



# Staff Report

for the Water & Hydroelectric Operations Committee Meeting of February 9, 2021

**TO:** Water & Hydroelectric Operations Committee Members

**FROM:** Chip Close, Water Operations Manager

**DATE:** January 27, 2021

**SUBJECT:** Request for Water Service from Deer Creek Railroad  
Commission Order

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## ***OPERATIONS***

### **RECOMMENDATION:**

Review the history of the Railroad Commission Order (RCO) for the Deer Creek System, and direct staff to continue pursuit of water service as previously recommended by the WHO Committee.

### **BACKGROUND:**

In 1927, the District purchased the Deer Creek Water System (DCWS) from Pacific Gas and Electric Company (PG&E). The purchase agreement included all facilities and water rights utilized by PG&E at the time of acquisition. As part of the transaction, the Railroad Commission (the regulatory authority on water issues at the time), ordered the District to provide service, for fee, to properties that could “reasonably” be served by the system conveyed at the time of purchase in 1927 in perpetuity.

Since the 1927 acquisition, the District has had to adjudicate numerous requests for water service from outside District parcels that had a potential of service from the historic DCWS. When in question, Staff has made the delineation of potential service based upon historic canal location and elevation (pumping water in 1927 was rare). Following this theory, outside District parcels located uphill of the historic DCWS were denied service, while downhill parcels with gravity supply were offered service per District Railroad Commission Order Policy.

Over the last 15 years, two outside District parcel owners, Mr. Paye and Mr. Wilkinson, have requested water service based upon the Deer Creek Railroad Commission Order. Previous requests from these landowners have been denied based upon their elevation and general proximity to the historic canal. However,

Mr. Wilkinson recently provided a map depicting portions of the DCWS extending to elevations lower than previously known. The map shows an 1880's canal (prior to the District's purchase) that was closer to his property (see Wilkinson Provided Maps attachment). Unfortunately, for Mr. Wilkinson, the maps attached as exhibit to the Deer Creek RCO (Railroad Commission Order Maps) do not recognize the canal Mr. Wilkinson references as part of the RCO transaction, therefore staff has continued to deny service.

The District recently completed the Banner Cascade Pipeline Project, which relocated water conveyance facilities to higher elevations making supply to Mr. Paye and Mr. Wilkinson feasible from an engineering standpoint. In fact, portions of the new pipeline cross Mr. Paye's property, yet he has been denied service.

This item was brought to the WHO Committee in September of 2020. The Committee recommended staff continue to work with legal counsel to determine how water could be provided to these out of District customers. Since that meeting, both the Board members present are no longer with the District. Staff is bringing this item again for informational purposes. If supported by the current WHO Committee, staff will continue efforts through legal, with an anticipation of this going before the full board for further discussion.

