

July 23, 2007

Phone 585.454.6110
Fax 585.454.3066
www.labellapc.com

Scott Foti, P.E.
New York State Department of Environmental Conservation
Division of Solid and Hazardous Materials-Region 8
6274 East Avon Lima Road
Avon, New York 14414

*left message
8-6-07
left message
8-16-07*

Re: Summary Letter Report
Final Soil Sampling for Resource Conservation and Recovery Act (RCRA) Closure
Former Foster Wheeler Plant, 9431 Foster Wheeler Road
USEPA ID No. NYD002205599
Dansville, New York 14437
LaBella Project No. 206251.01

Dear Mr. Foti:

LaBella Associates, P.C. ("LaBella") is pleased to submit this Letter Report which summarizes the results of the recent sampling at RCRA Areas of Concern #1 and #2 at the above-referenced facility. This sampling was conducted at the Department's request. The Department requested this sampling in a January 10, 2007 letter to Bruce Studley of the Foster Wheeler Energy Corporation (FWEC). LaBella and Hiscock and Barclay, LLP responded to the request for additional sampling with letters dated March 14th, 2007. Subsequent to the March 14, 2007 written correspondence, Doug Stout, of FWEC, and I conducted a conference call with you to discuss the Department's requirements on March 23, 2007. Copies of the written correspondence referenced above are attached as Appendix 1.

As a result of the March 23, 2007 conference call, the Department requested four additional Tasks in order to close the RCRA issues that remain at the Dansville Plant. These Tasks were as follows:

- In Area of Concern (AOC) #1 (the Sump in the southwest corner of the building structure where low levels of one PCB were detected in a prior concrete core sample), the Department requested two additional soil borings with corresponding soil samples obtained and analyzed for PCB's.
- In AOC #1, if the soil samples do not contain elevated levels of PCBs the Department requested that the sump be filled and capped with concrete at surrounding floor grade.
- In AOC #2 (the two floor drains in the south central portion of the building structure), the Department requested that a soil boring be advanced in close proximity to each floor drain and that a corresponding soil sample be obtained and analyzed for Target Compound List Volatile Organic Compounds, NYSDEC Stars list Semi Volatile Organic Compounds, and 8 RCRA Metals.
- In AOC #2, the Department requested that a falling head test be completed for the two floor drains, to ascertain if the floor drains were completely plugged.

Prior to conducting the soil boring and sampling program, LaBella provided the Department with a sampling plan diagram and cross section to ensure that the proposed sample locations and sample depths met with the Department's approval. You verbally approved this sampling plan on or about the week of April 23rd, 2007. The sampling plan diagram and cross-section are attached.

Soil Boring and Sampling Program

Prior to the commencement of field activities, an Underground Facilities Protection Organization (UFPO) stakeout (UFPO Ticket # 04-307-134-130) was requested for the Site.

On May 4, 2007, LaBella Associates retained the services of TREC Environmental, Inc. (TREC), a specialized Geoprobe[®] contractor, to core through the building's concrete floor slab and collect the subsurface soil samples. Soils from the borings were continuously assessed by a LaBella Environmental Analyst for visible impairment, olfactory indications of impairment, and/or indication of detectable volatile organic compounds (VOCs) on a Photo-Ionization Detector (PID) total VOC meter, collectively referred to as "evidence of impairment." No evidence of impairment was detected in connection with the soils collected during the May 4, 2007 soil sampling activities.

The following four (4) soil samples were collected during the May 4, 2007 soil sampling activities:

- AOC #1 soil sample "NSS", collected from 6 feet to 8 feet below the concrete floor slab, on the northern side of the open sump crock.
- AOC #1 soil sample "SSS", collected from 6 feet to 8 feet below the concrete floor slab, on the southern side of the open sump crock;
- AOC #2 soil sample "EFD", collected from 1 feet to 2 feet below the concrete floor slab, adjacent to the eastern abandoned (apparently plugged with concrete) floor drain; and
- AOC #2 soil sample "WFD", collected from 4 feet to 6 feet below the concrete floor slab adjacent to the western abandoned (apparently plugged with concrete) floor drain.

Soil boring locations and sample depths are detailed in Figure 2 and Figure 3, respectively. All four (4) of the soil samples were delivered, under standard Chain of Custody procedures, to Paradigm Environmental Services, Inc. (Paradigm), a New York State Department of Health (NYSDOH) Environmental Laboratory Approval Program (ELAP) certified laboratory:

The two (2) soil samples collected from the borings advanced next to the open sump crock at AOC #1 ("NSS" and "SSS") were analyzed for poly-chlorinated biphenyls (PCBs) by United States Environmental Protection Agency (USEPA) Method 608. According to the laboratory analytical report (see Appendix 1), no PCBs were detected in these soil samples above laboratory method detection limits (MDLs).

The two (2) soil samples collected from the borings advanced next to the abandoned (believed to have been plugged with concrete by the previous owner) floor drains at AOC #2 ("EFD" and "WFD") were analyzed for the following:

- Target Compound List (TCL) Volatile Organic Compounds (VOCs) by USEPA Method 8260;
- New York State Department of Environmental Conservation (NYSDEC) Soil Technology and Remediation Series (STARS) Base/Neutral Semi-Volatile Organic Compounds (SVOCs) by USEPA Method 8270; and
- The eight (8) USEPA RCRA metals, by various USEPA Methods.

The laboratory analytical results associated with soil samples "EFD" and "WFD" are summarized in Tables 1, 2, and 3 and were compared to:

- the Recommended Soil Cleanup Objectives (RSCOs) referenced in New York State Department of Environmental Conservation (NYSDEC) Technical and Administrative Guidance Memorandum #4046 dated January 24, 1994 (TAGM 4046), as amended by Tables dated August 22, 2001; and
- applicable (given the Site's industrial/commercial use) Restricted Use Soil Cleanup Objectives (SCOs), as presented in Table 375-6.8(b) of 6 NYCRR Subpart 375-6 (the recently adopted NYSDEC "Brownfield and Superfund Regulation").

