

# Staff Report

For the Water & Hydroelectric Operations Committee Meeting of September 16, 2020

**TO:** Water & Hydroelectric Operations Committee

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

**DATE:** September 1, 2020

**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 make a recommendation on a request for water service.

### **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 provide service, for a fee, to properties that could “reasonably” be served by the system conveyed at the time of purchase in 1927.

Since the 1927 acquisition, the District has had to adjudicate numerous requests for water service from parcels located outside District boundaries, yet with 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 are denied service, while downhill parcels with potential for a gravity flow are offered service per District Railroad Commission Order Policy.

Recently, two outside District parcel owners Mr. Paye and Mr. Wilkinson, have asked for water service based upon the Deer Creek Railroad Commission Order. Staff has reviewed the request and found that Mr. Paye’s property is at a higher elevation than the historic DCWS, therefore his requests for water has been denied. Given the variable nature in making these decisions, Staff reached out to legal counsel for an opinion on providing service. The legal team recommended a denial

of service based upon the lack of serviceability from the DCWS at the time of acquisition.

Mr. Wilkinson's parcel is also located at an elevation uphill from the historic DCWS and is of substantial distance (more than 2 miles) from his property. In an effort to obtain service, Mr. Wilkinson has investigated historic documents on the DCWS and provided maps showing the system prior to District purchase. The maps provided show an 1880's canal 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 determined his parcel would not have been "reasonably serviced" by the Deer Creek System at the time of NID purchase.

Since the Deer Creek system acquisition in 1927, the District has invested in multiple infrastructure upgrades that have relocated water conveyance facilities to much higher elevations making supply to both Mr. Paye and Mr. Wilkinson feasible from an engineering standpoint. However, allowing this service would not abide by the original terms of the Deer Creek RCO, and have the potential to create water service requests for a large area around the Cascade Shores area.

