



Mercedes-Benz

King County Commission
For Marketing Recyclable Materials
400 Yasier Building, Room 200
Seattle, WA 98104
USA

Rerefined Engine Oil

Dear Sir or Madam,

Many thanks for your letter of 7th November to our department VSE/PB.

We would like to comment on your questions as follows:

For several years now we have used products which have a rerefined content as "factory fill" products for our passenger car engines. At certain times differing amounts of rerefined content were in use for various reasons.

If these rerefined oils are manufactured correctly, there is then no reason not to use them. We approved the use of rerefined engine oils for use in our engines decades ago. The requirement is, above all, that the rerefining process is perfect and the oils are alloyed correctly just like virgin base oils.

We check the performance of engine oils. It is left to the customer if he then uses a mineral oil-based, rerefined, synthetic, partly synthetic or hydro-cracked oil.

We hope that these details are of use to you.

Yours sincerely,
Mercedes-Benz Aktiengesellschaft



Mercedes-Benz

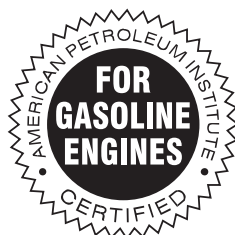
**CHRYSLER CORPORATION
POSITION ON RE-REFINED ENGINE OILS**

The engine oil used in Chrysler vehicles must meet the Owner's Manual recommendation to satisfy warranty requirements. This recommendation is to use an oil displaying the American Petroleum Institute Certification Mark (shown below). It must also be the SAE viscosity grade appropriate to the temperature, as shown in the Owner's Manual.

Oils that display this registered mark on the front of the container are certified to meet all the requirements of the International Lubricant Standardization and Approval Committee (ILSAC) GF-1 standard for engine oil. This specification does not differentiate between products made from virgin base oils or re-refined base oils. The marketer of the product must make sure that not only the initial product, but every batch of oil, meets the requirements of this specification.

Oils made from re-refined base oils can meet these requirements; however, not all of them do. By careful control of re-refining and blending processes, some marketers produce good quality oils from re-refined base oils. These are acceptable for use under the Chrysler New Vehicle Limited Warranty. Low or inconsistent quality oils may cause engine damage not covered by warranty.

Chrysler encourages the proper disposal and recycling of used oil to preserve natural resources and the quality of the environment. Recycling is encouraged by the purchase and use of these products.





Ford Motor Company position on engine oils made with re-refined base oils

Ford Motor Company does not specify the type of base oils to be used for engine oil meeting Ford's requirements. Regardless of the origin of the base oils, a non-Ford engine oil is acceptable for use if manufacturing and quality control practices ensure the oil continuously meets Ford's performance requirements

Ford recommends using engine oil meeting Ford Specification ESE-M2C153-E and licensed as CERTIFIED FOR GASOLINE ENGINES by the AMERICAN PETROLEUM INSTITUTE (API Certification). Both virgin and re-refined engine oils are capable of meeting these requirements by qualifying against a series of rigorous tests designed to ensure their suitability for modern gasoline engines. While these tests confirm a specific sample of the oil qualifies with acceptable performance, it is the responsibility of the oil marketers to ensure that their products meet the requirements consistently and continuously.

In general, vehicle operation, adjustments and maintenance procedures, such as oil changes, performed contrary to recommended manufacturer specifications may, but do not automatically, void the applicable warranty. Each warranty claim is reviewed on its own merits. If, however, the use of a non-Ford product causes or contributes to the failure of a Ford component, the cost of repairing the affected component is not covered by the Ford vehicle warranty. In such cases, the vehicle owner would have to look to the seller or installer of the non-Ford product for the replacement of the affected components and for any related damage to the vehicle.

Based on recent engine oil market surveys, Ford has concerns that some engine oils made with re-refined base oils may not consistently meet Ford's engine oil requirements. Test results show viscosity characteristics and low temperature performance of some engine oils made with re-refined base oils are unacceptable. However, there are other engine oils made with re-refined base oils which have met API Certification requirements and have met viscosity and low temperature characteristics.

Customers considering the use of engine oils made with re-refined base oils should be aware that the final product quality may vary if improper manufacturing controls are used. Marketers of engine oils made with re-refined base oils must adhere to standards for their base oils which ensure variations in re-refining processes or incoming raw materials do not adversely affect performance. In addition to a standard for the base oil properties, it is Ford's view that a re-refined oil produced with stringent manufacturing controls and batch to batch testing of low temperature viscosity performance and other significant characteristics would comply with Ford's recommendations.