As summarized in Table 1, three (3) VOCs (tetrachloroethene; 1,1,1-trichloroethane, and acetone) were detected above laboratory MDLs in either one or both of samples "EFD" and "WFD". However, the detected concentrations of these VOCs were reported at concentrations below their respective NYSDEC TAGM 4046 RSCOs and Restricted Use SCOs for the Protection of Public Health, Commercial Use. Laboratory analytical results indicate that acetone was detected in soil samples "EFD" and "WFD" at concentrations [139 parts per billion (ppb) and 121 ppb, respectively] that are below the NYSDEC TAGM 4046 RSCO for Acetone (200 ppb) but exceed the NYSDEC's Restricted Use SCO for the Protection of Groundwater for Acetone (50 ppb).

Paradigm indicates that it is possible that the detection of acetone in soil samples "EFD" and "WFD" is "lab artifact" (i.e., the acetone originated in the laboratory and is not inherent to the soil sample). However, Paradigm indicates that the quality control (QC) "method blank", which the lab uses to monitor for fugitive acetone in the lab, did not have any reportable levels of acetone in them.

As summarized in Table 2, one (1) SVOC, pyrene, was detected above its laboratory MDL in soil sample "WFD." Again, the detected concentration of pyrene was reported to be well below the NYSDEC TAGM 4046 RSCO and Restricted Use SCO for pyrene.

As shown on Table 3, six (6) of the eight (8) RCRA metals were detected at concentrations above the reported laboratory MDLs, but below the NYSDEC TAGM 4046 RSCOs and/or within the Eastern USA Background Ranges referenced in TAGM 4046. As also shown in Table 3, the detected concentrations of the RCRA metals were also below their respective NYSDEC Restricted Use SCOs.

Except for a slightly elevated concentration of acetone in soil, the levels of VOCs and SVOCs that were detected are all well beneath their corresponding TAGM #4046 TAGM RSCOs and Restricted Use SCOs. These low-level, sporadic detections of VOCs and SVOCs are consistent with analytical results that were presented to the Department in the prior Site Characterization reports. In addition, these levels of VOCs are not indicative of a "source area" of subsurface impairment that could leach or migrate to any significant degree. Furthermore, these soils are capped by a thick concrete floor slab and roof, preventing any exposure to human or ecological receptors.

Additional Tasks to be completed to Close the RCRA Issue

Upon your review and concurrence that all required sampling and testing activities are complete and to the satisfaction of the Department, Dansville Properties, LLC will fill in the sump at AOC #1 with clean fill and cap the sump with a concrete floor that matches the existing floor elevation of the surrounding plant.

A falling head test has already been performed by Dansville Properties, LLC on the floor drains in June 2007, and no net loss of liquid was observed over a 48-hour period. However, Dansville Properties, LLC is willing to conduct an additional falling head test to be observed by a representative of the Department on the two floor drains in AOC #2. Upon completion and satisfaction of the Department that the floor drains are plugged, Dansville Properties, LLC will fill the drains with concrete to existing floor elevations.

Conclusions

In order to advance its business operations, Dansville Properties, LLC (the owner of the facility), on behalf of the former owners (FWEC), has now completed the sampling and analysis that the Department has requested in order to close out the RCRA Status of the Former FWEC Facility. No PCBs have leached to the environment from the Sump in AOC #1. Limited detections of low level VOCs, SVOCs, and metals in AOC #2 are below their respective TAGM RSCOs and are below all but one (1) of the applicable NYSDEC Part 375 Restricted Use SCOs. As detailed previously in this report, given the setting, the detection of acetone at a concentration slightly above its NYSDEC Part 375 Restricted Use SCO for the Protection of Groundwater does not present a threat to public health, worker safety, or the environment. The low-level detections of VOCs and SVOCs in AOC #2 found during this investigation are consistent with the subsurface conditions present across the industrial compound that were previously presented and found acceptable to the Department.

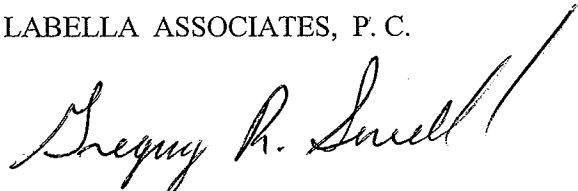
It should be noted that no redevelopment activities are proposed for the areas containing AOC#1 and AOC#2, and the concrete floor slab in these areas was found to range in thickness from five (5) inches to twelve (12) inches, which will preclude any human exposure to the sub-slab soils.

Scott Foti, P.E.
New York State Department of Environmental Conservation
July 23, 2007
Page 5

I trust that completion of the Department's final sampling and testing requests will lead to an expeditious resolution of the outstanding RCRA issues at the former FWEC Dansville Plant. If you have any questions, or require additional information, please do not hesitate to contact me at (585) 295-6243.

Respectfully submitted,

LABELLA ASSOCIATES, P. C.



