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**25-00054-UT - 2025.10.02 - Staff - Staff's Third Status Report Pursuant to the Commission's September 8, 2025, Order Setting Prehearing Conference and Related Duties**

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**From** Martinez-Rael, Peggy, PRC <Peggy.Martinez-Rael@prc.nm.gov>

**Date** Thu 10/2/2025 4:14 PM

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 1 attachment (368 KB)

25-00054-UT - 2025.10.02 - Staff - Staff's Third Status Report + COS.pdf;

Attached is **Staff's Third Status Report Pursuant to the Commission's September 8, 2025, Order Setting Prehearing Conference and Related Duties** in Case No. 25-00054-UT, electronically filed today.

Peggy Martinez-Rael  
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NM Public Regulation Commission  
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**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

<b>IN THE MATTER OF MELODY RANCH</b>	)	
<b>WATER COMPANY LLC’S WATER SYSTEM</b>	)	<b>Case No. 25-00054-UT</b>
<b>BREAKDOWN AND DISRUPTION OF SERVICE</b>	)	
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**STAFF’S THIRD STATUS REPORT PURSUANT TO THE COMMISSION’S  
SEPTEMBER 8, 2025, ORDER SETTING PREHEARING  
CONFERENCE AND RELATED DUTIES**

The Utility Division Staff (“Staff”) of the New Mexico Public Regulation Commission (“Commission”, “NMPRC” or “PRC”) hereby submits Staff’s Third Status Report Pursuant to the Commission’s September 8, 2025, Order Setting Prehearing Conference and Related Duties, and would show the Commission as follows:

The September 8, 2025, Order specified in pertinent part that:

Staff shall file with the Commission a weekly report on the Thursday following each status conference providing updates on the current status of water service, the outlook for its restoration, developments with potential partners to restore service, and any other matters they believe to be of importance to this proceeding.

See September 8, 2025, Order at page 2, decretal paragraph D.

**Current Status of Water Service**

The water service remains below acceptable performance standards. The sole well used to provide water to the system continues to produce at diminished capacity – currently at approximately 4 to 5 gallons per minute versus the levels enjoyed historically. Service to the tap remains pressure-deficient and time-limited in availability to allow for the storage tank to attain and retain appropriate levels. During the period September 21<sup>st</sup> through September 27<sup>th</sup> one resident reports the following water system performance stats:

Sun Sept 21 <sup>st</sup>	Water from 6pm - 9pm
Mon Sept 22 <sup>nd</sup>	Water from 6pm - 9pm
Tues Sept 23 <sup>rd</sup>	Water from 10am-2pm
Wed Sept 24 <sup>th</sup>	Water from 6pm - 9pm
Thu Sept 25 <sup>th</sup>	No Water
Fri Sept 26 <sup>th</sup>	Water from 5pm - 9pm
Sat Sept 27 <sup>th</sup>	Water from 2pm - 7pm

This comes to a total of 22 hours of water availability during the specified time-period.

**The Outlook for Restoration of Water Service**

EMWT Regional Water Association is proceeding with its engineering due diligence review of the Melody Ranch system along with its effort, in conjunction with NMED subject matter experts, to address the economic (funding) component via the Drinking Water State Revolving Fund (“DWSRF”) pre-application process. Melody Ranch is understood to be facilitating this process via the provision of documents and information that will inform EMWT’s analysis and due diligence.

In furtherance of this effort, Melody Ranch executed and circulated a *Letter of Intent for Melody Ranch Water Co., LLC to engage in a Transfer of Assets to EMWT Regional Water Association and Abandonment of the utility approved by the NM Public Regulation Commission.*

The *Letter of Intent* provides in significant part:

This letter of intent sets forth the preliminary, non-binding proposal for Melody Ranch to transfer, at no cost, all of its assets to EMWT, which include, but are not limited to, the water rights, infrastructure, equipment, customer information, documents of system, and goodwill upon approval of an Abandonment of the water

utility by the NM PRC. Melody Ranch is prepared to enter into a binding transfer agreement as soon as EMWT is ready.

See The Legal Division's October 2, 2025, Notice of Filing Regarding Melody Ranch Letter of Intent to EMWT, September 24, 2025, Letter of Intent attached thereto. The *Letter of Intent* memorializes a significant commitment on the part of Melody Ranch to facilitate restoration of water service via its cooperation with EMWT and others. Staff continues to monitor these efforts and stands ready to assist as needed in the realization of the shared goal of water service restoration.

### **Developments with Potential Partners to Restore Service**

Simultaneous to the matters touched on above, Staff is communicating with other potential partners to try and determine and structure how water service as it currently exists might be enhanced in the interim. Discussions with Torrance County and others in state government are being pursued with particular attention dedicated to the means of prospectively funding and technically/legally achieving enhancement of water service during the interim period leading up to the ultimate restoration of water service. Staff will continue to pursue this line of inquiry and collaboration towards structuring and accommodating a better level of water service during this interim period.

### **Conclusion (for the Moment)**

Melody Ranch's *Letter of Intent* and cooperation with EMWT are encouraging. Efforts and evaluations regarding the economic and technical requirements of what is contemplated towards the ultimate restoration of water service remain underway. Staff remains in the loop and will otherwise continue to inquire of and interact with Melody Ranch, EMWT, and NMED towards supporting and realizing these objectives. Staff is also pursuing possible paths towards enhancing water service in the interim that will hopefully improve on the current status of water service.

Dated this 2<sup>nd</sup> day of October 2025.

Respectfully submitted,

/s/ John Bogatko

John Bogatko, NMPRC Legal Division  
New Mexico Public Regulation Commission  
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**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

**IN THE MATTER OF MELODY RANCH WATER )  
COMPANY LLC’S WATER SYSTEM BREADOWN ) Docket No. 25-00054-UT  
AND DISRUPTION OF SERVICE )  
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**CERTIFICATE OF SERVICE**

I CERTIFY that on this date I sent a true and correct copy of Staff’s Third Status Report Pursuant to the Commission’s September 8, 2025, Order Setting Prehearing Conference and Related Duties to the following:

<b>Echo and Melody Ranch Water Co.</b>	
Pete V. Domenici, Jr.	<a href="mailto:pdomenici@domicilaw.com">pdomenici@domicilaw.com</a> ;
Tracy Padilla	<a href="mailto:echoandmelody@gmail.com">echoandmelody@gmail.com</a> ;
<b>NMPRC -Utility Staff</b>	
John Bogatko	<a href="mailto:John.Bogatko@prc.nm.gov">John.Bogatko@prc.nm.gov</a> ;
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DATED this 2<sup>nd</sup> of October 2025.

**NEW MEXICO PUBLIC REGULATION COMMISSION**

*/s/ Peggy Martinez-Rael, electronically signed*

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Peggy Martinez-Rael, Paralegal