February 15, 2024 SOUTH TAHOE PUBLIC UTILITY DISTRICT Workshop

Summary of the District's Lake Tahoe Basin Surface Water Rights

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#### Overview.

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## A. History of District Surface Water Rights

- 1. District predecessors filed applications with the SWRCB in the late 1950s to divert surface water from the Upper Truckee River
- 2. In the early 1960s, the SWRCB granted the 5 permits to divert surface water from the Upper Truckee River and 1 license to divert surface water from an unnamed creek
- 3. District predecessors filed two additional applications with the SWRCB in 1969 and 1970 to divert surface water from Lake Tahoe
- 4. Change petitions filed with the SWRCB to change the point of diversion of the five permits from the Upper Truckee River to Lake Tahoe
- 5. Applications and permits assigned to the District
- 6. Change petitions were protested by multiple parties
- 7. SWRCB stops processing applications and petitions in the early 1970s due to Lake Tahoe surface water rights disputes and litigation

# A. History of District Surface Water Rights (cont.)

- 8. 1990 Truckee-Carson-Pyramid Lake Water Rights Settlement Act
- 9. Settlement Act required the Truckee River Operating Agreement (TROA) to be implemented as a pre-condition to effectuate the interstate allocations
- 10. TROA negotiated and became effective on December 1, 2015
- 11. In June 2017, the SWRCB sent information requests to all holders of surface water rights in the Lake Tahoe Basin
- 12. In January 2018, the SWRCB sent the District supplemental information requests for its pending applications and permit change petitions
- 13. The District Board of Directors elects to proceed with processing of its pending applications and permit change petitions

#### **B.** Reasons for Diversifying the District's Water Supply Portfolio to Include Surface Water

- 1. <u>Priority of Surface Water vs. Groundwater.</u> Maximum diversion of 23,000 acre feet from **all** water resources in the California portion of the Lake Tahoe Basin. Surface water diversions are assigned a priority date but groundwater diversions are not.
- 2. <u>Broader Water Security.</u> Lessen potential impacts from contamination, regulation and climate change that may be more challenging for one type of water source than another.
- 3. <u>Replace Contaminated Groundwater.</u> Surface water could support both the District and other utilities impacted by PCE at a shared cost. Future contaminates (such as arsenic, uranium, radon, PFAS, etc.) may be impossible to avoid in groundwater and costly to combat.
- 4. <u>Supplement for Deficient Groundwater Supplies.</u> Provide water to areas of the District's water distribution system where groundwater is not readily available in desired quantities. Potential pumping restrictions under the Sustainable Groundwater Management Act with respect to groundwater dependent ecosystems (SEZs)

#### **B.** Reasons for Diversifying the District's Water Supply Portfolio to Include Surface Water

- 5. <u>Address Increased Regulation.</u> The State Water Resources Control Board continues to lower Maximum Contaminant Levels (MCLs), such as for Cr-6, which could increase treatment costs.
- 6. <u>Avoid Costly and Otherwise Unnecessary Distribution System Upgrades.</u> Moving groundwater from unimpacted areas to contaminated or groundwater deficient areas may just as costly as adding surface water. If the District elects to acquire the TKPOA water system, surface water could be an alternate source that could avoid other costly improvements to the District's water distribution system.
- 7. <u>Add flexibility to the Distribution System.</u> A surface water treatment facility can be scaled and expanded to meet community demands more easily than well sites.
- 8. <u>Leverage Proximity to an Exceptionally Clean Surface Water Source.</u> Six surface water utilities have Filtration Exemptions from USEPA, which may also be available to the District, which would reduce both the initial and ongoing cost of operating a surface water treatment facility.

#### C. District Surface Water rights as of December 1, 2015

- 1. License No. 010608 (February 15, 1962)
  - a. Maximum diversion rate of 0.27 cfs and 124 afy
  - b. Unnamed creek
  - c. Not subject to SWRCB request

2. Permit Nos. 013527, 013528, 013529, 013530 & 014335 (February 15,1962)

- a. Diversion rate of 3.0 cfs and 345 afm and 2,360 afy
- b. Upper Truckee River
- c. Pending petitions to transfer point of diversions to Lake Tahoe
- 3. Application No. A023393 (November 7, 1969)
  - a. 19,000 afy
  - b. Lake Tahoe

# C. District Surface Water rights as of December 1, 2015 (Cont.)

- 4. Application No. A023502 (May 7, 1970)
  - a. 5,968 afy
  - b. Lake Tahoe
- 5. Pre-1914 Surface Water Right
  - a. 1.8 cfs and 748 or 763 afy
  - b. Cold Creek
  - c. Not subject to SWRCB jurisdiction

#### D. Initial Implementation of Board Directed Actions

- 1. Withdrew the pending change petitions for Permit Nos. 013527, 013528, 013529, 13530, and 014335
- 2. Cancelled Application No. A023502
- 3. Prepared draft Amended Application No. A023393 for discussion with the SWRCB
- 4. Request an extension of time to file the final Amended Application No. A023393 which was granted by the SWRCB
- 5. Preparation of Water Demand Study to support Amended Application A023393
  - a. Kennedy Jenks
  - b. Shared effort with North Tahoe PUD and Tahoe City PUD