Gregory R. Senecal, CHMM
Environmental Director

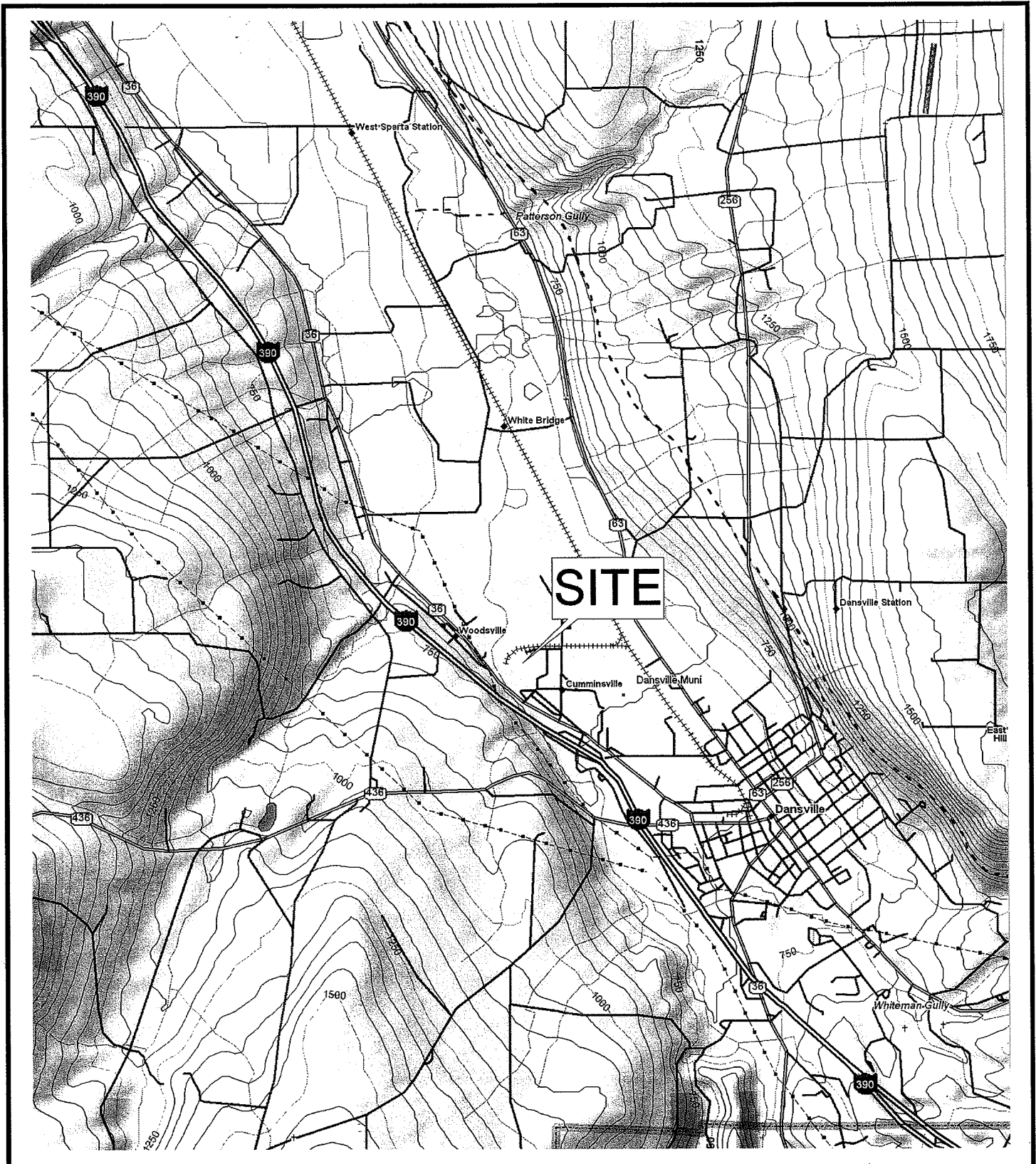
Attachments

cc: Rich Rizzeri, Dansville Properties, LLC
Lawrence Mehlanbacher, Dansville Properties, LLC
Frank Pavia, Esq., Harris Beach, LLP
Thomas Walsh, Esq., Hiscock & Barclay, LLP
Douglas Stout, Foster Wheeler Energy Corp.
Steven Malsan, P.E.; NYSDEC

