

Cheryl Cameron Property Specialist Claims & Agreements -West Marketing Business Unit Chevron Environmental Management Company 6101 Bollinger Canyon Road San Ramon, CA 94583 Tel (925) 790-3377 cheryl.cameron@chevron.co m

October 16, 2015

Dale Myers NWRO Toxics Cleanup Program 3190 160th Avenue SE Bellevue, WA 98008

Re: Response to Notice of Potential Liability

Newman's Chevron

2021 6th Street, Bremerton WA 98310

Facility/Site ID No.: 1436359 Ecology Cleanup Site No.: 5252

Dear Mr. Myers:

Chevron Environmental Management Company ("EMC") writes in response to the Washington Department of Ecology's ("Ecology") letter of September 17, 2015, which proposes finding EMC and Victory Business Park LLC as potentially liable persons ("PLPs") under the Model Toxics Control Act ("MTCA") for the property located at 2021 6th Street in Bremerton, Washington (the "Site"). In the letter, Ecology does not explain how EMC qualifies as a PLP under MTCA. After reviewing our records, we have determined that there is no basis for naming EMC as a PLP for the Site.

As you know, EMC itself never owned or operated the Site. EMC has no record of the Site ever being owned or operated by Chevron U.S.A. Inc. or any of its affiliates (collectively, "Chevron"). The Site appears to have been owned and operated by retailers who contracted with Chevron to purchase its gasoline and use its brand. From our records, it appears that Robert and Karin Newman owned the property and facilities and leased them to several operators over the course of many years. Attached are two letters that illustrate this relationship. In the letter to Julius Templeton, dated September 11, 2002, Chevron discusses the possibility of initiating a dealer supply contract with the owners, Robert and Karin Newman, after the dealer supply contract with the operator and lessee, Julius Templeton, terminated. The second letter, dated July 5, 2007, discusses termination of a dealer supply contract with the most recent operator of record, Chang Sik Choe, and the debranding of the outlet on that occurrence. If Chevron owned the Site, it would not need to require debranding at the termination of a dealer supply contract.

Mr. Dale Myers

State of Washington Department of Ecology

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Unless Ecology has contradictory evidence showing that Chevron owned or operated the Site, there is no basis for Ecology to find that EMC is a PLP under MTCA. See RCW 70.105.D.040(1). Please provide us with copies of the Phase II Environmental Site Assessment (Aug. 20, 2009) referenced in your letter, in addition to any other documents that purportedly connect Chevron to the Site as an owner or operator.

Should you have any questions or comments regarding this response, please do not hesitate to contact me at (925) 790-3377.

Sincerely,

Cheryl Cameron

cc: Laura Bernard, Esq., Chevron Law Department

Kelly York – Chevron Environmental Management Company Eric Hetrick – Chevron Environmental Management Company