

**First Bank
& Trust Company**

Member FDIC

P.O. Box 1000 • Abingdon, VA 24212 • 276-623-2323 • Fax: 276-628-5860

October 8, 2008

Via Certified and Regular Mail

J. Richard Collier, General Counsel
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

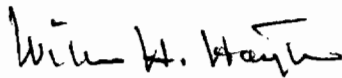
RE: Tennessee Regulatory Authority vs. HC Sewage Treatment, LLC
Docket No. 08-00183

Dear Mr. Collier:

Pursuant to the above referenced Order as it pertains to our Letter of Credit Number 2006-016 in the amount of \$20,000.00, please be advised The First Bank and Trust Company does not contest the allegation specified therein and will comply with the terms and conditions of its Letter of Credit dated March 7, 2006 and extended March 25, 2008.

This letter is being provided in lieu of personal appearance as permitted by your Order dated October 7, 2008.

Sincerely,



William H. Hayter
President & CEO

WHH/al