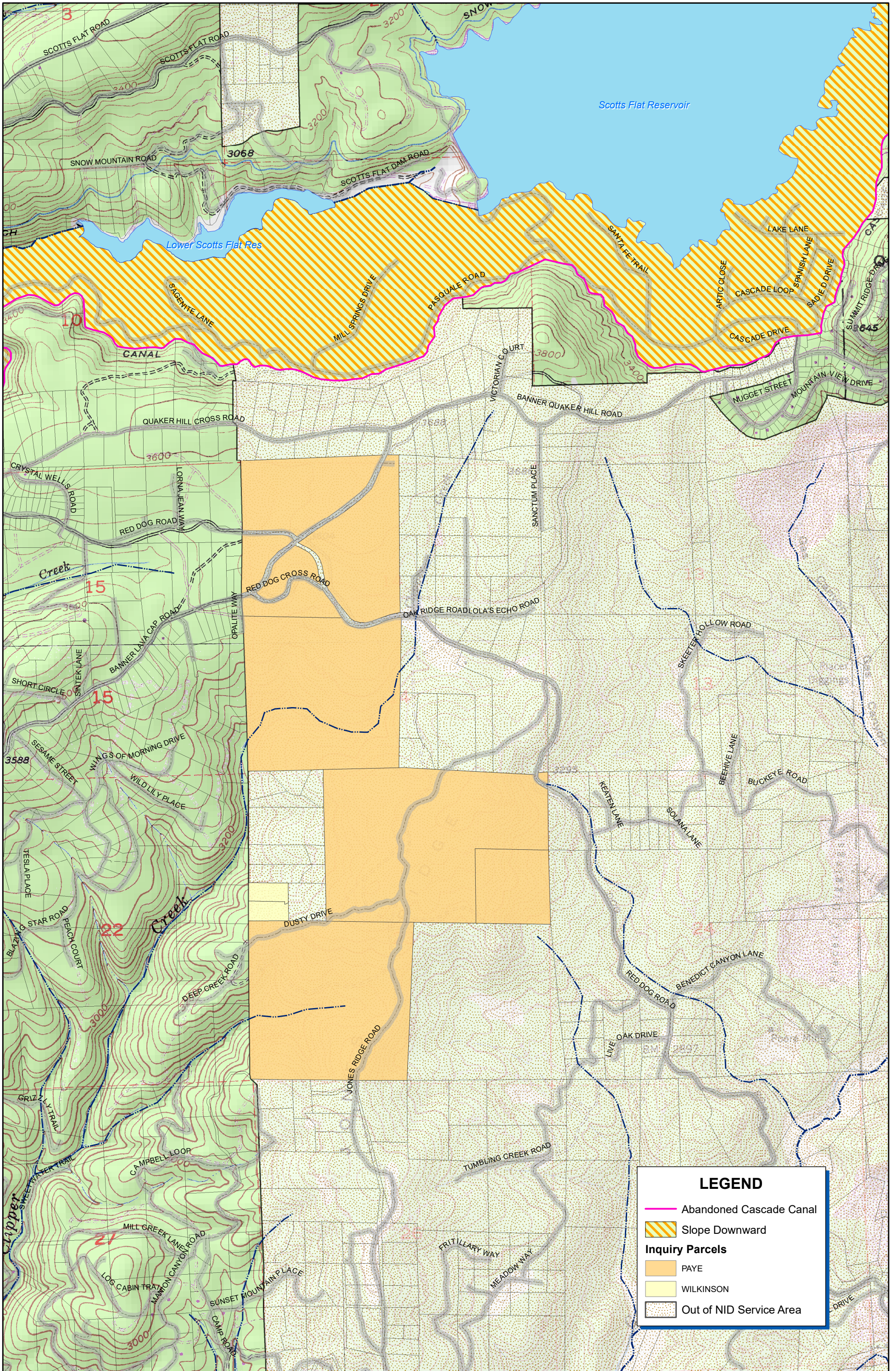
**BUDGETARY IMPACT:**

None at this time

Attachment:

- Paye Wilkinson – Historic Cascade Canal Map
- Paye Wilkinson – Non RCO Canal Map
- Paye Wilkinson – Current Infrastructure Map
- Wilkinson Provided Maps
- Railroad Commission Order Map





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LEGEND	
	Abandoned Cascade Canal
	Slope Downward
<b>Inquiry Parcels</b>	
	PAYE
	WILKINSON
	Out of NID Service Area

