

**FEDERAL TRADE COMMISSION
16 CFR Part 311**

Test Procedures and Labeling Standards for Recycled Oil

AGENCY: Federal Trade Commission.

ACTION: Request for public comments.

SUMMARY: The Federal Trade Commission (“FTC” or “Commission”) requests public comment on the overall costs, benefits, and regulatory and economic impact of its rule specifying Test Procedures and Labeling Standards for Recycled Oil (“Recycled Oil Rule” or “Rule”), as part of the Commission’s systematic review of all current FTC rules and guides.

DATES: Written comments will be accepted until [Insert date 60 days after date of publication in the *Federal Register*].

ADDRESSES: Interested parties are invited to submit written comments. Comments should refer to “16 CFR Part 311 Comment - Recycled Oil Rule, Matter No. R511036” to facilitate the organization of comments. A comment filed in paper form should include this reference both in the text and on the envelope, and should be mailed or delivered to the Office of the Secretary, Federal Trade Commission, Room H-135 (Annex P), 600 Pennsylvania Avenue, N.W., Washington, DC 20580. Comments containing confidential material, however, must be filed in paper form, must be clearly labeled “Confidential,” and must comply with Commission Rule 4.9(c).¹ The FTC is requesting that any comment filed in paper form be sent by courier or

¹ The comment must be accompanied by an explicit request for confidential treatment, including the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. The request will be granted or denied by the Commission’s General Counsel, consistent with applicable law and the public
(continued...)

overnight service, if possible, because postal mail in the Washington area and at the Commission is subject to delay due to heightened security precautions. Comments filed in electronic form should be submitted by clicking on the following: <https://secure.commentworks.com/ftc-recycledoil> and following the instructions on the web-based form.

The FTC Act and other laws the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives, whether filed in paper or electronic form. Comments received will be available to the public on the FTC website, to the extent practicable, at <http://www.ftc.gov>. As a matter of discretion, the FTC makes every effort to remove home contact information for individuals from the public comments it receives before placing those comments on the FTC website. More information, including routine uses permitted by the Privacy Act, may be found in the FTC's privacy policy, at <http://www.ftc.gov/ftc/privacy.htm>.

FOR FURTHER INFORMATION CONTACT: Janice Podoll Frankle, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, DC, 20580; (202) 326-3022.

SUPPLEMENTARY INFORMATION:

I. Background

Section 383 of the Energy Policy and Conservation Act of 1975 ("EPCA"), 42 U.S.C. 6363, mandated that the FTC promulgate a rule prescribing testing procedures and labeling standards for recycled oil. This section of EPCA is intended to encourage the recycling of used

¹ (...continued)
interest. See Commission Rule 4.9(c), 16 CFR 4.9(c).

oil, promote the use of recycled oil, reduce consumption of new oil by promoting increased utilization of recycled oil, and reduce environmental hazards and wasteful practices associated with the disposal of used oil. 42 U.S.C. 6363(a).

EPCA also mandated that the National Institute of Standards and Technology (“NIST”) develop (and report to the FTC) test procedures to determine whether processed used oil is substantially equivalent to new oil for a particular end use. 42 U.S.C. 6363(c). EPCA required that, within 90 days after receiving NIST’s test procedures, the FTC issue a rule that permits any processed used oil container to bear a label indicating a particular end use (e.g., engine lubricating oil), as long as a determination of “substantial equivalency” with new oil has been made in accordance with NIST test procedures. 42 U.S.C. 6363(d)(1)(B).

On July 27, 1995, NIST reported to the FTC test procedures for determining the substantial equivalence of processed used engine oil with new engine oil. The FTC’s Rule, which was issued on October 31, 1995 (60 FR 55421), implements EPCA’s requirements by permitting a manufacturer or other seller to label recycled engine oil as substantially equivalent to new engine oil, as long as that determination is made in accordance with the test procedures entitled “Engine Oil Licensing and Certification System,” American Petroleum Institute Publication 1509, Thirteenth Edition, January 1995.

II. Regulatory Review Program

The Commission reviews all current Commission rules and guides periodically. These reviews seek information about the costs and benefits of the Commission’s rules and guides and their regulatory and economic impact. The information obtained assists the Commission in identifying rules and guides that warrant modification or rescission. Therefore, the Commission solicits comment on, among other things, the economic impact of its Recycled Oil Rule; possible

conflict between the Rule and state, local, or other federal laws; and the effect on the Rule of any technological, economic, or other industry changes.

III. Request For Comment

The Commission solicits written public comment on the following questions:

- (1) Is there a continuing need for the Rule as currently promulgated?
- (2) What benefits has the Rule provided to purchasers of the products or services affected by the Rule?
- (3) Has the Rule imposed costs on purchasers?
- (4) What changes, if any, should be made to the Rule to increase the benefits of the Rule to purchasers? How would these changes affect the costs the Rule imposes on firms subject to its requirements? How would these changes affect the benefits to purchasers?
- (5) What significant burdens or costs, including costs of compliance, has the Rule imposed on firms subject to its requirements? Has the Rule provided benefits to such firms? If so, what benefits?
- (6) What changes, if any, should be made to the Rule to reduce the burdens or costs imposed on firms subject to its requirements? How would these changes affect the benefits provided by the Rule?
- (7) Does the Rule overlap or conflict with other federal, state, or local laws or regulations?
- (8) Since the Rule was issued, what effects, if any, have changes in relevant technology or economic conditions had on the Rule?

(9) Since the Rule was issued, the American Petroleum Institute has published the Fifteenth Edition of Publication 1509. Should this updated version of Publication 1509 be incorporated by reference into the Rule?

List of Subjects in 16 CFR Part 311

Energy conservation, Incorporation by reference, Labeling, Recycled oil, Trade practices.

Authority: 15 U.S.C. 41-58.

By direction of the Commission.

C. Landis Plummer
Acting Secretary

[Billing Code: 6750-01]