

**NOTICE OF HYDROPOWER LICENSE APPLICATION FILING
FRANKLIN HYDROELECTRIC PROJECT, FERC NO. 2603**

Duke Power, a division of Duke Energy Corporation, Nantahala Area (DPNA) filed an Application for a Subsequent License for a Minor Water Power Project, the Franklin Hydroelectric Project (Franklin Project) with the Federal Energy Regulatory Commission (FERC) on July 23, 2003. The purpose of this Public Notice of the Franklin License Application filing is to meet the requirements of the Code of Federal Regulations (C.F.R), 18 C. F. R. §4.32(b)(6), which requires the Applicant, in this case DPNA, to give public notice of the filing of the Franklin License Application with the FERC.

The purpose of the filing is to obtain a license renewal from the FERC to continue the operation of the Franklin Project for a period that could range from 30 to 50 years in the future. The current FERC License for the Franklin Project expires on July 31, 2005.

Project Summary: The Franklin Project is located in Macon County, North Carolina, on the Little Tennessee River near the town of Franklin. The Project consists of a concrete gravity dam approximately 36-feet high and 460-feet long, a powerhouse containing two generating units with a total installed capacity of 1.04 MW, related electric power production components and facilities; and a reservoir approximately 4.6 miles in length. The Project has limited storage and no change to the facilities or operation of the Project is being requested as part of this relicensing.

Application Availability: A copy of the Franklin License Application can be viewed at the following sites:

- 1) The Macon County Public Library, 108 Wayah Street, Franklin, NC.
- 2) The Macon County Courthouse, 5 West Main Street, Franklin, NC.
- 3) The Franklin Town Hall, 70 West Main Street, Franklin, NC.
- 4) The DPNA Website at <http://dev.nantahalapower.com>, then click on the "Hydro Licensing" Link.

A copy of the License Application can be obtained in either paper or CD format by contacting Mr. Ed Luttrell, at (704) 400-4494 and the cost for the reproduction of either the paper or CD format License Application and shipping costs will be charged.

If after the review of the Franklin License Application any resource agency, Indian Tribe, or person believes that an additional scientific study should be conducted in order to form an adequate factual basis for a complete analysis of the Franklin License Application on its merits, the resource agency, Indian Tribe, or person must file a request for the study with the FERC not less than 60 days after the date of filing, July 23, 2003, and must also serve a copy of the study request with DPNA at the address provided below. The FERC has set forth specific guidelines for what must be included in any such study request filed and that information can be obtained either from the 18 C.F.R. §4.32(b)(7) or by contacting DPNA.

Additionally, once the FERC has reviewed the Franklin License Application and found it acceptable for filing, the FERC will publish subsequent notices soliciting public participation in the relicensing process.

Additional information on the License Application or FERC Licensing Process can be obtained by calling DPNA at (828) 369-4534 or in writing at the following address: Mrs. Pat McCall, Duke Power–Nantahala Area, 301 NP&L Loop, Franklin, NC 28734.