Y:\DANSVILLE PROPERTIES\206251.01\CLERICAL\WORD\RPT\R7G23KM1.DOC

LaBella
LaBella Associates, P.C.
300 State Street
Rochester, New York 14614

Figures



NOT TO SCALE

FIGURE 1 SITE LOCATION MAP

9431 Foster Wheeler Road
Town of Dansville, Livingston County, New York

ABELLA

PROJECT NO. 206251.01

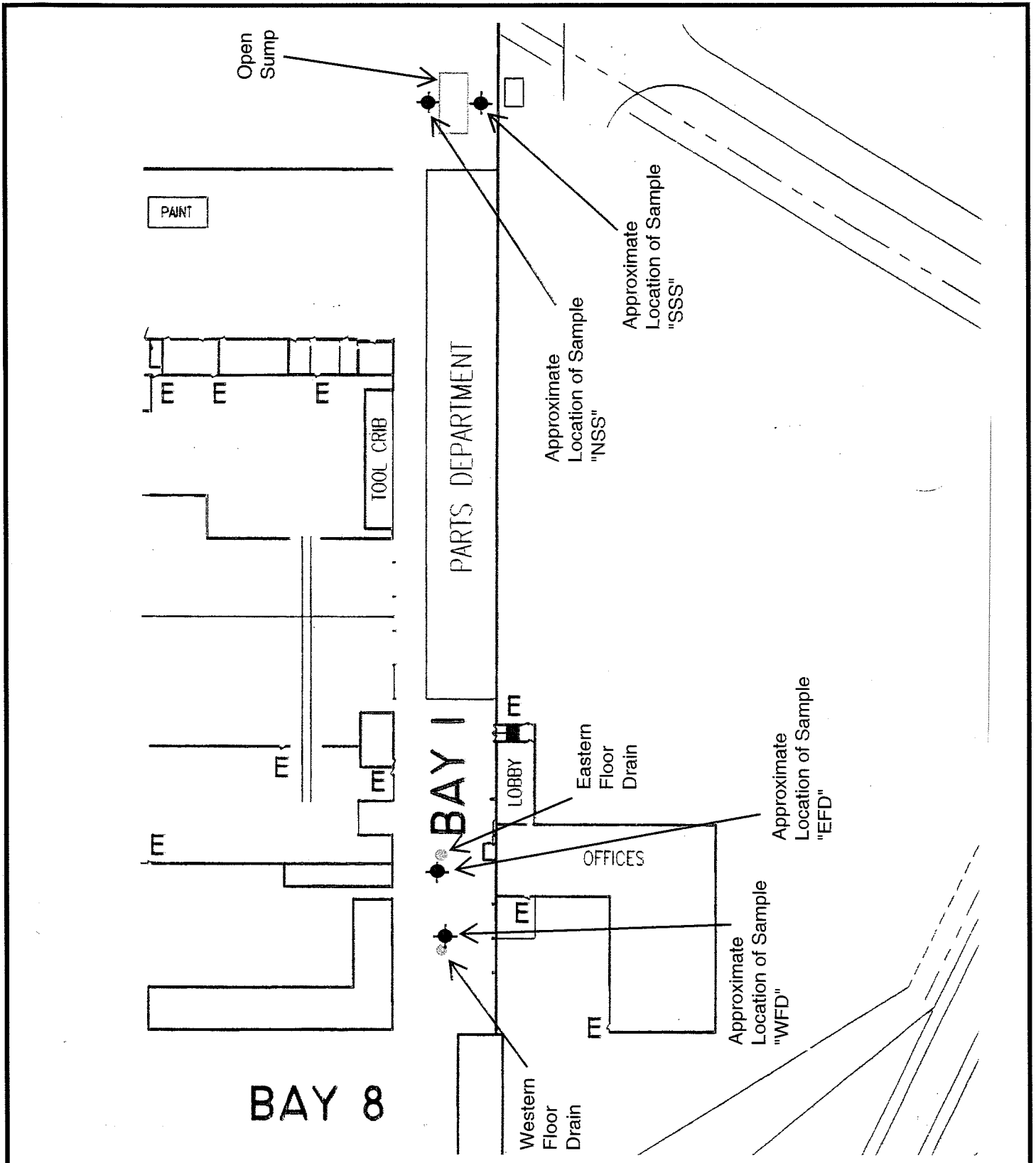


FIGURE 2
BORING LOCATION MAP

9431 Foster Wheeler Road
 Town of Dansville, Livingston County, New York

LABELLA

PROJECT NO.
 206251.01

NOT TO SCALE

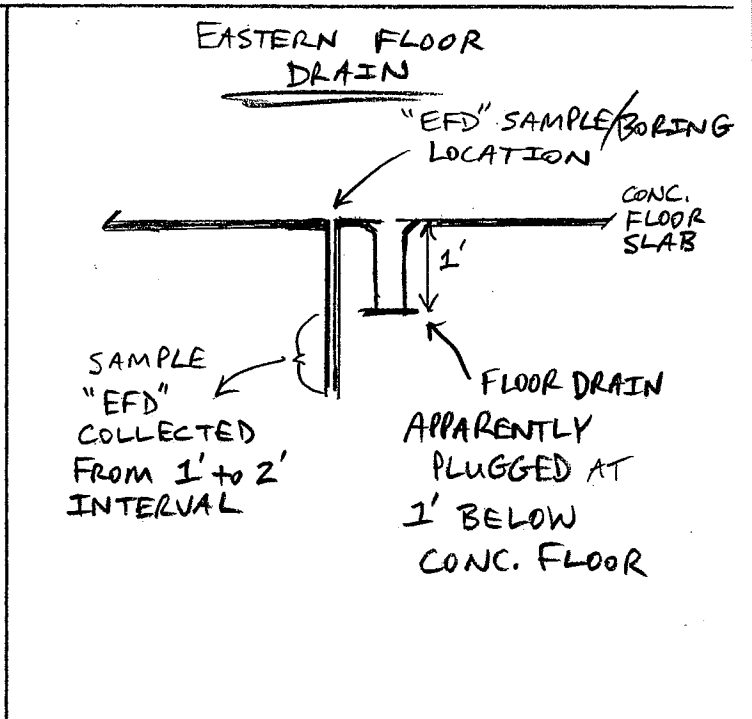
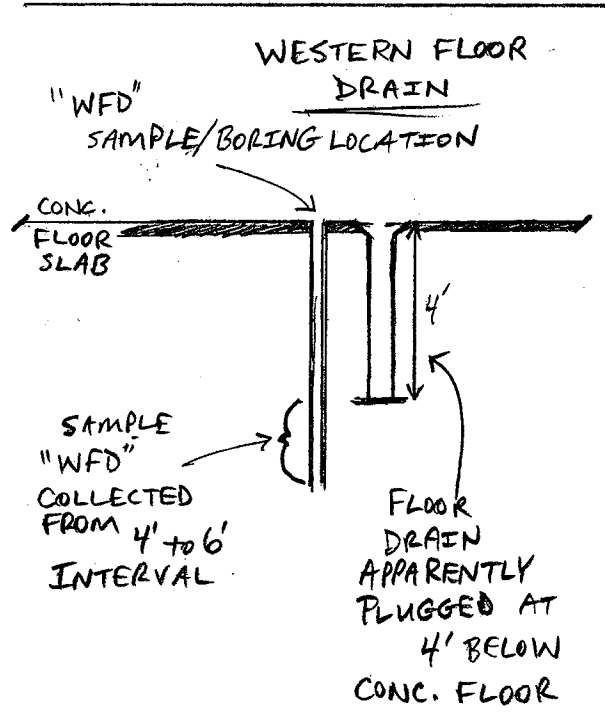
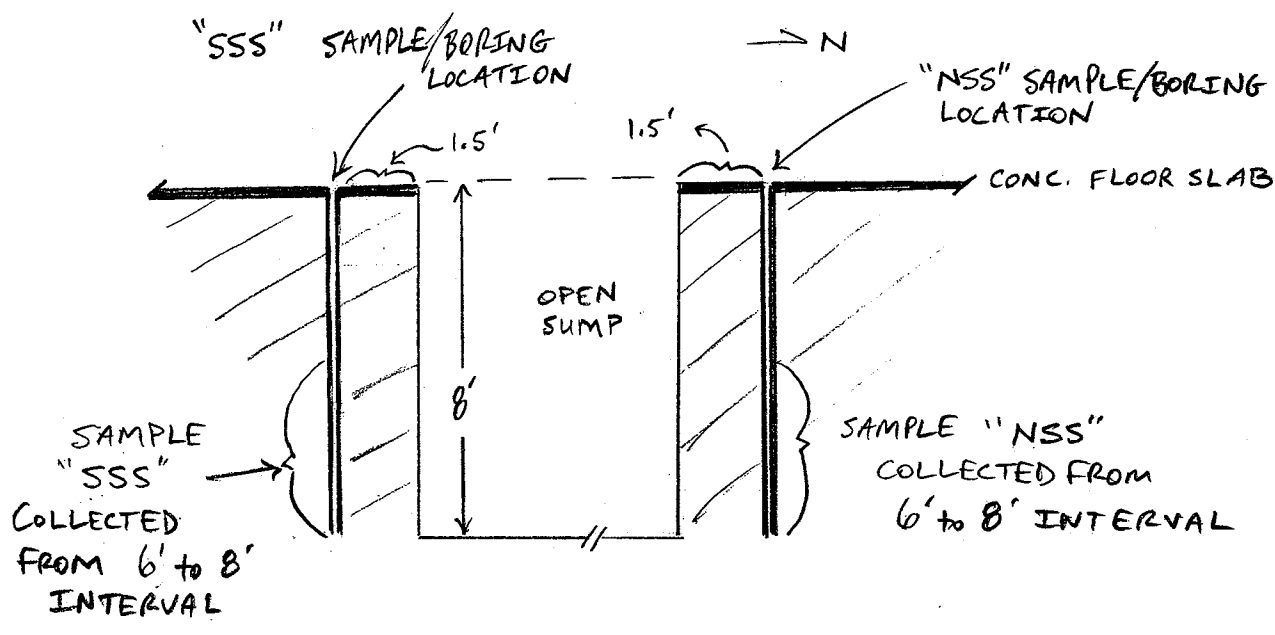


FIGURE 3
SAMPLING CROSS SECTION

LABELLA

NOT TO SCALE

9431 Foster Wheeler Road
Town of Dansville, Livingston County, New York

PROJECT NO.
206251.01

LaBELLA

LaBella Associates, P.C.

