

August 11, 2010

Howard Levenson
Assistant Director, Materials Management and Local Assistance Program
California Recycle
1001 I Street
PO Box 4025
Sacramento, CA 95812-4025

RE: Opposition to Decision to Approve the Life Cycle Assessment Required by SB 546

Dear Mr. Levenson,

Thermo Fluids is the third largest US environmental company engaged in the collection and processing of used oil. For many years, we have been instrumental in successfully sourcing oil from California and placing this valuable commodity in a number of beneficial markets. Pursuant to the 2008 Lawrence Livermore Lab Study, the State of California generates 116,000,000 gallons annually and has only 10.1% (12,000,000 gallons) of re-refining capacity.

Thermo Fluids was the first company to be permitted to transport and process oil in facilities external to the state of California. We are committed to working closely with the various regulatory authorities involved in the implementation process surrounding SB 546.

The purpose of this letter is to address my concern regarding California's approach to the Life Cycle Assessment study required by SB 546. Specifically, I am concerned about the selection of an independent third party reviewer. It's my understanding that some of the same people that were involved in the 2004 study are also being considered to be involved now. I'm questioning whether the selection of a third party peer reviewer has truly been vetted. If the same people are involved this time around (albeit in different roles) it could potentially undermine the law's stated goal of having an objective third party peer review of the study. It is my belief that it would be prudent to forego approval of this study until the third party peer review question is addressed.

My desire is that this very important study be approached precisely as SB 546 has outlined. A study that is beyond reproach from a process perspective and directly aligned with the regulations will yield the most credible result for the state of California and the Used Oil Industry. My hope is that this perspective is helpful to you and to a successful outcome of this Life Cycle Assessment.

Thank you for your consideration.

Sincerely,


James Devlin
Chief Executive Officer
Thermo Fluids Inc