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Rowland L. Taylor

SPSA

November 19, 2009

Wheelabrator Technologies, Inc.
4 Liberty Lane West
Hampton, New Hampshire 03842
Attention: David M. Beavens
Vice President of Finance

Re: Purchase and Sale Agreement between Wheelabrator and SPSA

Gentlemen:

This letter is provided (i) in connection with the Purchase and Sale Agreement between Wheelabrator Technologies, Inc. ("**WTI**") and the Southeastern Public Service Authority of Virginia ("**SPSA**"), previously executed by WTI on September 9, 2009, and as executed by SPSA on the date hereof, as the same is modified and supplemented by an Addendum ("**Addendum**") dated the date hereof (such agreement, as modified and supplemented by the Addendum, hereinafter referred to as the "**PSA**"), and (ii) as in inducement to the parties' execution and delivery of the Addendum. Unless otherwise defined herein, capitalized terms used in this letter shall have the meanings set forth in the PSA.

The parties agree as follows:

1. SPSA will hold a meeting of its Board of Directors no later than December 31, 2009 ("**December Board Meeting**").
2. The Chairman will put on the agenda for SPSA's December Board Meeting a proposal that SPSA enter into a second addendum to the PSA in the form of **Exhibit A** attached hereto (**PSA Addendum No. 2**), the effect of which would be to extend the Termination Date to May 1, 2010 in order to provide SPSA with more time to satisfy the condition precedent set forth in Section 7.03(f) of the PSA.
3. The Chairman and Executive Director of SPSA agree to propose, support and recommend approval of PSA Addendum No. 2 by the SPSA Board of Directors in the December Board Meeting.
4. WTI confirms that it will execute and deliver to SPSA a second addendum to the PSA, substantially in the form of **Exhibit A** attached hereto, if the same is approved by SPSA's Board of Directors and executed by SPSA.

P.O. Box 1316

Chesapeake, VA 23320-1316



Wheelabrator Technologies, Inc.

November 19, 2009

Page 2

5. Execution and delivery by SPSA of PSA Addendum No. 2 will be expressly conditioned upon SPSA's receipt from J.P. Morgan Chase of an amendment (or other acceptable documentation) to Letter of Credit No. TPTS-734296, in the amount of \$5,000,000 and bearing original issuance date of September 14, 2009, extending the Final Expiry date thereof to a date no earlier than May 31, 2010.

If the foregoing accurately reflects our understanding, please confirm by signing below.

SOUTHEASTERN PUBLIC SERVICE
AUTHORITY OF VIRGINIA

By: _____
Rowland L. Taylor
Executive Director

By: _____
Donald L. Williams
Chairman

ACKNOWLEDGED AND AGREED TO:

WHEELABRATOR TECHNOLOGIES, INC.

By:  _____
David M. Beavens
Vice President of Finance