class II violation according to OAR 340-012-0067(2)(n). DEQ hereby assesses a civil penalty of \$4,500 for this violation.

13. Respondent has violated OAR 340-150-0210(2) by failing to employ a Class A or B UST system operator at the Woodburn Facility, as alleged in Section II above. This is a Class II violation according to OAR 340-012-0067(2)(b). DEQ hereby assesses a civil penalty of \$9,126 for this violation.

IV. ORDER TO PAY CIVIL PENALTY AND TO COMPLY

Based upon the foregoing FINDINGS OF FACTS AND CONCLUSIONS, Respondent is hereby ORDERED TO:

1. Pay a total civil penalty of \$277,008. The determination of the civil penalties is attached as Exhibits 1 – 13, which are incorporated as part of this Notice.

If you do not file a request for hearing as set forth in Section V below, please pay the penalty as follows:

Pay online with e-check (ACH) or credit card. Go to Your DEQ Online here: <https://ydo.oregon.gov>. Select Register Account or Login, then select Pay Invoices/Fees on your account dashboard. Enter the reference number and Account ID included on the attached payment slip. Note: US Bank charges a 2.3% convenience charge for credit card transactions. ACH payments have no additional charges, or

1 Pay by check or money order: Make check payable to "Department of Environmental Quality"
2 and mail to the address on the enclosed payment slip. Please make sure to include the payment slip with
3 your check or money order and note the case number on your check.

4 2. Comply with Oregon law by taking the following actions within thirty (30) days of the
5 date of this Notice:

6 a. At the Tangent Facility:

7 i. Remove all liquid from sumps and perform integrity testing. Inspect the
8 equipment and determine the source of released fuel. Submit a report documenting the test results and
9 findings to DEQ;

10 ii. Install release detection sensors in all sumps at the lowest location in an area
11 most likely to detect liquid;

12 iii. Install a sensor in the cardlock UDC or decommission the product line;

13 iv. Perform integrity testing of the containment sumps used for piping release
14 detection;

15 v. Properly install the vapor return line on the mechanical line leak detector;

16 vi. Perform testing of the mechanical line leak detectors;

17 vii. Change CSLD probability of detection to 3rd party listed percentage of
18 detection;

19 viii. Perform testing of the electronic and manual release detection equipment;

20 ix. Perform testing of all spill prevention and overfill prevention equipment;

21 x. Perform testing and evaluation of the impressed current cathodic protection
22 system;

23 xi. Submit a description of the repair that had been made on the fiberglass
24 product line in the regular turbine sump; and

25 xii. Remove all testing ports on sheer/impact valves and perform functionality
26 testing of this equipment.

27 b. At the Woodburn Facility:

- i. Investigate the suspected release and submit a report documenting the findings to DEQ;
- ii. Perform testing of all sumps, spill prevention equipment and overfill prevention equipment;
- iii. Repair or replace damaged annular sensors, then test the sensors and submit the test results to DEQ;
- iv. Submit the most recent three (3) months of interstitial monitoring records;
- v. Perform monthly walkthroughs and submit the three (3) most recent monthly checklists to DEQ;
- vi. Post the current operating certificate for display. Send a photo of the posted certificate to DEQ;
- vii. Submit certification of A/B operator training to DEQ.

Submit all required documents to the DEQ UST Duty Officer via email at:

ust.dutyofficer@deq.oregon.gov.

