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February 27, 2006

Jay T. Ryan
(202) 298-1878

The Honorable Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**RE: Filing of CZMA Concurrence and
Corresponding Comments on the Offer of Settlement
Niagara Power Project
New York Power Authority (FERC Project No. 2216)**

Dear Secretary Salas:

On February 17, 2006, the New York State Department of State (“NYDOS”) issued a letter concurring with the New York Power Authority’s (“Power Authority”) certification that the relicensing of the Niagara Power Project will be consistent with the New York Coastal Management Program. The NYDOS letter, which is attached, conditions the concurrence by requiring that the Ecological Standing Committee (“ESC”) – established pursuant to Section 4.1.1 of the Relicensing Settlement Agreement Addressing New License Terms and Conditions (“Relicensing Settlement Agreement”) – be expanded to include a representative from NYDOS. The condition imposed by the concurrence is acceptable to the Power Authority.

To accommodate this condition, the proposed license article establishing the ESC as set forth in Appendix A (page A-1) of the Relicensing Settlement Agreement should be revised to include NYDOS. The Power Authority respectfully requests that the licensing order include the proposed license article establishing the ESC as revised in the following manner:

ECOLOGICAL STANDING COMMITTEE

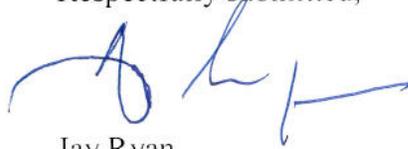
Article ____. The Licensee shall convene an Ecological Standing Committee (“ESC”), comprised of a representative from the Licensee, the New York State Department of Environmental Conservation, the U.S. Fish and Wildlife Service, the Seneca Nation of Indians, the Tuscarora Nation, the Tonawanda Seneca Nation, New York Rivers United, New York State Department of State, and the Niagara Relicensing Environmental Coalition to establish . . .

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This minor modification to the proposed license article will ensure that the NYDOS condition is incorporated into the new license.

If you have any questions regarding this filing, please contact me at the number above.

Respectfully submitted,



Jay Ryan
Counsel to the New York Power Authority

cc: Official Service List
Vince Yearick
Steve Kartalia



STATE OF NEW YORK
DEPARTMENT OF STATE
41 STATE STREET
ALBANY, NY 12231-0001

February 17, 2006

GEORGE E. PATAKI
GOVERNOR

Mr. John L. Osinski
Executive Director Regulatory Affairs
New York Power Authority
30 South Pearl Street
Albany, New York 12207-3425

Re: F-2005-0935
Federal Energy Regulatory Commission - FERC #2216
Niagara Power Project
Towns of Niagara and Lewiston
Niagara County
Concurrence with Consistency Certification

Dear Mr. Osinski:

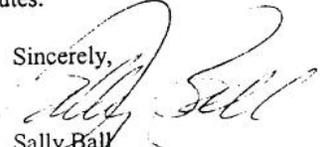
The Department of State has completed its review of your consistency certification regarding the consistency of the above-referenced activity with the New York Coastal Management Program.

Pursuant to 15 CFR Part 930.62, and based upon the project information submitted, the Department of State concurs with your consistency certification for this activity, subject to the following agreed-upon conditions:

Section 4.1.1 of the Relicensing Settlement Agreement Addressing New License Terms and Conditions (including Proposed License Articles) dated July 18, 2005 establishes an Ecological Standing Committee (ESC) to oversee the development of Habitat Improvement Projects (HIPS), as well as to approve projects to be funded by the Fish and Wildlife Habitat Enhancement and Restoration Fund (HERF). The Department of State is to have a representative on the ESC to participate in the oversight of these activities to ensure activities comply and are undertaken in a manner consistent with the New York Coastal Management Program as implemented.

This concurrence is without prejudice to, and does not obviate the need to obtain all other applicable licenses, permits, and approvals required pursuant to existing State statutes.

Sincerely,

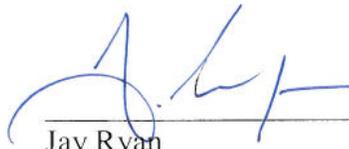

Sally Ball
Deputy Director
Division of Coastal Resources

cc: FERC: Magali R. Salas

CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission, I hereby certify that I have this day caused the foregoing document to be served upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 27th day of February, 2006.



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