

Pipelines the key to growth for natural gas



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While natural gas production experienced somewhat of a “slump” over the past few years, new federal data from the United States Energy Information Administration indicates that growth is on the horizon as natural gas producers expand capacity by laying new pipeline infrastructure to transport natural gas from the Utica and Marcellus shale plays in the Appalachian basin to the Atlantic Coast.

Producers have begun to focus on the production of “wet gas,” which contains a higher percentage of natural gas liquids (NGLs) and less methane than “dry gas.” The ethane, butane and propane found in wet gas is potentially more valuable to industry than dry gas if it can be separated from the methane and transported to the users in a cost effective manner. New pipeline infrastructure in the Appalachian basin is required to get the NGLs to facilities that separate the NGLs from the methane and then to the industries that use them.

Producers are interested in developing cost-effective and safe ways in which to transport NGLs out of the Appalachian basin to areas of the country where it is most in-demand. Various solutions are under evaluation.