



MICHELLE LUJAN GRISHAM
GOVERNOR

JAMES C. KENNEY
CABINET SECRETARY

July 29, 2025

New Mexico Public Regulation Commission
142 W Palace Ave
Santa Fe, NM 87501

Delivered Electronically

Re: Request for Intervention – Melody Ranch Water Company (NM3500130), Torrance County

Commissioners,

The New Mexico Environment Department (NMED) is formally referring the matter of Melody Ranch Water Company (PWS No. NM3500130) to the Public Regulation Commission (PRC) for regulatory intervention. Melody Ranch is an investor-owned utility (“Utility”) located in Torrance County, serving 77 homes in the Moriarty area. The Utility has failed to provide consistent and adequate water service for months, and the situation has become increasingly unstable.

The system’s only well, previously rated at 15 gallons per minute (GPM), is now producing just 5 GPM, far below what’s needed to meet basic demand or maintain adequate pressure. Residents have endured repeated outages and pressure loss since early summer. Water hauling is now required just to sustain limited operations, and the Utility has begun shutting water off overnight to allow pressure to recover. On July 17, 2025, a precautionary boil water advisory has been issued to the community.

Melody Ranch submitted an emergency well permit to the Office of the State Engineer on July 18 and is working with a private drilling company in that effort. The Utility has quoted an estimated cost of \$75,000 for the new well. NMED has provided the required construction application and directed the applicant to appropriate contacts for engineering review. NMED also connected the Utility to funding resources, including the Drinking Water State Revolving Fund, and suggested alternative financing options for expedited access to capital.

Throughout this time, residents have expressed increasing concern. Customers report that water is only available between 8 a.m. and 8 p.m., and that the water system owners have not attended public meetings nor communicated a clear plan for addressing the water system’s issues. Some customers have raised sanitation concerns and asked NMED to involve other agencies.

We understand the Commission recently initiated proceedings related to Melody Ranch under Docket No. 24-00174-UT. Based on our review of those filings, PRC has taken initial steps toward enforcement in response to the Utility’s operational failures and lack of communication.



MICHELLE LUJAN GRISHAM
GOVERNOR

JAMES C. KENNEY
CABINET SECRETARY

Given the prolonged service failures, lack of infrastructure redundancy, and limited owner engagement by the Utility, NMED respectfully requests that the Commission:

1. Open a formal investigation into the operational, financial, and service issues at Melody Ranch;
2. Assess whether the Utility is meeting its obligations under the Public Utility Act; and
3. Consider the appointment of a receiver to manage and restore operations.

NMED has made every effort to assist this system, providing technical support, regulatory guidance, emergency coordination, and funding direction. Despite those efforts, Utility ownership has not followed through with timely or effective solutions. We urge the Commission to take formal action to address this ongoing failure and help restore safe, reliable water service to the community.

Sincerely,

Bruce Baizel
Compliance and Enforcement Division Director

Jonas Armstrong
Water Protection Division Director

Cc: Cholla Khoury, Chief of Staff, PRC
Scott Cameron, Chief General Counsel, PRC
James C. Kenney, Cabinet Secretary, NMED
John Rhoderick, Deputy Cabinet Secretary, NMED
Zachary Ogaz, General Counsel, NMED