

**ADDENDUM NO. 4
TO SERVICE AGREEMENT**

THIS ADDENDUM NO. 4 TO SERVICE AGREEMENT effective as of April 1, 2011 (“Addendum No. 4”) modifies and supplements that certain **SERVICE AGREEMENT**, dated as of September 9, 2009, as amended (collectively, the “Service Agreement”), made by and between **SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA**, a public body politic and corporate of the Commonwealth of Virginia (“SPSA”), and **WHEELABRATOR PORTSMOUTH INC.**, a Delaware corporation (as successor by assignment from Wheelabrator Technologies Inc.) (the “Company”). Except as otherwise expressly defined in this Addendum No. 4, capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Service Agreement.

WHEREAS, the Company and SPSA executed the Service Agreement pursuant to which the Company will and does manage, operate and maintain the Facilities in accordance with the terms and conditions therein; and

WHEREAS, the Parties desire to enter into this Addendum No. 4 to modify, amend and supplement certain terms and conditions of the Service Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

I. Amendments to the Service Agreement.

(a) Section 7.1.6(b) is deleted in its entirety and the following is substituted in lieu thereof:

“(b) (1) The Company shall continually and on a daily basis supply or cause to be supplied an adequate and appropriate number of trailers and trucks to receive and transport all Non-Processible Waste from each SPSA Transfer Station to the Company Landfill(s). The Company shall promptly remove and transport, in an orderly and timely manner, all trailers containing Non-Processible Waste from each SPSA Transfer Station throughout each Day as is necessary to ensure the smooth and efficient operation of SPSA Transfer Stations and compliance with all Applicable Law. The Company shall fully cooperate with SPSA in arranging for the timely and efficient removal of Non-Processible Waste from SPSA Transfer Stations, including complying with all reasonable requests by SPSA (whether oral or written) to supply additional trailers and to transport and remove existing trailers from SPSA Transfer Stations. For SPSA Transfer Stations other than those which operate on a twenty-four (24) hour basis, the Company shall remove all Company-supplied or NP Hauler trailers containing full loads (or any partial load if required by Applicable Law) of Non-Processible Waste within (i) two (2) hours after the end of such SPSA Transfer Station posted hours of business operations on any weekday (*i.e.*, Monday-Friday), or (ii) one (1) hour after the end of such SPSA Transfer Station posted hours of business operations on any weekend day (the “Removal Period”), or such shorter time period required by Applicable Law or as reasonably requested by SPSA. For purposes of illustration, if a particular SPSA Transfer Station’s posted weekday hours of operation are 9:00 a.m. to 5:00 p.m., then on weekdays the Company must remove all full loads (or any partial load if required by Applicable Law) of Non-Processible Waste from such SPSA Transfer Station by no later than 7:00 p.m., or such shorter time period required by Applicable Law or as reasonably requested by SPSA. With respect to trailers

that become fully loaded at or near the close of the two (2) hour period, but without waiving or limiting any of its rights and remedies hereunder. SPSA agrees to use its reasonable discretion in assessing penalties hereunder on trailers that cannot physically be removed (using commercially reasonable efforts) during such period. If a SPSA Transfer Station is operated on a twenty-four (24) hour basis, the Company shall promptly remove and transport throughout each Day, in an orderly and timely manner and at such other times as reasonably requested by SPSA, all trailers containing Non-Processible Waste as is necessary to ensure the smooth and efficient operation of the Transfer Station and compliance with all Applicable Law.

