

Re: [EXTERNAL] Re: 25-00054-UT- 2025.08.08- Staff- Report and Recommendation Pursuant to Initial Order

From Echo and Melody Water Co.'s <echoandmelody@gmail.com>

Date Mon 8/18/2025 8:50 PM

To Records, PRC, PRC <PRC.Records@prc.nm.gov>

 1 attachment (3 MB)

PRC Case No 25-00054-UT response .pdf;

Please accept the revised response.

Thank you.

On Mon, Aug 18, 2025 at 3:29 PM Records, PRC, PRC <PRC.Records@prc.nm.gov> wrote:

Your filing is missing the required Case No., Document Title, and signature. It should also be combined with the map at the end of the pdf. Please correct these things and refile.

Upon receipt of the correct and complete document, it will be accepted for filing and posted to eDocket.

Thank you.

From: Echo and Melody Water Co.'s <echoandmelody@gmail.com>

Sent: Monday, August 18, 2025 3:23 PM

To: Ramirez, Elizabeth, PRC <Elizabeth.Ramirez@prc.nm.gov>

Cc: Records, PRC, PRC <PRC.Records@prc.nm.gov>; Bogatko, John, PRC <John.Bogatko@prc.nm.gov>; Ortiz, Jackie, PRC <jackie.ortiz@prc.nm.gov>; Martinez-Rael, Peggy, PRC <Peggy.Martinez-Rael@prc.nm.gov>; Filion, Kai , PRC <kai.filion@prc.nm.gov>; Khoury, Cholla , PRC <cholla.khoury@prc.nm.gov>; Kerolle, McLee , PRC <mclee.kerolle@prc.nm.gov>; Rilkoff, Ed , PRC <Ed.Rilkoff@prc.nm.gov>; Dasheno, Gabriella, PRC <Gabriella.Dasheno@prc.nm.gov>; Martinez, Timothy, PRC <Timothy.Martinez@prc.nm.gov>; Santillanes, LaurieAnn , PRC <LaurieAnn.Santillanes@prc.nm.gov>; Herrera-Waldroup, Alyssa, PRC <alyssa.herrera-waldroup@prc.nm.gov>

Subject: [EXTERNAL] Re: 25-00054-UT- 2025.08.08- Staff- Report and Recommendation Pursuant to Initial Order

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Attached is our response and a copy of the map to show clarifications.

Thank you for your time.

Date: August 18, 2025

To: Legal Division, New Mexico Public Regulation Commission

From: Melody Ranch Water Co., LLC

Subject: Case no. 25-00054-UT In the Matter of Melody Ranch Water Company LLC's water system breakdown and disruption or service

Response to Order to Show Cause – Legal Division Report and Recommendation Pursuant to the Commission's July 22, 2025 Initial Order Opening Investigation

Dear Legal Division,

Thank you for the opportunity to respond.

Introduction

1. Regarding the interruption of service at Melody Ranch Water, we have engaged in all possible communications and efforts to reach an acceptable resolution to this unfortunate situation. The crisis stems from our current well running low and nearing depletion. Unfortunately, this issue extends beyond Melody Ranch, as the entire area, county, and much of the State of New Mexico are facing severe water shortages.

Current Operational Status

2. As reported during the site visit on July 24, 2025, Melody Ranch is operating at the bottom of our current well. We must maintain tank levels at a precise threshold to ensure adequate pressure throughout the development. When levels fall below this threshold, we are forced to reduce or suspend pumping through the system. We have continued purchasing water to fill our tanks as funds allow, maintaining optimal levels when possible. Ultimately, a new well must be drilled to restore reliable service to our well-maintained system. The disruption in water service is solely due to the lack of available water.

Site Visit Observations

3. We found the site visit to be productive and insightful, offering PRC staff a clearer understanding of Melody Ranch and the operations of a public water utility system.

4. Regarding Exhibit 1 (System Sketch Map), it was verbally clarified that Quintana Road is not part of our system and is not connected by any road to Melody Ranch.

5. The Lands of Neil are larger than depicted in the referenced map. The east side begins at the small indicator labeled and extends west to County Road A105. Rockwood Drive lies within the center of the 10-acre parcel and is not part of the Melody Ranch Water system.

6. After consulting with multiple well drillers and experts, we have ruled out rehabilitating the existing well. This option is not viable, and no company we contacted was willing to pursue it. Our only feasible solution is to drill a new well. We have identified a driller who provided a verbal quote of \$50,000, which we have previously shared. No written estimate has been received to date.

