



**COMMENTS OF DEMENNO/KERDOON AND WORLD OIL REGARDING THE
SCOPE OF WORK FOR THE LCA PRACTITIONER CONTRACT**

February 14, 2011

Thank you for the opportunity to comment on CalRecycle's Used Oil Life Cycle Assessment ("LCA") and the scope of work ("SOW") for the LCA Practitioner contract.

Demunno/Kerdoon ("D/K") and World Oil Corp. (World) are aware that, in 2006, the California Integrated Waste Management Board ("CIWMB," CalRecycle's predecessor agency) contracted with Lawrence Livermore National Laboratory ("LLNL") to conduct a detailed analysis of California's used oil recycling market. As part of this study, CIWMB was charged with developing recommendations that would facilitate the recycling of used oil to its "highest and best use." Toward this end, LLNL's explicit "project goal" was to determine how to increase closed-loop recycling of used oil – a "[p]rocess where the quality of the recycled product equals or exceeds the quality of the original material and can itself be recycled through the same processes in a repeatable cycle." LLNL thus assumed, *a priori*, that closed-loop recycling is necessarily the best recycling option for used oil. After determining that re-refined lubricating oil is the only closed-loop recycled product for used oil, LLNL's recommendations were then designed to increase the production of re-refined lubricating oil.

The premise that closed-loop recycling is necessarily the best recycling option for used oil from an environmental and/or economic standpoint is unsupported. As such, we anticipate that CalRecycle would agree that the LCA and economic analysis must not be predicated on this improper premise. Because the LCA process and economic analysis are designed to evaluate the benefits and drawbacks that are associated with the various recycling options, to assume, *a priori*, that one recycling option is superior to any other, would put the cart before the horse.

Given the above, and to ensure that the LCA is not limited by the same defect that undermined LLNL's 2008 report, we strongly urge CalRecycle to confirm its intent as we understand it by including in the SOW for the LCA Practitioner's contract an explicit statement that would prohibit the LCA Practitioner from presuming that closed-loop recycling is the best recycling option for used oil in particular, or any product in general.

Thank you for considering these comments as part of the administrative record.

Yours sincerely,

World Oil Corp.



Christine E. Mirabel