V. NOTICE OF RIGHT TO REQUEST A CONTESTED CASE HEARING

You have a right to a contested case hearing on this Notice, if you request one in writing. DEQ must receive your request for hearing **within 20 calendar days** from the date you receive this Notice. If you have any affirmative defenses or wish to dispute any allegations of fact in this Notice or attached exhibits, you must do so in your request for hearing, as factual matters not denied will be considered admitted, and failure to raise a defense will be a waiver of the defense. (See OAR 340-011-0530 for further information about requests for hearing.) You must send your request to: **DEQ, Office of Compliance and Enforcement, 700 NE Multnomah Street, Suite 600, Portland, Oregon 97232**, fax it to **503-229-6762** or email it to DEQappeals@deq.oregon.gov. An administrative law judge employed by the Office of Administrative Hearings will conduct the hearing, according to ORS Chapter 183, OAR Chapter 340, Division 011 and OAR 137-003-0501 to 0700. You have a right to be represented by an attorney at the hearing, however you are not required to be. If you are an individual, you may represent yourself. If you are a corporation, partnership, limited liability company,

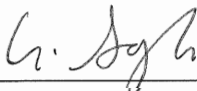
unincorporated association, trust or government body, you must be represented by an attorney or a duly authorized representative, as set forth in OAR 137-003-0555.

Active-duty Service members have a right to stay proceedings under the federal Service Members Civil Relief Act. For more information contact the Oregon State Bar at 1-800-452-8260, the Oregon Military Department at 503-584-3571, or the nearest United States Armed Forces Legal Assistance Office through <http://legalassistance.law.af.mil>. The Oregon Military Department does not have a toll-free telephone number.

If you fail to file a timely request for hearing, the Notice will become a final order by default without further action by DEQ, as per OAR 340-011-0535(1). If you do request a hearing but later withdraw your request, fail to attend the hearing or notify DEQ that you will not be attending the hearing, DEQ will issue a final order by default pursuant to OAR 340-011-0535(3). DEQ designates the relevant portions of its files, including information submitted by you, as the record for purposes of proving a prima facie case.

10/9/2025

Date



Erin Saylor, Interim Manager
Office of Compliance and Enforcement

EXHIBIT 1

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 1: Failing to immediately initiate investigation and confirmation of suspected releases at the Tangent Facility and the Woodburn Facility, in violation OAR 340-150-0510(1).

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0067(1)(a).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(A)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing and receives a value of 4 according to OAR 340-012-0145(4)(d) because there were more than 28 occurrences of the violation. Each day of violation is a separate occurrence. DEQ documented the suspected release at the Tangent Facility on April 23, 2024, and at the Woodburn Facility on January 28, 2025. As of the date of this Notice, Respondent has not reported the suspected releases, which is a duration of approximately 13 and eight months, respectively.

"M" is the mental state of Respondent and receives a value of 8 according to OAR 340-012-0145(5)(d) because Respondent's conduct was reckless. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. At the Tangent Facility, multiple sumps had fuel accumulated in them and the sensors had been lifted up so they would not trigger the alarm.

At the Woodburn Facility, there was fuel weeping from piping in the under-dispenser containment (UDC) for dispenser #10, and the transition sump was full of water and had an oil sheen. Additionally, Respondent was cited for the same violation in Case No. LQ/NWR-UST-2023-026, so it had knowledge of the requirement. By failing to investigate the suspected release despite these conditions and knowledge, Respondent consciously disregarded a substantial and unjustifiable risk that fuel releases had occurred. Because of the serious environmental and public health risks of a large fuel release, disregarding this risk constituted a gross deviation from the standard of care a reasonable person would observe in that situation.

"C" is Respondent's efforts to correct or mitigate the violation, and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not investigated the suspected releases.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$14,584. This is the amount Respondent gained by avoiding spending \$8,500 at each facility to investigate the suspected releases. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

The civil penalty for the same violation at both facilities is calculated in this exhibit.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= $2 \times [\$6,000 + [(0.1 \times \$6,000) \times (10 + 0 + 4 + 8 + 2)]] + \$14,584$
= $2 \times [\$6,000 + (\$600 \times 24)] + \$14,584$
= $2 \times (\$6,000 + \$14,400) + \$14,584$
= $2 \times \$20,400 + \$14,584$
= $\$55,384$

EXHIBIT 2

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 2: Failing to initially test spill prevention and overfill prevention equipment at the Tangent Facility and the Woodburn Facility by October 1, 2020, in violation of OAR 340-150-0310(10), and within three years of the initial deadline, in violation of OAR 340-150-0310(8)(b) and (9).

