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March 26, 2007

VIA FEDERAL EXPRESS

Hon. Jaclyn A. Brillling
Secretary
New York State Department of Public Service
NYS Public Service Commission
Three Empire State Plaza
20th Floor
Albany, NY 12223-1350

Re: *Petition of Besicorp-Empire Development Company to Transfer Article X
Certificate; Case 07-F-0008*

Dear Secretary Brillling:

On January 3, 2007, we filed the above-referenced Petition (Petition) of Besicorp-Empire Development Company, LLC (BEDCO) for approval to transfer its Article X Certificate to Besicorp-Empire Power Company, LLC (BEPCO). We have also filed (on January 17, 2007) an affidavit demonstrating that the required public notice concerning the Petition had been published in the Albany Times Union on December 29, 2006.

This original letter (along with five copies) provides supplemental information clarifying some of the information and requests contained in the Petition.

The Petition states that BEDCO will transfer ownership rights of the Power Project to BEPCO, and that therefore a transfer of the Article X Certificate to BEPCO is required. A change of ownership of BEPCO is not contemplated by the Petition, since BEDCO continues to own 100% of the membership interests in Besicorp-Empire Power Holding, LLC, which in turns owns 100% of the membership interests of BEPCO. However, in order to complete financing of the power plant, the Certificate needs to be transferred to BEPCO, since BEPCO is the operating company that will construct, own and operate the power plant and therefore must hold the relevant certificates and permits. The Petition is only requesting a transfer of the Article X Certificate and does not implicate or request any transfer of ownership interests in an electric corporation potentially subject to the Public Service Commission's (Commission) jurisdiction. No easements or property rights are being transferred or requested to be transferred by BEDCO to BEPCO as part of the Petition.

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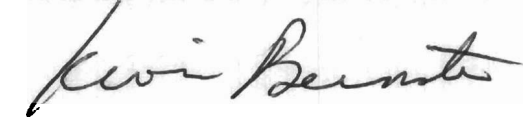
If ultimately the financing for the power plant project results in a restructuring of the ownership rights to BEPCO, then it may be subject to the Commission's jurisdiction under PSL § 70 unless the acquisition or transfer of interests are with regard to the parents and/or grandparents of the electric corporation that is subject to the Commission's jurisdiction under the Wallkill Presumption. In connection with this presumption, it should be noted that BEPCO does not own, and is not affiliated with any entity that owns transmission or generating facilities such that market power concerns might be raised. An organizational chart showing the direct and indirect subsidiaries of BEDCO (including BEPCO) is attached.

Finally, BEPCO shall assume and comply with the terms and conditions contained in the Certificate.

We hope this clarification and supplemental information allows you to move forward in scheduling a Siting Board meeting to consider BEDCO's petition to transfer the Article X Certificate. If you or Staff have any further questions, please feel free to contact me.

Sincerely,

BOND, SCHOENECK & KING, PLLC



Kevin M. Bernstein

Enclosures

cc: *via Federal Express*

Besicorp
Steven Blow, Esq.

