

EXHIBIT D

Letter Dated December 7, 2006
From DTSC to ISOCI
Regarding Closure Cost Estimate for
Proposed Units



Department of Toxic Substances Control



Alan C. Lloyd, Ph D
Agency Secretary
Cal/EPA

1011 North Grandview Avenue
Glendale, California 91201

Arnold Schwarzenegger
Governor

December 7, 2005

Mr. John Shubin
Industrial Service Oil Company Inc.
1700 South Soto Street
Los Angeles, California 90023

CLOSURE COST ESTIMATE FOR THE INDUSTRIAL SERVICES OIL COMPANY INC., EPA ID CAD099452708

Dear Mr. Shubin:

As part of an action item resulting from the meeting of October 31, 2005, attached please find a spreadsheet similar to the previous one that was sent to you on September 26, 2005. The attached spreadsheet represents a revised DTSC Closure Cost Estimate (CCE) which is intended to reflect the estimated costs for closure of proposed units at Industrial Service Oil Company, Inc. (ISOCI). These proposed units are listed in the facility's Part B permit application. The revised CCE amount for the proposed units is \$1,595,272.00. This amount is in addition to the \$1,458,991.00 which is the CCE for existing units at ISOCI. The CCE for the existing units was detailed to you in a letter sent to DTSC on November 3, 2005.

Please review this spreadsheet and provide any comments you may have concerning the CCE.

If you have any questions regarding this letter, please call me at (818) 551-2922.

Sincerely

//original signed by//

Allan Plaza, P.E.,
Unit Chief
Southern California Permitting and Corrective Action Branch
Hazardous Waste Management Program

Attachment

cc: see next page

Mr. John Shubin
December 7, 2005
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cc: Ms. Claudia Bohorquez, Esq.
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Burbank, California 91505

Mr. Anu Sood, P.E., R.E.A., C.P.P.
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Mr. Michael Kiger, President
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Mr. Jose Kou, P.E., Chief
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Ms. Debra Schwartz
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Mr. Steve Rounds, P.E.
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Closure Cost Estimate for the Proposed ISOCI Facility

														Total	Unit	Unit Cost	Total	
Container Storage Area 1 & 7																		
Sampling & Analysis																		
Waste Characterization	84	drums													84	Samples	748	\$62,832
Waste Characterization - Rinseate	2	Samples													2	Samples	748	\$1,496
Labor & equipment	43	hrs													43	hrs	103.37	\$4,445
Concrete Samples	14	Samples													14	Samples	748	\$10,472
Labor & equipment	10	hrs													10	hrs	54.3	\$543
Soil Confirmation	42	Samples													42	Samples	748	\$31,416
Labor & equipment	64	hrs													64	hrs	76.5	\$4,896
Soil Gas	22	Samples													22	Samples	340	\$7,480
Labor & equipment	22	hrs													22	hrs	87.29	\$1,920
Removal of Drummed Waste	840	Drum													840	Drum	2.97	\$2,495
Transportation																		
Drums	840	Drums													46200	gallons	0.6	\$27,720
Treatment and Disposal																		
Drums	840	drums													840	Drum	150	\$126,000
Rinseate (2nd containment)	35316	gallons													35316	gallons	1.31	\$46,264
Decontamination 2nd Containment																		
Dry Sweep 2nd Containment	8829	ft ²													8829	ft ²	0.5	\$4,415
Labor & equipment	353.5	hrs													353.5	hrs	46.38	\$16,395
CAM 1 & 7 Total																	\$348,789	

