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**25-00054-UT - 2025.09.18 - Staff - Staff's 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 9/18/2025 10:13 AM

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

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 1 attachment (371 KB)

25-00054-UT - 2025.09.18 - Staff - Staff's Status Report.pdf;

Attached is **Staff's 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.

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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 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 Status Report Pursuant to the Commission’s September 8, 2025 Order Setting Prehearing Conference and Related Duties (the “Order”), and would show the Commission as follows:

The 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 Order at page 2, decretal paragraph D.*

**Current Status of Water Service**

Regarding the current status of water service, it is sufficient to say that it remains below acceptable performance standards based on reports from Melody Ranch Water Company, LLC (“Melody Ranch”) customers and information provided by Melody Ranch itself. Melody Ranch indicates that the sole well used to provide water to the system continues to produce at diminished capacity – currently at approximately 5 gallons per minute versus the 12 gallons per minute historically provided by the well in question. That means that service to the tap, so to speak, is pressure-deficient and time-limited in availability to allow for the storage tank to attain and retain

appropriate levels. One resident reported for the period September 7<sup>th</sup> through September 13<sup>th</sup> the following water system performance assessment:

Sun Sept 7 <sup>th</sup>	Water from 6pm - 8pm
Mon Sept 8 <sup>th</sup>	Water from 5pm - 8pm
Tues Sept 9 <sup>th</sup>	Water from 9am-11am
Wed Sept 10 <sup>th</sup>	Water from 5pm - 8pm
Thu Sept 11 <sup>th</sup>	No Water
Fri Sept 12 <sup>th</sup>	Water from 9am - 1pm
Sat Sept 13 <sup>th</sup>	Water from 1pm - 5pm

This comes to a total of 18 hours of water availability during the specified time-period.

### **The Outlook for Restoration of Water Service**

On September 11, 2025, members of the NMPRC Utility Division and Legal Division met virtually with (1) Ms. Tracey Padilla of Melody Ranch and her counsel, Pete Domenici, (2) two members of the New Mexico Environment Department (“NMED”) (Krista Shultz, NMED-DWB and Aaron Beckworth, NMED-DWB), and (3) representatives from EMWT Regional Water Association (Bobby Ortiz, EMWT, Amy May, EMWT Secretary, and Donzil Worthington, Bohannon Huston, Inc. representing EMWT). The purpose of this meeting was to follow up on representations made by Melody Ranch regarding the prospect of EMWT Regional Water Association’s involvement in the formation and realization of a solution to the disruption of water service currently afflicting Melody Ranch’s customers. Such a solution would result in EMWT Regional Water Association’s potential control and ownership of Melody Ranch.

The major portion of discussion at the virtual meeting focused on the technical, economic, and practical requisites and considerations pertaining to the restoration of water service via EMWT's possible involvement as a prime mover in facilitating a physical solution to the problem.

The technical dimension embraced discussion including but not limited to: approaching the restoration of water service by initially locating the site for and drilling a new well; the possible and eventual connection of the Melody Ranch water system to the City of Moriarty's water system for redundancy and back-up (which redounds to EMWT's policy of regionalization and stability of water resources); identification of potential right-of-way and/or easement questions for the current well and possible future well(s); interface with the Office of the State Engineer regarding existing drilling permits and their utility to the prospective undertaking; Melody Ranch's provision of water system plans and drawings and other information to EMWT; and EMWT's performance of a technical evaluation and production of a technical memorandum that would specifically identify and detail the characteristics and other attributes of the water system that would inform EMWT's ultimate determination of how and whether to proceed with the undertaking. Such technical memorandum would also be necessary to secure funding from certain programs.

Economic considerations were focused on funding sources that could be utilized by EMWT to facilitate the technical side of the equation, *supra*, if EMWT determines that its involvement is appropriate. This is where the information and expertise offered by the attending NMED representatives (whose knowledge and expertise regarding the veritable maze of prospective governmental funding sources and their myriad requirements and deadlines is considerable) becomes very critical. EMWT, as a governmental entity or political subdivision, appears to be propitiously positioned to apply for and hopefully qualify for a variety of governmental funding

sources. NMED with its deep knowledge of these funding resources stands poised to deftly guide EMWT's interface and pursuit of the same. The technical solutions cannot be pursued or realized without the requisite and necessary funding. EMWT and NMED are working to develop an approach to this part of the puzzle and will keep others abreast of developments to that end.

Practical considerations included discussion of regulatory approvals or hurdles that would likely apply to formation and pursuit of any technical and economic solutions, including attainment of applicable regulatory compliance with the requirements of the Office of the State Engineer, NMED Drinking Water Bureau, and the NMPRC. For example, if and when EMWT is poised to assume control and ownership of Melody Ranch, this would lead to an abandonment and transfer proceeding before the NMPRC. This line of discussion also targeted the issue of how to manage the provision of water services in the interim, *i.e.*, if the technical solution as outlined above materializes, how would the interim provision of water services be accomplished economically and technically. This line of analysis remains to be further developed, depending to a significant degree on how the technical and economic aspects to the equation, *supra*, are framed up and (hopefully) placed on a trajectory of success. In the short term, lower water demand during the winter provides some relief, but the risk of freezing pipes from reduced flow levels remains a concern.

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

First, please see the immediately preceding section which discusses the current prospect towards restoring service via the cooperative efforts and involvement of Melody Ranch, EMWT, NMED, and the NMPRC. Second, please be advised that there has also been consideration and discussion with and regarding how EPCOR Utilities and the City of Moriarty might factor in the

development of a solution, solutions, or pathways towards the restoration of service. However, and for the moment, the most promising potential path towards resolution is that which is discussed above.

**Conclusion (for the Moment)**

At this juncture, evaluations regarding the economic and technical feasibility of what is outlined above are underway. Staff is being kept in the loop and will otherwise continue to inquire of and interact with Melody Ranch, EMWT, and NMED towards supporting and realizing the nascent objectives that have now come into sharper focus.

Dated this 18<sup>th</sup> day of September 2025.

Respectfully submitted,

/s/ John Bogatko

John Bogatko, NMPRC Legal Division

Jacqueline Ortiz

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 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 18<sup>th</sup> of September 2025.

**NEW MEXICO PUBLIC REGULATION COMMISSION**

/s/ *Peggy Martinez-Rael* (Electronically signed)

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Peggy Martinez-Rael, Paralegal