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

March 22, 1994

Mr. Gary F. Lindgren
Vice President, Environmental Compliance
Heritage Environmental Services, Inc.
7901 West Morris Street
Indianapolis, Indiana 46231

Dear Mr. Lindgren:

Thank you for your letters of August 6, 1993, and February 8, 1994, requesting clarification of the Environmental Protection Agency's (EPA) Recycled Used Oil Management Standards as they apply to wastewater treatment activities. I apologize for the delay in responding to your request.

As you correctly note in your letter, wastewater that contains used oil meets the §279.1 definition of used oil and is subject to regulation under the used oil management standards. You first ask whether the oil that is recovered from such wastewater during: a) treatment to meet a Clean Water Act (CWA) permit discharge limit; or b) a used oil recovery process, would also be considered used oil under §279.1. The answer in both cases is yes. Used oil that is recovered from wastewater during treatment to make the wastewater acceptable for discharge under a CWA permit is regulated as used oil. Similarly, oil recovered from wastewater generated during a used oil recovery process is also considered used oil for regulatory purposes.

Your second question is whether residues or sludges from CWA treatment of wastewater containing used oil is included in the definition of used oil. In technical amendments and corrections to the used oil rule, published on May 3, 1993, EPA clarified that used oil residues and sludges are subject to regulation under the used oil management standards. (58 FR 26422)

Finally, you ask whether EPA differentiates between a CWA

wastewater treatment operation that includes oil/water separation and a used oil processing operation that includes CWA permitted oil/water separation. EPA specifically addressed this issue in recently issued amendments to the final used oil regulations. These amendments were signed by the EPA administrator on February 25, 1994, and have been sent to the Federal Register for publication. A pre-publication copy of the final rule is attached .

The attached final rule clarifies that separating used oil from wastewater generated on-site to make the wastewater acceptable for discharge pursuant to a CWA discharge permit are not subject to the used oil processor standards, provided that the recovered used oil is not being sent to an off-site used oil burner (see §279.20(b)(2)(ii)(B)). As discussed in the attached preamble, under §279 20(b)(2)(ii)(B), oil/water separation activities conducted by a used oil processor (for purposes of wastewater discharge) on wastewater which has been generated by that processor are not subject to the Subpart F processor standards (see pg.38). In other words, EPA does not differentiate between oil/water separation activities conducted by used oil processors and oil/water separation activities undertaken by non-used oil processors. Provided that the wastewater is generated on-site, neither activity is subject to the used oil processor standards. However, as further clarified in the preamble, persons who perform oil/water separation activities on wastewater that is received from off-site would be considered used oil processors (see pg.39 of the attached).

You should note, however, that the Federal used oil regulations (including the amendments cited in this letter) are not currently in effect in States authorized to implement the hazardous waste program and will not become effective in such states until they are adopted as State law. Also, it is important to note that State regulations may be more stringent than Federal regulations. If you have any further questions, please contact Eydie Pines of my staff at (202) 260-3509.

Sincerely,
Michael Shapiro
Director
Office of Solid Waste

Attachment