

Mississippi's gas system is growing while it ages. Your capital plan is where those two facts collide.

Gas-fired power plants, industry, and more than 470,000 homes and businesses keep Mississippi's gas demand climbing, even as aging steel main, volatile winter supply, and PSC rate-recovery rules pull capital in competing directions. Every rate order, winter storm, and system-integrity mandate reshuffles the projects on your list. Invizion helps gas utilities re-sequence a capital portfolio in a click — and defend every decision.

425,053¹	~70%²	249,562³	9.40%³
Residential natural gas customers in Mississippi (EIA, 2024).	Share of Mississippi's natural gas that goes to electric power generation — demand is rising, not falling.	Customer meters Atmos Energy serves across 110 Mississippi communities.	Authorized ROE in Atmos Mississippi's November 2024 rate order — capital recovery is set case by case.

THE MISSISSIPPI LANDSCAPE

Four forces are moving your project list at once

Mississippi's gas sector doesn't face a demand cliff — it faces the opposite. But growth, aging pipe, winter supply risk, and rate-recovery rules still pull capital in four directions at the same time.

SAFETY — AGING PIPE & INTEGRITY**A modern system, still full of steel to manage**

Nationally about 99% of gas distribution main is now plastic or steel and only about 1% is iron;⁴ Mississippi's Southern system is largely plastic and steel, so the integrity job is less about cast iron than about aging bare and unprotected steel, vintage plastic, and PHMSA distribution-integrity-management obligations.

That work is capital-hungry. Atmos Energy recovers Mississippi system-integrity investment through a dedicated System Integrity Rider, and plans roughly \$26 billion of capital across fiscal 2026–2030 — more than 80% of it for safety and reliability³

DEMAND — THE LONG-HORIZON QUESTION**The stranded-asset story runs backwards here**

Where other states debate gas bans and "future of gas" dockets, Mississippi's throughput is climbing: gas burned for electric power rose from about 353 Bcf in 2021 to roughly 422 Bcf in 2025, and total state gas use reached about 605 Bcf² Near-term, the risk is under-building capacity, not stranding it.

The long horizon still matters. National decarbonization pressure, renewable-gas and hydrogen-blending pilots elsewhere, and eventual building electrification all belong in a 20- to 30-year capital plan — the question is how much weight to give them against the 470,000-plus customers who depend on the system today.¹

SUPPLY — PRICE & RELIABILITY

Abundant Gulf supply, until a February freeze

Mississippi sits inside the Gulf Coast supply hub yet produces only about 25.8 Bcf of gas a year¹ against roughly 605 Bcf consumed² — it leans almost entirely on interstate and Gulf pipeline supply. That works until it doesn't: Winter Storm Uri drove U.S. dry gas production down to 69.7 Bcf/d on February 17, 2021, with Texas output off nearly 45%.³

Storm-driven gas costs are recovered from customers over time through PSC purchased-gas mechanisms, and prices keep climbing regardless — the average Mississippi residential rate reached \$16.64 per thousand cubic feet in 2025, up from \$15.42 in 2024.⁷

CAPITAL — RECOVERY & RATE RULES

Every dollar has to clear the Commission

Mississippi's investor-owned gas utilities answer to the elected, three-member Public Service Commission⁸ advised by the independent Public Utilities Staff.⁹ Atmos recovers investment between full rate cases through an annual Stable Rate Filing formula mechanism and its System Integrity Rider, and its November 4, 2024 rate order set a 9.40% ROE on a 50/50 capital structure.³

The state's other large distributor — the former Mississippi Valley Gas / CenterPoint system — has long used a Supplemental Growth Rider to recover distribution investments¹⁰ the kind of surcharge that keeps capital moving between cases but sharpens the affordability question every time bills rise.

WHO DELIVERS MISSISSIPPI'S GAS

Three investor-owned LDCs and a deep bench of municipal systems

Mississippi's gas is delivered by PSC-regulated investor-owned distributors led by Atmos Energy, plus dozens of city-owned municipal gas systems that set their own rates.

Investor-owned gas LDCs

Rates & capital recovery regulated by the Mississippi PSC

Atmos Energy — Mississippi Division 249,562 customer meters across 110 communities; Mississippi's largest gas distributor¹³

Delta Utilities The state's 2nd-largest gas utility¹¹, formed from the former Mississippi Valley Gas / CenterPoint Energy Mississippi system¹² (acquired April 2025)

Spire Mississippi Serves Mississippi within Spire's four-state, ~1.7M-customer gas system¹³

Delta Utilities now serves roughly 600,000 customers across Mississippi and Louisiana combined¹¹ — a reminder that ownership of Mississippi gas assets can change hands even as the pipe in the ground stays put.

Municipal gas systems

City-owned & governed locally, not by the PSC

Clarksdale Public Utilities City-owned gas, electric & water utility, Coahoma County

Canton Municipal Utilities City-owned natural gas, electric & water system, Madison County

Corinth Gas & Water Department Municipal natural gas & water utility, Alcorn County

Dozens more statewide From the Delta to the Piney Woods, small towns run their own gas departments and set rates locally

Nationwide there are roughly 1,000 public (municipal) natural gas utilities;¹⁴ Mississippi is home to many of them. They own the same aging pipe and carry the same winter-supply exposure as the big LDCs — but plan capital with far smaller staffs and balance sheets.

