Coolant Recycling and Used Oil Processing

A used oil generator uses an on-site filtration system to filter contaminants from metal working oils, commonly known as coolants, in order to extend the life of these oils. Is such on-site coolant recycling by the used oil generator considered used oil processing under 40 CFR Part 279?

On-site coolant recycling by a generator is not considered used oil processing if done in accordance with 279.20(b)(2)(ii). Processing is defined in 279.1 as, "chemical or physical operations designed to produce from used oil, or to make used oil more amenable for production of fuel oils, lubricants, or other used oil-derived product." Processing includes, but is not limited to: blending used oil with virgin petroleum products, blending used oils to meet the fuel specification, filtration, simple distillation, chemical or physical separation, and re-refining. Whether used oil is being processed depends on the purpose for which the used oil is being filtered, separated, or otherwise reconditioned. These activities constitute processing if they are intended to produce used oil derived products or facilitate the burning of used oil for energy recovery.

Coolant recycling, which includes the on-site maintenance, filtering, separation, reconditioning, or draining of coolants used in machining operations, is intended to extend the life of the oil and is incidental to the production process. This type of recycling is incidental or ancillary to a primary processing activity and is not intended to produce used oil derived products or facilitate burning for energy recovery. Therefore, EPA did not intend to regulate these practices as used oil processing (59 FR 10555-6; March 4, 1994). Such coolant recycling is not considered processing as long as the coolant is generated on site and is not being sent directly off site to a burner of used oil. The generator (or collection center or aggregation point) must comply with the requirements set forth in 279.20(b)(2)(ii).