



FOR IMMEDIATE RELEASE
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Contact: William T. Seils
845.336.7700, x 141

BESICORP ANNOUNCES START OF CONSTRUCTION OF THE BESICORP-EMPIRE POWER PROJECT

Kingston, NY - Besicorp-Empire Development Company, LLC (BEDCO) is pleased to announce that Energy Capital Partners, a private equity firm dedicated to investing in North America's energy infrastructure, has agreed to provide the equity necessary to complete the Besicorp-Empire Power Project. The project, a natural gas fired Power Generating Facility, will be located on the former BASF site in the City of Rensselaer, NY, and will deliver 635 MW (including 107 MW of peaking capacity) of electricity to the New York State electric grid.

The construction of the facility is scheduled to begin August 1, 2007 and will employ up to a peak of 525 construction workers during the construction period. The facility is anticipated to be in operation and delivering power to the electric grid by December 31, 2009.

The project will deliver multiple and significant economic benefits to the region through the creation of construction jobs, permanent jobs for operations, tax payments (to the City of Rensselaer, Rensselaer School District, County of Rensselaer and other jurisdictions), a Host Community Agreement with the City of Rensselaer, a Rensselaer School District Benefit Agreement, fees to the Rensselaer County Industrial Development Agency and the economic spin-off created from construction and operations of the facility. These benefits are estimated to be in excess of \$290 million over a 20 year period.

William T. Seils, President of BEDCO states; "After years of hard work, persistence and joint participation from multiple state, regional and local officials and residents, we are very pleased to announce the start of construction of the facility and look forward to delivering the benefits associated with the project to the City, Schools and County of Rensselaer and the State of New York. We would like to thank the many individuals who contributed their time and expertise in this important project."

City of Rensselaer Mayor Dan Dwyer states: "The productive redeployment of the former BASF site represents our firm commitment to create long term economic growth and opportunity for the citizens of the City of Rensselaer. Economic growth is essential to secure the City's future, create additional opportunities and enhance the community's

overall quality of life. By working with the management of Besicorp in structuring the economic packages and incentives we have made significant progress towards that goal.”

“The construction and operation of the Besicorp-Empire power generating facility is a win-win for the City of Rensselaer and Rensselaer County,” said Senator Joseph L. Bruno. “In addition to the 525 construction jobs and the creation of approximately 20 permanent positions, the city, school district and county can expect much needed increases in tax revenue as a result.”

Besicorp-Empire Development Company, LLC is an affiliate of Besicorp Development, LLC, a Kingston, New York company that specializes in the development of environmentally sound independent power and industrial projects. Besicorp has been developing energy related businesses in New York State for over 30 years.

For additional information on the Besicorp projects, visit the company’s web site at www.besicorp.com.