Railcar Unit	Quantity	Unit																	Total	Unit	Unit Cost	Total																	
Drain/Flush Liquids In Pipes																																							
Labor	312	hrs																	312	hrs	35	\$10,920																	
Material	5	days																	5	days	500	\$2,500																	
Sampling & Analysis																																							
Waste Characterization	10	Railcars																	10	Samples	748	\$7,480																	
Waste Characterization - Rinseate	10	Railcars																	5	Samples	748	\$3,740																	
Labor & equipment	7.5	hrs																	7.5	hrs	103.37	\$775																	
Wipe Samples	11	Samples																	11	Samples	408	\$4,488																	
Labor & equipment	5.5	hrs																	5.5	hrs	98.21	\$540																	
Soil Confirmation	33	Samples																	33	Samples	748	\$24,684																	
Labor & equipment	24.5	hrs																	24.5	hrs	76.5	\$1,874																	
Soil Gas	18	Samples																	18	Samples	340	\$6,120																	
Labor & equipment	18	hrs																	18	hrs	87.29	\$1,571																	
Transportation																																							
Liquid Loading	50	each																	50	each	143.56	\$7,178																	
Railcars	10	Railcars																	50	Trips	934.7	\$46,735																	
Rinseate Loading	160	hrs																	160	hrs	35	\$5,600																	
Rinseate (2nd containment)	25125	gallons																	26	trip	934.7	\$24,302																	
Truck Washout/Decon	76	each																	76	each	193.39	\$14,698																	
Treatment and Disposal																																							
Railcars	10	Railcars																	239688	gallons	0.64	\$153,400																	
Rinseate	25125	gallons																	25125	gallons	0.58	\$14,573																	
Decontamination 2nd Containment																																							
Dry Sweep 2nd Containment	7165	ft ²																	3829	ft ²	0.5	\$1,915																	
Labor & equipment	353.5	hrs																	353.5	hrs	46.38	\$16,395																	
Railcar Total																																						\$349,488	

Tank Units	Total		Tank 46	Tank 48	Tank 49	Tank 52	Tank 53	Tank 54	OWS-150 CFT DAF, & WT-2	Tank 800	Tank 44	Tank 45	Tank 600	Tank 51	Tank 55	Tank T-1, T-2, T-3	Tank V-1 & V-2	Tank 56	Tank WT-3, WT-5, WT-6	Total	Unit	Unit Cost	Total
	Volume	Unit																					
Tank System Purging																							
Cost of Dry Ice	4978.4	lbs	303.2	303.2	303.2	303.2	303.2	303.2		882.2	303.2	303.2	1065.4	303.2	151			151		4978.4	lbs	2.13	\$10,604
Labor Cost	82	hrs	5	5	5	5	5	5		14.5	5	5	17.5	5	2.5			2.5		82	hrs	67.03	\$5,496
Pipe Flushing (Labor & Equipment)	16	hrs	1	1	1	1	1	1		1	1	1	1	1	1			1		16	hrs	129.56	\$2,073
Decontamination (Labor & Equipment)																							
Tanks	19655	ft ²	57	57	57	57	57	57	39	45.5	57	57	0	57	38	14.5	45.5	38	21	754.5	hrs	75.49	\$56,957
Heavy Equipment																							\$2,865
2nd Containment	0	ft ²																		0	hrs	0	\$0
Transportation¹																							
Liquids (Oil, Oilywater, Glycol)	253359	gal	4	4	4	4	4	4	1	9	4	4		4	2	1				49	truck Load	300	\$14,700
Sludge ²	230	tons																		46		1200	\$55,200
Loading Equipment Rental																				19	day	500	\$9,500
Truck Washout																				95	Trucks	213	\$20,235
Treatment and Disposal																							
Fuel blending	111457	gal									75.9	75.9	267.2							419	tons	93	\$38,967
Wastewater	127798	gal	75.9	75.9	75.9	75.9	75.9	75.9	24.4										479.8	tons	107.9	\$51,770	
Glycol	31008	gal												75.9	37.9	3				116.8	tons	83.92	\$9,802
Solids/Sludge	397.6	tons	14.2	15.2	15.2	14.2	14.2	14.2		35.4	35.4	35.4	35.4	35.4	35.4	35.4	10.1	10.1	10.1	365.3	tons	150	\$54,795
Rinseate (Tanks) ³	19655	ft ²	5874	5874	5874	5874	5874	5874	4058	4718	5874	5874		5874	3966	5345		3966	2294	77213	gal	1.31	\$101,149
Rinseate (2nd Containment) ³	0	ft ²																		0	0	0	\$0
Field Activities Subtotal																							\$434,114
Sampling & Analysis⁴																							
Waste Characterization - Fuel Blending	3	Samples																		3	Samples	488	\$1,464
Waste Characterization - Wastewater	11	Samples																		11	Samples	488	\$5,368
Waste Characterization - Glycol	7	Samples																		7	Samples	410	\$2,870
Waste Characterization - Sludge	13	Samples																		13	samples	270	\$3,510
Waste Characterization Labor & Equip	11	hrs																		11	hrs	98.21	\$1,080
Wipe Samples	80	Samples																					
Labor & Equipment			2.5	2.5	2.5	2.5	2.5	2.5	5	2	2.5	2.5	0	2.5	1.5	1.5	1	1.5	2.5	37.5	hrs	98.21	\$3,683
Analysis			2040	2040	2040	2040	2040	2040	4080	1632	2040	2040	0	2040	1224	1224	1200	1224	2040	30984	\$		\$30,984
Waste Characterization Rinseate	32	Samples																					
Labor & Equipment			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	17	hrs	103.37	\$1,757
Analysis			1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	25432	\$		\$25,432
Concrete Samples	0	Samples																					
Labor & Equipment		0 hrs																		0	hrs	54.3	\$0
Analysis		0 \$																		0	\$		\$0
Soil Matrix	0	Samples																					
Labor & Equipment		0 hrs																		0	hrs	76.5	\$0
Analysis		0 \$																		0	\$		\$0
Soil Gas	0	Samples																					
Labor & Equipment		0 hrs																		0	hrs	87.29	\$0
Analysis		0 \$																		0	\$		\$0
Sampling & Analysis Subtotal																							\$76,148
Tank Total																							\$510,262
Units Subtotal																							\$1,208,540
Engineering (10%)																							\$120,854
SUBTOTAL																							\$1,329,394
Contingency (20%)																							\$265,879
Grand Total																							\$1,595,272

