

South Carolina is adding gas customers faster than almost any state. Your capital plan has to keep pace.

A booming population is stacking new services onto a distribution system that already runs to roughly 19,500 miles of main, while gas-cost swings, the Rate Stabilization Act clock, and long-horizon decarbonization risk all pull at the same budget. Each 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.

+17.2% ¹ Growth in South Carolina residential natural gas customers, 2019–2024 — from 714,218 to 837,026.	~19,500 mi ² Distribution mains Dominion Energy South Carolina must inspect, maintain, and replace on a rolling basis.	Net zero by 2050 ² Dominion Energy's carbon and methane emissions target — the long-horizon backdrop to every 30-year pipe investment.	\$16.91 ³ Average South Carolina residential price per thousand cubic feet in 2024 — the affordability line every rate filing meets.
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THE SOUTH CAROLINA LANDSCAPE

Four forces are moving your project list at once

None of these is theoretical, and none of them waits for your next budget cycle. Together they mean the capital plan you approved last year may already be the wrong plan.

INTEGRITY — AGING PIPE & SAFETY

Thousands of miles of main, all on a replacement clock

Dominion Energy South Carolina alone operates roughly 19,500 miles of distribution main and about 400 miles of transmission pipeline, with peak-shaving LNG at Charleston and Salley² Every operator in the state — investor-owned and municipal alike — must run a federal distribution integrity management program that identifies and mitigates risk across that mileage⁴

Older bare and coated steel has to be found, prioritized, and replaced before it becomes a leak or an incident. That is a decades-long capital commitment competing every year with growth-driven expansion.

DECARBONIZATION — LONG-HORIZON RISK

30-year assets against a net-zero backdrop

South Carolina has no gas ban or building-electrification mandate, but the pressure is real on a longer clock. Dominion Energy has committed to net zero carbon and methane emissions by 2050, and its own filings warn that greenhouse-gas rules and efficiency trends “could affect demand for natural gas.”²

Main that is installed today is recovered from ratepayers over 30 to 50 years. When throughput and the long-term customer count are uncertain, the sequencing of that spend — not just its size — is where stranded-asset risk is managed.

SUPPLY — PRICE & RELIABILITY

Winter peaks and a volatile commodity

South Carolina has no gas production of its own; supply arrives on the Transcontinental (Transco), Southern Natural Gas, and Dominion Energy Carolina Gas Transmission pipelines, with LNG held for peak days² Power generation is by far the largest gas user in the state — about 176 billion cubic feet in 2024, against 33 Bcf residential — so winter heating load competes with the grid for the same molecules.⁵

Commodity swings pass through to customers via a monthly purchased gas adjustment, which is why the 2024 residential price still sat near \$16.91 per Mcf after recent cold-snap spikes³²

CAPITAL — RECOVERY & GROWTH

The fastest growth in the Southeast, on an annual rate clock

South Carolina’s population grew 8.8% between 2020 and 2025, one of the highest rates in the nation,⁸ and residential gas customers rose 17.2% over five years¹ Every new subdivision is main, services, and meters that have to be funded now and recovered later.

The Natural Gas Rate Stabilization Act lets utilities reset base rates annually rather than wait years between cases — but the earnings band is tight and the calendar is fixed, so the capital that gets recovered is the capital that can be justified when the filing is due.⁶

WHO DELIVERS SOUTH CAROLINA'S GAS

Two large regulated LDCs and a deep bench of municipal systems

South Carolina's gas is delivered by two investor-owned distribution companies regulated by the Public Service Commission, alongside a large number of city- and authority-owned municipal systems. The pressures are shared; the accountability path differs.

Investor-owned LDCs

Rates & capital recovery regulated by the PSC

Dominion Energy South Carolina (DESC) ~500,000 gas customers · formerly SCE&G/SCANA²

Piedmont Natural Gas A Duke Energy company · serves portions of South Carolina⁹¹⁰

The regulated market is concentrated: DESC and Piedmont together serve the large majority of South Carolina's roughly 837,000 residential gas customers.¹²

Municipal & public gas systems

Governed by councils & boards, not PSC rates

Greer Commission of Public Works Municipal gas, electric & water · Greenville¹¹

Fort Hill Natural Gas Authority Public gas authority · York County region

Patriots Energy Group Gas-supply joint-action agency for SC municipal systems

Additional city systems Orangeburg DPU and other municipal gas providers statewide¹²

The Office of Regulatory Staff runs gas pipeline safety oversight across the state's operators, and public gas systems nationwide — more than 730 in 38 states — face the same integrity obligations as the investor-owned LDCs.¹²¹⁴

Every capital dollar has to be defensible

Whether you file with the Public Service Commission or answer to a city council, the question is the same: why this project, why now, why at this cost?

