

Exhibit 12

Letter from Section (Jan. 6, 2010).

- Doc. Ex. 71 -



North Carolina Department of Environment and Natural Resources
Division of Waste Management

Beverly Eaves Perdue
Governor.

Dexter R. Matthews
Director

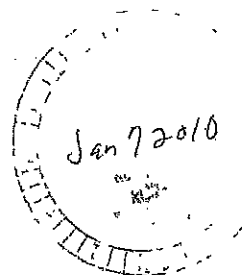
Dee Freeman
Secretary

January 6, 2010

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Rodney Huerter
Director of Environmental Affairs
WASCO LLC (formerly known as Water Applications & Systems Corp.)
4760 World Houston Pkwy, Ste 100
Houston, Texas 77032

Reference: Call for RCRA Part B Permit Application
Asheville Dyeing and Finishing Company/Anvil Knitwear
Swannanoa, North Carolina
EPA ID #NCD 070 619 663



Dear Mr. Huerter:

This letter is a formal request for your Part B permit application for a post-closure permit under the Federal Resource Conservation and Recovery Act (RCRA) as amended by the Hazardous and Solid Waste Amendments of 1984 (HSWA). This request is made under the authority of 40 CFR 270.10 (as adopted in 15A NCAC 13A .0113) and North Carolina General Statute 130A-Article 9 (Solid Waste Management Act as amended).

The Hazardous Waste Section's records indicate that a RCRA Part A permit application dated September 23, 2008, was submitted for your facility. That application included a listing for an underground storage tank that was subsequently closed as a landfill. The Part B permit application must address this unit as required by 40 CFR 270 as adopted in 15A NCAC 13A .0113.

The Part B application must describe Asheville Dyeing and Finishing's remedial activities and provide Solid Waste Management Unit (SWMU) descriptions. To assist you in preparing this application, we have enclosed a copy of:

1. The most recent NC Hazardous Waste Management Rules,
2. A Part A form 8700-23 which can also be downloaded with the associated instructions from the following EPA website: <http://www.epa.gov/osw/inforesources/data/form8700/8700-23.pdf>.
3. And a copy of the application checklists that the Section will use to evaluate your Part B renewal application.

1646 Mail Service Center, Raleigh, North Carolina 27699-1646
Phone 919-508-8400 \ FAX 919-715-4061 \ Internet: www.wastenolnc.org

An Equal Opportunity \ Affirmative Action Employer

One
North Carolina
Naturally

C:\nel\ms\pc_1010_part_b-call_letter.docx

- Doc. Ex. 72 -

Mr. Huerter
Page 2
January 6, 2010

You must ensure that sufficient information is submitted describing how the requirements of 40 CFR 270.14(b)1, 4, 5, 6, 11, 13,14, 16, 18, and 19, 40 CFR 270.14(c) and 40 CFR 270.14(d) as adopted in 15A NCAC .0113(b) are met. In addition, you must submit a plan for and cost estimates for the removal or remediation of hazardous wastes or hazardous constituents that are on or have been caused by the facility.

The information required for a Part B application (40 CFR 270.28 as adopted in 15A NCAC 13A .0113) must be submitted within six (6) months of receipt of this letter. Failure to submit the Part B application by the due date may result in substantial penalty. The original and six (6) copies of the application must be submitted to the North Carolina Hazardous Waste Section at the following mailing address:

Elizabeth Cannon, Section Chief
NC Division of Waste Management
Hazardous Waste Section
1646 Mail Service Center
Raleigh, North Carolina 27699-1646

Alternatively, the application may be delivered to the following location:

Division of Waste Management
401 Oberlin Road, Suite 150
Raleigh, North Carolina 27605
Attention: Elizabeth Cannon, Section Chief

In accordance with 40 CFR 2 as adopted in 15A NCAC 13A .0104, you may claim confidentiality for certain information in your Part B application if such a claim can be substantiated. In order to claim that information is confidential you must:

1. Determine whether or not the claim of confidentiality can be substantiated, then substantiate it (concerning each type of information claimed) by addressing the applicable element of 40 CFR 2.208 as adopted in 15A NCAC 13A .0104;
2. Precisely describe which information is claimed as confidential or stamp each page that contains such information with the words "CONFIDENTIAL" or "CONFIDENTIAL BUSINESS INFORMATION";
3. Package all pages containing confidential information separately from your total Part B application package. This means that your Part B submitted would consist of two (2) packages: (a) the Part B application without confidential information, and (b) the portion of your Part B application that has been claimed as confidential; and,
4. State clearly in your transmittal letter that confidential information is included.

If no claim of confidentiality is made at the time of submission, the State and US EPA may make the information available to the public without further notice. If a claim is asserted and substantiated, the information will be treated according to the procedures in 40 CFR 2 as adopted in 15A NCAC 13A .0104.

- Doc. Ex. 73 -

Mr. Huerter
Page 3
January 6, 2010

We strongly encourage you to meet with the Section to discuss permit application requirements in more detail, prior to submission of the application. . Please contact Mary Siedlecki at (919) 508-8568 to discuss possible meetings times and/or to discuss the permit application requirements. If we do not hear from you, we will anticipate the submission of the permit application prior to July 1, 2010.

Sincerely,

Bud McCarty *for*

Elizabeth Cannon, Chief
Hazardous Waste Section

Enclosures

cc: Jon D. Johnston, US EPA, Region 4
Spring Allen, HWS Inspector
Loren Lanter, Dyna Diggr
File

rc: Bud McCarty, HWS Branch Head *Bm*
Vance Jackson, HWS Unit Supervisor *VJ*
Mary Siedlecki, HWS Project Manager *MS*