



US Army Corps
of Engineers
Wilmington District

Falls Lake, NC Non-Federal Hydropower Add-On

- **Sponsor: Federal Energy Regulatory Commission (FERC)**
- **Proposal to add non-Federal hydropower units to the existing Corps' project.**



CONGRESSIONAL DISTRICT: NC 1, 13

DATE: 6 March 2014

1. **AUTHORIZATION:** The Falls Lake project was authorized by the Flood Control Act of 1965 (PL 89-298) as enacted by the 89th Congress on 27 October 1965. The U.S. Army Corps of Engineers supports suitable non-Federal hydropower plant construction at its water resources projects in accordance with its memorandum of understanding (MOU) between the Department of the Army and FERC dated 15 July 1983. Language under 16 U.S.C. §797 gives FERC authority to issue licenses to non-Federal entities for the development of hydropower facilities at Federal dams.

2. **LOCATION AND DESCRIPTION:** The project is located in the upper Neuse River immediately upstream of the village of Falls in Wake County, North Carolina. The drainage area above Falls Dam is 770 square miles and covers portions of six counties. The dam is an earthen structure with an overall length of 1,915 feet with a maximum height of 92 feet above the streambed, an uncontrolled, unpaved chute spillway, and a controlled 17.4-foot diameter outlet structure. The lake has a gross storage capacity of 374,450 acre-feet, of which 243,050 acre-feet is for flood risk management and 131,400 acre-feet for water-quality control, water supply, and sedimentation. The lake is operated for flood risk management in the Neuse River basin, water supply for the city of Raleigh, North Carolina, water-quality control downstream and other purposes.

3. **FEDERAL FUNDING ALLOCATION FOR FY 2013:** \$1,000 under the Operation and Maintenance appropriation FERC Hydropower Coordination program.

4. **FY 2014 FEDERAL FUNDING ALLOCATION:** \$0. Carry-over funds would be used to initiate review of non-Federal permits and provide technical assistance.

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5. **FY 2015 BUDGET AMOUNT:** To be determined. Funds in the amount of \$100,000 under the Operation and Maintenance appropriation FERC Hydropower Coordination regional program could be used to review non-Federal permits and provide technical assistance.

6. **ISSUE AND INFORMATION:** Federal construction of hydropower facilities at this project is not currently authorized. Federal funding to review FERC related activities including permit applications and quality assurance inspection of approved permitted construction of the non-Federal project was previously provided under the Maintenance and Operations of Dams appropriation. Beginning in FY 2010, funding to accomplish Corps review has been allocated under the Operation and Maintenance appropriation FERC Hydropower Coordination program. This funding is appropriated at the national level and is very limited. The nationwide FY 2014 appropriation was \$3,000,000. The cost estimate to review a permit and provide technical oversight if the permit is approved is \$151,000.

A FERC action has been initiated at Falls Lake project. FERC is currently entertaining two separate requests for a preliminary permit to perform investigations and review the feasibility of adding hydropower. On February 20, 2009, Community Hydro filed a preliminary permit application P-13375 with FERC to obtain a three year permit to study the feasibility of developing non-Federal hydropower at the Falls Lake project. The applicant proposes to install six turbine generator units for a combined capacity of 2.5 megawatts and an estimated annual generation of 8.3 megawatt-hours. This applicant has requested data from the Corps to initiate a feasibility study for the project. On October 9, 2009, the city of Raleigh, North Carolina filed a letter of opposition to this project and on October 13, 2009 filed a motion with FERC for an extension of time to compile and submit a competing permit application to develop hydropower at Falls Lake project which was filed on November 6, 2009. A decision was rendered from FERC and the application from the city of Raleigh was chosen. On November 19, 2010 FERC issued the city of Raleigh a preliminary application P-13623.

The city of Raleigh relinquished rights to the FERC permit. However, there has been continued interest expressed by multiple parties in developing non-Federal hydropower facilities at this project.