(2) In connection with and as consideration for SPSA's accommodations to the Company under Section 7.1.6(b)(1) above, the Company shall pay SPSA a Stipulated Overtime Amount (defined below) in each Fiscal Year that this Agreement remains in effect, *prorated* for any partial Fiscal Years, which such Stipulated Overtime Amount is designed to reimburse SPSA for one (1) hour of overtime (time-and-a-half) wage expense incurred per weekday (i.e., Monday – Friday) in respect of appropriate SPSA personnel at each applicable Transfer Station (currently, a total of five (5) Transfer Stations). The Stipulated Overtime Amount shall be paid by the Company to SPSA in equal monthly installments (i.e., one-twelfth of the total amount per month) as a Miscellaneous Adjustment credited to the Service Fee otherwise payable by SPSA in such month. For purposes hereof, the "Stipulated Overtime Amount" shall be, (i) for the full Fiscal Year ending June 30, 2011, a total of Forty-Five Thousand Ninety-One Dollars (\$45,091) (or currently a total of \$9,018.20 per Transfer Station) (with resulting monthly Miscellaneous Adjustment credits of \$3,757.58/month for each month remaining in such Fiscal Year), and (ii) for each Fiscal Year thereafter, an amount equal to the product of (x) the Stipulated Overtime Amount for the immediately preceding Fiscal Year multiplied by (y) the Adjustment Factor. The Company shall be entitled, upon thirty (30) days prior written notice to SPSA, to reduce the weekday Removal Period at a particular Transfer Station to one (1) hour after the end of such SPSA Transfer Station's posted hours of business operation, in which case the following shall apply: (x) the Stipulated Overtime Amount shall be reduced by the then-current cost associated with the Transfer Station (i.e., currently \$9,018.20, as adjusted by the Adjustment Factor over time), and (y) all references in Addendum No. 4 to this Agreement (including, without limitation, the reference in Section 8.2.8.1.14 below as amended by Addendum No. 4) to "two (2) hours" shall be read as "one (1) hour" with respect to (but only with respect to) such Transfer Station(s). The Company shall be entitled to make a reduction in the Removal Period only one time with respect to any Transfer Station, and once made, the election shall remain in effect for the remainder of the term of this Agreement."

(b) Section 7.1.6(d) is deleted in its entirety and the following is substituted in lieu thereof:

"(d) If the Company or any NP Hauler fails to remove any Company or NP Hauler-supplied trailer containing a full load (or partial load if required by Applicable Law) from a SPSA Transfer Station within (i) two (2) hours after the end of such SPSA Transfer Station's posted hours of business operations on any weekday (i.e., Monday-Friday), (ii) one (1) hour after the end of such SPSA Transfer Station's posted hours of business operations on any weekend day, or (iii) with respect to SPSA Transfer Stations operated on a twenty-four (24) hour basis, within one (1) hour after a request by SPSA for removal, then the Company shall pay SPSA the penalty specified in Section 8.2.8.1.14."

(c) Section 8.2.8.1.14 is hereby deleted in its entirety and the following is substituted in lieu thereof:

“Section 8.2.8.1.14 Non-Processible Waste and Acceptable Waste Disposal. The Company shall pay SPSA in the Billing Month of assessment, as a penalty, for each Company or NP Hauler supplied trailer containing a full load (or any partial load if required by Applicable Law) of Non-Processible Waste or Acceptable Waste (or both) remaining at any SPSA Transfer Station more than (a) two (2) hours after the end of such SPSA Transfer Station’s existing posted hours of business operations on any weekday (*i.e.*, Monday-Friday), (b) one (1) hour after the end of such SPSA Transfer Station’s existing posted hours of business operations on any weekend day, or (c) with respect to SPSA Transfer Stations operating on a twenty-four (24) hour basis, within one (1) hour after a request by SPSA for removal, an amount equal to (i) five thousand dollars (\$5,000) per trailer, plus (ii) the actual transportation, labor, and disposal costs and expenses incurred by SPSA to dispose of such Solid Waste.”

(d) The Service Agreement is amended as follows with respect to the SOP for Waste Diversion (defined below):

(i) The Parties have mutually collaborated on and prepared that certain Standard Operating Procedure for Waste Management at the RDF Plant, dated February 15, 2011, in the form attached hereto as Annex I (the “SOP for Waste Diversion”), as the same may be amended from time to time.

