U.S. Pipeline Market 2026: Selective Growth and New Demand

How AI, data centers and the energy transition are reshaping the midstream

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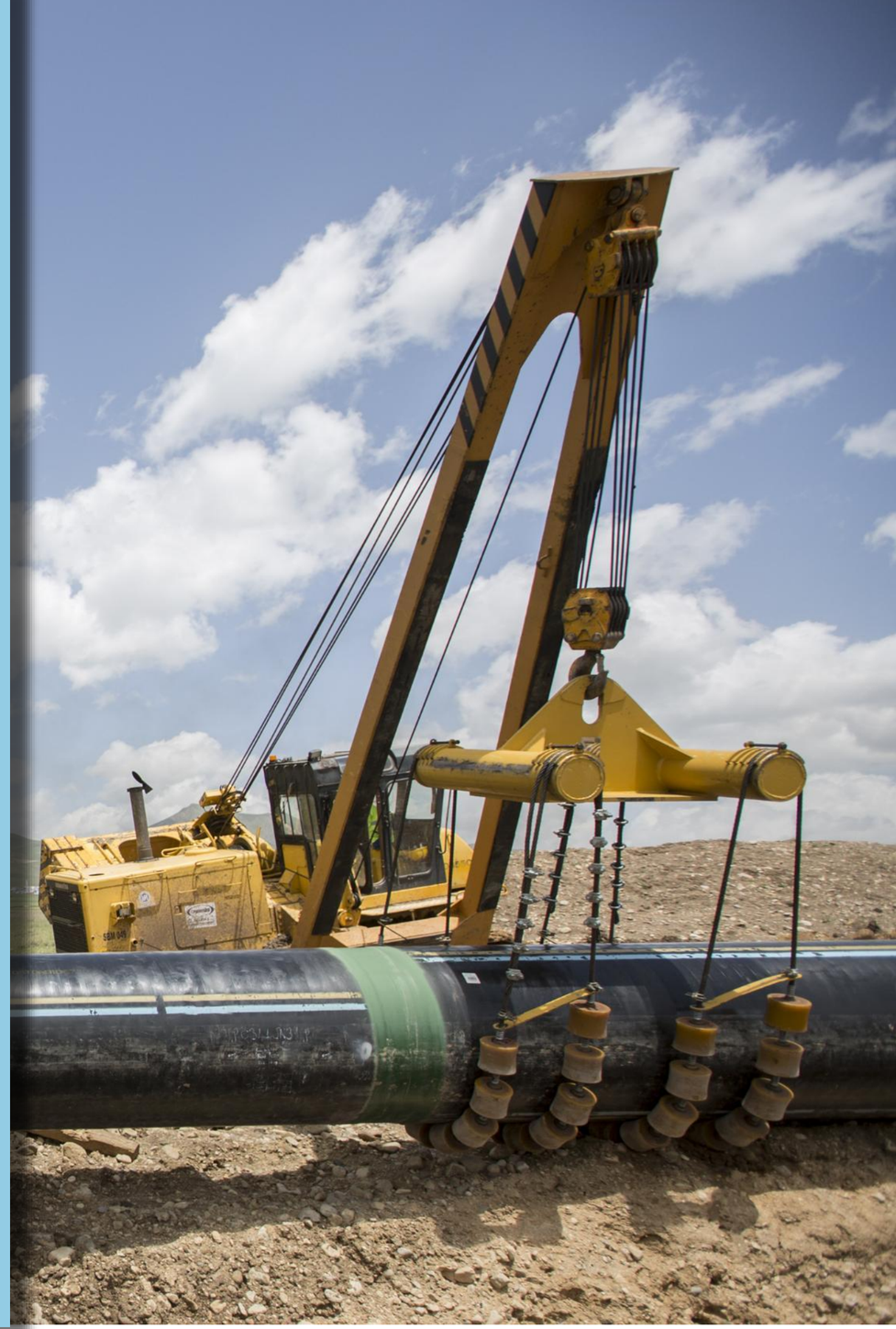
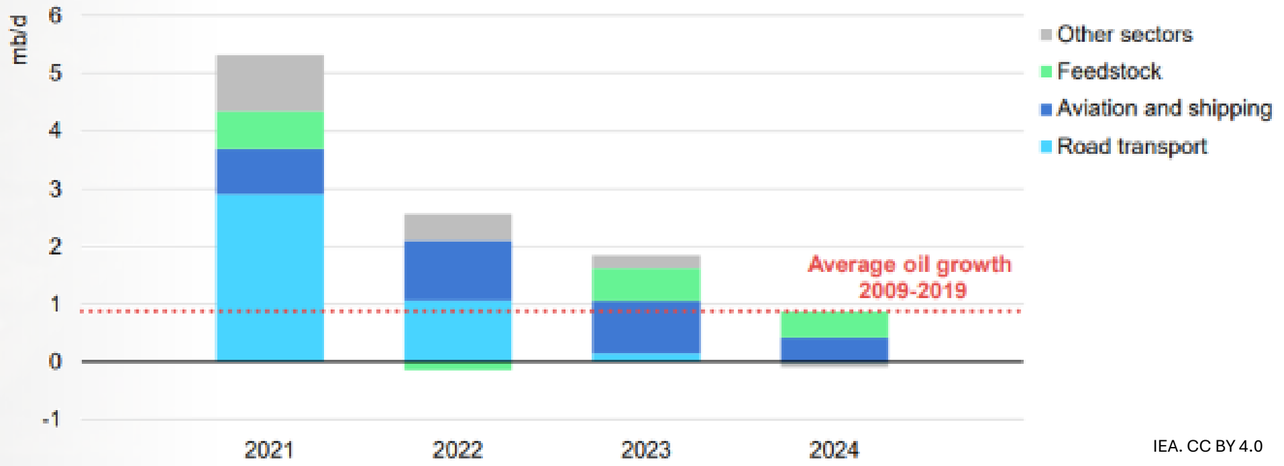
Pipeline & Gas Journal



