

## **Comments on the Scope of Work – Critical Review of Used Oil Life-Cycle Assessment Study**

These comments are provided by the Western States Petroleum Association (WSPA) and the American Petroleum Institute (API) and relate to the PDF file posted on the Cal Recycle Used Oil LCA portal “Scope of Work Critical Review of Used Oil Life-Cycle Assessment Study” (undated).

API previously commented on the earlier version of this scope of work (see “API Used Oil Task Force Comments to Cal Recycle on Scope of Work for the Comprehensive Life Cycle Analysis (LCAn) for Used Oil”, 3 September 2010). In those comments we provided some alternative wording for the peer review task which we believed captures the work of the peer review team as laid out by the relevant ISO standard as well as some other points.

The current draft of the SOW does not clearly lay out the ISO requirements and we suggest that they be reproduced in full.

It would appear that Cal Recycle intends to have the life-cycle assessment (environmental) elements of the overall comprehensive life-cycle analysis of the used oil management system in California developed separately from the economic elements and analysis. We believe that the two need to be intimately linked and that the comprehensive analysis requires simultaneous and carefully coordinated work rather than two independent efforts. Therefore, it would seem appropriate that the peer or critical review of the work include both elements, yet at present we have not seen any proposals for review of the economic elements. Nor do we have any sense of how the whole study comprises the required comprehensive life cycle analysis which is needed to meet the requirements of SB546 and to allow Cal Recycle to properly address the issue of assessing any changes that may be needed to improve used oil collection rates and ensure safe management of used oil.

We are concerned with the statement “All written deliverables are subject to the Contract Manager’s written approval” (III Tasks identified). It is a key requirement for a suitable peer review that the review panel is functionally and clearly independent of the practitioner as well as empowered to be entirely independent of the contracting party – in this case Cal Recycle. Perhaps more appropriate wording could be developed to better capture Cal Recycle’s intent, which we assume is to accommodate review and comment by the Contract Manager on reports as may be necessary to ensure that the objectives of the review are achieved.

Our organizations previously commented that the peer review panel should consist of *at least* three members<sup>1</sup>. We maintain this view and believe that, given the wide scope

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<sup>1</sup> ISO 14040 Environmental Management - Life Cycle Assessment - Principles and Framework, Second Edition 2006-07-01: "An external independent expert should be selected by the original study commissioner to act as chairperson of a review panel of at least three members. Based on the goal, scope and budget available for the review, the chairperson should select other independent qualified reviewers. This panel may also include other interested parties affected by the conclusions drawn from the LCA, such as government agencies, non-governmental groups, competitors and affected industries."

of interest in this study and the need to peer review both elements of the life cycle analysis (i.e., environmental Life Cycle Assessment (LCA) and the related economic study), there may be a need to have more than two members in addition to the panel chair.

We also previously commented that it was important not to restrict the expertise cited in the SOW to “re-refining and/or crude oil refining”. Clearly there are several other important areas of expertise relevant to this study. One very important issue that was brought up at the stakeholder meeting but is not reflected in this document was the need to have familiarity and experience with applying LCA methods to complex waste management issues. LCA has a wide range of application and has been applied to waste management issues – but it is widely acknowledged that in these areas LCA is harder to apply and achieving useful and reliable results is much harder than the relatively simple product comparison life cycle studies.

Requiring all members of the panel to have experience in conducting life-cycle assessments or having conducted ISO LCA peer review means artificially constraining the pool of talent that can be drawn on and runs the distinct risk of compounding likely problems that result from an insufficiently wide base of knowledge. Such limitation will result in an academic view of the LCA community rather than real-world experience addressing the actual market and regulatory issues at stake.

The SOW is not sufficiently clear about the function of the peer review in ensuring that the study adequately addresses the needs of Cal Recycle. We believe that this is a broader issue than ensuring that a life cycle assessment (Cal Recycle’s wording) adheres to the ISO protocols and is scientifically and technically defensible. That said, it should not include a responsibility to “ensure that the study is conducted in the most efficient and effective manner” – this appears to conflate the roles of the reviewer and that of the LCA and Economic Analysis Practitioners. The reviewer’s responsibility should relate to the work performed and the development of appropriate goal and scope to meet the clearly stated objectives for the work. In our opinion the objectives have not yet been clearly developed for the LCA and, especially, for the economic analysis. The reviewer should explicitly consider the execution of the overall study, the suitability and quality of scenarios, approach, data and interpretation including an explicit assessment of the limitations resulting from all aspects of the work in addressing the stated objectives. These factors should be stipulated in the SOW.

Note that it would be easier to provide comments if the draft documents were given line numbers or made available as Word documents that could have tracked changes inserted.

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