(ii) In addition to and not in limitation of its other services, obligations and responsibilities under the Service Agreement, from and after the effective date of this Addendum No. 4, the Company shall (x) perform all of its obligations under the SOP for Waste Diversion and (y) perform all applicable services and fulfill all applicable obligations/responsibilities to SPSA under the Service Agreement (including, but not limited to, its applicable services and obligations/responsibilities under Section 3 and Section 7 of the Service Agreement) in accordance with and otherwise in a manner consistent with the purposes, terms and intentions contemplated under the SOP for Waste Diversion, including, without limitation, by (1) allocating responsibility among appropriate Company personnel as designated under “RESPONSIBILITIES”, (2) providing all specified personnel (*e.g.*, Company personnel, SPSA personnel, identified public customers and identified private customers) with appropriate notice of applicable incidents, events and occurrences as and when required under “RESPONSIBILITIES” and “ACTION”, and (3) initiating, managing and maintaining sole responsibility for each undertaking identified as a required “ACTION” as and when reasonably necessary or appropriate under the SOP for Waste Diversion. In addition to and without limiting the generality of the foregoing, the Company shall be responsible to and shall initiate and manage a “diversion plan” and all associated actions/activities, in accordance with the terms and conditions of Sections 3 and 4 under “ACTION” in the SOP for Waste Diversion, as and when reasonably required (or the circumstances otherwise reasonably dictate) under the SOP for Waste Diversion.

(iii) If and to the extent any “diversion plan” under the SOP for Waste Diversion involves the diversion of waste from one or more SPSA Transfer Stations to a SPSA Landfill, which such diversions to a SPSA Landfill shall be effected only if and to the extent (if at all) SPSA in its sole discretion determines that one or more SPSA Landfills are available to accommodate such diversion (it being acknowledged and agreed by the Company that nothing in the Service Agreement, this Addendum No. 4 or the SOP for Waste Diversion attached hereto shall

or shall be deemed under any circumstances to obligate SPSA to accept at any SPSA Landfill any waste diverted by the Company). then (x) the Company shall pay to SPSA an amount equal to the sum of (1) SPSA's actual increased transportation costs (if any) to deliver the diverted waste to such SPSA Landfill over what SPSA's actual transportation costs would have been if the diverted waste had been delivered by SPSA to the RDF Facility plus (2) a disposal fee equal to the product of the then-applicable posted per ton rate for Non-Contract Waste at the applicable SPSA Landfill times the total amount of diverted waste; and (y) any waste diverted to a SPSA Landfill under the SOP for Waste Diversion in accordance with the foregoing shall be credited towards the Annual Delivery Guarantee.

(iv) The Company shall protect, indemnify and hold SPSA harmless from and against any and all Losses, including any sums paid or expended by SPSA to any Governmental Authority as a fine, penalty or damages for any violation of any Applicable Law, relating to, arising out of or resulting from the Company's material failure to perform its obligations and responsibilities identified under "ACTION" of the SOP for Waste Diversion.

(v) The persistent or repeated failure or refusal by the Company to perform timely any material obligation identified under "ACTION" of the SOP for Waste Diversion, unless such failure or refusal is clearly recognized, excused or justified by the terms and conditions of the SOP for Waste Diversion and/or the Service Agreement, shall constitute an Event of Default on the part of the Company under Section 12.2.1 of the Service Agreement, affording SPSA all available rights and remedies under the Service Agreement in respect of such Company Event of Default, subject to all applicable requirements and procedures with respect to the exercise thereof.

2. Incorporation into Service Agreement; Interpretation. The provisions of this Addendum No. 4 are essential components of the Service Agreement and, as such, shall be incorporated into and are hereby made an essential part thereof. This Addendum No. 4 is supplementary to and modifies the Service Agreement, but to the extent reasonably practicable this Addendum No. 4 is intended to be read and construed in manner consistent with the existing terms of the Service Agreement; however, if there is a conflict between the terms of this Addendum No. 4 (including, without limitation, the SOP for Waste Diversion attached hereto) and the terms of the Service Agreement, the terms of this Addendum No. 4 shall control with respect to the subject matter of such conflict.

