
25-00054-UT; Order Granting Unopposed Emergency Motion Regarding Executive Order and Interim Provision of Water Service

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 1 attachment (273 KB)

25-00054-UT-2025-10-30-Emergency Order.pdf;

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF MELODY RANCH WATER
COMPANY LLC'S WATER SYSTEM BREAKDOWN
AND DISRUPTION OF SERVICE**

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Docket No. 25-00054-UT

Sincerely,
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BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

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

**ORDER GRANTING UNOPPOSED EMERGENCY MOTION REGARDING
EXECUTIVE ORDER AND INTERIM PROVISION OF WATER SERVICE**

THIS MATTER comes before the New Mexico Public Regulation Commission (“Commission”) upon the Legal Division’s Unopposed Emergency Motion Regarding Executive Order and Interim Provision of Water Service (“Motion”). Being otherwise fully advised, the Commission finds that the Motion is well taken and should be granted.

BACKGROUND

1. As explained by the Motion, since June of this year, the Melody Ranch Water Company, LLC (“Melody Ranch”) has been experiencing a water system breakdown and severe disruptions of water service to its community.

2. On October 28, 2025, Lieutenant Governor Howie Morales¹ issued an executive order declaring a state of emergency regarding Melody Ranch and providing a path towards remediating the situation and facilitating the restoration of water service.² The Executive Order provides for state funds to be used to facilitate the interim provision of water service to the community. Staff anticipates this will be accomplished through water hauling and the direct delivery of such hauled water to Melody Ranch’s storage tank for the use of the Melody Ranch community. This water hauling will be in addition to the production currently achieved through Melody Ranch’s existing well, which currently provides approximately 4.7 gallons per minute.

¹ Pursuant to Article V, Section 7 of the New Mexico Constitution, “[i]n case the governor is absent from the state, or is for any reason unable to perform [her] duties, the lieutenant governor shall act as governor, with all the powers, duties and emoluments of that office until such disability be removed.”

² See Executive Order No. 2025-373 (Oct. 28, 2025).

Funding was appropriated to the Department of Homeland Security and Emergency Management (“DHSEM”), which will be responsible for coordinating emergency efforts.

3. Staff’s Motion explains the Executive Order requires the Commission to consider the implications of the Anti-donation Clause of the New Mexico Constitution, which operates as a general prohibition against providing state aid or donations for the benefit of private actors without receiving consideration in exchange.³ Staff points out that, if Melody Ranch were to be permitted to collect and retain funding derived from the water provided and funded by the state pursuant to the Lieutenant Governor’s executive order, this would effectively represent a gift of state funding to Melody Ranch. Staff therefore urges the Commission to suspend the commodity charge effective November 1, 2025.

4. Melody Ranch currently charges both a fixed monthly customer charge as well as a volumetric commodity charge.⁴ The currently operative commodity charge, as previously approved by the Commission, is \$3.23 per each 1,000 gallons of water delivered.

5. Melody Ranch does not oppose Staff’s Motion.

DISCUSSION

6. The Commission also agrees with the Legal Division that Melody Ranch cannot, consistent with the Anti-donation Clause of the New Mexico Constitution, be permitted to collect and retain its volumetric commodity charge from customers based on water paid for with state funds. The purpose of the Anti-donation Clause is to prohibit the state from providing its funds or credit to private entities without consideration in exchange.⁵ Were state funds here to be effectively

³ See N.M. Const., Art. IX, § 14.

⁴ See Adv. No. 7 (3rd Revised Rate #1) (Nov. 30, 2010) at 4 (effective Jan. 1, 2011).

⁵ “Speaking broadly, the Anti-donation Clause prohibits public entities from donating public funds to private entities without receiving value in return.” N.M. Att’y Gen. (Dec. 1, 2022) at 2 (opinion regarding public funding

used for the enrichment of Melody Ranch, this principle would be violated. Commission action is therefore necessary – on an emergency basis – to ensure compliance with the New Mexico Constitution.

7. Staff’s request to suspend the commodity charge altogether to avoid a violation of the Anti-donation Clause aligns with the interests of efficiency and administrative convenience. Melody Ranch has also – importantly – agreed to this suspension for this interim period.

FINDINGS AND CONCLUSIONS

8. The Commission should suspend Melody Ranch’s existing volumetric commodity charge, effective immediately. The Company should be directed to continue collecting its fixed monthly customer charge but not its commodity charge, pending further order of the Commission.

9. Melody Ranch should take all steps that are necessary and prudent to track and calculate production from its existing well. The Company should also take all measures necessary to track precisely how much water is delivered by the state to Melody Ranch’s storage tank.

10. The Commission incorporates by reference any findings and conclusions stated in the body of this order.

IT IS THEREFORE ORDERED:

A. Staff’s Motion is hereby **GRANTED**.

B. Melody Ranch’s currently operative commodity charge is hereby **SUSPENDED**, effective immediately. If and when circumstances change, however, either Staff or Melody Ranch may move the Commission to lift or modify this suspension.

for private roads). *See also Village of Deming v. Hosdreg Co.*, 1956-NMSC-111, ¶ 37, 62 N.M. 18, 28 (explaining that the state violates the Anti-donation Clause where, “by reason of its nature and the circumstances surrounding it,” the state funding in question “take[s] on character as a donation in substance and effect”).

C. Melody Ranch shall **IMMEDIATELY** dispatch its personnel to gauge the production from the existing well for the purpose of calculating its customers' commodity charges for the current billing period.

D. This Order is effective when signed.

E. The Commission shall serve a copy of this Order upon all persons listed on the attached Certificate of Service via e-mail if their e-mail addresses are known, and otherwise, via regular mail.

F. In computing time in accordance with statute, regulation, or Commission order, computation shall begin on the date that this Order is filed with the Chief Clerk of the Commission's Records Management Bureau or the Chief Clerk's designee.

SIGNED under the Seal of the Commission at Santa Fe, New Mexico, this 30th day of October, 2025.

NEW MEXICO PUBLIC REGULATION COMMISSION

/s/ Gabriel Aguilera, electronically signed
GABRIEL AGUILERA, COMMISSIONER

/s/ Greg Nibert, electronically signed
GREG NIBERT, COMMISSIONER

/s/ Patrick J. O'Connell, electronically signed
PATRICK J. O'CONNELL, COMMISSIONER



BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

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

I CERTIFY that on this date I sent a true and correct copy of the *Order Granting Unopposed Emergency Motion Regarding Executive Order and Interim Provision of Water Service* to the following:

Echo and Melody Ranch Water Co.	
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DATED this 30th day of October, 2025.

NEW MEXICO PUBLIC REGULATION COMMISSION

/s/ LaurieAnn Santillanes, electronically signed
LaurieAnn Santillanes, Paralegal