

March 29, 2007

BY FAX AND
EXPRESS MAIL,
RETURN RECEIPT REQUESTED

Carmella R. Mantello, Director
New York State Canal Corp.
Interchange 23, Route 9W
Albany, N.Y. 12209-2098

Re: Administrative Order Directing Compliance with Request for Access;
Hudson River PCBs Superfund Site

Dear Ms. Mantello:

Enclosed is an Administrative Order Directing Compliance with Request for Access (“Order”), Index No. CERCLA-02-2007-2012, which directs the New York State Canal Corporation (“Canal Corporation”) to provide the U.S. Environmental Protection Agency (“EPA”) with access to certain properties in Moreau and Fort Edward, New York that are owned by the Canal Corporation and that are needed to implement the dredging remedy selected by EPA for the Hudson River PCBs Superfund Site (“Site”).

The Order includes a description of each of the parcels to which the Canal Corporation is required to provide access, and a summary of activities that will be performed on the parcels. Pursuant to Paragraph 38 of the Order, EPA has designated General Electric Company (“GE”) as one of its authorized representatives for purpose of the access required by the Order. GE will perform the work on these parcels pursuant to the court-approved Consent Decree in United States v. General Electric Company, Civ. No. 05-01270 (N.D.N.Y.).

In accordance with the terms of the Order, if you wish to request a conference with EPA to discuss the Order, you should do so within three business days of your receipt of the Order. Such a conference should take place within two business days after your request. If EPA does not receive a timely request for a conference, the Order shall be effective four business days after your receipt of the Order. Please see Sections VIII and IX of the Order for further information regarding the opportunity to confer and the effective date of the Order.

As stated in Section X of the Order, on or before the effective date of the Order, the Canal Corporation must notify EPA as to whether it will comply with the Order.

As noted in the Order, EPA and GE will require access to each of the properties for a number of years, and implementation of the remedy will require the construction of infrastructure, paving and other features on the properties. Accordingly, EPA will shortly contact the Canal Corporation to discuss EPA's acquisition of a fee interest or other property interest in each of the three properties that are the subject of the Order. Such discussions will not stay the effectiveness of the Order.

If you have any questions, please contact me at (212) 637-4390 or have your attorney contact Douglas Fischer of EPA Region 2's Office of Regional Counsel at (212) 637-3180.

Sincerely,

George Pavlou, Director
Emergency and Remedial Response Division

Enclosure

cc: Peter Casper, Esq., New York State Canal Corp.
Eugene Leff, Esq., NYSAG
William Daigle, NYSDEC
John Haggard, GE