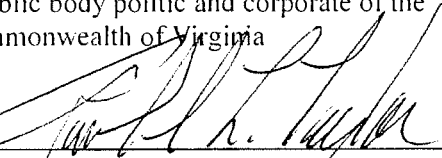
3. Full Force and Effect. Except as expressly modified herein, all other terms and provisions set forth in the Service Agreement shall remain in full force and effect and shall not otherwise be affected by this Addendum No. 4.

4. Counterparts. This Addendum No. 4 may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Addendum No. 4 by telecopier or electronic delivery shall be effective as delivery of a manually executed counterpart of this Addendum No. 4.

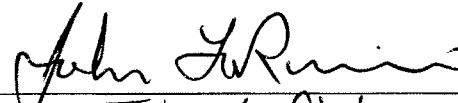
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have duly executed this Addendum No. 4 as of the date first mentioned above.

**SOUTHEASTERN PUBLIC
SERVICE AUTHORITY OF VIRGINIA,**
a public body politic and corporate of the
Commonwealth of Virginia

By: 
Name: Rowland L. Taylor
Title: Executive Director

WHEELABRATOR PORTSMOUTH INC.,
a Delaware corporation

By: 
Name: John LaRiviere
Title: General Manager

ANNEX I

SOP for Waste Diversion

See attached.

STANDARD OPERATING PROCEDURE

for

WASTE MANAGEMENT AT THE RDF PLANT

PURPOSE: To establish standardized procedures for the monitoring, handling of, and responses required when a diversion of solid waste is imminent.

BACKGROUND: It is the purpose of the WTE operation to receive, process, and dispose of all acceptable waste delivered to the RDF Tipping Floor in as expeditious manner as possible, doing so in accordance with all Federal, State, and Local laws and regulations. A major component of this endeavor is to provide optimum customer service, which includes the receipt of delivered waste and offloading of delivery vehicles as quickly as possible, minimizing the wait times of these vehicles. To that end, every effort will be made to monitor the status of all components of the waste disposal process and take early, decisive action to preclude a backup therein which is the result of an action at the WTE facilities. However, it is recognized that circumstances beyond the control of any individual may arise. It is the intent to avoid those situations which can be foreseen, and to be prepared to respond to those which can not.

RESPONSIBILITIES:

Plant Manager:

1. The Plant Manager has overall responsibility for the development and maintenance of, training of personnel, and insuring implementation of the procedures contained in this document.
2. In the event of an incident which meets the criteria stipulated in this document for activation of response procedures he will act as overall coordinator of the situation and insure notification is made to those individual stipulated in Appendices A and B. In cases where more than one individual is listed for an organization he will begin attempting to contact the first listed individual, continuing down the list until contact has been made with someone from that organization.

RDF Operations Manager:

1. The RDF Operations Manager will oversee the execution of all actions required by this procedure.
2. He will adjust the operating schedules/work schedules of the RDF Plant and personnel assigned thereto as necessary to accommodate a rapid resolution of any issue which might cause activation of this procedure.
3. He will coordinate with SPP Operations Manager on pit management and flow of processed fuel to the SPP to facilitate sufficient fuel delivery for sustained boiler operations while resolving the issue of a potential backlog of waste in the disposal system.
4. In the event that the Plant Manager can not be contacted he will assume notification responsibilities noted in #2 above.

SPP Operations Manager:

1. The SPP Operations Manager will work with the RDF Operations Manager to insure the receipt and storage in the SPP pit of the maximum amount of RDF possible while resolving the issue of a potential backlog of waste in the disposal system.
2. He will provide other assistance as required.

Maintenance Manager:

1. The Maintenance Manager will schedule sufficient repair personnel at work and in a stand-by status to insure continued equipment operability and to assist in the resolution of any equipment forced outages during the situation precipitating activation of these procedures.
2. He will work with outside contractors, soliciting their assistance as necessary to accomplish the operability described above.