300 State Street

Rochester, New York 14614

Tables

Table 1

9431 Foster Wheeler Road

Summary of Detected Volatile Organic Compounds in Supplemental Soil Samples
Results in Micrograms per Kilogram (µg/kg)
or Parts per Billion (ppb)

(USEPA Method 8260B)

Parameter/Sample ID #	EFD 1-2	WFD 4-6	NYSDEC TAGM 4046: Recommended Soil Cleanup Objectives (RSCOs) ⁽¹⁾	Restricted Use Soil Cleanup Objectives (SCOs) - Protection of Public Health - Commercial Use ⁽²⁾	Restricted Use Soil Cleanup Objectives (SCOs) - Protection of Groundwater ⁽²⁾
tetrachloroethene	7.61	ND<9.67	1,400	150,000	1,300
1,1,1-trichloroethane	15.8	16.1	800	500000 ⁽³⁾	680
acetone	139	121	200	500000 ⁽³⁾	50
TOTAL VOCs	162	137	<10,000	N/A	N/A

1. RSCOs Referenced in NYSDEC TAGM 4046, as updated by Supplemental Tables dated August 22, 2001.

2. 6 NYCRR Subpart 375-6 Remedial Program Soil Cleanup Objectives

3. The SCOs for Commercial use were capped at a maximum of 500,000 µg/kg (ppb).

ND denotes analyte not detected above the laboratory method detection limit shown.

Table 2

9431 Foster Wheeler Road

**Summary of Detected Semi-Volatile Organic Compounds in Supplemental Soil Samples
Results in Micrograms per Kilogram (µg/kg)
or Parts per Billion (ppb)**

(USEPA Method 8270C)

Parameter/Sample ID #	FFD 1-2	WFD 4-6	NYSDEC TAGM 4046: Recommended Soil Cleanup Objectives⁽¹⁾	Restricted Use Soil Cleanup Objectives (SCOs) - Protection of Public Health - Commercial Use⁽²⁾	Restricted Use Soil Cleanup Objectives (SCOs) - Protection of Groundwater⁽²⁾
pyrene	ND<315	348	50,000	500000 ⁽³⁾	1,000,000 ⁽⁴⁾

- ND denotes analyte not detected above the method detection limit shown.

1. RSCOs Referenced in NYSDEC TAGM 4046, as updated by Supplemental Tables dated August 22, 2001.

2. 6 NYCRR Subpart 375-6 Remedial Program Soil Cleanup Objectives

3. The SCOs for Commercial use were capped at a maximum of 500,000 µg/kg (ppb).

4. The SCOs for the protection of groundwater were capped at a maximum value of 1,000,000 ug/kg (ppb).

ND denotes analyte not detected above the laboratory method detection limit shown.

Table 3
9431 Foster Wheeler Road
Summary of Detected Metals in Supplemental Soil Samples

Results in Milligrams per Kilogram (mg/kg)
or Parts per Million (ppm)

(USEPA Method 6010)

Parameter/ Sample ID #	EFD 1-2	WFD 4-6	NYSDEC TAGM 4046: Recommended Soil Cleanup Objectives ⁽¹⁾	Restricted Use Soil Cleanup Objectives (SCOs) - Protection of Public Health - Commercial Use ⁽²⁾	Restricted Use Soil Cleanup Objectives (SCOs) - Protection of Groundwater ⁽²⁾	NYSDEC Eastern USA Background Levels
Arsenic	6.85	11.1	7.5 or SB	16	16	3 to 12 *
Barium	81.3	81.1	300 or SB	400	820	15 to 600
Cadmium	ND <0.502	ND <0.494	1 or SB	9.3	7.5	0.1 to 1
Chromium	9.46	13.9	10 or SB	400	19	1.5 to 40 *
Lead	62.1	138	200 to 500	1,000	450	200 to 500
Mercury	0.5563	0.1116	0.1	2.8	0.73	0.001 to 0.2
Selenium	0.569	ND <0.494	2 or SB	1,500	4.0	0.1 to 3.9
Silver	ND <1.00	ND <0.989	SB	1,500	8.3	Not Available

1. RSCOs Referenced in NYSDEC TAGM 4046, as updated by Supplemental Tables dated August 22, 2001.

2. 6 NYCRR Subpart 375-6 Remedial Program Soil Cleanup Objectives

ND denotes analyte not detected above the method detection limit shown.

SB denotes Site Background level.

* Denotes New York State Background Concentration.

LaBELLA

LaBella Associates, P.C.

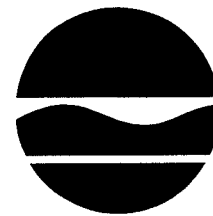
300 State Street

Rochester, New York 14614

Appendix 1

**New York State Department of Environmental Conservation
Division of Solid and Hazardous Materials**

Bureau of Hazardous Waste and Radiation Management, 9th Floor
625 Broadway, Albany, New York 12233-7258
Phone: (518) 402-8594 • FAX: (518) 402-9024
Website: www.dec.state.ny.us



Denise M. Sheehan
Commissioner

Received By _____
P.C.

JAN 16 2007

January 10, 2007

Mr. Bruce C. Studley
Vice President
Foster Wheeler Energy Corporation
Perryville Corporate Park
Clinton, NJ 08809-4000

Client: _____
Proj.#: _____

Dear Mr. Studley:

Re: Foster Wheeler Energy Corp.
USEPA ID No: NYD002205599

In response to recent discussions regarding the closedown by Foster Wheeler Energy Corporation of its operations and its RCRA presence at the North Dansville plant, the Department offers the following list of additional investigation and/or reporting items deemed necessary for Foster Wheeler to complete its obligations under RCRA Corrective Action. The list below results from a review of the most recent sampling data at the plant, contained in a report entitled *RCRA Sampling*, submitted to the Department May 3, 2006.

