

BEEKMAN WATER COMPANY, INC.

Corporate Office
63 Washington Street
Poughkeepsie, NY 12602-0509

Direct Telephone: (845) 486-6880

October 10, 2008

Deborah Hall

RE: Beekman Water Company, Inc.
Our File No. 1395-0013

Dear Deborah:

It was a pleasure meeting with you last week.

I take the liberty of enclosing a copy of a letter which I sent to Mr. Thantu at the EPA. We had a very good phone call and hopefully we will be able to move promptly forward and give you clean water.

I look forward to working with you in the furthering of the process.

Very truly yours,

BEEKMAN WATER COMPANY, INC.


PHILLIP SHATZ
President

PS/dmf
enc.

BEEKMAN WATER COMPANY, INC.

Corporate Office
63 Washington Street
Poughkeepsie, NY 12602-0509

Direct Telephone: (845) 486-6880

October 10, 2008

thantu.lorenzo@epa.gov

Lorenzo Thantu
Mediation Site Manager
Environmental Protection Agency

COPY

RE: Beekman Water Company
Our File No. 1395-0013

Dear Mr. Thantu:

It was a pleasure talking to you the other day. We, Beekman Water Company, Inc., are very anxious to be the supplier of water for the 350 homes in the Hopewell Precision area whose water supply is contaminated.

We believe that we are the proper and logical supplier for that site for the following reasons:

1. Our water supply is more than adequate. Malcolm Purney did a study and analyzed the matter and concluded that we have an aquifer running under our water supply which supplies over 3,600 gallons per MINUTE. This is obviously more than enough to supply our present use and the additional 350 homes
2. We have a history over many years of having clean water. Our system is new and operates the well and we are confident we can furnish the water.
3. Our water supply is far removed from the toxic plume which is affecting the homes in the Hopewell Precision area. The other suppliers who might be available, are much closer to the plume which the EPA should consider in making the decision.
4. We are skilled installers and operators of a water system. We installed our own distribution lines, our own water system and we would be competent to be the contractors in the installation of the necessary distribution lines and other infrastructure, which should save the substantial money. On preliminary estimates we would be substantially under the EPA budget.

5. Our franchise is for the entire Town of East Fishkill. Therefore, we would not have to go through the necessity of creating or obtaining permission from the Town to furnish water to that area. In addition, because we are privately owned, we do not need to seek permission from members of the district, as would be required in the Little Switzerland area where it would require, as I understand it, agreement of a majority of the members of the district to enable them to furnish you the water.

6. We furnished substantial portions of our engineering data to a Mr. McDonald, who is an engineer retained, as I understand it, by the Town. If there is anything further you need, we would be more than pleased to make it available.

You indicated you would like to do a 72 hour pumping test. We invite you to do so and to do any and all other tests which you feel appropriate to confirm that we are the logical supplier of water for you.

Also important is the fact that because we will be adding a substantial number of customers, we will be able to reduce the rates to our existing customers quite substantially (we estimate at least 25%) and also offer water to the persons in the affected area at very favorable rates.

I look forward to meeting with you and such other persons who would be interested with regard to this opportunity.

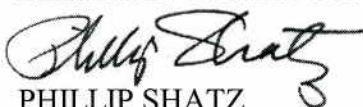
We recognize we need the approval of the EPA, the DEC and the Health Department to go forward. We believe the facts support approvals by them.

Because we can move promptly as a private company we would be able to furnish water much more quickly to the area than a municipal operated district which would have to have much more bureaucratic problems than we would in going forward.

If there are any questions, please feel free to call me or contact me by e-mail.

Very truly yours,

BEEKMAN WATER COMPANY, INC.



PHILLIP SHATZ
President