Kessner Steven Form 3 August 12, 2005

FORM 3

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * Kessner Steven			2. Date of Event Requiring Statement (Month/Day/Year)	3. Issuer Name and Ticker or Trading Symbol ENVIRONMENTAL POWER CORP [(EPG)]				
(Last)	(First)	(Middle)	08/11/2005	4. Relationship of Reporting Person(s) to Issuer			 5. If Amendment, Date Original Filed(Month/Day/Year) 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person 	
	DINGTON ROAD (Street) DALE, NY 10583			(Check _X_ Director Officer (give title below	er Other			
(City)	(State)	(Zip)	Table I - N	Non-Derivat	tive Securit	ies Ben	eficially Owned	
1.Title of Secur (Instr. 4)	ity		2. Amount o Beneficially (Instr. 4)		3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Natu Owners (Instr. 5	*	
Common Sto	ock		171,829		I	See Fo	oot note (3)	
Common Sto	ock		12,000		I	See Fo	oot note (1)	
Common Sto	ock		3,000		I	See Fo	oot Note (2)	
Reminder: Repo	or indirectly.		ach class of securities benefic	. 8	EC 1473 (7-02	2)		
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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

currently valid OMB control number.

1. Title of Derivative Security	2. Date Exercisable and	3. Title and Amount of	4.	5.	6. Nature of Indirect
(Instr. 4)	Expiration Date	Securities Underlying	Conversion	Ownership	Beneficial
	(Month/Day/Year)	Derivative Security	or Exercise	Form of	Ownership

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	Date Exercisable	Expiration Date	(Instr. 4) Title	Amount or Number of Shares	Price of Derivative Security	Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	(Instr. 5)
Common Stock Warrants (right to buy)	05/19/2004	05/19/2007	Common Stock	23,571	\$ 7.7	I	See Foot note (3)
Non-Statutory Stock Option (right to buy)	09/14/2005	09/14/2010	Common Stock	42,751	\$ 7.25	D	Â
Non-Statutory Stock Option (right to buy)	08/11/2005	08/11/2015	Common Stock	14,286	\$ 6.24	D	Â

Reporting Owners

**Signature of Reporting Person

Reporting Owner Name / Address	Relationships					
Troporting of the France / France /	Director	10% Owner	Officer	Othe		
Kessner Steven 16 PADDINGTON ROAD SCARSDALE, NY 10583	ÂX	Â	Â	Â		

Signatures

/s/ Tammy Johnson Attorney-in-fact 08/12/2005

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- Comprised of 3000 shares held by the Adam Kessner Trust, 3000 shares held by the Michael Kessner Trust, 3000 shares held by the
- (1) Richard Kessner Trust and 3000 shares held by the Robert Kessner Trust, Mr. Kessner is the sole trustee of each of the foregoing trust and has sole voting and investment control over the shares held by such trusts.
- (2) Held as custodian for Jonathan Kessner, over which Mr. Kessner exercises sole voting and investment control.

Date

(3) Held by RE Funding, LLC, of which Mr. Kessner is the sole officer and director and over which he has sole voting and investment control.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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