During the limited sampling conducted in 2006, contaminants were detected in two areas. AOC 1, a sump area associated with a large piece of hydraulic equipment, had a PCB result for Aroclor 1248; and AOC 2, a floor trough with drainpipes through the concrete slab in Tube 2, showed the presence of several volatile organic compounds (VOCs). Foster Wheeler should report to the Department the likely sources of these contaminants during plant operations. For example, the Department has speculated that a paint booth, which may have been located near AOC 2, was the source of the VOCs in the floor drain #1. If painting operations were responsible for the contaminants in AOC 2, what types of paint were used there? For how long? What other areas of the plant were used for painting? What quantities and types of solvents, degreasers, and thinners were used in association with painting activities?

- Source reporting, as described above, should be provided for both the volatile organics detected in AOC 2 and the PCBs in AOC 1.
- In the area surrounding AOC 1, a small number of additional core samples of concrete (especially in areas where concrete is visibly oil stained) should be taken and analyzed for PCBs. Sample locations should seek to determine the areal extent of PCB contamination of the concrete in and around this sump (And possibly at other sumps which had similar purpose.) The cores should be limited to ½" to 1" in depth this time rather than the 6 inches cores used previously.

- At one to three locations near the PCB contaminated concrete, borings should be made through the concrete to sample the underlying soil for PCBs.
- An effort should be made to determine the outfall location for the floor drains in AOC 2. Although the Department has been informed that the horizontal section of the floor drains are blocked, it is unsure whether this is a watertight plug. First, some kind of falling head permeability test should be carried out on each of these drains. Simply put, a known quantity of water should be given the opportunity to flow into the drain, such as with a standpipe temporarily sealed to the inlet of the drain. The rate at which the water enters the drain over an extended observation period will tell us if the "plug" is at all permeable. If it is found to be at all permeable, the outfall locations should be found by dye test or other means, if possible, with the intent of sampling soil or sediment at those locations.
- The concrete floor trough in AOC 2 should be bored through to sample the underlying soils for components of paint. These sub-floor samples, and those taken of soils or sediments at the drain outfalls described above, should be analyzed for semi-volatiles and metals in addition to the 8260 volatiles analysis conducted on the grit in the drains.

The work to complete the additional activities listed above must be submitted in a work plan to be approved by the Department. If you have any questions concerning this matter, please contact me at (518) 402-8594.

Sincerely,

Jessica Lallan
for

Stephen G. Malsan, P.E.
Environmental Engineer
Western Engineering Section

cc: J. Reidy, EPA Region 2
S. Foti, NYSDEC Region 8
F. Ricotta, NYSDEC Region 8
G. Senecal, LaBella Associates
R. Rizzieri, LMC Industrial Contractors, Inc.
R. Delahunty, Tetra Tech
K. Thielges, American Motive Power
T. Walsh, Hiscock & Barclay, LLP

2000 HSBC PLAZA
ROCHESTER / NEW YORK 14604-2404
T 585.325.7570 / F 585.325.5458

THOMAS F. WALSH
PARTNER

DIRECT DIAL 585.295.4414
DIRECT FAX 585.295.8443
TWALSH@HISCOCKBARCLAY.COM

March 14, 2007

BY U.S. MAIL

Mr. Stephen G. Malsan, P.E.
New York State Department of Environmental Conservation
Division of Solid and Hazardous Materials
Bureau of Hazardous Waste & Radiation Management, 9th Floor
625 Broadway
Albany, New York 12233-7258

Re: RCRA – Remediation of AOC #1 and AOC #2
Former Foster Wheeler Energy Corporation Plant
9431 Foster Wheeler Road
North Dansville, Livingston County, New York
EPA Identification No. NYD002205599

Dear Steve:

As you know, we are local counsel to Foster Wheeler Energy Corporation (“FWEC”) for the completion of its obligations under Resource Conservation and Recovery Act (“RCRA”). As you also know, the sale of the above-referenced plant to Dansville Properties, LLC, was completed. FWEC has not owned or been in possession of the property at 9431 Foster Wheeler Road (“Property”) since March of 2006.

The Purchase and Sale Agreement between FWEC and Dansville Properties, LLC called for Dansville Properties assuming a specific amount of remedial obligations after Dansville Properties, LLC took possession and ownership of the Property in March 2006, including any and all RCRA remedial actions. To that end, Dansville Properties, LLC had its environmental consultant, LaBella Associates, PC, prepare the attached letter dated March 14, 2007 (“LaBella Letter”) in response to the Department’s letters of January 10, 2007 and July 11, 2006.

FWEC, nevertheless, understands that, as between FWEC and the Department, FWEC remains responsible for completing its obligations under RCRA. Therefore, FWEC requests that the Department review the attached LaBella Letter.

Stephen G. Malsan, P.E.
March 14, 2007
Page 2

In order to improve the communications between FWEC, the Department and Dansville Properties, LLC regarding the completion of the RCRA activities at the Property would you please send all future correspondence to both:

Douglas K. Stout
Foster Wheeler Energy Corporation
Perryville Corporate Park
Clinton, New Jersey 08809-4000

and Dansville Properties LLC's environmental consultant:

Greg Senecal
LaBella Associates, PC
300 State Street
Rochester, New York 14614

with a copy to:

Thomas F. Walsh
Hiscock & Barclay, LLP
2000 HSBC Plaza
100 Chestnut Street
Rochester, NY 14604-2404

J Von Kaenel, Esq.
Foster Wheeler Energy Corporation
Perryville Corporate Park
Clinton, New Jersey 08809-4000

Dansville Properties, LLC
2060 Lakeville Road
Avon, New York 14414
Attention: Lawrence C. Mehlenbacher, Manager

Frank C. Pavia Esq.
Harris Beach, PLLC
99 Garnsey Road
Pittsford, New York 14534

Mr. R. Rizzeri
Dansville Properties LLC
9431 Foster Wheeler Road
Dansville, New York 14437

Stephen G. Malsan, P.E.

