

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

Number: **200551019**

Release Date: 12/23/2005

Index Number: 103.06-08 R 1986

Third Party Communication: None
Date of Communication: Not Applicable

Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:TEGE:EOEG:TEB
PLR-140975-05

Date:
August 9, 2005

Legend

Issuer =

Company =

Project =

Dear :

This letter responds to the Company's letter dated July 18, 2005, requesting a modification of ruling letter dated April 8, 1983, Private Letter Ruling 8327090 (the "Prior Letter Ruling") issued to Company. The Prior Letter Ruling addressed whether obligations to be issued by Issuer to finance the Issuer's 80 percent undivided interest in the Project were industrial development bonds as defined in section 103(b) of the Internal Revenue Code of 1954 (the "Code").

Company requests that we either amend or delete the specific numerical reference to the nameplate capacity of the Project in the Prior Letter Ruling. Accordingly, the Prior Letter Ruling is modified by deleting the following sentence:

However, Company's right to receive 37.5 percent of Issuer's 80 percent share will be suspended (although Company will have to continue making payments) if and when the receipt by Company of any additional amount of energy from Issuer would result in Company having received in excess of 25 percent of the product of (x) the nameplate capacity of Issuer's 80 percent undivided interest in the Project, 979.2 MW (80 percent of 1224 MW), and (y) the number of years (including fractions) from the date

Company first takes energy under the Agreement until the latest maturity date of any Debt Obligation.

and inserting in its place the following sentence:

However, Company's right to receive 37.5 percent of Issuer's 80 percent share will be suspended (although Company will have to continue making payments) if and when the receipt by Company of any additional amount of energy from Issuer would result in Company having received in excess of 25 percent of the product of (x) the nameplate capacity of Issuer's 80 percent undivided interest in the Project, and (y) the number of years (including fractions) from the date Company first takes energy under the Agreement until the latest maturity date of any Debt Obligation.

All of the other provisions of the Prior Letter Ruling remain the same.

Sincerely,
Assistant Chief Counsel
(Exempt Organizations/Employment
Tax/Government Entities)

By: _____
Timothy L. Jones
Senior Counsel
Tax-Exempt Bond Branch