US Army Corps of Engineers
Wilmington District

W. Kerr Scott Lake, NC Non-Federal Hydropower Add-On

- **Sponsor: Wilkesboro Hydropower Company**
- **Proposal to add non-Federal hydropower facilities to the Corps' project.**

CONGRESSIONAL DISTRICT: NC 5 Date: 23 February 2015

1. **AUTHORIZATION:** The W. Kerr Scott Lake project was authorized by the Flood Control Act of 1946 (PL 79-526). The U.S. Army Corps of Engineers (USACE) 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 Federal Energy Regulatory Commission (FERC) dated 15 July 1983. Language under 16 U.S.C. §797 gives the 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 on the Yadkin River, five miles upstream of Wilkesboro, North Carolina. The project provides for an earth dam 1,750 feet long with a maximum height of 146 feet above the streambed, an uncontrolled unpaved chute spillway, and a controlled 12.25-foot diameter outlet structure. The reservoir has a gross controlled storage capacity of 153,000 acre-feet, of which 112,000 acre-feet is for flood damage reduction and 41,000 acre-feet for water quality control, water supply, and sedimentation. The reservoir is operated for flood risk management in the Yadkin River Basin and for water supply.

3. **FEDERAL FUNDING ALLOCATION FOR FY 2014**: $27,000.

4. **FEDERAL FUNDING ALLOCATION FOR FY 2015**: Carry-over funds are being used to review the non-Federal permit application and to provide technical oversight.

POC(s): Jenny Owens (910) 251-4757 / Kevin Heape, (336) 921-3390 x120 / Daniel Brown, (910) 251-4832

5. **FY 2016 BUDGET AMOUNT**: To be determined.

6. **ISSUE AND INFORMATION:** Federal funding to review FERC related activities including permit applications, plans, design and quality assurance inspection of approved permitted construction of the non-Federal project is provided under the Maintenance and Operations of Dams appropriation FERC Hydropower Coordination regional program. These fundis are managed at the national level and are very limited. The cost estimate to review subject permit and provide technical oversight if the permit is approved is $273,000.

FERC issued a Preliminary Permit No. 12642 to Wilkesboro Hydroelectric Company on October 25, 2006 to perform investigations and review the feasibility of adding hydropower generation. This permit provided an exclusive three-year window for the holder to investigate the feasibility of adding two generator units with a proposed installed capacity of 4 megawatts and an estimated average annual generation of 19 gigawatt-hours. The permit holder applied to FERC on September 29, 2009 for a license to develop this project. Subsequently, Wilkesboro Hydroelectric Company met all the permit application requirements, including completion of the NEPA process, and on July 17, 2012, FERC granted a license to Wilkesboro Hydropower Company to develop this project.

On December 20, 2012, a memorandum of agreement was signed between Wilkesboro Hydropower Company, LLC and the U. S. Army Corps of Engineers. The Corps completed review of the preliminary design documents and provided comments to Wilkesboro Hydropower in February 2013. In August 2013, Wilkesboro Hydropower submitted revised designs to the Corps. Based on Corps' concerns with the revised design, Wilkesboro Hydropower submitted a completely new design concept to Corps as well as a drilling program plan to do test borings at W. K. Scott in December 2014. The new design is a significant change from the design originally licensed by FERC and will require a FERC license amendment. Coordination between the Corps, FERC and Wilkesboro Hydropower is ongoing.