March 14, 2007

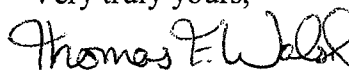
Page 3

FWEC is committed to doing all that it can to facilitate completion of the activities required under the Department's corrective action authority and to bring to a conclusion the RCRA TSDf post-closure status of the Property. To that end, please do not hesitate to contact Mr. Stout or me regarding any further information or question the Department has with regard to the remedial proposals of FWEC embodied in this letter.

To the extent that the Department wishes to discuss further the technical details of the remedial proposals embodied in the attached LaBella Letter directly with Mr. Senecal of LaBella Associates PC, FWEC asks that Mr. Stout be included and allowed to observe all of those discussions.

Thank you for your cooperation in sorting through the RCRA issues associated with the closure and sale of the Dansville plant. Please do not hesitate to contact me if you have any questions regarding these requests of FWEC.

Very truly yours,



Thomas F. Walsh

Enclosure

Cc (w/ enc.): D. Stout, FWEC
J. Von Kaenel, Esq., FWEC
L. Mehlenbacher, Mgr., Dansville Properties LLC
F. Pavia, Esq., Harris Beach, PLLC
G. Senecal, LaBella Associates
R. Rizzeri, Dansville Properties LLC
S. Foti, Region 8
F. Ricotta, Region 8
S. Hanna, Regional Director Region 8
J. Reidy, EPA Region 2

Engineering
Architecture
Environmental



300 State Street, Suite 201, Rochester, NY 14614

March 14, 2007

Phone 585.454.6110
Fax 585.454.3066
www.labellapc.com

Stephen Malsan, P.E.
Environmental Engineer
NYS Dept. of Environmental Conservation
Bureau of Hazardous Waste and Radiation Management, 9th Floor
625 Broadway
Albany, New York 12233-7258

MAR 14 2007

Re: Former Foster Wheeler Energy Corp. Facility
North Dansville, New York (the Facility")
USEPA ID No. NYD002205599
Proposed RCRA Closure Sampling Work Plan
LaBella Project No. 206251

Dear Mr. Malsan:

The purpose of this letter and Work Plan is to respond to the NYSDEC's two letters which were addressed to Foster Wheeler Energy Corporation, the former owner of the above-referenced Facility. Because the two letters request potential additional actions regarding the RCRA corrective action closure which may significantly impede and/or disrupt our client, Dansville Properties' on-going business activities, we provide the following responses and suggested corrective actions.

Background

Dansville Properties, LLC currently owns the Facility (or the "Property") while American Motive Power, LLC occupies the manufacturing compound. We represent both entities. The purchase agreement executed between Dansville Properties and Foster Wheeler Energy Corporation requires that Dansville Properties assume a specific amount of the obligation to pay for the remediation of any issues related to RCRA Closure actions for the Facility.

Dansville Properties purchased the Facility in 2006 and American Motive Power has completed steps to re-permit the Facility under applicable NYSDEC requirements which are relevant to its current operations.

LaBella Associates conducted environmental due diligence environmental site assessments in 2004 and 2005 for Dansville Properties prior to Dansville Properties' purchasing of the Facility. A thorough Phase I Environmental Site Assessment and a detailed Phase II Site Characterization for the Property were completed and presented to Region 8 NYSDEC, prior to the acquisition of the Property.

The Phase I ESA identified numerous areas of potential environmental concern at the Property. Many of the areas of potential concern related to the past presence of painting and machining operations and areas of waste storage. The Phase II Site Characterization advanced 36 soil borings and 8 groundwater monitoring wells in the areas where the Phase I ESA had identified potential concerns.

These reports were delivered to the Regional Director, Sean Hanna, and were distributed by Mr. Hanna to the involved divisions within the Region 8 Office. After the reports were disseminated by NYSDEC, Dansville Properties requested a meeting with the involved and interested NYSDEC divisions. At a meeting attended by Dansville Properties, LaBella Associates, Bart Putzig, P.E., Bruce Finster, P.E., Peter Miller, and Sean Hanna, the Region 8 NYSDEC Hazardous Waste Remediation Division did not require any additional characterization or corrective action at the Facility.

The Region 8 NYSDEC Spills Division did request additional characterization of one area where volatile organic compounds were identified at levels exceeding NYSDEC TAGM #4046 soil cleanup objectives. A supplemental site characterization consisting of 11 additional soil borings and 5 additional monitoring wells was conducted in the area designated by the Spills Division. Based upon the findings of this additional investigation, the NYSDEC agreed that no further action was required for this area of the Property.

Since assuming operation of the Property, and after receiving the necessary NYSDEC approvals, Dansville Properties has spent approximately \$6,000,000.00 on infrastructure improvements including new sewers and floors for the Facility. American Motive Power currently employs 80 people at the Dansville plant, and anticipates growth to approximately 150 employees within the next year. Other related companies currently have employment of approximately 35 people and a tenant currently employs approximately 75 people at the Facility.

NYSDEC Requested Scope of Work and Dansville Properties, LLC Response

The following is Dansville Properties' responses to the current requests of your office regarding the final RCRA closure action for the historical operation of the Facility by Foster Wheeler Energy Corporation. The NYSDEC's request is listed in the order set forth in the NYSDEC's letter of January 10, 2007, and followed by Dansville Properties' response and work plan action items in *Italics*.

NYSDEC Requested Action:

Source reporting for various chemicals that were detected in AOC 1 and AOC 2 is requested to determine what other areas of the plant formerly housed paint booths, degreasers, and heavy machining equipment.

Dansville Properties Response:

Sources of potential environmental concern throughout the plant were researched with available Foster Wheeler personnel during the Phase I ESA in 2004. The Phase I ESA generated a list of areas of concern including waste storage areas, former painting areas, heavy metalworking equipment locations, former tanks, and various former wastewater disposal infrastructure. The subsequent Phase II Site Characterizations investigated all of the identified areas. The results of the Phase II Site Characterizations indicated that there were low levels of various petroleum hydrocarbon fuel related compounds and chlorinated compounds in overburden soils at widespread sporadic locations across the compound. Corresponding analytical data from the network of groundwater monitoring wells that

were installed across the site indicated that these compounds were not present at levels that were leaching into and negatively impacting groundwater quality at the Property. The complete findings of the Phase I ESA and the two (2) Phase II Site Characterizations were presented to the Region 8 NYSDEC Hazardous Waste Remediation and Spills Division who concurred that no corrective action was required.

