MIDLAND, Texas--(BUSINESS WIRE)--Priority Power Management, LLC (“PPM”), a Texas-based leading independent energy management and consulting services firm, has entered into an agreement with Nuevo Midstream, LLC (“Nuevo”) to build, own, operate and maintain a 138kV/21.6kV 20MVA high voltage substation and distribution feeder (the “Project Facility”) and lease the Project Facility to Nuevo.

PPM’s Project Facility will provide the electrical capacity needed to meet Nuevo’s electrical demands at its Ramsey Gas Processing and Treating plant located in Reeves County, Texas. Nuevo recently announced that it has completed a major expansion of its amine treating capacity and has begun construction of the Phase III expansion of the company’s natural gas processing system in the Delaware Basin near Orla, Texas. This Phase III expansion will add 200 MMcf/d of additional cryogenic processing, bringing its total cryogenic processing capacity to 310 MMcf/d, by April 2014.

Under the terms of the agreement, PPM will be responsible for the design, engineering, equipment procurement, construction, testing and commissioning of the Project Facility, as well as ongoing operations and maintenance. PPM will also interface with the electric utility company and coordinate the interconnect of the substation with the utility’s high voltage 138 kV transmission line.

“We are extremely pleased to be providing electrical infrastructure services to Nuevo,” said John Bick, managing principal of PPM. “Developing and deploying electrical infrastructure solutions is a natural extension of our already broad energy services provided to our growing oil and gas client base.”

“PPM came highly recommended to us as a source of technical expertise and knowledge when it comes to power supply and electrical infrastructure,” said Randy Ziebarth, senior vice president and general manager of Nuevo. “We view PPM as a valuable partner in our plans to meet our growing customers’ demands for additional processing capacity in the Delaware Basin.”

PPM and Nuevo also entered into a separate agreement whereby PPM will provide Nuevo with energy supply management services. Under this agreement, PPM will provide strategic planning, procurement, contract negotiations, and risk management services for

the competitive electricity supply to Nuevo's Ramsey plant. PPM will also evaluate opportunities to monetize the intrinsic optionality value of Nuevo's existing onsite natural gas-fired generation through demand response initiatives.

About Priority Power Management

Priority Power Management, LLC (www.PriorityPower.net) is a leading Texas-based independent energy management and consulting services firm to large commercial, industrial and government customers. Priority Power Management provides unbiased and objective energy management services in the areas of energy information, supply and risk management, demand-side management and energy infrastructure solutions. Since its establishment in 2001, Priority Power Management has grown to procure and managed approximately $1 billion of annual energy spend on behalf of clients from its offices in Midland/Odessa, Dallas/Fort Worth, Houston and Abilene.

About Nuevo Midstream, LLC

Headquartered in Houston and formed in April 2011, Nuevo is a full service midstream company offering gathering, compression, processing, treating, transportation and marketing services to oil and gas producers in the Delaware Basin. Operations are focused on production from the Bone Springs and Wolfcamp formations and the Avalon Shale trend in Southeast New Mexico and West Texas. The senior leadership group at Nuevo Midstream has more than 150 years of energy industry experience and is led by President and CEO Jay Lendrum; Chris Work, senior vice president and chief financial officer; Randy Ziebarth, senior vice president and general manager; Ralph Carthrae, vice president, commercial; and Dwight Serrett, vice president of engineering and construction. Visit www.nuevomidstream.com for more information.