South Carolina Public Service Commission (PSC) regulates the rates and service of the investor-owned gas distributors, DESC and Piedmont Natural Gas.¹³

Office of Regulatory Staff (ORS) represents the public interest in rate proceedings and runs the state's natural gas pipeline safety program.¹²

Natural Gas Rate Stabilization Act (S.C. Code §§58-5-400 to 58-5-480, effective 2005) lets gas LDCs reset base rates annually within a return-on-equity band of ± 50 basis points — monitoring reports in March, an initial order by October 15, and new rates effective November 1.⁶²

Purchased Gas Adjustment & Weather Normalization — DESC recovers prudently incurred gas commodity and transportation costs through a monthly PGA and normalizes winter bills through a weather adjustment.²

Piedmont's South Carolina rate stabilization adjustment resets rates annually on updated costs and revenues; unlike its North Carolina and Tennessee territories, Piedmont does not run a separate integrity-management rider in South Carolina.⁷

Where the capital comes from

Gas utilities fund modernization through a mix of surcharge-based recovery and, increasingly, federal safety grants. The constraint is readiness: which projects qualify, which are shovel-ready, and how the timing lines up with the rate calendar.

PHMSA NGDISM grants — \$200M/year, \$1B over five years. The federal Natural Gas Distribution Infrastructure Safety and Modernization program funds repair and replacement of leak-prone pipe; municipal gas systems are eligible applicants.¹⁵

Rate Stabilization Act recovery is the workhorse: annual base-rate resets keep integrity and growth capital moving without the multi-year lag of a full rate case, provided earnings stay inside the ± 50 -basis-point band.⁶

Monthly Purchased Gas Adjustment passes commodity and pipeline transportation costs straight through, insulating base rates from cold-snap price spikes but keeping bills — near \$16.91 per Mcf residential in 2024 — exposed to the market.³²

Customer-growth contributions and system expansion — with residential connections up 17.2% in five years, main and service extensions to new subdivisions are a large and recurring call on capital.¹

SOUTH CAROLINA GAS, IN BRIEF

Questions South Carolina gas leaders are asking

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

Who provides natural gas in South Carolina?

Two investor-owned distributors regulated by the PSC — Dominion Energy South Carolina (formerly SCE&G, ~500,000 gas customers) and Piedmont Natural Gas (a Duke Energy company) — plus a large number of municipal and public systems such as Greer CPW and Fort Hill Natural Gas Authority. Statewide there are roughly 837,000 residential gas customers²¹

What is the Natural Gas Rate Stabilization Act?

It is a South Carolina statute (S.C. Code §§58-5-400 to 58-5-480, effective 2005) that lets gas LDCs adjust base rates annually within a ± 50 -basis-point return-on-equity band, rather than waiting years between full rate cases. Monitoring reports are filed in March, an initial order issues by October 15, and new rates take effect November 1⁵²

How fast is South Carolina's gas customer base growing?

Residential natural gas customers rose from 714,218 in 2019 to 837,026 in 2024, up 17.2%, tracking a population that grew 8.8% between 2020 and 2025 — among the fastest growth in the country¹⁸

Where does South Carolina's natural gas come from?

The state produces none of its own gas. Supply arrives on the Transco, Southern Natural Gas, and Dominion Energy Carolina Gas Transmission pipelines, with LNG at Charleston and Salley held for peak days. Power generation is the largest single use — about 176 billion cubic feet in 2024²⁵

Is South Carolina trying to phase out natural gas?

No — the state has no gas ban or building-electrification mandate. But Dominion Energy has a net-zero carbon and methane target for 2050, and federal greenhouse-gas rules could dampen long-term gas demand, so utilities weigh throughput and stranded-asset risk when sequencing pipe investments recovered over decades²

How does Invizion help South Carolina gas utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. It lets you model how a growth surge, a gas-cost spike, a PHMSA grant, or a shifting decarbonization outlook reshuffles your whole project list, re-sequence the portfolio automatically against your constraints and the Rate Stabilization Act calendar, and keep a defensible record of every decision for the Public Service Commission or your board.

REFERENCES

Sources

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

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14. American Public Gas Association — more than 730 public (municipal) natural gas members across 38 states. www.apga.org
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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.

Explore Invizion →