RDF Floor Supervisor:

1. The RDF Floor Supervisor shall monitor the MSW situation throughout the service area.
2. He will maintain a record of and track the tipping floor loading status of the RDF Plant, all SPSA Transfer Stations, and the loading in the SPP fuel storage pit.
3. He will monitor the collection/delivery vehicle wait times at the RDF Plant.

4. He will coordinate the efforts of the WTI contract hauler, Waste Management affiliates, and SPSA for the transportation, the disposal of non-processable material, and the diversion of solid waste when necessary.
5. He shall keep the Plant Manager and the RDF Operations Manager fully appraised of the status of solid waste loading of the system, vehicle wait times, and the necessity to divert material.
6. In the event that neither the Plant Manager nor the RDF Operations Manager can be contacted he will assume notification responsibilities noted in item #2 under Plant Manager.

Proprietary Waste Manager:

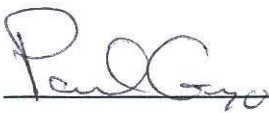
1. The Proprietary Waste Manager shall coordinate with his customers such that they do not provide hindrance to the resolution of the situation.
2. He will provide other assistance as required.

ACTION:

1. The RDF Floor Supervisor shall monitor the solid waste situation throughout the service area, to include floor loading at the RDF Plant and all SPSA Transfer Stations, and collection/delivery vehicle wait times at the RDF Plant. He will gather insight on current and anticipated capacity requirements from SPSA representatives.
2. If it is anticipated that the volume of waste in the system, or anticipated for delivery into the system, is such that above normal wait times will be experienced during traditionally high traffic periods of the day SPSA, public customers in Appendix A, and private customers identified in Appendix B will be contacted, and advised of the anticipated situation.
3. In the event that there is a volume of waste greater than fifteen hundred (1500) tons on the RDF Tipping Floor at 7:00 AM, and fewer than two process lines are available for use for the duration of the next twenty-four (24) hours, or the volume of waste in the system, or anticipated for delivery into the system, at any given time exceeds the capability of the WTE facility to process and consume in a timely manner, a "diversion action" (i.e., routing solid waste to a landfill for disposal vs. processing it at the RDF Plant for burning at the SPP) utilizing contract hauler assets will be initiated by the RDF Floor Supervisor in an attempt to preclude an excessive back up of collection/disposal efforts. Additionally, the Waste Management DELMARVA District Manager for

Transportation will be advised of the situation and the potential need for assistance in the diversion effort by Waste Management assets.

4. In the event that the actions noted above are not sufficient, and it is determined that the following condition exists, or is in danger of existing, the Plant Manager shall be notified immediately that a situation is developing which would precipitate a forced diversion by SPSA in accordance with the terms of the Service Agreement (i.e., offload vehicle queue extending off the property and onto Victory Boulevard). The following steps shall then be taken:
 - a. Communication with those individuals indicated in Appendix A will be initiated, advising them of the situation, the anticipated severity of it, and the projected duration of the situation. They will also be provided with periodic updates as the situation develops and is resolved.
 - b. Communication with Private Hauler customers indicated in Appendix B will be initiated, advising them of the situation, the anticipated severity of it, and the projected duration of the situation.
 - c. If a diversion effort, discussed in paragraph 3 above, is already underway the effectiveness of this effort will be evaluated and an initiation of an enhanced diversion, utilizing WTI private hauler assets and Waste Management assets will be initiated as needed.
 - d. The RDF Tipping Floor will be closed to all non-municipal/non-contract customers and all private citizens until the situation has been resolved.
 - e. If the above actions are insufficient to relieve the situation SPSA will be requested to divert directly from their transfer stations to a SPSA Landfill, if available as determined by SPSA, otherwise WTI will determine destination with the concurrence of SPSA.
 - f. Proprietary Waste receipts will be adjusted/temporarily curtailed as necessary.



