

Ekin Senlet
Associate

Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

August 16, 2013

Re: Application of Champlain Hudson Power Express, Inc. for a Certificate of Environmental Compatibility and Public Need Pursuant to Article VII of the PSL for the Construction, Operation and Maintenance of a High Voltage Direct Current Circuit from the Canadian Border to New York City
Case 10-T-0139

Status Report and Request for Enlargement of Time for the Filing of Trust Agreement

Dear Secretary Burgess:

In an Order dated June 17, 2013 (the “June 17 Order”), the Commission approved the Governance Agreement for the Hudson River and Lake Champlain Habitat Enhancement, Restoration, and Research/Habitat Improvement Project Trust (the “Trust”) pursuant to the Certificate Conditions established in its Order Granting Certificate issued in this proceeding on April 18, 2013 (the “Certificate Order”). Both Condition 165(a) of the Certificate Order terms and conditions and the June 17 Order require that the Champlain Hudson Power Express, Inc. and CHPE Properties, Inc. (“Certificate Holders”) file a Trust Agreement with the Commission by August 16, 2013.

For the reasons set out below, the Certificate Holders have been unable to meet this deadline and respectfully request enlargement of the time for filing of the Trust Agreement in this proceeding.

On June 28, 2013, shortly after the issuance of the June 17 Order, a Special Governance Committee Meeting was held. At that meeting, a decision was made to retain an administrator to assist in the management of the Trust. In addition, the Governance Committee also decided to enter into negotiations with the Hudson River Foundation (“HRF”) to serve as the Trust Administrator.

Because the Trust Administrator and the Trustee Bank must work closely together, Certificate Holders proposed to work with HRF's existing bank, which is a large, well known financial institution in New York City. Because the form of the Trust Agreement must be acceptable to the Trustee Bank, Certificate Holders and HRF did not prepare their own Trust Agreement, but were expecting instead to work with a form provided by the bank.

Unfortunately, this bank was initially unresponsive. Once contact was made with senior level personnel at the bank, they had a number of internal meetings that were delayed by vacations and other absences. As a result, it was not until late in the afternoon of Thursday, August 15, 2013 that this bank finally advised Certificate Holders and HRF that, although it had provided such services in the past, it is now focusing its trust business exclusively on personal trusts and is therefore not willing to perform the services that will be required by the Trust.

Because of the unexpected events explained above, Certificate Holders are not able to file a Trust Agreement with the Commission at this time. The Certificate Holders respectfully request that the Commission extend the deadline for the filing of the Trust Agreement through and until October 16, 2013. No party will be prejudiced by the granting of this extension request, as the first injection of funds into the Trust will not occur until the financial closing for the Champlain Hudson project currently scheduled to occur in the first quarter of 2014.

Thank you for your attention to this matter. If you have any further questions, please do not hesitate to contact the undersigned.

Very truly yours,

Ekin Senlet

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*Counsel for Champlain Hudson Power
Express, Inc. and CHPE Properties, Inc.*

cc/
Active Parties in Case 10-T-0139 (via electronic delivery)