**BUDGETARY IMPACT:**

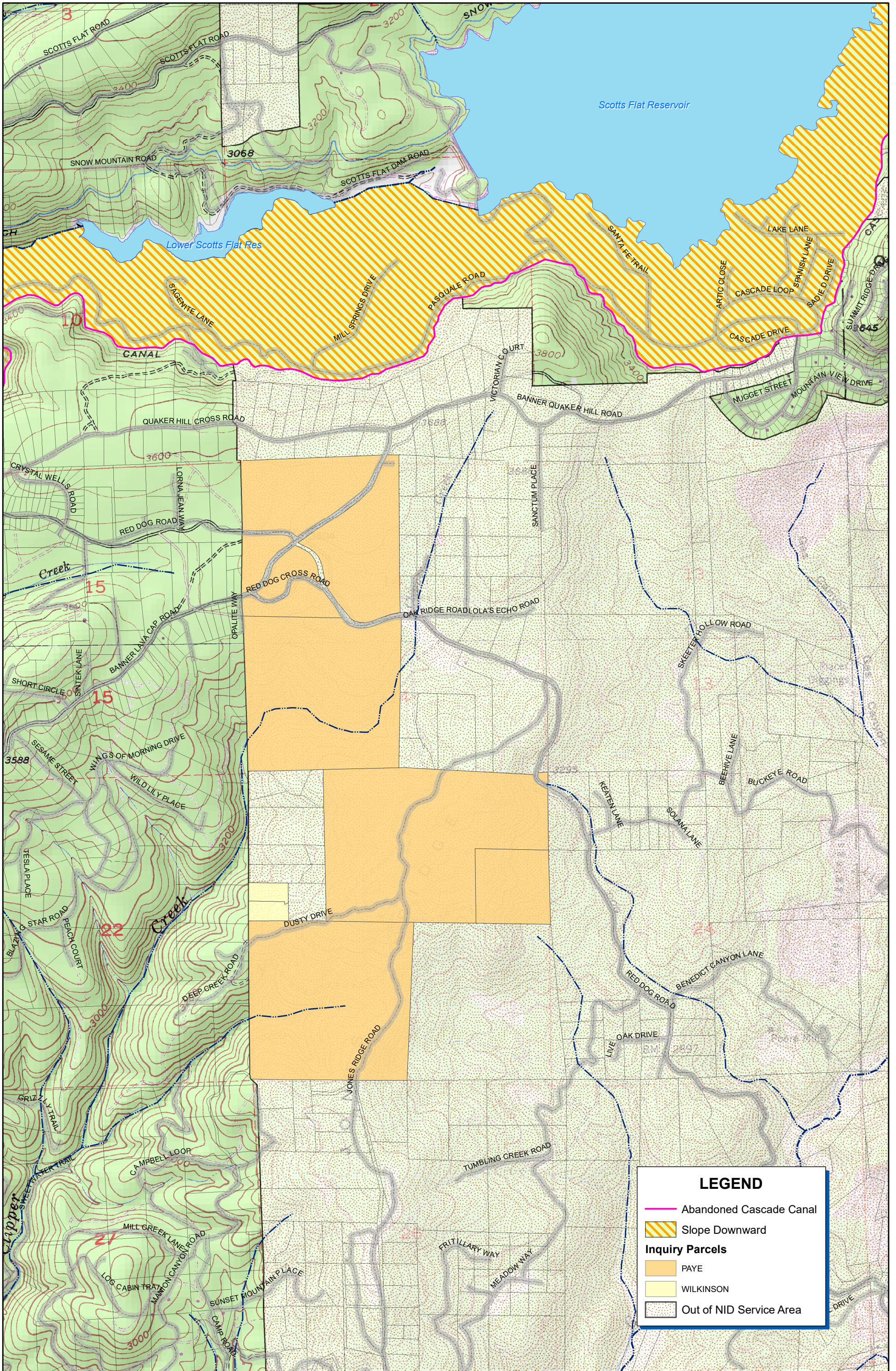
None at this time

/ac

Attachments (5):

- Water Inquiry - Paye Wilkinson – Sheet 1 of 3
- Water Inquiry - Paye Wilkinson – Sheet 2 of 3
- Water Inquiry - Paye Wilkinson – Sheet 3 of 3
- Wilkinson Provided Maps
- Railroad Commission Order Map - Exhibit B





