Kessel Richard E Form 4 August 21, 2009

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB** Number:

3235-0287

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January 31, 2005

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response...

subject to Section 16. Form 4 or Form 5 obligations may continue.

Check this box

if no longer

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 See Instruction

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person \* Kessel Richard E

2. Issuer Name and Ticker or Trading

Symbol

(Check all applicable)

Issuer

**ENVIRONMENTAL POWER** CORP [(EPG)]

3. Date of Earliest Transaction

(Month/Day/Year) 08/19/2009

\_X\_\_ Director 10% Owner Other (specify

5. Relationship of Reporting Person(s) to

X\_ Officer (give title below) President and CEO

C/O ENVIRONMENTAL POWER CORPORATION, 120 WHITE PLAINS ROAD, 6TH FLOOR

(First)

(Street) 4. If Amendment, Date Original

(Middle)

6. Individual or Joint/Group Filing(Check Applicable Line)

Filed(Month/Day/Year)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

TARRYTOWN, NY 10591

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if

(Month/Day/Year)

3. 4. Securities Acquired Transaction(A) or Disposed of (D) (Instr. 3, 4 and 5) Code (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Indirect (I) Ownership (Instr. 4) (Instr. 4)

(A)

Reported Transaction(s) (Instr. 3 and 4)

Code V (D) Price Amount

Common 08/19/2009 Stock

50,000 \$ Α (1)0.01

113,767

D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of **SEC 1474** information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

#### Edgar Filing: Kessel Richard E - Form 4

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transacti Code (Instr. 8)					7. Title and Amoun Underlying Securiti (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amor Numl Share
Stock Appreciation Right	\$ 0.55	08/19/2009		A	100,000		(3)	08/18/2019	Common Stock	100

# **Reporting Owners**

Reporting Owner Name / Address	Relationships						
. 0	Director	10% Owner	Officer	Other			
Kessel Richard E C/O ENVIRONMENTAL POWER CORPORATION 120 WHITE PLAINS ROAD, 6TH FLOOR TARRYTOWN NY 10591	X		President and CEO				

## **Signatures**

/s/ Scott E. Pueschel, Attorney-in-Fact for Richard E. Kessel 08/21/2009

\*\*Signature of Reporting Person Date

## **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(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).
- (1) Represents shares of common stock subject to a restricted stock award under the Company's 2006 Equity Incentive Plan. The award vests in three equal annual installments beginning on August 19, 2010, and vests in full upon a change in control, as defined.
- (2) Represents the number of shares of common stock used to measure the appreciation in value, if any, of the stock appreciation right. The stock appreciation right may be settled in cash, in shares of common stock, or in a combination thereof at the election of the Company.
- (3) The stock appreciation right becomes exercisable in three equal annual installments beginning on August 19, 2010, and becomes exercisable in full upon a change in control, as defined.
- (4) Not Applicable.

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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