Why 2026 Feels Different

- Volatile oil demand, steady gas demand growth
- Energy transition policies, leading to more scrutiny on new infrastructure
- Integrity expectations, CAPEX budgets
- New expectations on gas and power systems, primarily driven by AI and data center growth

Global oil demand growth by sector, 2021-2024



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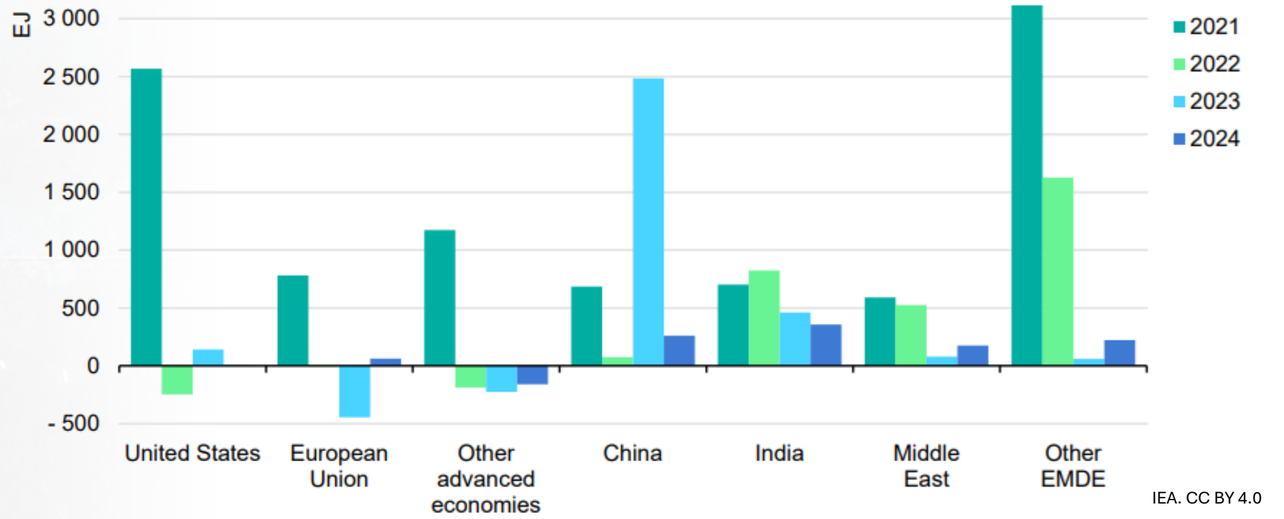
Global oil demand by region, 2021-2024



