

Louisiana produces more gas than almost any state. Distributing it safely is where your capital plan lives.

The pipe under New Orleans and Baton Rouge is still being rebuilt, ownership of most of the state's gas systems just changed hands, and record LNG exports are pulling on the same Gulf supply you buy for winter peaks. Every one of those forces reshuffles the projects on your list. Invizion helps gas utilities re-sequence a capital portfolio in a click — and defend every decision.

#2¹ Louisiana's rank among U.S. states for natural gas marketed production — about 3.6 trillion cubic feet in 2024.	~600,000² Customers now served by Delta Utilities across Louisiana and Mississippi after it absorbed Entergy's and CenterPoint's Louisiana gas systems in 2025.	~70%³ Share of New Orleans' post-Katrina low-pressure gas main rebuilt by 2018, with the remainder targeted for replacement by about 2026.	17.4 Bcf/d⁴ U.S. LNG exports in the first half of 2026, up 23% year over year — Gulf Coast demand pulling on the supply Louisiana LDCs rely on.
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THE LOUISIANA LANDSCAPE

Four forces are moving your project list at once

Louisiana's gas sector looks secure — abundant supply, growing demand, a friendly policy climate. But the distribution business still faces aging pipe, storm risk, volatile costs, and elected regulators. Together they mean the capital plan you approved last year may already be the wrong plan.

SAFETY — AGING PIPE

Old pipe, hurricane country, one clock

The low-pressure gas system under New Orleans — roughly 650 miles of main after Hurricane Katrina flooded it — was about 70% rebuilt by 2018, with the balance and vintage 1970s plastic slated for replacement by about 2026.³ That program, now Delta Utilities' to finish, is the kind of mandated, multi-year rebuild that anchors a gas capital plan.

The pattern repeats statewide: Atmos Energy directs more than 85% of a roughly \$4.2 billion annual capital budget to system safety and reliability.⁵ Replacing leak-prone and storm-exposed pipe is not optional work — and it competes for the same dollars as everything else.

DEMAND — THE LONG HORIZON

Less stranded-asset risk here — but not zero

Louisiana is a gas-forward state. Residential and commercial gas customers still edged up to about 986,000 in 2024,⁶ and demand is underpinned by heavy industry and record LNG exports,⁴ rather than eroded by electrification mandates. The "future of gas" phase-down reshaping Northeast and California plans is far weaker here.

But pipe installed today lasts 60-plus years. National decarbonization policy, federal methane rules, and interest in RNG and hydrogen blending still put a question mark on late-horizon throughput — enough that long-lived investments deserve to be stress-tested against more than one future.

SUPPLY — VOLATILITY & LNG

Sitting on the gas doesn't stop the price spikes

Louisiana is the nation's second-largest gas producer, yet abundance is no shield. Winter Storm Uri froze off enough wellhead supply in February 2021 to cut U.S. production about 21% in days — Texas fell roughly 45% — sending spot prices soaring and leaving utilities to recover extraordinary gas costs⁷

Now the U.S. is the world's largest LNG exporter⁸ at 17.4 Bcf/d in the first half of 2026⁴ and Louisiana's own Sabine Pass, Plaquemines, Calcasieu Pass and Cameron terminals ship the bulk of it.⁹ That export pull competes with your winter design-day supply, and every volatile purchase eventually lands in front of a regulator.

RECOVERY — RATES & REGULATORS

Two rate desks, one question: why this project, why now?

Most Louisiana gas LDCs answer to the Louisiana Public Service Commission — a constitutional body of five elected commissioners¹⁰ that sets rates for gas utilities statewide¹¹ — while gas inside Orleans Parish answers to the New Orleans City Council.¹¹ Infrastructure spend is recovered through rate-stabilization and formula plans and periodic base-rate cases, not a single statutory replacement surcharge.

All of it collides with affordability: Louisiana residential gas ran about \$16.38 per thousand cubic feet in 2024¹² Every accelerated-replacement dollar has to be justified against the bill it lands on.

WHO DELIVERS LOUISIANA'S GAS

A market that just consolidated around two owners

In 2025 Bernhard Capital's Delta Utilities absorbed both Entergy's and CenterPoint's Louisiana gas systems, leaving distribution overwhelmingly investor-owned. Municipal gas is a small footprint; the pressures are shared, the rate desks differ.