7. We have sought financial assistance to fund the drilling of a new well. Due to the company's limited profitability and lack of growth potential, Melody Ranch does not qualify for substantial funding. We have consistently reinvested all available funds into maintaining acceptable service standards. Any assistance received would be used exclusively for drilling

and restoring service. We have requested support from the State but were informed that, due to our business classification, no assistance would be provided. We have not submitted copies of applications or denials, as our focus has remained on finding a solution.

8. Melody Ranch received approval to drill a new well from the Office of the State Engineer (Albuquerque Office) on August 4, 2025.

9. As of the site visit, we explained that maintaining a low-pressure but steady water supply requires the tank to be filled to a specific level. This approach was effective from July 5, 2025, until the past weekend. We purchased and added water as needed and as funds allowed. The previous week, East Mountain Water Hauling delivered water twice. After analyzing our supply efforts, we determined that this approach is getting more difficult to sustain. Recent customer meter reads revealed extremely high usage by a few residents, some of whom have installed large personal water containers. While we understand their concerns, this behavior deprives neighbors of access to water. We have requested conservation efforts during system operation, but these requests have been met with anger and threats.

10. For clarification, the individual who joined the site visit group and provided information about the Lands of Neil is a current Melody Ranch customer. He reported ongoing leaks from private wells in that area, which have persisted for years without resolution. Melody Ranch only verified his observations.

Ongoing Efforts and Position

11. We remain committed to transparency and agree that the appropriate intervention for Melody Ranch is to drill a new well as soon as possible. Despite our continued maintenance efforts, both our well and the surrounding region continue to dry up. We have received misleading advice, minimal assistance, and have been excluded from meetings directly related to Melody Ranch Water and its future. Our goal has always been to provide reliable, safe water to our customers, and that commitment has not changed. While opposition may claim otherwise, our history and records demonstrate our dedication.

Communications with Melody Ranch Customers

12. We understand the frustration and urgency felt by our customers. However, this situation is not the result of negligence or lack of effort, as some complainants suggest. While the number of complainants is relatively small; most customers have shown patience and understanding. This crisis is not due to infrastructure failure or poor system performance—it is due to the depletion of our existing well and the aquifer beneath it.

13. Due to limited funds, we do not have a website or broader communication platforms. We have maintained updates via the company phone, distributed flyers, and responded to all customer inquiries in person. Unfortunately, these interactions have sometimes resulted in verbal and physical abuse and threats to our safety.

Potential Pathways Toward Resolution

14. EMWT – On August 7, 2025, I met with EMWT, who expressed interest in potentially pursuing a receivership process for Melody Ranch. Mr. Ortiz of EMWT mentioned a possible meeting last week to approve that process, though we have not received confirmation. Mr. Ortiz also stated that he had already met with the PRC and related state agencies at the State's

request regarding receivership. Mr. Ortiz further noted that, even if receivership is approved, it would take EMWT approximately six months to begin providing water to Melody Ranch customers.

15. EPCOR – We do not view EPCOR as a viable solution at this time. We do not fully understand abandonment or transfer proceedings and would need further details. We approached EPCOR at the onset of this crisis, and they clearly stated they were not interested in assisting in any capacity.

Legal Division Recommendations

16. Melody Ranch respectfully asserts that it has not willfully violated 17.12.750.11 NMAC. The company has made every reasonable effort to maintain service under extreme and unforeseen circumstances. We have worked tirelessly to find a physical solution, including but not limited to, emergency water hauling, ongoing communication with regulators and residents, active pursuit of well rehabilitation and replacement, cooperation with NMPRC staff during site visit and subsequent inquiries, and have adhered to all other regulatory requirements.

Order to Show Cause

17. Melody Ranch cannot set a date for restoration of water service until funding is secured.

18. Melody Ranch should not be found in violation of state requirements. While we have maintained sufficient facilities, we acknowledge that we have not provided a continuous and adequate water supply. However, this failure is due solely to a naturally occurring event, the depletion of the natural aquifer. The well, the area, the county, and the state are all experiencing water shortages. This is not an isolated issue.

19. Melody Ranch should not be assessed an administrative penalty. We do not condone non-compliance and have made every effort to resolve this crisis and obtain approval to drill a new well. Imposing penalties would force Melody Ranch into bankruptcy, halting all progress and eliminating the possibility of receivership.

Associated Inquiries and Process

20. Melody Ranch does not see the necessity of appointing a Hearing Examiner. The disruption in service is due to lack of water—not due to issues with ownership, procurement, conduct, operations, maintenance, rates, billing, collections, community relations, or regulatory compliance. While we have faced challenges, we have consistently addressed them professionally and swiftly. Our history supports this, and the evidence confirms it.