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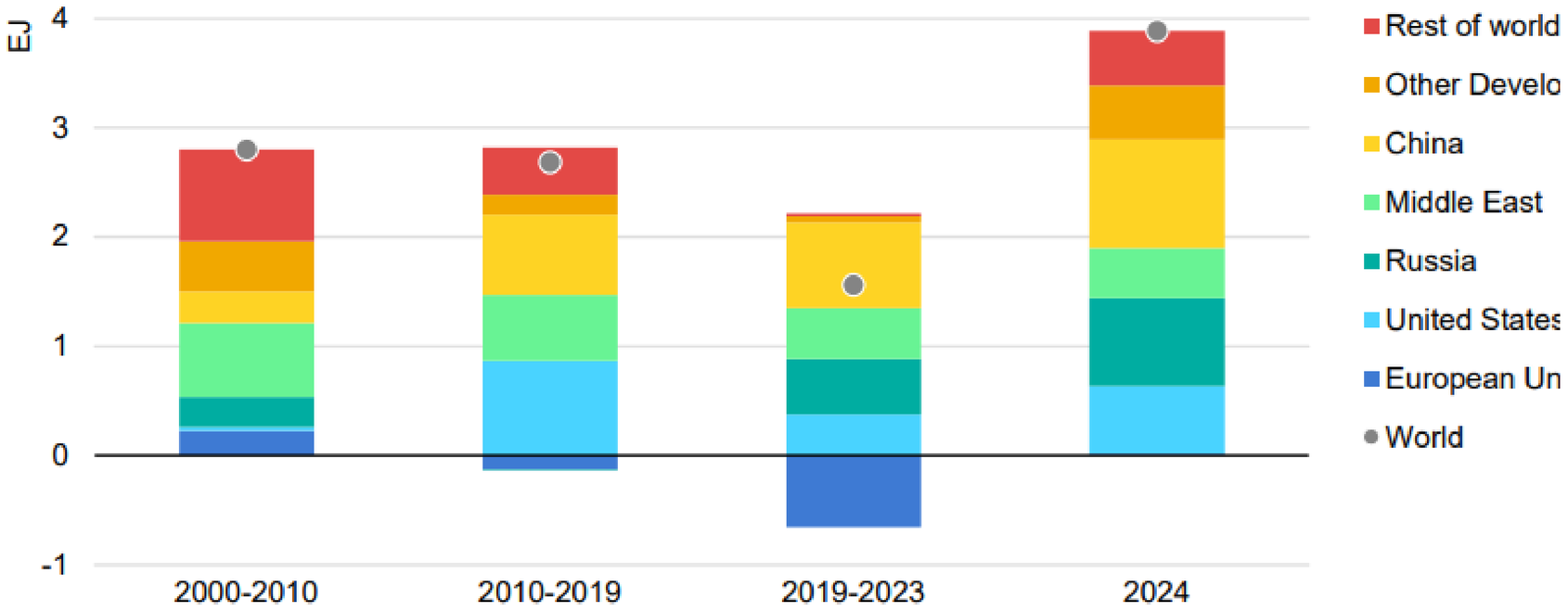
Why 2026 Feels Different