The low levels of VOCs and PCBs that were detected in the concrete floor of AOC 1 and the floor drain above the concrete plug in AOC 2 are consistent with the low levels of contaminants present across the Facility that have already been brought to the NYSDEC's attention.

For the reasons stated above, the disruption to business, and the anticipated additional costs associated with testing, Dansville Properties respectfully requests that the NYSDEC review the pre-existing Phase I ESA research and corresponding Phase II Site Characterization data with regard to source reporting and additional investigation. Additional copies of the Phase I ESA report and Site Characterization reports can be provided to your attention if required.

NYSDEC Requested Action:

Additional one inch depth concrete floor samples from AOC 1 analyzed for PCB's, are requested.

Dansville Properties Response:

This request appears to relate to the NYSDEC's earlier request in the July 11, 2006 letter to seal the floor area of the sump thereby preventing any future exposure of workers to PCB's. Dansville Properties proposes to fill the entire sump area with gravel and finish the surface of the former sump with a concrete floor to match the surrounding floor grade in this part of the plant. Dansville Properties feels that this is a comprehensive method to ensure that there are no employee exposure issues from the stained concrete floor in the sump.

Fill in and cap

NYSDEC Requested Action:

At one to three locations in close proximity to the stained sump floor in AOC 1, borings should be advanced through the concrete floor and the underlying soils should be sampled and analyzed for PCBs.

Dansville Properties Response:

LaBella specifically sampled the concrete floor in the most stained areas of the sump floor. In addition the six inch sample core was chosen to determine if PCB's could be leaching through the concrete floor and into the underlying soils. Only one PCB was detected above method detection limits from the two concrete floor core samples. The detection of Aroclor 1248 at 0.7 mg/Kg in the concrete floor samples is well beneath the NYSDEC TAGM 4046 soil clean up objective to protect groundwater quality (10 mg/Kg) or (4 mg/Kg with the standard TAGM 4046 correction factor applied due to the close proximity of the floor slab to the groundwater table). This level of PCB is also beneath the TAGM 4046 soil clean up objective for surface soils of 1mg/Kg.

Stephen Malsan, P.E.
NYS Dept. of Environmental Conservation
March 14, 2007
Page 4

In addition it should be noted that the detected level of PCB is well beneath all of the soil clean objectives set forth in 6 NYCRR Subpart 375-6.

The PCB present in the concrete floor slab will leach less than PCBs in a soil media, and since the level of PCB detected in the concrete is already beneath TAGM 4046 Soil clean up objectives the sampling and analysis that has already been completed coupled with the fact that no PCB's were present in the unfiltered groundwater sample obtained from the sump adjacent to the concrete floor samples, and in light of the Phase II Site Characterization that sampled and analyzed 6 soil samples and 10 groundwater samples for PCB's across the site with only minor and sporadic detections, the need for additional borings and PCB sampling of the soils underlying the floor in this area (to rule out a large leachable source area of PCB impacted soil) is unnecessary.

For the reasons stated above, the disruption to business, and the anticipated additional costs associated with testing, Dansville Properties respectfully requests that the NYSDEC accept the filling of the sump and capping of the sump with a concrete floor as an acceptable form of corrective action for AOC 1. This action will also effectively seal the area and prevent any future liquid from leaching into the underlying soil. To resolve any uncertainty regarding a large scale PCB issue at the site, we respectfully request that NYSDEC review the pre-existing Phase I ESA research and corresponding Phase II Site Characterization data with regard to the prior PCB investigation.

NYSDEC Requested Action:

A falling head test is requested for the two floor drains that are in question in AOC 2 to determine if the drains are completely plugged and non permeable with respect to liquid media.

Dansville Properties Response:

A falling head test will be completed on these two floor drains. The falling head test will be scheduled at least two weeks in advance so that NYSDEC may observe the falling head test.

NYSDEC Requested Action:

Additional borings and samples are requested in close proximity to the two floor drains in AOC 2 to determine if materials that were present in the grit samples from within the plugged floor drains could have entered surrounding soils.

Dansville Properties Response:

If the falling head test described above demonstrates that the floor drains are completely sealed, Dansville Properties respectfully requests that the NYSDEC review the pr-existing Phase I ESA research and corresponding Phase II Site Characterization data with regard to source reporting and additional investigation.

Stephen Malsan, P.E.
NYS Dept. of Environmental Conservation
March 14, 2007
Page 5

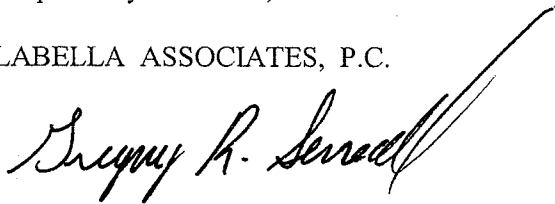
However, if the falling head test indicates that liquid can escape from the floor drains (e.g. the drains are permeable to liquid media), Dansville Properties will conduct two borings through the slab floor of the building and analyze soil samples from the approximate depth of the vertical/horizontal intersection of the floor drains. Analytical parameters will be consistent with those requested by NYSDEC and will include volatiles by USEPA Method 8260TCL, sem-volatiles by USEPA Method 8270 NYSDEC STARS Compounds, and the 8 RCRA Metals. If these tests do not materially represent major differences in test results from the previously reported low level contamination present at the Facility, Dansville Properties respectfully requests the NYSDEC review the existing Phase I ESA research and corresponding Phase II Site Characterization data with regard to source reporting and additional investigation.

We look forward to arriving at a reasonable solution to the issues discussed above, and working with you on the remainder of this project. If the proposed corrective action measures are acceptable to NYSDEC, Dansville Properties will schedule the corrective action tasks at a time that is acceptable to the department.

Please do not hesitate to call me at (585) 454-6110 with any questions or comments.

Respectfully submitted,

LABELLA ASSOCIATES, P.C.



Gregory R. Senecal, CHMM
Environmental Director

GRS/ik

cc. Rich Rizzeri, American Motive Power
Frank Pavia, Esq., Harris Beach, LLP
Scott Foti, P.E., NYSDEC Region 8
Thomas Walsh, Esq., Hiscock Barclay, LLP
Doug Stout, FWEC

Y:\DANSVILLE PROPERTIES\206251\CLERICAL\WORD\CORU7C08GS1.DOC

LABELLA