Receivership

21. Regarding the Commission's recommendation, Melody Ranch remains engaged, responsive, and committed to a resolution and is open to pursuing a receivership process. We are currently in the process of retaining a lawyer to assist us.

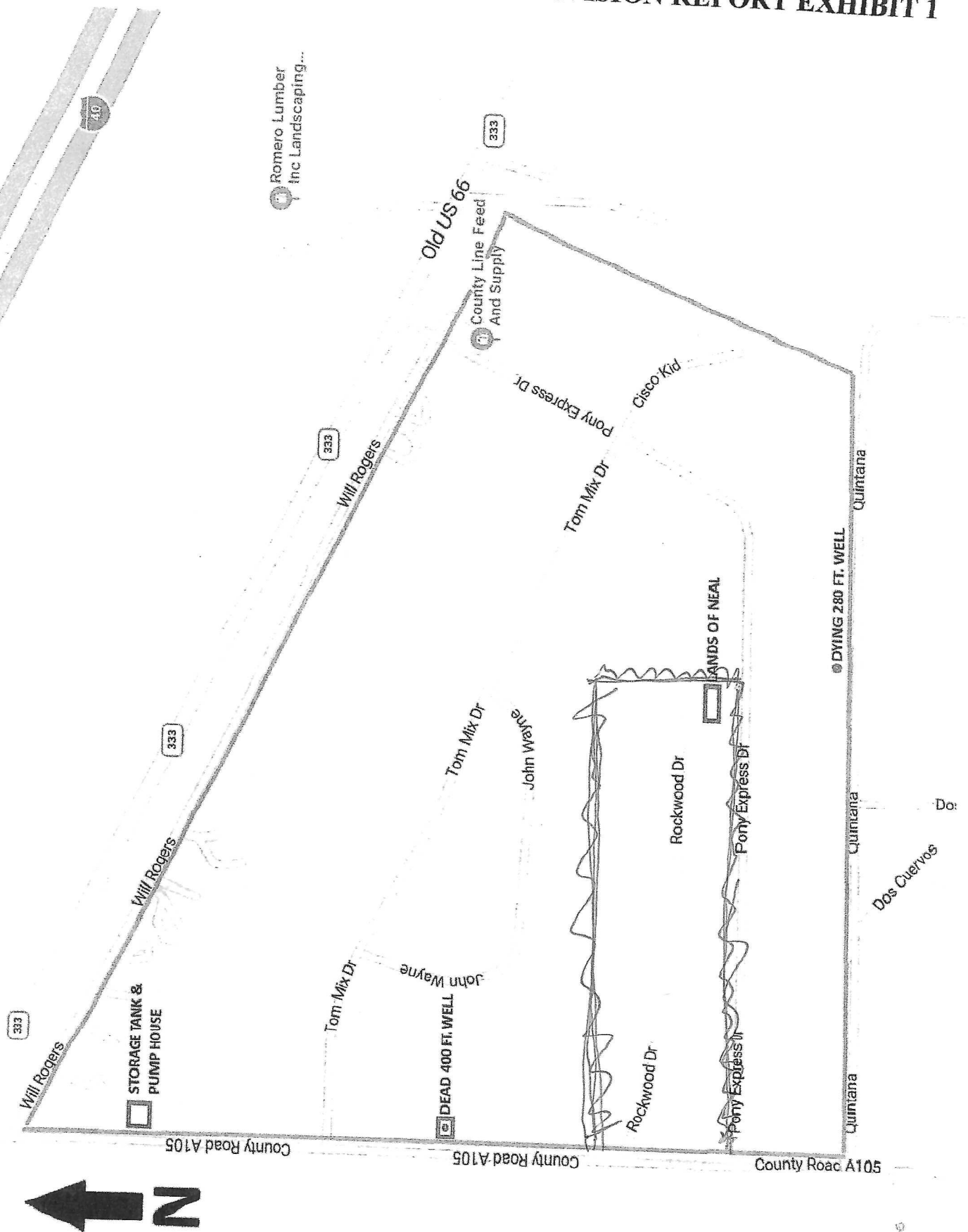
Melody Ranch remains fully committed to restoring reliable water service and will continue to cooperate with all Commission proceedings.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tracey Padilla', with a long horizontal flourish extending to the right.

Tracey Padilla, Manager
Melody Ranch Water CO., LLC

LEGAL DIVISION REPORT EXHIBIT 1



Melody Ranch Water System Sketch Map