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United States Environmental Protection Agency
Washington, D.C. 20460
Office of Solid Waste and Emergency Response

October 7, 1993

Ms. Mary Anne Hunter
Environmental Coordinator
AVM, Gabriel, Maremont Exhaust
Arvin Industries, Inc.
1531 13th Street
Columbus, Indiana 47201

Dear Ms. Hunter:

Thank you for your letter dated November 3, 1992, requesting clarification of the September 10, 1992, Recycled Used Oil Management Standards. Specifically, you asked for clarification of the used oil processing standards as they apply to coolant recycling and oil/water separation activities and for clarification of used oil transporter standards as they apply to transport of metal scrap containing small quantities of oil.

Regarding the applicability of the processor standards, EPA is aware that the term "processor," as defined in the used oil management standards, can be broadly construed to include a number of basic on-site recycling activities that the Agency did not necessarily intend to cover (e.g., coolant recycling and oil/water separation).

EPA intended to include as processing only those used oil filtering and/or separation activities whose primary purpose is to produce used oil or to make it more amenable for the production of used oil derived products. Under this interpretation, neither the coolant recycling or the oil/water separation activities referred to in your letter would be considered used oil processing because, in these cases, the filtering and separation activities are incidental or ancillary to the normal manufacturing process, i.e., used oil processing is not their primary purpose. The primary purpose of the oil/water separation activity described in your letter, for example, would be to remove used oil from wastewater to

make the wastewater acceptable for discharge.

Although EPA believes that the current definition of "processor" can be properly read not to encompass oil/water separation or coolant recycling performed on-site at an industrial facility, we are, nonetheless, currently considering amendments to the used oil regulations to clarify the Agency's intent to exclude activities such as these from the requirements for used oil processors.

You also asked for clarification regarding the applicability of the used oil transporter requirements to metal scrap haulers. Generally, under section 279.10(c), materials containing or otherwise contaminated with used oil are regulated as used oil until the used oil is removed from the material. However, as clarified in the May 23, 1993, Technical Amendments and Corrections to the Final Rule, materials containing or otherwise contaminated with used oil, from which the used oil has been properly drained or removed to the extent possible such that no visible signs of free-flowing oil remain in or on the material are not considered used oil unless they are to be burned for energy recovery (58 FR 26420). Therefore, if the scrap referred to in your letter meets the "no free flowing oil" standard described in the May 23, 1993, technical correction notice at 58 FR 26420, it would not be considered used oil subject to the transporter standards. However, the used oil removed from the metal would be covered under the used oil management standards.

I hope that this addresses your concerns. If you have other questions regarding the used oil management standards, contact Eydie Pines at (202) 260-3509.

Sincerely,
Jeffery D. Denit
Acting Director
Office of Solid Waste