



Pennsylvania Department of Environmental Protection

208 West Third Street, Suite 101
Williamsport, PA 17701-6448
October 2, 2006

Northcentral Regional Office

Fax 570-327-3420

CERTIFIED MAIL NO. 7006 0100 0005 3589 6187

Mr. E. B. Abel, Jr., President
Resource Recovery, LLC
3925 Columbia Avenue
P.O. Box 476
Mountville, PA 17554-0476

Re: Administrative Completeness Review
Resource Recovery Landfill Application
I.D. No. 101685
Resource Recovery, LLC
APS No. 583150, Auth No 632293
Rush Township, Centre County

Dear Mr. Abel:

The Department of Environmental Protection (DEP) has determined that the referenced permit application for the Resource Recovery Landfill in Rush Township, Centre County, is administratively complete. As you know, on June 28, 2006, the timeline for the review of this application was negotiated between yourself, Rush Township, Centre County and DEP. At that time, a DEP review timeline of 21 months (610 days) was agreed upon.

During the technical review, Mr. Joseph Figured will be the lead reviewer evaluating the adequacy of the application to determine compliance with applicable rules and regulations. Mr. Figured will also coordinate comments from other technical staff, as necessary, to complete a comprehensive evaluation of the application.

As a preliminary matter, pursuant to 25 Pa. Code § 271.3, the Department is requesting additional information regarding the proposed Interstate 80 interchange. The interchange is integral to the siting of the proposed landfill, and yet there is minimal information contained in Phase I of the permit application. Prior to proceeding with further review of the application, the Department requests that Resource Recovery submit further information to the Department regarding the I-80 interchange. Specifically, the Department is requesting that Resource Recovery submit information regarding the process for obtaining approval for construction of the interchange. In responding, Resource Recovery should, at a minimum, indicate what information has been requested from the pertinent state and federal agencies, what deficiencies, if any, the pertinent state and federal agencies have noted in the information previously submitted to them by Resource Recovery, what the process is for obtaining state and federal

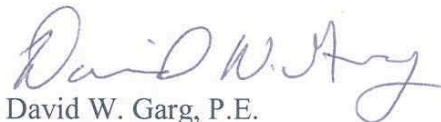


approval, what is the anticipated length of time to obtain approval, and where Resource Recovery's request is in the administrative process. Given that traffic has a significant role in the Environmental Assessment, and there appears to be significant uncertainty as to the fate of the proposed interchange, the Department's Phase I review cannot proceed until the issues surrounding the interchange are resolved.

The Waste Management Program is also aware that the Watershed Management Program has determined that there appear to be significant deficiencies regarding the Chapter 105 permit. These deficiencies, and the manner in which they are resolved, will have a definite impact upon the siting and/or design of the landfill. The wetlands issues also significantly impact the Department's Phase I review of the Form D - Environmental Assessment for Municipal and Residual Waste Management Facilities. For these reasons, in addition to the Interstate 80 interchange issues, until the issues raised by the Watershed Management Program are also resolved, the Department's Phase I review will be unable to proceed.

Accordingly, the Department's Phase I review will be suspended until Resource Recovery resolves the uncertainties connected with the Interstate 80 interchange and the wetlands issues raised by the Watershed Management Program. If you have any questions or require further assistance, please call me at 570-327-3752.

Sincerely,



David W. Garg, P.E.
Facilities Manager
Waste Management

cc: Rush Township
Centre County Commissioners
Central Office- Municipal and Residual Waste Division
Bill Tafuto, ARM Group Inc.
Gary Byron
Dan Spadoni
Joe Figured
File