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 *
Â Kessner Steven
(Last) (First) (Middle)
16 PADDINGTON ROAD
(Street)
SCARSDALE,Â NYÂ 10583
(City) (State) (Zip)

2. Date of Event Requiring Statement (Month/Day/Year)
08/11/2005

3. Issuer Name **and** Ticker or Trading Symbol
ENVIRONMENTAL POWER CORP [(EPG)]

4. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

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

Table I - Non-Derivative Securities Beneficially Owned

1.Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	171,829	I	See Foot note [(3)]
Common Stock	12,000	I	See Foot note [(1)]
Common Stock	3,000	I	See Foot Note [(2)]

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (*e.g.*, puts, calls, warrants, options, convertible securities)

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

	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

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kessner Steven 16 PADDINGTON ROAD SCARSDALE,Â NYÂ 10583	Â X	Â	Â	Â

Signatures

/s/ Tammy Johnson Attorney-in-fact	08/12/2005
**Signature of Reporting Person	Date

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).

(1) Comprised of 3000 shares held by the Adam Kessner Trust, 3000 shares held by the Michael Kessner Trust, 3000 shares held by the 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.

(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.
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