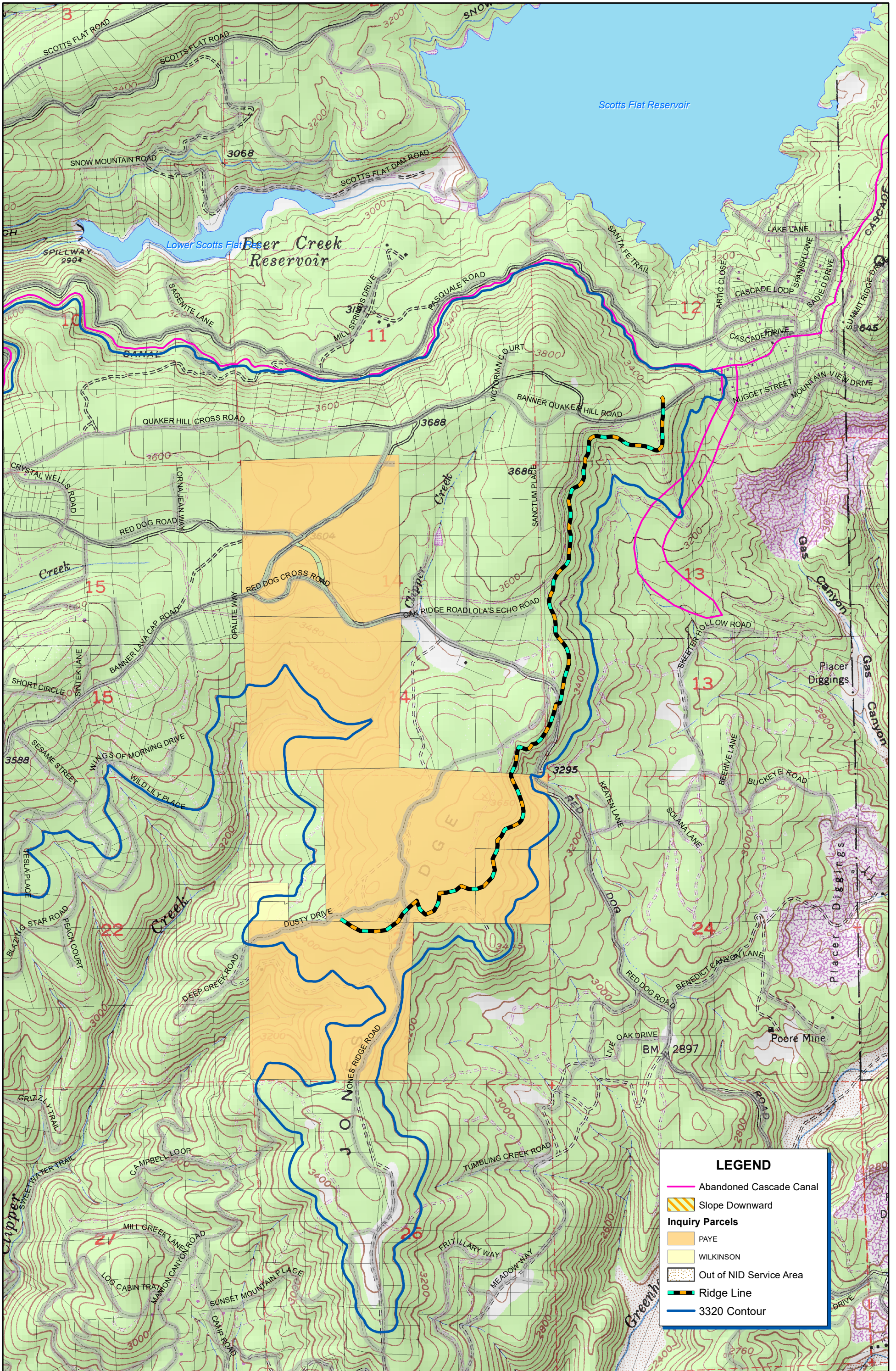


**NEVADA IRRIGATION DISTRICT**  
 NEVADA COUNTY – PLACER COUNTY  
 GRASS VALLEY, CALIFORNIA

**WATER INQUIRY - PAYE AND WILKINSON**

Drawn By: D. HUNT Date: 9/1/2020 Scale: 1"=1500' @ 11x17 Sheet: 1 of 3