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0067(1)(a).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(A)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 2 according to OAR 340-012-0145(4)(b) because there were more than one but less than seven occurrences of the violation. Respondent failed to conduct initial testing by October 1, 2020, and again by October 1, 2023, at both facilities.

"M" is the mental state of the Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. Respondent is aware of the requirement to test its spill prevention and overfill prevention equipment. By failing to conduct the testing prior to

October 1, 2020, and every three years thereafter, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation, and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not completed the testing at either facility.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$7,876. This is the amount Respondent gained by avoiding spending the following amounts to test the spill and overfill prevention equipment: \$2,855 at the Tangent facility in 2020 and 2023, and \$1,605 at the Woodburn facility in 2020 and 2023. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

The civil penalty for the same violation at both facilities is calculated in this exhibit.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= $2 \times [\$6,000 + [(0.1 \times \$6,000) \times (10 + 0 + 2 + 4 + 2)]] + \$7,876$
= $2 \times [\$6,000 + (\$600 \times 18)] + \$7,876$
= $2 \times (\$6,000 + \$10,800) + \$7,876$
= $2 \times \$16,800 + \$7,876$
= \$41,476

EXHIBIT 3

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 3: Failing to have the corrosion protection system at the Tangent Facility inspected and tested for proper operation by a cathodic protection supervisor licensed by DEQ at least once every three years, in violation of OAR 340-150-0325(2)(b).

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0067(1)(j).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(A)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 0 according to OAR 340-012-0145(4)(a) because there was only one occurrence of the violation. At the time of the inspection, the testing had not been conducted since 2019, so Respondent missed one testing event within three years of the previous test.

"M" is the mental state of Respondent, and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. Respondent was aware of the requirement to test its corrosion protection equipment. By failing to conduct corrosion testing protection every

three years, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not completed the testing.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$1,430. This is the amount Respondent gained by avoiding spending \$1,450 to inspect and test the corrosion protection system. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$6,000 + [(0.1 x \$6,000) x (10 + 0 + 0 + 4 + 2)] + \$1,430
= \$6,000 + (\$600 x 16) + \$1,430
= \$6,000 + \$9,600 + \$1,430
= \$17,030

EXHIBIT 4

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 4: Failing to test containment sumps used for interstitial monitoring of piping at the Tangent Facility at least once every three years to ensure the equipment is liquid tight, in violation of OAR 340-150-0310(8)(b).

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0067(1)(j).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(A)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 0 according to OAR 340-012-0145(4)(a) because there was only occurrence of the violation. Respondent failed to conduct the testing in 2024.

"M" is the mental state of the Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. By failing to test the containment sumps used for interstitial monitoring of piping at least once every three years, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation, and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not completed the testing.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$7,399. This is the amount Respondent gained by avoiding spending \$8,800 to test the containment sumps at the Tangent facility. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$6,000 + [(0.1 x \$6,000) x (10 + 0 + 0 + 4 + 2)] + \$7,399
= \$6,000 + (\$600 x 16) + \$7,399
= \$6,000 + \$9,600 + \$7,399
= \$22,999

EXHIBIT 5

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 5: Failing to provide an adequate method of release detection, in violation of OAR 340-150-0400(1)(a) and (c). This violation includes: lifted sensors in several sumps and no sensor installed in the sump on the cardlock dispenser at the Tangent Facility, an ATG monitor that was not properly calibrated at the Tangent Facility, and two annular sensors that were damaged or not operable at the Woodburn Facility.

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0067(1)(e).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(a)(B)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 4 according to OAR 340-012-0145(4)(d) because there were more than 28 occurrences of the violation. Each day of violation is a separate occurrence. DEQ observed the violation on April 23, 2024, at the Tangent Facility, and January 28, 2025, at the Woodburn Facility. Respondent has not calibrated or repaired the equipment as of the date of this Notice, which is a duration of approximately 13 and seven months, respectively.