**LEGEND**

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

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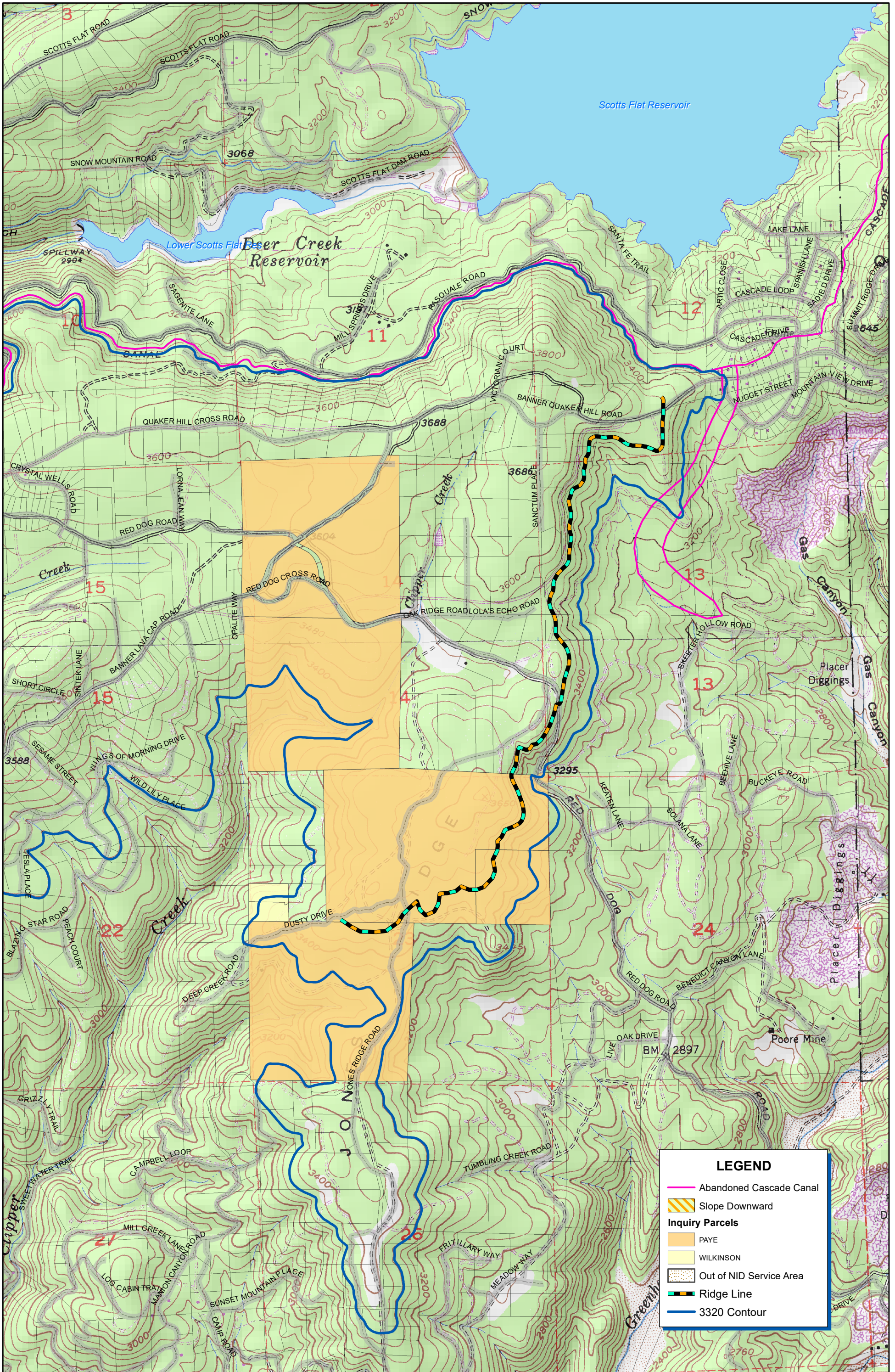


