

ORIGINAL

THE CLIFTON CORPORATION

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July 25 2004

Attn: Dockets
Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

FILED
OFFICE OF THE
SECRETARY
2004 JUL 29 P 2:59
FEDERAL ENERGY
REGULATORY COMMISSION


Re: Motion to Intervene and Comments on the Application for Surrender of the Dillsboro Project (P-2602-005 & P-2602-007)

Dear Secretary Salas,

Enclosed for filing in the above referenced proceedings is an original and ten copies of Motion to Intervene and Comments.

Please stamp two copies and return them in the self addressed stamped envelope.

Sincerely,


Charles B. Mierek, P.E.
President

FILED
OFFICE OF THE
SECRETARY
2004 JUL 29 P 3:00
FEDERAL ENERGY
REGULATORY COMMISSION

Original
ORIGINAL

**BEFORE THE
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

Duke Power Company)	
A division of Duke Energy Corporation)	P-2602-007
)	Dillsboro Project
)	(License Surrender)
)	
)	P-2602-005
)	Dillsboro Project
)	(Relicensing)
)	

**LATE MOTION TO INTERVENE
AND COMMENTS**

Pursuant to 18 C.F.R. § 384.214 and the "Notice of Application Accepted for Filing, Soliciting Motions to Intervene and Protests, and Soliciting Comments, Final Recommendations, Terms and Conditions, and Prescriptions" (June 4, 2004), The Clifton Corporation respectfully moves to intervene in this proceeding and offers the following comments

I. CONTACT INFORMATION

All normal correspondence should be addressed to the person listed below:

Mr. Charles Mierek, P.E.
President
The Clifton Corporation
5250 Clifton Glendale Road
Spartanburg, SC 29307

Tel. 864/579-4405

All US Postal Service certified or registered mail should be sent to the following address:

Mr. Charles Mierek, P.E.
President
The Clifton Corporation
P.O. Box 100
Clifton, SC 29324

2. REQUEST FOR LATE INTERVENTION

Clifton only recently learned of the surrender application while it was searching the Commission's FERRIS database for other information and accidentally came upon it. Clifton has not, heretofore, been a participant in the licensing proceeding and had no prior knowledge of Duke's desire to abandon the Dillsboro hydropower project.

The Clifton Corporation is a consulting engineering company with extensive experience in hydropower projects. It has rehabilitated hydropower projects in North Carolina and currently provides engineering, operations and maintenance support to Federal, municipal, and private hydropower project owners and operators throughout the country, including North Carolina. Its interest in this proceeding is presented below.

Granting this late intervention motion will not unduly disrupt or delay the proceeding, prejudice other parties to it or place additional burdens on existing parties. Indeed, granting this motion may speed up the proceeding by relieving the licensee of certain burdens regarding the project.

Clifton is the only party proposing to continue to operate the project. As such its interest, which will be directly affected by the outcome of this proceeding, is not adequately represented by any other party.

Further, given the public's stated interest in keeping the project operational, Clifton's participation as the only party willing and able to take over operation of the project is clearly in the public interest.

Consequently, Clifton requests the Commission waive the time limitation and approve this motion for late intervention.

3. COMMENTS

Clifton has reviewed much of the most recent Duke filings regarding surrender of the license and the proposed removal of the powerhouse and dam.

These documents do not discuss the alternative of turning the project over to an independent owner to continue to operate the project. They only discuss in general terms a no-action plan whereby Duke continues to own and operate the project.

Clifton has reviewed the project descriptions and project economics in these documents. It believes that it can take the project with the support from Duke and rehabilitate the project and continue to operate it for many years to come.

This can be accomplished at a lower cost to Duke Power Company and its North Carolina ratepayers than the proposed alternatives. Duke is proposing to spend nearly \$500,000 to remove the dam and powerhouse. Clifton can take the project over, make it economically viable, continue to operate it and save Duke and its rate payers some of this half-million dollar cost.

The benefits of continued operation are many including the continuation of renewable energy production in this country instead of the use of fossil fuels, a reduction on greenhouse gas production, a reduction in the loss of aquatic habitat, and the continuation of the aesthetics of the site.


Further, several stakeholders, including local governments, do not want the dam removed and have expressed an interest in the continued operation of the project.

Clifton must complete a more thorough due diligence evaluation of the facility. However, upon receiving the CEII information in the Commissions files¹ and an on site evaluation of the facility, Clifton can complete the evaluation in less than a month. Consequently, this due diligence evaluation can be completed by September 1, 2004 with the timely cooperation of the Commission and Duke Power Company.

4. CONCLUSION

The Clifton Corporation respectfully requests that the Commission grant the request for late intervention and carefully consider our comments.

Respectfully Submitted.



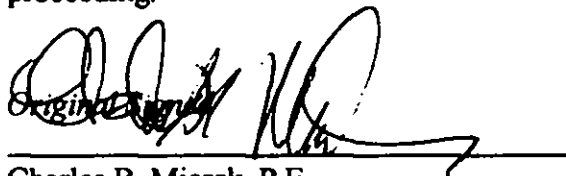
Charles B. Mierek, P.E.
President
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Tel. 864/579-4405

July 23, 2004
Date

^{1/} A concurrent request for the CEII is being filed.

CERTIFICATE OF SERVICE

I hereby certify that I have this 28th day of July, 2004 served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.



Charles B. Mierek, P.E.
President
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July 28, 2004
Date