- "M" is the mental state of the Respondent, and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. Respondent is aware of the requirement to properly calibrate and maintain release detection equipment. By failing to ensure the tank monitor and annular sensors were operating properly, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.
- "C" is Respondent's efforts to correct or mitigate the violation and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not installed, repaired or recalibrated the release detection equipment.
- "EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$17,588. This is the amount Respondent gained by avoiding the following costs: at the Tangent facility – \$9,000 to abandon the product line for the cardlock dispenser and perform a site assessment, and \$9,500 to pump out the sumps, and at the Woodburn facility – \$1,580 to install a new annular sensor and conduct ATG testing. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

The civil penalty for the same violation at both facilities is calculated in this exhibit.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$

$$= 2 \times [\$6,000 + [(0.1 \times \$6,000) \times (10 + 0 + 4 + 4 + 2)]] + \$17,588$$

$$= 2 \times [\$6,000 + (\$600 \times 20)] + \$17,588$$

$$= 2 \times (\$6,000 + \$12,000) + \$17,588$$

$$= 2 \times \$18,000 + \$17,588$$

$$= \$53,588$$

EXHIBIT 6

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 6: Failing to conduct annual operational line leak detector testing at the Tangent Facility, in violation of OAR 340-150-0410(2)(c).

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0067(1)(j).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(A)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 2 according to OAR 340-012-0145(4)(b) because there were more than one but less than seven occurrences of the violation. Respondent failed to conduct annual testing on two occasions, in 2021 and 2024.

"M" is the mental state of the Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. Respondent is aware of the requirement to conduct annual line leak detector testing. By failing to conduct line leak detector testing for two years, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation, and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not completed the testing.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$4,191. This is the amount Respondent gained by avoiding spending \$2,250 each time to conduct line leak detector testing in 2021 and 2024 at the Tangent facility. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$6,000 + [(0.1 x \$6,000) x (10 + 0 + 2 + 4 + 2)] + \$4,191
= \$6,000 + (\$600 x 18) + \$4,191
= \$6,000 + \$10,800 + \$4,191
= \$20,991

EXHIBIT 7

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 7: Failing to maintain records of an UST system repair at the Tangent Facility, including information such as a description of the work, date performed, name and address of the company that performed the work, test results and any other related data, and failing to make the records available for review by DEQ upon request, in violation OAR 340-150-0350(6).

CLASSIFICATION: This is a Class II violation pursuant to OAR 340-012-0053(2).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$3,000 for a Class II, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(B)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing and receives a value of 0 according to OAR 340-012-0145(4)(a) because there was only one occurrence of the violation. DEQ documented the violation on April 23, 2024.

"M" is the mental state of Respondent and receives a value of 4 according to OAR 340-012-0145(5)(b) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. Respondent patched a fuel line but did not keep any records of the repair, such as a description of the work, date performed, name and address of the

company that performed the work, test results and any other related data. By failing to keep repair records, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of 0 according to OAR 340-012-0145(6)(f) because the violation or the effects of the violation could not be corrected or minimized.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$0 because DEQ finds that Respondent has not gained any economic benefit from the violation.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$

$$\begin{aligned} &= \$3,000 + [(0.1 \times \$3,000) \times (10 + 0 + 0 + 4 + 0)] + \$0 \\ &= \$3,000 + (\$300 \times 14) + \$0 \\ &= \$3,000 + \$4,200 + \$0 \\ &= \$7,200 \end{aligned}$$

EXHIBIT 8

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 8: Failing to repair, modify or replace UST system components at the Tangent Facility, specifically shear valves, as necessary to prevent releases, in violation of OAR 340-150-0163(1)(h).

CLASSIFICATION: This is a Class II violation pursuant to OAR 340-012-0053(2).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$3,000 for a Class II, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(B)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 4 according to OAR 340-012-0145(4)(d) because there were more than 28 occurrences of the violation. Each day of violation is a separate occurrence. DEQ observed the violation on April 23, 2024, and Respondent has not repaired or replaced the shear valves as of the date of this Notice, which is a duration of more than nine months.

