



Waste Authority

MEDIA STATEMENT

Used oil crisis contained

Action taken by the Waste Authority has restored confidence in the used lube oil (ULO) recycling industry in Western Australia according to two reports, 'Used Oil Management Options Study' and 'Analysis of Used Oil Policy Management Options', released today by the Waste Authority Chairman, Mr Barry Carbon.

Mr Carbon said the Authority commissioned the studies into the state of the used oil collection and reprocessing infrastructure in Western Australia after the used oil crisis in late 2007.

"We'd reached a critical point where supply of used oil greatly exceeded demand and all available storage tanks were full. Inevitably this led to collections of used oil ceasing and the risk of illegal dumping increasing," he said.

"Prior to the study there was little in the way of quality data and coordinated knowledge of what was happening in the industry. There's now a much better understanding and improved communication between the major industry stakeholders."

"The Authority is currently considering the findings and policy options presented in the reports with a view to developing a comprehensive 'Used Oil Strategy' for Western Australia. In the meantime we'll be keeping a close eye on the situation."

"One very positive outcome is a joint venture between two major used oil recyclers, Wren Oil and Nationwide Oil. The companies are currently in discussions with the intention to build a lube-to-lube recycling plant in Picton."



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The re-refined base lube oil produced at Picton would be sold locally and exported using proposed new infrastructure to be built by the Joint Venture at the Port of Bunbury. It is expected the plant will be operational within two years and the new storage tanks will replace the 22M litres of storage infrastructure currently leased temporarily from Shell and Verve Energy.

“The joint venture will help to secure the future of ULO recycling and the companies are to be commended for their cooperation and shared vision,” Mr Carbon said.

253M litres of ULO are collected annually in Australia with approximately 42.3M litres collected in Western Australia. There are established markets for burner fuels in Singapore, South East Asia and the Christmas Island Phosphate Company.

The report is available on the Authority's website

http://www.zerowastewa.com.au/documents/used_oil_report_final_solutions_for_WA_market.pdf

http://www.zerowastewa.com.au/documents/analysis_used_oil_policy_management_options.pdf

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