

PRC chairman says statutory change needed

Hannah Grover, hgrover@daily-times.com 5:00 p.m. MT April 26, 2017

Ongoing boil-water advisory in Harvest Gold subdivision, other issues frustrate commissioners



AV Water customers from the Harvest Gold and Crouch Mesa communities meet with members of the New Mexico Public Regulation Commission Oct. 12 at the San Juan County Administration Building in Aztec. Many AV Water customers have been experiencing problems with their service for nearly a year. (Daily Times file photo)

STORY HIGHLIGHTS

- Chairman Sandy Jones said the PRC will likely see cases similar to AV Water Company in the future.
- The PRC oversees nearly 30 privately owned water companies in the state, including AV Water.
- Jones said the PRC needs to talk about statutory changes to help commissioners address cases like AV Water.
- There is currently no operator serving the Harvest Gold water system.

FARMINGTON — Nearly a year after a boil-water advisory was issued for the Harvest Gold subdivision, New Mexico Public Regulation Commission Chairman Sandy Jones says statutory changes are needed to address future cases like the one involving the troubled [AV Water Co.](#)

The PRC regulates nearly 30 private water companies throughout the state, including AV Water, according to its website. In June, the New Mexico Environment Department issued [boil-water advisories](#) for both of the company's systems due to high turbidity levels. AV Water owns the Morningstar system, serving the Crouch Mesa area, as well as the Harvest Gold system east of Bloomfield.

While the boil-water advisory for Morningstar was lifted in September, it remains in effect for the Harvest Gold residents. Even though the Morningstar advisory was lifted, line breaks have left some Crouch Mesa subdivisions without water several times. Last week, residents say the Homestead subdivision, located on Crouch Mesa, had several line breaks that led to water outages.

“This isn't the last time we're going to see something like this,” Jones said during a meeting today in Santa Fe that was streamed live on the PRC website.

During the meeting, Commissioner Valerie Espinoza expressed frustration with the ongoing boil-water advisory in the Harvest Gold subdivision. She said it feels like the Commission has been in a waiting process. The PRC is waiting for AV Water to file an application for abandonment and transfer of its certificate of convenience and necessity to the [newly formed Apple Orchard Mutual Domestic Water Consumers Association](#), which was created to take over operation of the Harvest Gold system.

Espinoza suggested the PRC contact legislators, including the governor and lieutenant governor, to ask if a tank of water can be supplied to the Harvest Gold residents. She said if she had \$1 million she would invest it in fixing the system.

Part of Espinoza's frustration comes from instances several days last week when Harvest Gold residents had no water or had low water pressure due to [problems with the pump](#) at the treatment plant.

“It's pretty inconvenient to have to go take a shower at a park,” Espinoza said.

Jones said after the situation with AV Water is resolved, the PRC should discuss statutory changes to give the Commission an emergency response fund and an operator who could run a water system when needed.

Harvest Gold is currently without an operator due to a District Court case that [split the Harvest Gold water system from Morningstar](#) and gave control of Morningstar to a receiver

for [Stonetown Animas Lenders LLC](#). AV Water had failed to make payments to Stonetown on a loan. AV Water informed the PRC that the operator is unable to work on the Harvest Gold system due to the receivership.

Jones would like to see changes to prevent future cases like the one in the Harvest Gold subdivision.

“Hopefully, the good that could come out of this is some kind of statutory change,” he said.

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TIMELINE: Troubled AV Water Co.

[Five things to know about AV Water](#)

April: [Water company alleges PRC violated state law](#)

March: [After months of enduring boil-water advisory, Harvest Gold to pursue mutual domestic water users association](#)

March: [Bloomfield gets funds for Harvest Gold water project](#)

Feb.: [Officials look for solutions to water crisis](#)

Feb.: [Complaints: AV Water hasn't paid its bills](#)

Dec. 2016: [Residents still waiting for promised bottled water](#)

Nov. 2016: [PRC fines AV Water Co. and its owner \\$1 million](#)

Oct. 2016: [AV Water owner: Company 'strapped for cash'](#)

Oct. 2016: [AV Water fires operator after NMED inspection](#)

Sept. 2016: [NMED to fine AV Water Co. for every day it's not in compliance](#)

Aug. 2016: [Customers say they're paying more money for water they can't drink](#)

June 2016: [Boil-water advisory issued for AV Water systems](#)