

## News : Interstate natural gas pipeline additions in 2022 least since 1995: EIA

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- **Appalachia** projects mostly completed
- **FERC** also recently charted pipeline capacity low point

New data from the **Energy Information Administration** shows that 2022 saw the lowest amount of pipeline capacity entering service since 1995, the earliest year for which data is available, highlighting the difficulty in building major **gas** pipelines often referenced by industry groups.

Last year, 897 MMcf/d of capacity was added by five major interstate projects, compared with nearly 8 Bcf/d added in 2021 and about 4 Bcf/d in 2020, according to the **EIA**'s Feb. 23 natural **gas** weekly update. The update tracks interstate capacity placed in service through a state-to-state capacity tracker that excludes intrastate **gas** pipeline projects and shows additions exceeding 20 Bcf/d in 2015, 2017 and 2018.

### Greater intrastate focus

Interstate pipeline additions were at their the lowest since 1995 because of lower overall spending by natural **gas** companies and a greater focus on intrastate capacity additions, **EIA** said.

"Projects that reconfigure pipeline flows to accommodate growing Appalachian natural **gas** production, which drove interstate pipeline capacity additions for many years, are mostly completed," the **EIA** said, adding that most of the natural **gas** production growth since about 2017 has come from the Permian and **Haynesville shale** regions in **Texas** and **Louisiana**. Intrastate pipeline projects in those states have connected production regions with **LNG** export projects along the **Gulf Coast**, the agency said.

The five interstate pipeline additions tallied by the **EIA** are two by **Florida Gas** Transmission, one by ANR Pipeline in **Wisconsin**, a Gulfstream Natural **Gas** expansion project in the Southeast and Columbia Gulf Transmission's **Louisiana XPress** project. The latter project accounted for almost half of the interstate capacity additions in the **EIA**'s update, which does not mention the number of applications at the **Federal Energy Regulatory Commission** or the number of projects approved by **FERC** recently.

In its own report on pipeline projects placed in service last year, **FERC** included nine projects with a total capacity of 1.16 Bcf/d. While that number is larger than the **EIA**'s, it still marks a low point in the past 10 years, continuing a decline that began in 2019, when about 15 Bcf/d of pipeline capacity began service, according to **FERC** infrastructure updates. In 2021, about 2.82 Bcf/d was placed in service, **FERC** said in the December 2022 report.

### FERC under scrutiny

**FERC**'s review of pipeline applications has come under scrutiny on Capitol Hill, as has a pair of policy statements to modify the process and consider greenhouse **gas** emissions that have been pending for about two years (PL18-1, PL21-3). Uncertainty around the policy statements, which would raise the bar for a developer to show that there is clear public need for new facilities and include review of greenhouse **gas** emissions, has made it difficult for industry to invest in new facilities, industry groups have asserted.

The Interstate Natural **Gas** Association of America, which represents pipelines, noted that existing pipelines are operating at capacity and more capacity is needed to meet energy needs of consumers.

"Additional takeaway capacity, in the form of new pipelines, is needed to move natural **gas** from where it is produced to its customers," INGAA President and CEO Amy Andryszak said Feb. 27.

The **EIA** report, "while unsurprising, highlights the need for federal permitting reform for energy projects, including natural **gas** pipelines to ensure continued reliability, affordability and climate security," Andryszak said in an emailed statement.

### 'It concerns us'

Similarly, a spokesperson for the Natural **Gas** Supply Association said the limited pipeline additions pointed out by the **EIA** were troubling.

"We noticed this trend last year, and it concerns us, particularly as we've seen the impact of limited infrastructure on the Northeast and in **California** over the past year," Daphne Magnuson of the **NGSA** said Feb. 27.

"We won't speculate on the reasons behind the slump in new pipeline additions, but we simply can't achieve our low-carbon future without natural **gas** as the building block keeping the transition affordable and reliable," Magnuson said.

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