# E. Kennedy Jenks Water Demand Study Process

- 1. Gathered data about the District's water and sewer system accounts (metered and unmetered), water production, GIS data
- 2. Gathered TRPA land use, County zoning data and water diversion data
- 3. Estimated current unit (per acre) water production by land use classification
  - a. Determine metered demand
  - b. Determine unmetered demand based on a metric of volume of metered data p per land use area per land use classification
  - c. Distribute unaccounted-for water (total production less total consumption)
  - d. Resulted in estimated unit water production for each land use classification
- 4. Identified developable parcels to determine future water production
  - a. Assign land use and zoning to parcels with no water/sewer accounts
  - b. Remove parcels that did not qualify for development under the Bailey land use classification or the Individual Parcel Evaluation System
  - c. Remove TRPA retired parcels
  - d. Remove other parcels based on District staff review

## E. Kennedy Jenks Water Demand Study Process (cont.)

- 5. Estimated future demand for undeveloped parcels by applying estimated unit water production to each undeveloped parcel by land use classification
- 6. Total estimated water production
  - a. Existing water production requirements
  - b. Future water production requirements
- 7. Applied adjustments to total estimated water production to account for variability in demands (10-year median and account for variables)
- 8. District 2018 estimated water demand and production

a.	Metered Demand	3,966 AFY
b.	Unmetered Demand	930 AFY
C.	Unaccounted-for water	1,021 AFY
d.	Total Production	5,917 AFY

## F. Kennedy Jenks Water Demand Study Results

1. Total 2018 water production requirement within District boundary

a.	Total 2018 District Production	5,917 AFY
b.	Total 2018 Private Companies	1,801 AFY
C.	Total 2018 water production	7,718 AFY

2. Increased total estimated water production by 10-year median (104%)

a.	Total District Production	6,154 AFY
b.	Total Private Companies	1,874 AFY
C.	Future water production	979 AFY
d.	Total Est. future water production	9,007 AFY

### F. Kennedy Jenks Water Demand Study Results (cont.)

3. Adjusted total estimated water production to account for variabilities (120%)

a.	Total Production	7,385 AFY
b.	Total Private Companies	2,249 AFY
C.	Future water production	1,174 AFY
d.	Total Est. future water production	10,808 AFY

4. Utilization of Water Demand Study Results for Several Purposes

- a. Lake Tahoe Basin Surface Water Rights
- b. Urban Water Management Plan
- c. Water System Optimization Plan
- d. Groundwater Management Plan

# G. Completed Board Directed Actions Through January 2020

- 1. Prepared second draft Amended Application No. A023393 to submit to SWRCB with updated information
- 2. Prepared cover letter and submitted Kennedy Jenks Water Demand Study to the SWRCB
- 3. Responded to the SWRCB draft quantification of surface water rights
- 4. Meetings with the SWRCB and other PUDs to finalize Amended Applications
- 5. Prepared and submitted final Amended Application No. A023393 and exhibits to the SWRCB in January 2020
- 6. Commenced processing Amended Application No. A023393 before the SWRCB for issuance of a permit

#### H. Completed Board Directed Pre-1914 Surface Water Rights Investigation (May 2021)

- 1. Retained title researcher to investigate recorded documents
  - a. Property chain of title
  - b. Water rights transfers
- 2. Review additional public records
  - a. California PUC
  - b. SWRCB
  - c. Other records, books and documents
- 3. Conclusion
  - a. Likely that District succeeded to a pre-1914 surface water right
  - b. 1.8 cfs and 748 or 763 afy
  - c. Able to move point of diversion to Lake Tahoe
  - c. Historical seasonal use may limit diversion times
  - d. Not used since 1992, potential for forfeiture or abandonment claims

#### I. Summary of Next Steps in the Water Rights Permitting Process

- Change Petition (letter) requested by SWRCB confirming District to move forward with amended application
- Supplemental information (if requested): Respond to any SWRCB information requests received.
- Environmental review: Consideration of environmental effects is required by the California Environmental Quality Act and Tahoe Regional Planning Agency before a permit can be issued. Timing to be confirmed with SWRCB
- Public notice and opportunity to submit protests: The SWRCB will publish notice of the amended application. Publication of notice of the application triggers a protest period within which any person may file a protest to the application.
- Resolution of any protests: The applicant and any protestant(s) must make a good faith effort to resolve any protest(s). If the parties can agree to mutually acceptable conditions, the protest is resolved. If a protest is not resolved by the parties, the SWRCB may either resolve protests based on a field investigation or after holding a hearing.
- Permit issuance, if the SWRCB finds that: (1) unappropriated water is available; and, (2) the appropriation is in the public interest. Timeline for permit issuance is estimated to be 5 to 7 years from date of application.

#### Water Rights Permitting Process



Source: <u>CHA377 water right</u> process (ca.gov) Summary of the District's Lake Tahoe Basin Surface Water Rights

**QUESTIONS?**