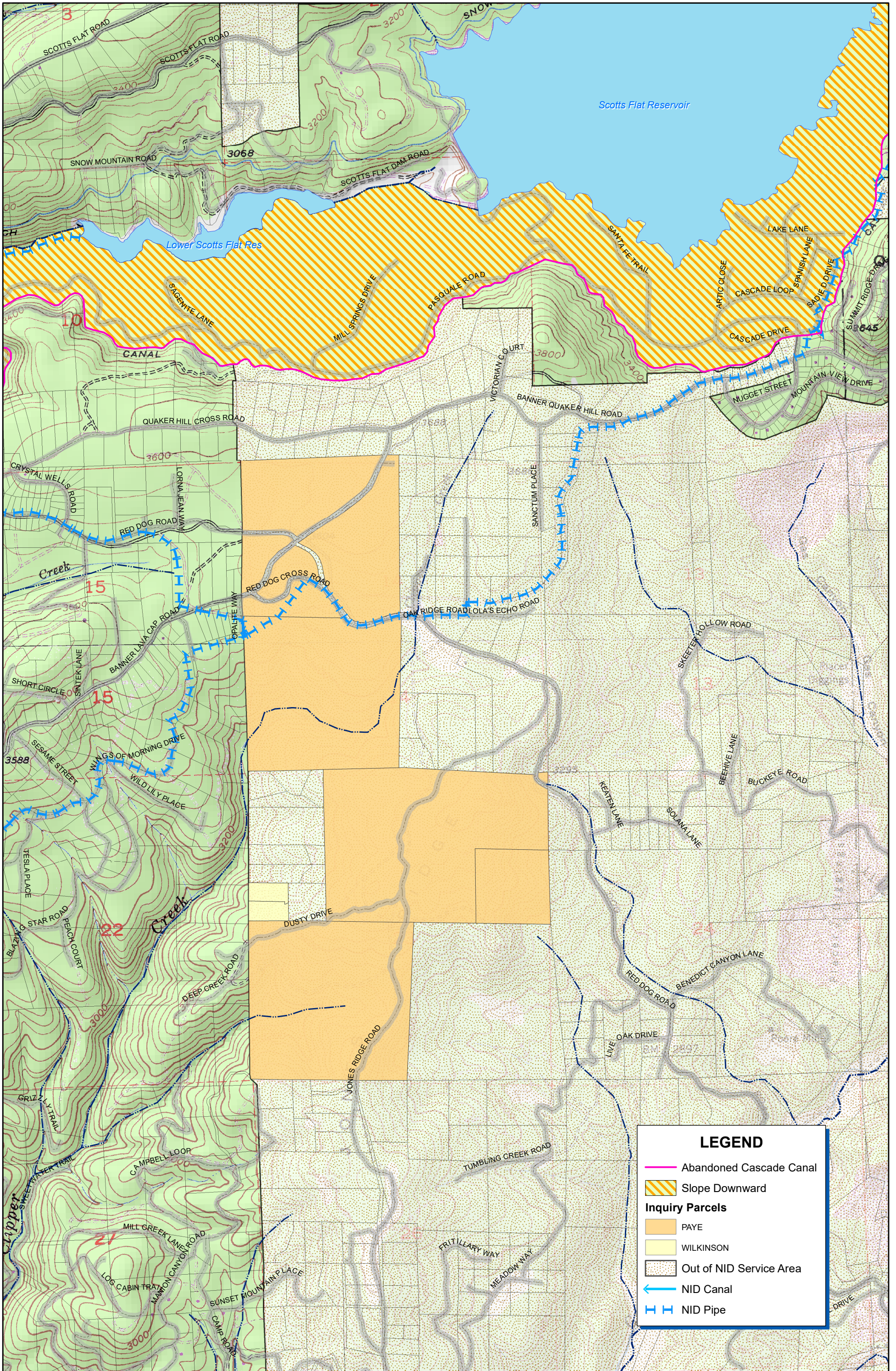
**LEGEND**

- Abandoned Cascade Canal
- Slope Downward
- Inquiry Parcels**
- PAYE
- WILKINSON
- Out of NID Service Area
- Ridge Line
- 3320 Contour

