


PGBR 2012/1EC - Compendium

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Ruling Compendium – PGBR 2012/1

This is a compendium of responses to the issues raised by external parties to draft PGBR 2012/D1 – *Product Stewardship (Oil) Benefit: the meaning of the expression ‘goods produced from used oil’ and the terms ‘filtered’, ‘de-watered’, and ‘de-mineralised’ for the purposes of the Product stewardship for oil benefit scheme.*

This compendium of comments has been edited to maintain the anonymity of entities that commented on the draft Ruling.

Summary of issues raised and responses

| Issue No. | Issue raised | ATO Response/Action taken |
|------------------|--|--|
| 1 | General enquiry as to whether or not the Ruling impacted on producers of gazetted oils (item 8 of the table in subregulation 4(1) of the Product Stewardship (Oil) Regulations 2000). | The Ruling only applies to producers of high grade industrial burning oils (item 5 of the table in subregulation 4(1) of the Product Stewardship (Oil) Regulations 2000) and low grade industrial burning oils (item 6 of the table in subregulation 4(1) of the Product Stewardship (Oil) Regulations 2000). However, the Commissioner’s views expressed in relation to items 5 and 6, where relevant, will have application to the Product stewardship oil (PSO) scheme generally. |
| 2 | Proposed minor amendments to various paragraphs (that is, 8, 16, 31, 47, 51, 59, 61,105, 110 & 118) to improve clarity and certainty. | Agreed. Paragraphs amended. |
| 3 | The Ruling states that the ordinary meaning of the word to be attributed to terms ‘filtered’, ‘de-watered’ and ‘de-mineralised’ rather than a technical meaning. However, Ruling is not clear in all instances (for example, paragraphs 94 to 97 and 116) that the terms may have a particular meaning in the context of the product stewardship oil scheme. | Wording reviewed and amended where necessary to improve clarity. Ruling to reflect the ordinary meaning of the terms ‘filtered’, ‘de-watered’ and ‘de-mineralised’. |
| 4 | For completeness, the Ruling should provide an explanation of the second limb of the meaning of ‘recycled oil’. | Agreed. Ruling only deals with high grade and low grade industrial burning oils. Footnote to paragraph 22 amended to provide further guidance. |

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|-----------|--|--|
| 5 | Ruling section needs to include a reference to the conclusion reached by the Commissioner that the ordinary meaning of 'produce' includes 'manufacture'. | Agreed. Ruling section amended to include a reference to the Commissioner's conclusion that the ordinary meaning of 'produce' includes 'manufacture'. |
| 6 | In paragraph 50, replace the term 'solid contaminants' with either 'impurities' or 'contaminants' since the ordinary meaning of 'filtered' includes the removal of suspended impurities or to recover solids. | Use of term 'solid contaminants' reviewed. Ruling and Explanation sections to refer to both suspended impurities and solid contaminants. |
| 7 | Paragraph 51. Recommend that the meaning of the term 'de-watering' be defined as "The Commissioner considers that used oil has been 'de-watered' if water arising through the oil's use has been removed from the oil such that the water content of the used oil is less than 0.1% by weight when assessed by ASTM D95, ASTM D6304 or equivalent standard." De-watering should result in a de-watered 'fuel' and oily water by-product. | <p>The product stewardship oil legislation does not define 'de-watered'. There is no universally accepted industry standard or practice for 'de-watering'.</p> <p>However, within the current legislative framework, a legislative amendment would be required to give effect to such a specific definition. Matter referred to Treasury and the Department of Sustainability, Environment, Water, Population and Communities.</p> <p>The discussion on the meaning of 'de-watered' has been strengthened to highlight used oil must be subjected to a process and water present in the oil must be separated and removed from the used oil.</p> |

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| 8 | <p>Paragraph 59. Recommend that the meaning of the term 'de-mineralised' be defined as "The Commissioner considers that used oil has been 'de-mineralised' of soluble and insoluble metals (lead, chromium, arsenic, cadmium, mercury, antimony and vanadium; and inorganic materials (such as salts and additives) arising from the oil's use have been removed for the used oil such that the mineral content is below 0.01% (100 ppm) when assessed by ASTM D5708, ASTM D7111 or equivalent."</p> <p>De-mineralising should result in a de-mineralised 'fuel' and a high mineral content (low grade – suitable for category 6) fuel by-product or equivalent high mineral content aqueous or solid.</p> | <p>The product stewardship oil legislation does not define 'de-mineralised'. There is no universally accepted industry standard or practice for 'de-mineralising'.</p> <p>However, within the current legislative framework, a legislative amendment would be required to give effect to such a specific definition. Matter referred to Treasury and the Department of Sustainability, Environment, Water, Population and Communities.</p> <p>The discussion on the meaning of 'de-mineralised' has been strengthened to highlight used oil must be subjected to a process and that contaminants must be removed from the used oil.</p> |
| 9 | <p>Proposed minor amendments to various paragraphs so as to improve clarity of the Ruling.</p> | <p>Agreed.</p> |
| 10 | <p>Proposed various policy and legislation initiatives aimed at enhancing the objectives of the Product stewardship oil scheme.</p> | <p>Matter referred to Treasury and the Department of Sustainability, Environment, Water, Population and Communities.</p> |
| 11 | <p>Recommend paragraph 124 be amended to read as follows:</p> <p>124. The Commissioner considers that used oil is de-mineralised if it is subjected to a process that removes or reduces the amount of soluble and insoluble metals, inorganic materials and minerals in the used oil.</p> | <p>Paragraph amended to strengthen the meaning of 'de-mineralised'.</p> |
| 12 | <p>Recommended various policy initiatives aimed at enhancing the outcomes of the Product stewardship oil scheme.</p> | <p>Matter referred to Treasury and the Department of Sustainability, Environment, Water, Population and Communities.</p> |