Investor-owned gas LDCs

Rates & recovery set by the LPSC or the New Orleans City Council

Delta Utilities — New Orleans & Baton Rouge Former Entergy gas · New Orleans system rebuilt from Katrina³

Delta Utilities — North & Central Louisiana Former CenterPoint Energy gas; acquired by Delta in 2025²

Atmos Energy Louisiana Trans La Gas (1988) & Louisiana Gas Service (2001)¹³ · ~\$4.2B annual capex, 85%+ to safety⁵

Delta Utilities is now the largest gas utility in Louisiana and second-largest in Mississippi, serving about 600,000 customers²

Municipal & public gas

A minor share of statewide throughput

Municipal gas systems A modest number of Louisiana towns run their own small gas distribution systems

Lafayette Utilities System (LUS) The state's largest municipal utility — electric, water & wastewater, but not gas¹⁴

Rural electric cooperatives Serve electricity, not gas — no co-op gas distribution of scale in the state

Where capital gets approved — and defended

Louisiana splits gas oversight between an elected commission and a city council, and recovers infrastructure through rate plans rather than one statutory surcharge.

Louisiana Public Service Commission (LPSC) — a constitutionally established agency of five elected commissioners serving six-year overlapping terms¹⁰ — sets rates and service standards for gas utilities statewide.¹¹

New Orleans City Council regulates gas within Orleans Parish, including the Katrina-era low-pressure main-replacement program now inherited by Delta Utilities.¹³

Rate-stabilization & formula rate plans plus periodic base-rate cases — not a dedicated ISRS/GSEP-style statutory surcharge — are how Louisiana LDCs recover infrastructure investment between full rate cases.

2025 ownership transfers — regulators approved Delta Utilities' acquisitions of the Entergy and CenterPoint gas systems in 2024 and the deals closed in 2025 — reset who files Louisiana's gas rate cases.

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Mostly rate base — so sequencing is everything

Louisiana gas modernization is funded chiefly through utility capital recovered in rates and, now, fresh private ownership — not a large pot of federal grants. That makes disciplined prioritization the lever that moves bills the least.

Utility capital in rate base — Atmos Energy alone invests roughly \$4.2 billion a year system-wide, more than 85% of it in safety and reliability.⁵

Private-equity recapitalization — Bernhard Capital's Delta Utilities took over about 600,000 Louisiana and Mississippi gas customers in 2025, committing new owner capital to the systems²

The New Orleans rebuild — the roughly 650-mile post-Katrina low-pressure system, about 70% replaced by 2018 with completion targeted around 2026, is a defined, recoverable program³

The affordability ceiling — with residential gas near \$16.38 per Mcf in 2024¹² and about 986,000 residential and commercial customers⁶ the pace of recovery is bounded by what bills can bear.

LOUISIANA GAS, IN BRIEF

Questions Louisiana gas leaders are asking

Short, sourced answers — the same facts we dig into with utilities looking at their capital programs.

Who delivers natural gas in Louisiana now?

Distribution is overwhelmingly investor-owned. In 2025 Delta Utilities (Bernhard Capital) absorbed both Entergy's New Orleans and Baton Rouge gas and CenterPoint's north/central Louisiana gas, becoming the state's largest gas utility at about 600,000 customers across Louisiana and Mississippi; Atmos Energy is the other major LDC.²¹³

How much natural gas does Louisiana produce?

Louisiana is the nation's second-largest gas producer, at roughly 3.6 trillion cubic feet in 2024, and its Gulf Coast terminals — Sabine Pass, Plaquemines, Calcasieu Pass and Cameron — ship most U.S. LNG exports.¹⁹

Who regulates natural gas rates in Louisiana?

The Louisiana Public Service Commission — five elected commissioners — sets gas rates statewide, while gas inside Orleans Parish is regulated by the New Orleans City Council.¹⁰¹¹

What's the biggest gas infrastructure program in the state?

The New Orleans low-pressure system — about 650 miles of main after Katrina, roughly 70% rebuilt by 2018 with completion targeted around 2026 — is the marquee replacement program, now Delta's to finish; statewide, LDCs like Atmos direct 85%+ of capital to safety and reliability.³⁵

Why do prices spike if Louisiana produces so much gas?

Because winter freeze-offs and export demand hit the same wellheads. Winter Storm Uri cut U.S. production about 21% in February 2021, and U.S. LNG exports reached 17.4 Bcf/d in the first half of 2026 — both pull on the supply LDCs need for winter peaks.⁷⁴

How does Invizion help Louisiana gas utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. It lets you model how a storm, a supply-cost spike, an accelerated main-replacement mandate, or a change in ownership reshuffles your whole project list, re-sequence the portfolio automatically, and keep a defensible record of every decision for the LPSC or the New Orleans City Council.

REFERENCES

Sources

Every figure in this briefing is tied to a primary or authoritative source.

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ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See how utilities keep capital plans current and defensible with Invizion.

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