"M" is the mental state of the Respondent, and receives a value of 8 according to OAR 340-012-0145(5)(d) because Respondent's conduct was reckless. Shear valves are required UST system components that prevent releases of fuel caused by impact or damage to dispensers by shutting off the flow of fuel. By bypassing the test ports on the shear valves, Respondent rendered them non-functional, in conscious disregard of a substantial and unjustifiable risk that it did not have the required equipment to prevent a release. Because of the potential

impacts of petroleum releases on human health and the environment, disregarding this risk constituted a gross deviation from the standard of care a reasonable permittee would observe in that situation.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not repaired or modified the shear valves to ensure they are functioning properly.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$330. This is the amount Respondent gained by avoiding spending \$375 to repair or replace the non-functional shear valves at the Tangent facility. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$3,000 + [(0.1 x \$3,000) x (10 + 0 + 4 + 8 + 2)] + \$330
= \$3,000 + (\$300 x 24) + \$330
= \$3,000 + \$7,200 + \$330
= \$10,530

EXHIBIT 9

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 9: Failing to test the electronic and mechanical components of the release detection system on an annual basis at the Tangent Facility, in violation of OAR 340-150-0400(2).

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0067(1)(j).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(A)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 2 according to OAR 340-012-0145(4)(b) because there were more than one but less than seven occurrences of the violation. Respondent failed to conduct annual testing of the ATG system at the Tangent facility on two occasions, in 2021 and 2024.

"M" is the mental state of the Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. Respondent is aware of the requirement to test its release detection system annually. By failing to conduct ATG system testing for two years, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation, and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not completed the testing.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$829. This is the amount Respondent gained by avoiding spending \$445 each time to test the electronic and mechanical components of the release detection system in 2021 and 2024. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$6,000 + [(0.1 x \$6,000) x (10 + 0 + 2 + 4 + 2)] + \$829
= \$6,000 + (\$600 x 18) + \$829
= \$6,000 + \$10,800 + \$829
= \$17,629

EXHIBIT 10

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 10: Failing to retain the most current twelve consecutive months of release detection records at the Woodburn Facility, in violation of OAR 340-150-0465(6).

CLASSIFICATION: This is a Class II violation pursuant to OAR 340-012-0053(2).

MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$3,000 for a Class II, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(B)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing and receives a value of 0 according to OAR 340-012-0145(4)(a) because there was only one occurrence of the violation. DEQ documented the lack of recordkeeping during the inspection at the Woodburn Facility on January 28, 2025.

"M" is the mental state of Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was reckless. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. Respondent has had numerous DEQ inspections and is aware of the requirement to keep release detection records and provide them for DEQ review during an inspection. By failing to maintain release detection records, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of 0 according to OAR 340-012-0145(6)(f) because the violation or the effects of the violation could not be corrected or minimized.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$502. This is the amount Respondent gained by avoiding spending \$600 to maintain records of interstitial monitoring for twelve months at the Woodburn facility. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$3,000 + [(0.1 x \$3,000) x (10 + 0 + 0 + 4 + 0)] + \$502
= \$3,000 + (\$300 x 14) + \$502
= \$3,000 + \$4,200 + \$502
= \$7,702

EXHIBIT 11

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

- VIOLATION 11:** Failing to perform monthly walkthrough inspections of the spill prevention equipment and release detection equipment at the Woodburn Facility, in violation of OAR 340-150-0315(1)(a).
- CLASSIFICATION:** This is a Class II violation pursuant to OAR 340-012-0053(2).
- MAGNITUDE:** The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.
- CIVIL PENALTY FORMULA:** The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$
- "BP" is the base penalty, which is \$3,000 for a Class II, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(B)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.
- "P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.
- "H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).
- "O" is whether the violation was repeated or ongoing and receives a value of 3 according to OAR 340-012-0145(4)(c) because there were from seven to 28 occurrences of the violation. Respondent is required to conduct walkthrough inspections on a monthly basis. Respondent did not conduct walkthrough inspections at the Woodburn Facility for at least twelve months.
- "M" is the mental state of Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. By failing to conduct walkthrough inspections at the Woodburn Facility for at least twelve months, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of 0 according to OAR 340-012-0145(6)(f) because the violation or the effects of the violation could not be corrected or minimized.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$753. This is the amount Respondent gained by avoiding spending \$900 to conduct monthly walkthrough inspections for one year. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$