**NEVADA IRRIGATION DISTRICT**  
 NEVADA COUNTY – PLACER COUNTY  
 GRASS VALLEY, CALIFORNIA

**WATER INQUIRY - PAYE AND WILKINSON**

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





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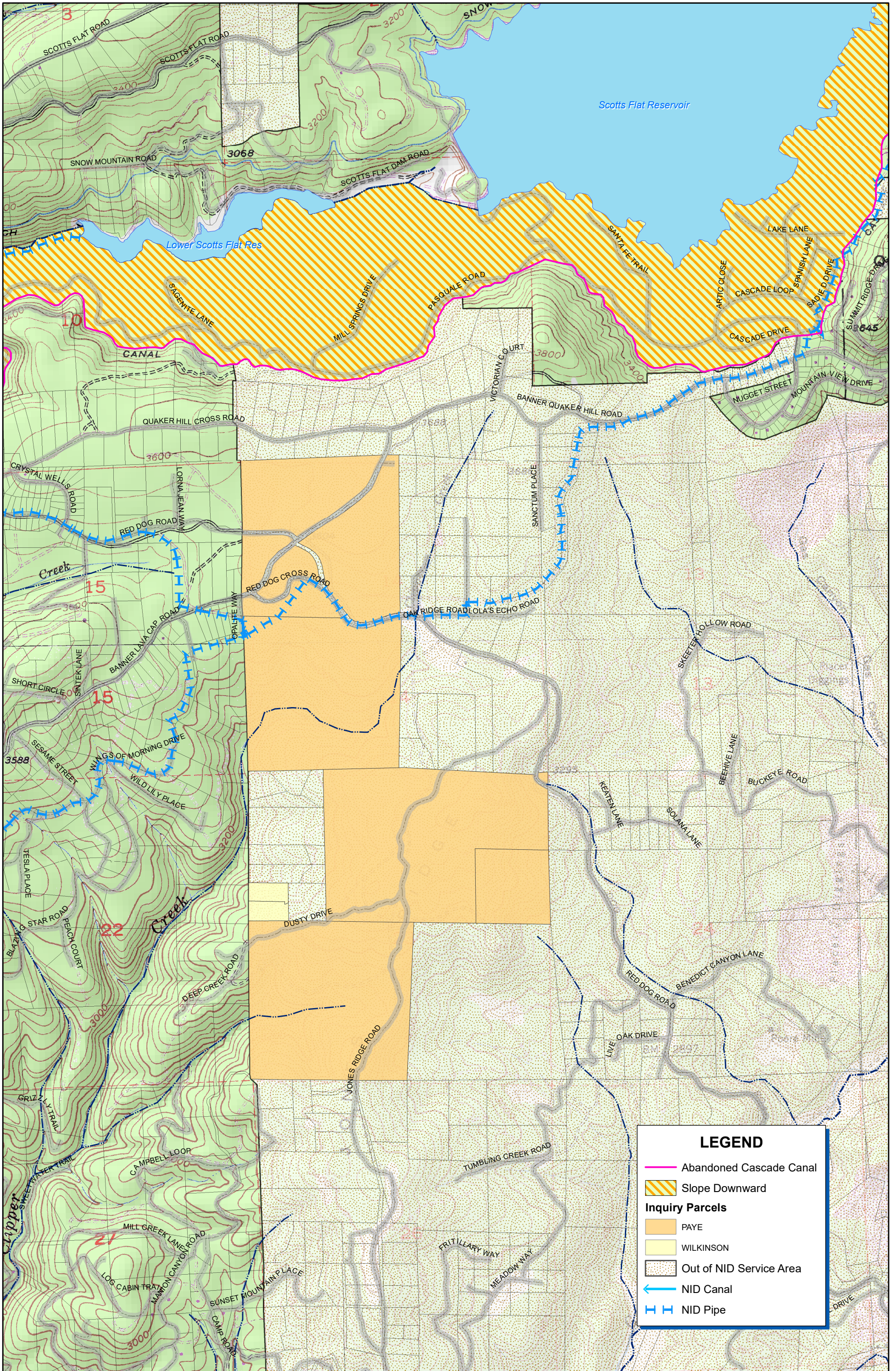


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 NEVADA COUNTY - PLACER COUNTY  
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**WATER INQUIRY - PAYE AND WILKINSON**

Drawn By: D. HUNT Date: 9/1/2020 Scale: 1"=1500' @ 11x17 Sheet: 2 of 3





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**LEGEND**

- Abandoned Cascade Canal
- Slope Downward
- Inquiry Parcels**
- PAYE
- WILKINSON
- Out of NID Service Area
- ← NID Canal
- H-H- NID Pipe