Look for this
CERTIFICATION MARK



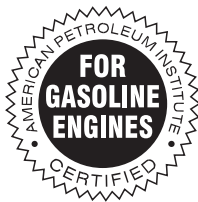
General Motors Position on Use of Re-refined Engine Oils

General Motors recommends for use in its vehicles engine oils which meet the performance requirements specified in the latest International Lubricant Standardization and Approval Committee (ILSAC) Minimum Performance Standard (currently ILSAC GF-1), and which are certified by the American Petroleum Institute for use in gasoline engines. Such oils may be identified in the marketplace by looking for the Certification Mark Shown below on the front of the engine oil container.

Engine oils meeting these requirements can be made with either virgin or re-refined base oils. In both cases it is the oil marketer's responsibility to ensure that the product satisfies the performance requirements specified above both during initial product approval, and during the time that the product is being manufactured for sale. It is particularly important that steps be taken by marketers of engine oils made from re-refined base oils to ensure that variations in re-refining processes or raw materials do not adversely affect oil performance.

General Motors encourages the use of properly qualified re-refined products which consistently satisfy recommended performance requirements as a means of conserving vital petroleum resources. Use of re-refined products that have not been properly qualified or do not consistently meet performance requirements, however could result in engine damage, and could harm the reputation of all re-refined products. Engine damage caused by the use of an engine oil which does not meet the recommended performance specifications may not be covered by the General Motors new vehicle warranty.

Look for this
Certification Mark





GENERAL MOTORS CORPORATION
General Motors Building, Detroit, Michigan 48202

NEWS

FOR RELEASE Immediately, March 11, 1999

Contact: Marcie McGee
(313) 556-7592

GENERAL MOTORS LEADS THE WAY IN RECYCLING INDUSTRIAL OIL

DETROIT – General Motors is introducing an innovative program to recycle used industrial oil and wastewater that has been contaminated with oil during the manufacturing process. The program will recycle more than 15 million gallons of used oil and oily wastewater annually, and will ultimately reclaim about 5 million gallons of oil. Because this waste would normally be burned as industrial fuel, this program will reduce CO2 emissions of 55,000 tons per year, or enough fuel for 6,700 vehicles.

GM will partner with SAFETY-KLEEN of East Chicago, Indiana to deliver hydraulic fluids, gear oils and lubricants through re-refining. General Oil of Redford, Michigan will provide cutting and grinding fluids through reclaiming. Other suppliers may also be asked to provide recycling services, particularly at plant sites. The fluids and oils will be returned to GM's manufacturing facilities for reuse as maintenance lubricants and metal removal fluids.

The program will begin at four GM Powertrain locations (Warren, Flint V-8, Ypsllanti and Toledo) and will be spread corporate-wide by the year 2000.

General Motors is committed to reducing waste and pollutants, conserving resources and recycling materials at every stage of the product life. Through these types of efforts, GM continues to ensure protection of tomorrow's environment through our actions today.

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*Office of the Federal Environmental Executive
401 M Street SW Mail Code 1600
Washington, DC 20460*

March 25, 1999

Mr. John Cutshall
Safety-Kleen Corp.
11039 Seton Court
Westminster, CO 80030

Dear Mr. Cutshall:

Thank you for your March 2, 1999 letter about the barriers you are facing in selling re-refined lubricating oil to local transit authorities. You inquired whether transit authorities using Federal funds to purchase lubricating oils are subject to section 6002 of the Resource Conservation and Recovery Act (RCRA) and President Clinton's Executive Order 13101.

RCRA section 6002 establishes a government buy-recycled program in order to promote resource conservation. It directs "procuring agencies" to purchase recycled content products designated by the U.S. Environmental Protection Agency (EPA), unless such products are not reasonably available, do not meet reasonable performance standards, or are only available at an unreasonable price. EPA designated re-refined lubricating oils in 1988. The Department of Defense, which establishes the specifications and testing requirements for lubricating oils used by the Federal fleet, has qualified re-refined lubricating oils for use in both military and civilian vehicles. I am not aware of any reasonable performance reason to preclude the use of re-refined lubricating oils in transit authority vehicles.

The term "procuring agencies" is defined as "any Federal agency, or any State agency or political subdivision of a State which is using appropriated Federal funds, or any person contracting with any such agency with respect to work performed under such contract." Congress further stated that RCRA section 6002 applies to purchases made with monies from Federal-aid programs of the U.S. Department of Transportation. Thus, purchases by local transit authority using federal funds, or by a maintenance contractor servicing transit authority vehicles, are subject to the buy-recycled requirements of RCRA section 6002.

Executive Order 13101 directs Federal agencies to implement affirmative procurement programs for the EPA-designated recycled products. While the provisions of the Executive Order apply only to Federal agencies, many localities have chosen to implement buy-recycled programs in order to create markets for materials that otherwise would be disposed in landfills or burned.

Please contact my office at 202-260-1297 if you would like to discuss this issue further. The point of contact in my office is Ms. Dana Arnold.

Sincerely

Fran McPoland
Federal Environmental Executive

FM/DFA