

**DETERMINATION OF ACCEPTANCE FOR CONCEPTUAL PHASE
CONSIDERATION OF AN UNSOLICITED PUBLIC-PRIVATE EDUCATION
FACILITIES AND INFRASTRUCTURE ACT (PPEA) PROPOSAL FOR THE
ACQUISITION OF SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA
(SPSA) WASTE-TO-ENERGY FACILITIES**

Notice is hereby given that the Board of the Southeastern Public Service Authority of Virginia (“SPSA”) has received and accepted for conceptual phase consideration an unsolicited PPEA proposal from Covanta Energy Corporation (“Covanta”) for the acquisition of SPSA’s waste-to-energy facilities located in Portsmouth, Virginia (the “Facilities”). SPSA intends to evaluate this proposal and may negotiate an interim or comprehensive agreement with Covanta regarding this proposed acquisition. This notice is provided for the purpose of encouraging competition in this regard.

SPSA will accept for simultaneous consideration under SPSA’s duly adopted PPEA Guidelines (the “Guidelines”), additional competing proposals for the acquisition of the Facilities. For consideration, competing proposals must be submitted to SPSA not later than 4:30 p.m., local time, on Friday, August 15, 2008. This is not a postmark deadline. Proposals must be received by the specified date and time by the Southeastern Public Service Authority, 723 Woodlake Drive, Chesapeake, Virginia 23320. Any offeror submitting a competing proposal shall provide six (6) signed copies of its proposal in hard copy form, pay the \$10,000 review fee, and otherwise comply with the requirement of the Guidelines.

Copies of the Covanta Proposal and any competing proposals are available for inspection and review at SPSA’s offices located at the above address. Parties who are interested in submitting competing proposals may contact ppeainquiries@spsa.com.

This notice is published in accordance with a resolution of the Board of the Southeastern Public Service Authority of Virginia, duly adopted at a Special Meeting on June 5, 2008.

John S. Hadfield, Executive Director
June 5, 2008