$$\begin{aligned} &= \$3,000 + [(0.1 \times \$3,000) \times (10 + 0 + 3 + 4 + 0)] + \$753 \\ &= \$3,000 + (\$300 \times 17) + \$753 \\ &= \$3,000 + \$5,100 + \$753 \\ &= \$8,853 \end{aligned}$$

EXHIBIT 12

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION 12: Failing to display a valid annual operation certificate in a conspicuous location at the Woodburn UST facility clearly visible to distributors depositing regulated substances into the UST, in violation of OAR 340-150-0163(1)(a).

CLASSIFICATION: This is a Class II violation pursuant to OAR 340-012-0067(2)(n).

MAGNITUDE: The magnitude of the violation is minor pursuant to OAR 340-012-0130(4) as there is no selected magnitude specified in OAR 340-012-0135 applicable to this violation and DEQ finds that the violation had no more than a de minimis adverse impact on human health or the environment and posed no more than a de minimis threat to human health and the environment. Failing to display the operation certificate does not have the potential to result in impacts to the environment or human health.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$1,500 for a Class II, minor magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(B)(iii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing and receives a value of 4 according to OAR 340-012-0145(4)(d) because the violation has been ongoing for more than 28 days. DEQ documented the violation on January 28, 2025, and it has not been corrected as of the date of this Notice.

- "M" is the mental state of Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. Additionally, Respondent was cited for the same violation in Case No. LQ/NWR-UST-2023-026. By failing to display an operating certificate, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.
- "C" is Respondent's efforts to correct or mitigate the violation and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not provided documentation showing that the operation certificate is properly displayed at the facility.
- "EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$0 because DEQ finds that Respondent has not gained any economic benefit from the violation.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$

$$\begin{aligned} &= \$1,500 + [(0.1 \times \$1,500) \times (10 + 0 + 4 + 4 + 2)] + \$0 \\ &= \$1,500 + (\$150 \times 20) + \$0 \\ &= \$1,500 + \$3,000 + \$0 \\ &= \$4,500 \end{aligned}$$

EXHIBIT 13

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

- VIOLATION 13: Failing to employ a Class A or B UST system operator at the Woodburn Facility, in violation of OAR 340-150-0210(2).
- CLASSIFICATION: This is a Class II violation pursuant to OAR 340-012-0053(2).
- MAGNITUDE: The magnitude of the violation is moderate, pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 for this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.
- CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$
- "BP" is the base penalty, which is \$3,000 for a Class II, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(B)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(I) because Respondent is the owner or permittee of ten or more UST facilities.
- "P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent and receives a value of 10. DEQ has issued at least 17 Field Citations against Respondent in the past ten years, and there were one Class I and three Class II violations in Case No. LQ/NWR-UST-2023-026, which receives a value of 20 according to OAR 340-012-0145(2)(a)(C) and (D). However, according to OAR 340-012-0145(2)(b), the value of "P" shall not exceed 10.
- "H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).
- "O" is whether the violation was repeated or ongoing and receives a value of 4 according to OAR 340-012-0145(4)(d) because the violation has been ongoing for more than 28 days. DEQ documented the violation on January 28, 2025, and it has not been corrected as of the date of this Notice.
- "M" is the mental state of Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent owns and operates 19 gas stations with USTs in Oregon and many nationwide, and it has employees responsible for environmental compliance. By failing to have a properly trained system operator at the Woodburn Facility, Respondent failed to take reasonable care to avoid a foreseeable risk that it would violate UST requirements.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). As of the date of this Notice, Respondent has not submitted documentation showing that it has a properly trained UST system operator employed at the Woodburn Facility.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$126. This is the amount Respondent gained by avoiding spending \$150 to send an employee to Class A/B operator training. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$3,000 + [(0.1 x \$3,000) x (10 + 0 + 4 + 4 + 2)] + \$126
= \$3,000 + (\$300 x 20) + \$126
= \$3,000 + \$6,000 + \$126
= \$9,126

