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Regular demand peaks hinder gas-power reliability: NPC

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Houston, 9 June (Argus) — Peak demand conditions are becoming more frequent in the US Northeast, as infrastructure constraints and misalignment between gas and power systems strain reliability year-round, National Petroleum Council (NPC) experts said at the LDC Gas Forum in Boston, Massachusetts, today.

Shoulder seasons, historically used for maintenance, are now "just as risky" as summer and winter, PJM senior fuel supply strategist David Mroz said. Outages and higher, less predictable gas demand are colliding with constrained takeaway capacity, intensifying pressure on the system.

US gas demand has risen about 49pc since 2013, while pipeline capacity has increased only 26pc and storage just 2pc, Brianne Metzger-Doran, vice president of operation services at TC Energy, said.

"Reliability is actually determined years before," Metzger-Doran said, pointing to projects that were "stalled or canceled years ago" as one of the primary causes of today's tighter margins.

The NPC studies, released in December 2025, were commissioned by the US Department of Energy as misalignment and infrastructure delays over the 10 ten years were "impacting reliability and "what can actually be built," Williams senior counsel Erin Potter Sullenger said.

The electric sector, in the meantime, has become the "largest and most variable consumer" of natural gas, with national power demanc accounting for 36pc of total gas consumption in 2024, Southern Gas' Kenneth Yagelski said. Gas-fired generation grew at about a 5pc annual rate from 2013-23, he said.

Demand variability "amplifies the misalignment risk," Yagelski said, as gas and power systems have evolved "under separate regulatory frameworks" and no longer align operationally.

Those gaps are most evident in the Northeast, where pipeline constraints and reliance on interruptible service expose generators to supply risk during periods of peak demand. Mroz said new large loads could face curtailment starting in 2027 under evolving market rules.

Panelists said permitting delays continue to hinder new infrastructure needed to ease constraints. Projects often face years of regulatory review and litigation, sometimes ending in delay or cancellation.

"Longer permitting times don't lead to better outcomes," Metzger-Doran said, calling for reforms to federal permitting and judicial processes to restore investment certainty.

By Angelica Ruzanova

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