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**NEVADA IRRIGATION DISTRICT**  
 NEVADA COUNTY - PLACER COUNTY  
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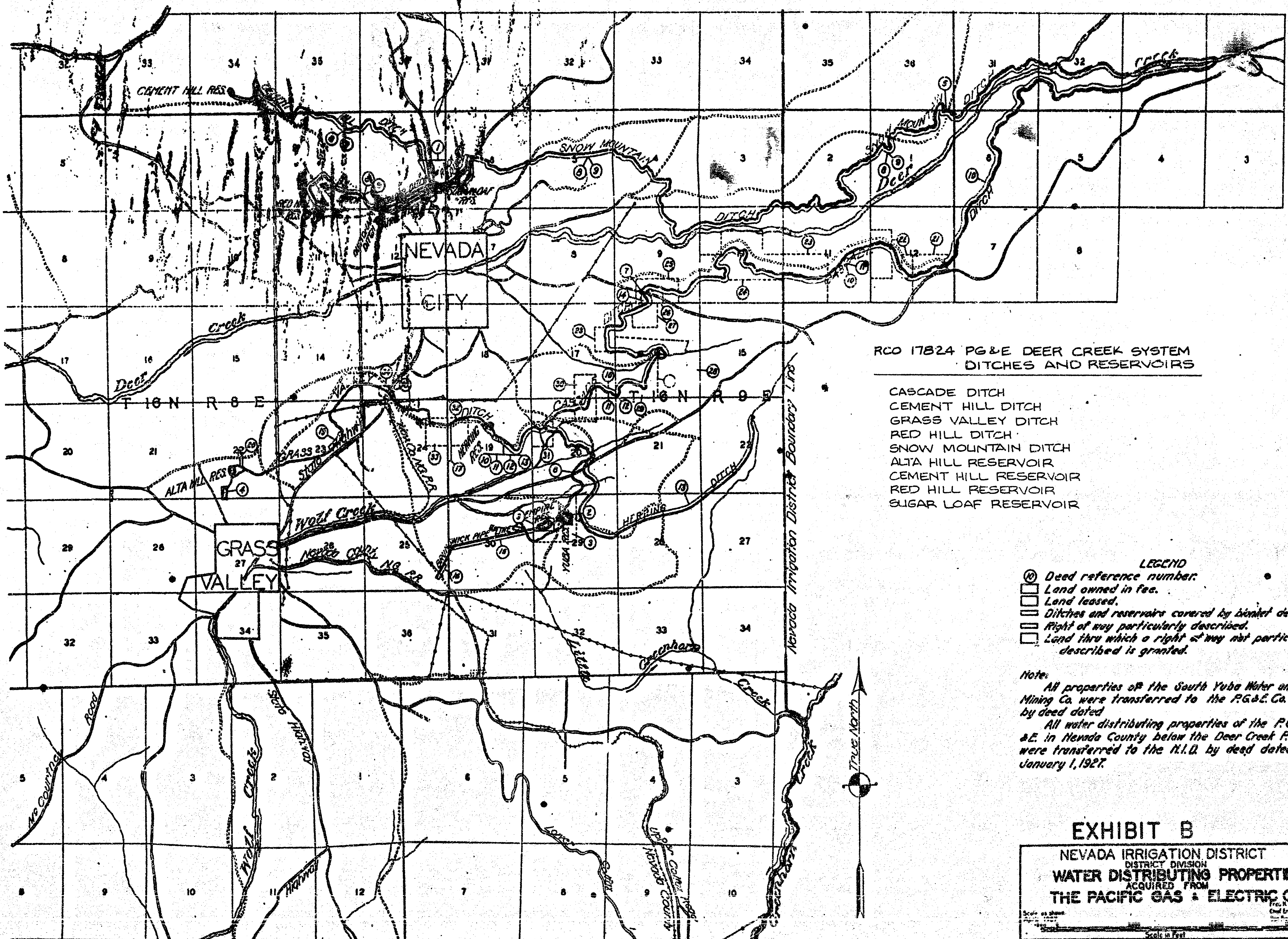
**WATER INQUIRY - PAYE AND WILKINSON**

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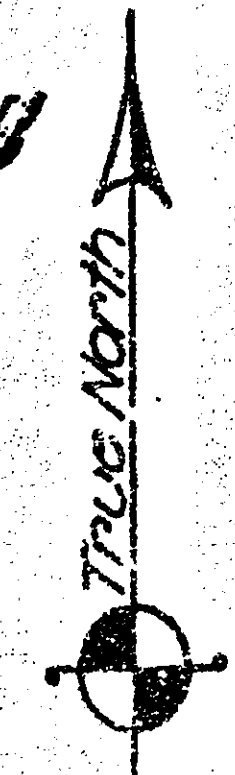


RCO 17824 PG&E DEER CREEK SYSTEM  
DITCHES AND RESERVOIRS

- CASCADE DITCH
- CEMENT HILL DITCH
- GRASS VALLEY DITCH
- RED HILL DITCH
- SNOW MOUNTAIN DITCH
- ALTA HILL RESERVOIR
- CEMENT HILL RESERVOIR
- RED HILL RESERVOIR
- SUGAR LOAF RESERVOIR

- LEGEND**
- ⊙ Deed reference number.
  - Land owned in fee.
  - ▭ Land leased.
  - ▭ Ditches and reservoirs covered by blanket deed.
  - ▭ Right of way particularly described.
  - ▭ Land thru which a right of way not particularly described is granted.

**Note:**  
 All properties of the South Yuba Water and Mining Co. were transferred to the P.G.&E. Co. by deed dated  
 All water distributing properties of the P.G.&E. in Nevada County below the Deer Creek P.H. were transferred to the N.I.D. by deed dated January 1, 1927.



**EXHIBIT B**

NEVADA IRRIGATION DISTRICT  
DISTRICT DIVISION  
**WATER DISTRIBUTING PROPERTIES**  
ACQUIRED FROM  
**THE PACIFIC GAS & ELECTRIC CO.**

Scale as shown  
Scale in Feet