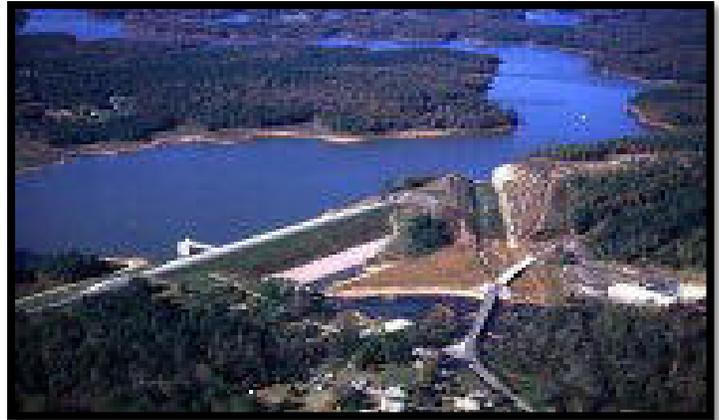




US Army Corps
of Engineers
Wilmington District

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: 23 February 2015

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 on 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 2014:** \$7,000 under the Operation and Maintenance appropriation FERC Hydropower Coordination program.

4. **FY 2015 FEDERAL FUNDING ALLOCATION:** \$0. Carry-over funds would be used to initiate review of non-Federal permits and provide technical assistance.

5. **FY 2016 BUDGET AMOUNT:** To be determined.
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 is provided under the Maintenance and Operations of Dams appropriation FERC Hydropower Coordination program. These funds are managed at the national level and are very limited.

A FERC action has been initiated at Falls Lake project. FERC has entertained 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 pursue development of non-Federal hydropower at the Falls Lake project. On October 9, 2009, the city of Raleigh, North Carolina filed a letter of opposition 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.

In 2013, the city of Raleigh relinquished rights to the FERC permit. Subsequently, KC Hydro applied to FERC and was issued a permit. On 24 April 2014, KC Hydro met with the Corps and other resource agencies to discuss preliminary activities and conceptual designs and determine whether enough progress had been made by the previous applicants to pilot a more streamlined FERC licensing process, which turned out not to be the case. Currently, KC Hydro is completing security clearances to allow them to receive the Corps' design documents to begin preliminary analyses and concepts in preparation of their FERC license application.