



October 5, 2010

Surface Transportation Board
395 E. Street, SW
Washington, DC 20423

Attention: Danielle Gosselin
Section of Environmental Analysis

RE: Environmental Filing FD 35116

Ms. Gosselin:

Per your request, the following information will update the proposed uses and overall direction for the Resource Recovery project located in Centre County, Pennsylvania.

Since the inception of our initial project planning in 2003, many changes have taken place due to major technological advances in the waste-to-energy field, most notably with the creation of the waste-to-ethanol process. Resource Recovery entered into agreement with a major bio-ethanol company to build and operate a production plant that will literally utilize municipal solid waste to manufacture fuel-grade ethanol.

Therefore, our approach for the project will be geared toward the transportation of waste, via rail, to the ethanol facility. Additionally, the rail will then transport ethanol by tanker car from the Resource Recovery project. Not only will the rail service allow us to keep large trucks off the highways, it will allow for a much more dependable delivery of the waste material.

Due to the major development of the waste-to-ethanol component, our need for a larger sized landfill has decreased. Once the waste has been processed through the ethanol facility, the volume of material will be reduced by 80 percent. Therefore, only 20 percent of the waste material received at the project site will ultimately enter the landfill, which allows for a smaller landfill operation than was originally planned.

The quarry component of the project continues to move forward with an adjustment of location arising from the development of a higher yield for aggregate on the project site. The quarry operator has changed to HRI, Inc. and they are eager to develop this component of the project.

DANIELLE GOSSELIN
SURFACE TRANSPORTATION BOARD

RESOURCE RECOVERY LLC
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Since the beginning of our project, there has been tremendous progress within the energy industry with the development of Marcellus Shale drilling and exploration. After our initial gas lease agreement with Rex Energy, we have now developed a relationship with Williams-Exploration and Production, as they move into the drilling phase of the gas field development on our property.

Recent conversations have prompted Williams to inquire about the transporting of their well drilling materials, pipeline materials, well fracturing sand and other materials associated with gas well development throughout the region. This certainly adds another component use to the rail reinstatement interest.

With the development of the Marcellus Shale region, gas drilling companies will have a need for the transport of raw water used in the well fracturing phase of the gas well process as well as processed water transport and treatment. The permitting and construction of a permanent water treatment facility previously listed under Rex Energy will now be handled and managed by Keystone Clearwater Solutions, who is currently serving gas companies throughout the Marcellus Shale region with their raw water transport and portable treatment. Keystone is also exploring what opportunities will be developed in raw water transport from the site and delivery of fracturing water to the permanent treatment facility on the project site by rail service.

As you can see our project has transformed over time. The development of additional rail uses have significantly increased and with the technological breakthroughs taking place we have enhanced the opportunities available for our project.

Should you have any questions or require any additional information, please contact me at (717) 285-2020.

Sincerely,

RESOURCE RECOVERY LLC



TROY ABEL
Vice President

CC: Kevin Starnner, Skelly and Loy, Inc.
Rush Township