Oregon Department of Environmental Quality
700 NE Multnomah Street, Suite 600
Portland, OR 97232-4100



State of Oregon
DEQ Department of Environmental Quality

Phone: 503-229-5437
Fax: 503-229-5850

UST - CIVIL PENALTY

DATE:	October 9, 2025
RESPONSE DATE*:	December 18, 2025
TOTAL PENALTY:	\$277,008.00

Account Name:	CIRCLE K #9642		
Account Type:	Vendor/Organization/Company	Reference Number:	CPUST2600003
SubSystem ID:	222181	FIMS Acct. ID:	22715

Penalty Summary

Penalty Amount	Interest	Adjustment	Amount Paid	Total Penalty
\$ 277,008.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 277,008.00

*This is the date the penalty is due if you do not exercise your right to appeal the attached order. Payment of this penalty is subject to the exercise of your options or right to appeal as described in the enclosed enforcement documents.

To Pay Online with ACH or Credit Card Visit <https://ydo.oregon.gov> and select 'Register Account'

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PLEASE RETURN THIS PORTION WITH YOUR PAYMENT



REFERENCE NO.	CPUST2600003		
PAYCODE:	00563 3240 10040 32432 0500 000000 00		
FEE PROGRAM ID:	954	RESPONSE DATE:	December 18, 2025
FIMS ACCT. ID:	22715	TOTAL PENALTY DUE:	\$277008.00

AMOUNT ENCLOSED:

MAKE CHECK PAYABLE TO: Department of Environmental Quality

☐

Check this box if updated address information has
been provided on the back of the form.

DEQ FINANCIAL SERVICES - LBX4244
PO BOX 4244
PORTLAND OR 97208-4244

00563 3240 10040 32432 0500 000000 0095400227156CPUST260000300277008000



State of Oregon
Department of
Environmental
Quality

State of Oregon Department of Environmental Quality

UST - CIVIL PENALTY

700 NE Multnomah Street, Suite 600
Portland, OR 97232-4100
Phone: 503-229-5437
Fax: 503-229-5850

Penalty Detail

Transaction Date	Description	Amount
10/9/2025	2024-060 LQ-UST-WR-2024-060	\$277,008.00

SFMS Agencies Use:

Trans Code	Treasury Fund	SFMS	Index	PCA (5)	Agency Object	Project #	Phase
723	00563	3240	10040	32432	0500	00000	00

Address Changes

Please visit <https://ydo.oregon.gov> to update your mailing address online or provide the following information:

Name _____
Address _____
City, State, Zip _____

CERTIFICATE OF MAILING

I hereby certify that I served DEQ Case No. LQ/UST-WR-2024-060 upon:

9589 0710 5270 3236 6719 97

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<input type="checkbox"/> Adult Signature Restricted Delivery \$	

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Here

Circle K Stores Inc.
c/o Corporation Service Company, Registered Agent
1127 Broadway St. NE, Suite 310
Salem, OR 97301

PS Form 3800, January 2023 PSN 7500-02-000-9047 See Reverse for Instructions

Reyna Mendez
Circle K Stores, Inc.
255 E. Rincon St. Suite 100
Corona, CA 92879

By mailing a true copy of the above by placing it in a sealed envelope, with postage prepaid at
the DEQ/DAS mail services in Portland, Oregon on October 9, 2025

Isaac Griffith

Isaac Griffith, Case Coordinator

Office of Compliance & Enforcement

Department of Environmental Quality