How Mississippi lets gas utilities earn back capital

Between full rate cases, Mississippi gas utilities lean on rider and formula-rate mechanisms to recover infrastructure spending — which makes a defensible, well-sequenced capital plan the difference between timely recovery and disallowance.

Mississippi Public Service Commission (PSC) — three elected commissioners regulate rates and capital recovery for investor-owned gas LDCs; municipal systems set their own⁸

Mississippi Public Utilities Staff (MPUS) — the independent agency (established 1990) that reviews utility filings on behalf of ratepayers and the state.⁹

Atmos Energy's Stable Rate Filing & System Integrity Rider — an annual formula-rate mechanism plus a dedicated integrity surcharge; its November 4, 2024 order set a 9.40% ROE on a 50/50 capital structure.³

Supplemental Growth Rider — the former Mississippi Valley Gas / CenterPoint mechanism for recovering distribution-growth investment between cases.¹⁰

Purchased-gas & storm-cost recovery — extraordinary winter gas costs, such as those from Winter Storm Uri, are passed through and recovered from customers over time rather than in a single bill.⁶

In Mississippi, the funding is mostly your own rate base

Unlike the electric side, gas distribution here draws little large-scale federal grant money; the capital comes from rate base, recovered through PSC-approved riders. That puts the weight on sequencing and defensibility.

~\$26B capital plan, FY2026–2030 (Atmos, systemwide) — more than 80% dedicated to safety and reliability; Mississippi competes for its share of the pipeline-replacement spend³

System Integrity Rider (Atmos Mississippi) — recovers integrity-driven replacement investment between rate cases³

Supplemental Growth Rider (legacy Mississippi Valley Gas / CenterPoint) — recovers distribution-growth capital via surcharge¹⁰

Storm-cost recovery — Winter Storm Uri's gas-cost spike followed a national production drop to 69.7 Bcf/d,⁸ such costs are recovered from customers over time through PSC-approved purchased-gas mechanisms.⁸

MISSISSIPPI GAS, IN BRIEF

Questions Mississippi gas utility leaders are asking

Short, sourced answers — the same facts we work through with utilities weighing their capital programs.

Is natural gas demand in Mississippi shrinking?

No — it's growing. Gas burned for electric power rose from about 353 Bcf in 2021 to roughly 422 Bcf in 2025, and total state gas use reached about 605 Bcf, with electric generation taking roughly 70%²

Who are Mississippi's largest gas utilities?

Atmos Energy is the largest, serving 249,562 meters across 110 communities³; Delta Utilities — the former Mississippi Valley Gas / CenterPoint system — is second.¹¹ Spire and dozens of municipal systems serve the rest¹³

How do Mississippi gas utilities recover capital investment?

Investor-owned LDCs recover between rate cases through PSC-approved riders and formula rates — Atmos's Stable Rate Filing and System Integrity Rider, with a 9.40% ROE set in its November 2024 order³ Municipal systems set their own rates⁸

How exposed is Mississippi to winter gas-price spikes?

Highly. The state produces only about 26 Bcf a year¹⁵ but consumes around 605 Bcf² relying on Gulf and interstate pipelines. Winter Storm Uri cut U.S. production to 69.7 Bcf/d in February 2021⁶ and residential rates reached \$16.64 per Mcf in 2025⁷

Does Mississippi have a gas ban or "future of gas" proceeding?

No. Unlike parts of the Northeast and West, Mississippi has no gas-ban or electrification mandate, and gas throughput is rising² Decarbonization is a long-horizon capital input here, not a near-term demand cliff.

How does Invizion help Mississippi gas utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. It lets you model how a rate order, a storm-cost recovery, or a system-integrity mandate reshuffles your whole project list, re-sequence the portfolio automatically, and keep a defensible record of every trade-off for the PSC — or your city board.

REFERENCES

Sources

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

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6. U.S. Energy Information Administration, Today in Energy — U.S. dry natural gas production fell to as low as 69.7 Bcf/d on Feb. 17, 2021, with Texas output down almost 45%, during Winter Storm Uri. www.eia.gov
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10. U.S. SEC EDGAR full-text search — "Supplemental Growth Rider" referenced in CenterPoint Energy and Atmos Energy filings describing the Mississippi rate mechanism. efits.sec.gov
11. Delta Utilities — About: ~600,000 customers across Louisiana and Mississippi combined; the 2nd-largest gas utility in Mississippi; acquired CenterPoint Energy's Louisiana and Mississippi gas businesses (approved Nov. 20, 2024; closed April 1, 2025). deltautilities.com
12. CenterPoint Energy — Company Overview: natural gas distribution now serves Indiana, Minnesota, Ohio and Texas (following divestiture of its Louisiana and Mississippi gas businesses). www.centerpointenergy.com
13. Spire Inc. — About Spire: natural gas utilities in Alabama, Mississippi, Missouri and Tennessee serving ~1.7 million customers. www.spireenergy.com
14. American Public Gas Association — approximately 1,000 public (municipal) natural gas utilities operate in the United States. www.apga.org

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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