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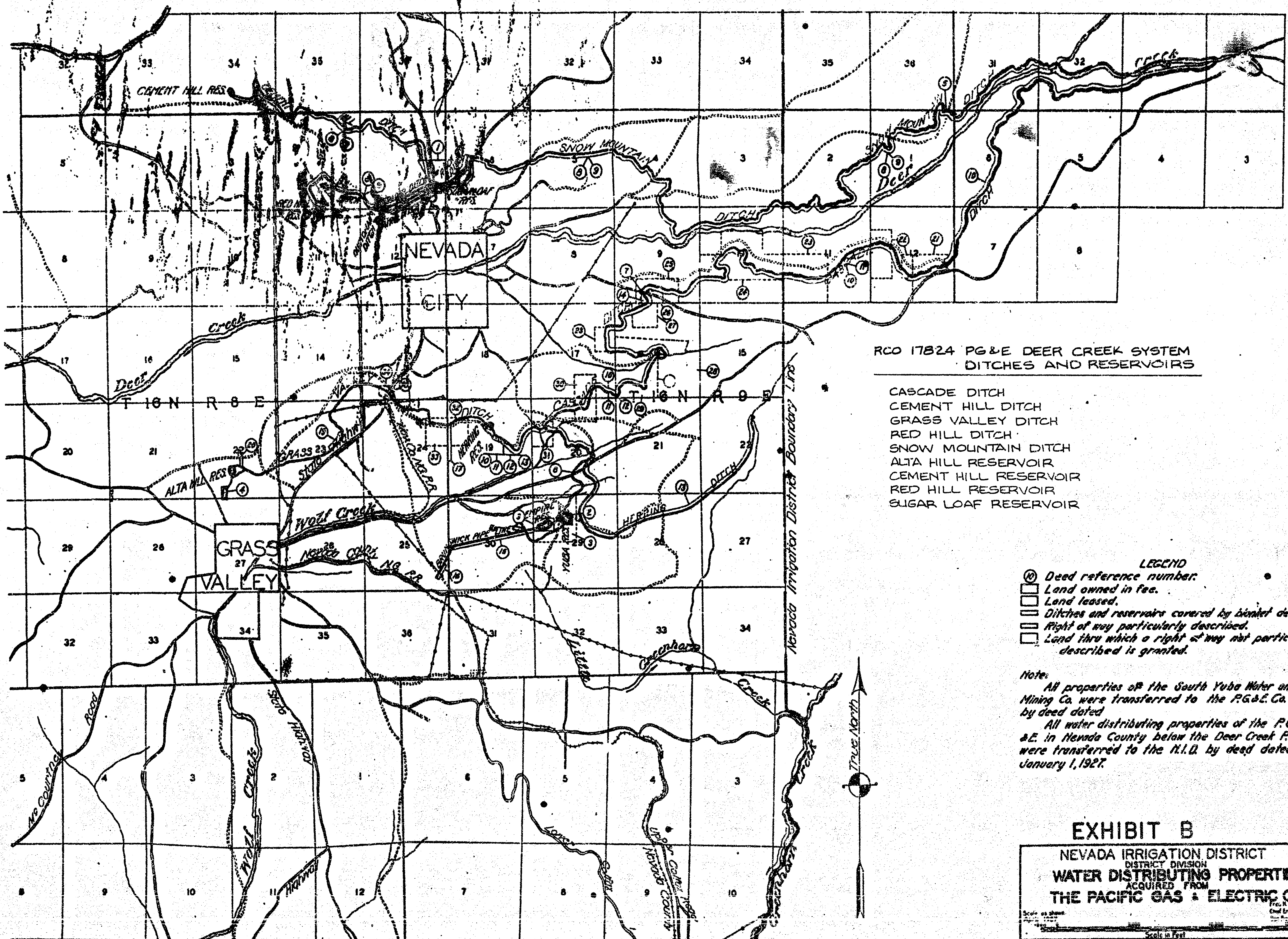
**WATER INQUIRY - PAYE AND WILKINSON**

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







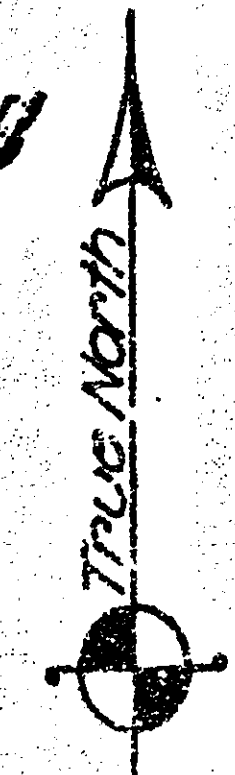


RCO 17824 PG&E DEER CREEK SYSTEM  
DITCHES AND RESERVOIRS

- 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

1031-8-48