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OFFICE OF THE DISTRICT ATTORNEY COUNTY OF MENDOCINO

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O'Reilly Auto Parts to Pay \$9.86 Million Settlement in **Hazardous Waste Disposal Case**

Stores Throughout the State Improperly Disposed of Used Oil and Other Hazardous Wastes

Mendocino County District Attorney David Eyster, along with 50 other California District Attorneys, announced today that Alameda County Superior Court Judge Brad Seligman has ordered the Missouri-based O'Reilly Auto Parts to pay \$9.86 million as part of a settlement of a civil environmental prosecution alleging the company mishandled hazardous waste.

The consent judgment agreed to by O'Reilly Auto Enterprises, LLC; O'Reilly Automotive, Inc.; O'Reilly Automotive Stores, Inc.; and Ozark Automotive Distributors, Inc., resolves allegations made in a civil enforcement lawsuit filed in Alameda County. The lawsuit claimed that more than 525 O'Reilly stores throughout the state unlawfully handled, transported and disposed of used oil, used oil filters, and various hazardous wastes and materials over a 5-year period. Those hazardous wastes and materials included automotive fluids, alkaline batteries, electronic waste, aerosol cans and other toxic, ignitable and corrosive wastes.

When asked to comment, DA Eyster noted out that his office was represented in the Alameda County lawsuit by Robert Nichols, a special deputy district attorney previously appointed by Eyster to handle cases like this. Nichols is part of the circuit-riding environmental prosecutor program funded and managed by the California District Attorneys Association in Sacramento. "We continue to achieve favorable results through judgments that financially remind companies like O'Reilly to maintain and enforce necessary environmental standards and procedures, standards and procedures intended to protect our local quality of life and environment," said Evster.

During 2013 and 2014, inspectors from district attorney offices, and environmental regulators statewide, conducted a series of undercover inspections of waste bins originating at O'Reilly stores. The inspections revealed that O'Reilly had been routinely and systematically sending used oil, used oil filters, and hazardous wastes to local landfills throughout California that were not permitted to receive those wastes. The investigation also revealed that O'Reilly was routinely and unlawfully transporting hazardous wastes from its stores to its California distribution centers without required licenses. The statewide waste inspections revealed that 42 out of 43 O'Reilly stores and both O'Reilly distribution centers were in violation of state law.

O'Reilly was cooperative throughout the investigation and quickly responded to enhance its policies and procedures designed to eliminate the improper disposal of used oil, used oil filters and hazardous waste products in California. Stores are required to properly manage used oil and automotive oil filters, and to retain their hazardous waste in segregated, labeled containers so as to minimize the risk of exposure to employees and customers and to ensure that incompatible wastes do not combine to cause dangerous chemical reactions. Hazardous waste produced by California O'Reilly stores through damage, spills and returns is being collected by state-registered haulers, taken to proper disposal facilities and properly documented and accounted for.

Under the settlement, O'Reilly must pay \$6 million in civil penalties and \$500,000 to reimburse the costs of the investigation. An additional \$1.51 million will fund supplemental environmental projects furthering consumer protection and environmental enforcement throughout California. O'Reilly will also fund hazardous waste minimization and enhanced compliance projects valued at \$1.85 million. The retailer will be bound under the terms of a permanent injunction prohibiting similar future violations of law.

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