

Exhibit 12



Pennsylvania Department of Environmental Protection

Rachel Carson State Office Building

P.O. Box 2063

Harrisburg, PA 17105-2063

May 19, 2008

Secretary

717-787-2814

Ms. JoAnn Gillette
Application Review Committee
People Protecting Communities
P.O. Box 38
Clarence, PA 16829

Dear Ms. Gillette:

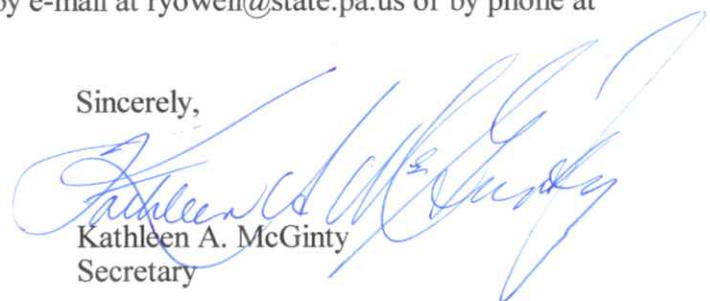
Thank you for your recent letter regarding your concern for the proposed landfill in Rush Township, Centre County. I appreciate your position regarding the development plans submitted by Resource Recovery, LLC (RRLC). Also, I appreciate the amount of effort that your group has undertaken to learn the permitting process and to be involved in the process.

Your correspondence references the letter that was sent to me by RRLC, and provides a rebuttal to the claims by RRLC. In that letter, RRLC provided a fairly detailed synopsis of the development plans that its company has for the Rush Township property. In addition, RRLC also provided a list of proposed benefits that it believes will arise from the development of the property. Finally, RRLC requested that the Department of Environmental Protection (DEP) proceed in its permit review of the landfill application that was submitted to DEP's Northcentral Region.

My staff informs me that the Northcentral Regional Office permit application review staff for the landfill has not begun the extensive Phase I and Phase II reviews of the application. Accordingly, DEP is not in a position to respond to many of your comments. However, I want to make your group aware that DEP's position conveyed to RRLC by letter from the Northcentral Regional Director, Robert C. Yowell, on February 7, 2007, remains unchanged. At this time, DEP still believes that there are significant uncertainties remaining with the approval of the proposed Interstate-80 interchange. DEP's Phase I review will remain suspended until RRLC can provide information that the Federal Highway Administration has completed the National Environmental Policy Act process and approved the I-80 interchange. Therefore, until the questions/issues regarding the proposed interchange are resolved, DEP is unable to proceed with its review of the application.

Thank you for your interest in this matter. I hope this information is helpful. If you have any questions, please contact Mr. Michael D. Sherman, Deputy Secretary of Field Operations, by e-mail at msherman@state.pa.us or by phone at 717-787-5028 or Mr. Robert C. Yowell, Director of our Northcentral Regional Office, by e-mail at ryowell@state.pa.us or by phone at 570-327-3695.

Sincerely,



Kathleen A. McGinty
Secretary