Paul Grego, Plant Manager

March 16, 2011

Cc: John D. LaRiviere, General Manager

Richard M. Cheliras, Director of Waste to Energy

Appendix A

WTI, SPSA, Municipal, and Affiliate Contacts

WTI General Manager/VP of Operations

John LaRiviere

603-387-1753 (M)

jariviere@wm.com

RDF Plant Manager

Richard Cheliras

757-418-0508

rchelira@wm.com

RDF Plant Operations Manager

Danny Armstrong

757-418-1200

darmstrong@wm.com

WTI Public Relations Department

Melissa Lohnes

603-929-3193

mlohnes@wm.com

Facility Public Information Coordinator

Joel Rubin

757-287-0362 (O)

757-287-0361 (M)

joel@rubincommunications.com

SPSA

Primary: Executive Director

Rowland Taylor

757-961-3740 (O)

757-377-7060 (M)

rtaylor@spsa.com

Secondary: Contract Administrator

Charles Fagg

757-961-3473 (O)

757-681-4328 (M)

cfagg@spsa.com

City of Portsmouth

Primary: Manager, Waste Management

Joe P. Strait

757-235-9002 (M)*

757-393-8120 (O)

straitjp@portsmouthva.gov

Secondary: Sanitation Superintendent

Albert White

757-328-8761 (M)*

757-393-8663 (O)

whitea@portsmouthva.gov

Tertiary: Director of Public Works/General Services

Jarvis Middleton

757-393-8666 (O)

757-335-8162 (M)

middletonj@portsmouthva.gov

Fourth: Assistant City Manager

Paul Holt

757-377-7992

holtp@portsmouthva.gov

*NOTE: These two individuals do not have mobile email capability so contact should be made at their 24 hour mobile phone numbers.

City of Chesapeake

Primary:

Operations Superintendent

Jerry Ivory

757-382-3440 (O)

jivory@cityofchesapeake.net

Secondary: Waste Management Administrator

David Thompson

757-382-3439 (O)

757-615-9218 (M)

dthompso@mail.city.chesapeake.va.us

Waste Management District Manager Hampton Roads Hauling

Gary Kelly

757-558-6213 (O)

757-777-0092 (M)

Gkelly1@wm.com

Waste Management DELMARVA District Manager for Transportation

Chris Chiodo

804-474-8588 (O)

804-814-0505 (M)

cchiodo@wm.com

First Tee Trucking

Primary: General Manager for Virginia

Jeff Harbin

910-783-8770 (M)

757-543-9184, ext223 (O)

jharbin@firstteetransport.com

Secondary: Chief Operating Officer

Barry Elliott

910-246-0125 (O)

910-295-7770 (M)

belliott@pinehurst.net

Cradock Citizens Advisory Committee (as the situation warrants)

Primary: Chairman
Rick Warren
757-717-1633
Rhwarren_23702@yahoo.com

Secondary: Vice Chairperson
Dolores Knight
757-399-7056
grannyd42@verizon.net

Tertiary: Secretary
Patricia VanDorn
757-337-8537
pcv_business@cox.net

Appendix B

Private Hauler Contacts

Waste Management District Manager Hampton Roads Hauling

Gary Kelly

757-558-6213 (O)

757-777-0092 (M)

Gkelly1@wm.com

Waste Industries

Rodney Rosebrough

757-487-2220 (O)

Rodney.rosebrough@wasteindustries.com

Bay Disposal Services

Emmitt Moore

757-857-9700

mmtt@baydisposal.com

Tidewater Fibre Corporation

Paul Stacharczyk - Primary

757-605-2258 (O)

757-272-3915 (M)

Diana Howard - Secondary

757-222-2152

dhoward@tfcrecycling.com

Michael Benedetto – Tertiary

757-222-2152

Recycling and Disposal Solutions-Virginia (RDS)

Steve Lowell

757-454-5790 (O)

757-389-0125 (M)

SteveLowell@rds-virginia.com

