



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 authorization needed to extend license period**



---

CONGRESSIONAL DISTRICT: NC 5

Date: 25 March 2019

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 148 feet above the streambed, an uncontrolled unpaved chute spillway, and a controlled 12.25-foot diameter outlet conduit. The reservoir has an uncontrolled flood storage of 153,000 acre-feet, of which 112,000 acre-feet is controlled flood storage, 33,000 acre-feet for water supply, and 8,000 acre-feet for sedimentation and conservation storage. The reservoir is operated for flood risk management in the Yadkin River Basin, water supply for Wilkes County and the City of Winston-Salem, recreation, and fish and wildlife management.

3. **FEDERAL FUNDING ALLOCATION FOR FY 2018:** \$0

4. **FY 2019 PRESIDENT'S BUDGET:** \$0. The FERC license issued to Wilkesboro Hydropower Company, LLC expired in 2016 and would require Congressional legislation to extend the license period. Until that occurs, further technical coordination is not required.

PROJECT INFORMATION – W. Kerr Scott Lake, NC – Non-Federal Hydropower Add-On–  
Continued

5. **FY 2020 PRESIDENT’S BUDGET:** \$0.

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 account, which is managed at the national level. The current cumulative cost estimate to review and provide technical oversight of the licensee activity is \$273,000. This estimate is contingent on licensee schedule, FERC approval of license amendment and complexity of final design.

FERC issued a Preliminary Permit No. 12642 to Wilkesboro Hydroelectric Company, LLC 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. The license required construction to start on the project within two years and was later granted a two year extension of time until July 17, 2016. The FERC license issued to Wilkesboro Hydropower Company, LLC. subsequently expired in 2016 after this two-year extension lapsed without construction and now requires Congressional legislation to extend the license period.

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 the Corps as well as a drilling program plan to do test borings at W. Kerr Scott in December 2014. The new design is a significant change from the design originally licensed by FERC and requires a FERC license amendment. Wilkesboro Hydropower submitted an amendment with a revised Exhibit A in September of 2016. In August of 2018 Wilkesboro Hydropower requested and was granted an extension from FERC in developing their proposal. The Corps has not received a final proposal from Wilkesboro Hydropower.