- Notes:
- 1 - Transportation costs for liquids include loading and unloading costs and transportation of Used Oil Oilywater and Used Glycol/Antifreeze to DeMenno/Kerdoon It does not include equipment rental for loading and truck washout
 - 2 - Transportation costs for sludge include loading and unloading costs and transportation to Kettleman Facility It does not include equipment rental for loading and truck washout
 - 3 - Rinseate water cost includes transportation and disposal costs
 - 4 - All estimates of sampling costs include costs for collection and handling of samples sampling equipment shipment of samples decontamination of the sampling crew and rental of necessary vehicles

Assumptions

Waste Characterization: It is assumed that only 10% of the drums/containers will be sampled

Soil Confirmation Samples: The number of soil confirmation sample locations were estimated at one sample per 625 sq ft.

Soil Gas Samples: the number of soil gas sample locations were estimated at one sample per 400 sq ft (20 ft. centers)

Transportation: It is assumed that it will take 1hr to load and 1 hr to unload liquid (oil, oily water, and used glycol/antifreeze) waste and 1 hr round trip to DeMenno/Kerdoon facility in Compton. Each truck trip is assumed to carry 5,000 gallons of liquid waste.

Transportation: It is assumed that it will take 2 hrs to load and 2 hrs to unload the sludge waste and 12 hrs round trip to Kettleam Hills facility. Each truck trip is assumed to be carrying 5 tons of sludge.

Transportation: It is assumed that in an eight hour work day the loading equipment for liquid waste will be able to load 8 trucks and for sludge waste 4 trucks.

Treatment & Disposal: It is assumed that 90% of the waste in the tanks will be liquid and 10% will be sludge.

Sampling & Analysis: Sampling & Analysis included for waste characterization for each tank, decontamination confirmation rinsewater for each tank pipe line (two pipe lines per tank) and for tank decon water, concrete of secondary containment including loading and unloading areas, soil matrix, soil gas, and tank wipe samples.