Global natural gas demand by region, 2000-2024



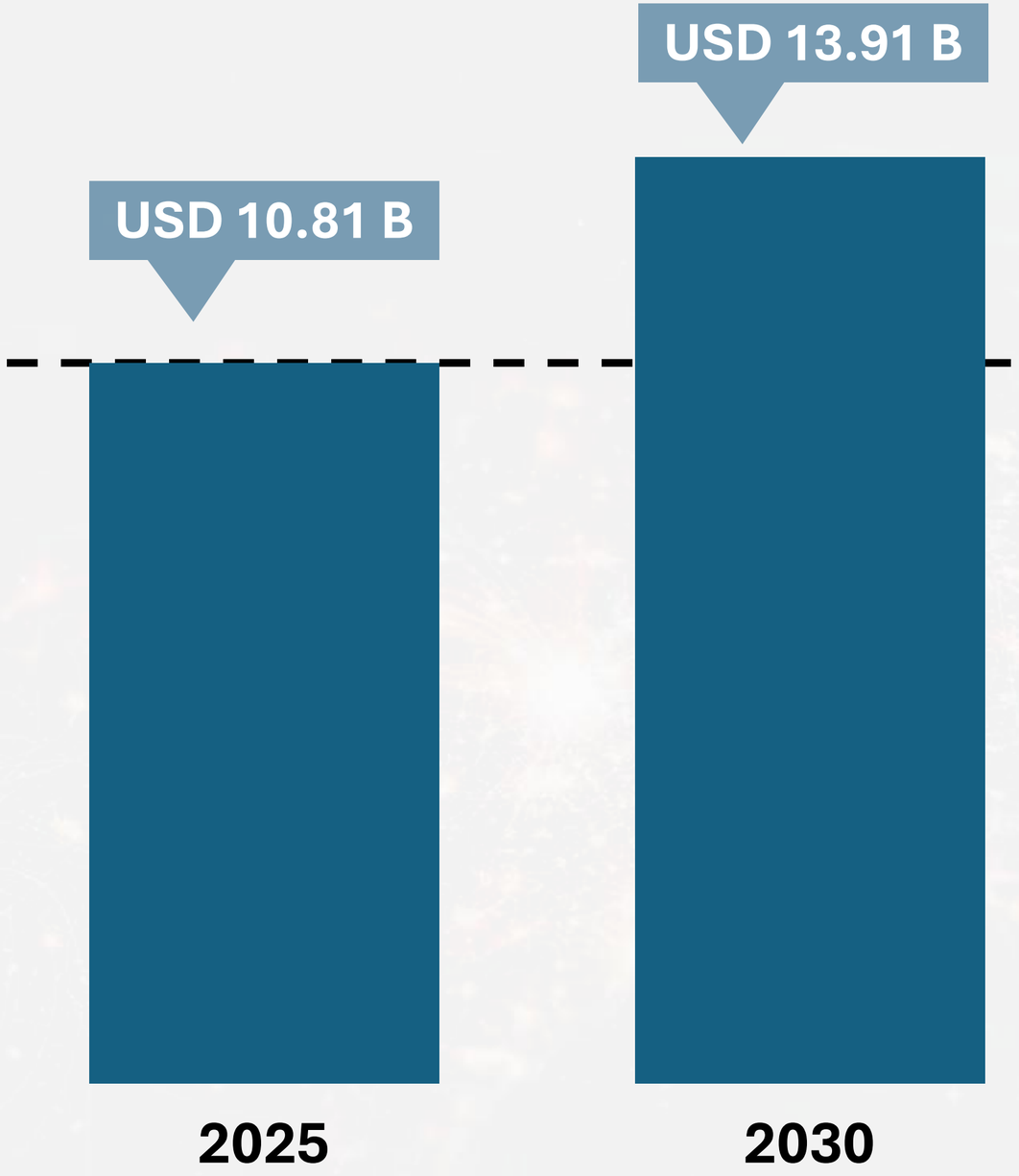
Pipeline Projects And Policies

- Several administrative actions and legislative measures were announced in 2025 to support the growth of U.S. oil and gas
- U.S. natural gas and LNG companies may boost CAPEX, driven by increasing data center demand supportive LNG export policies
- However, reports project only 15% to 25% of listed U.S. oil and gas companies achieving revenue growth above 5% in 2026

Tracking US oil and gas–related policies and legislative shifts in 2025

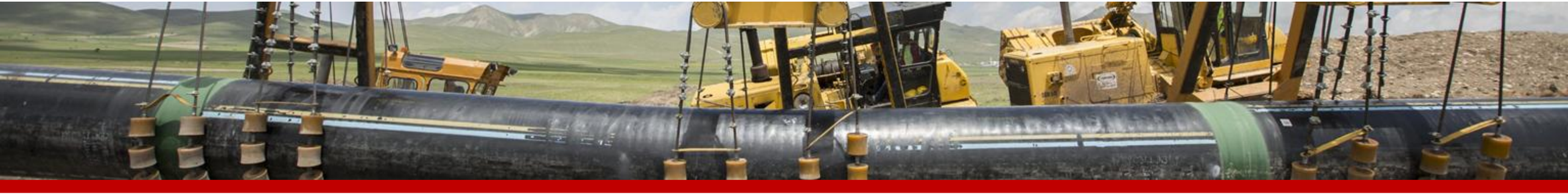
● Leasing and exploration ● Permitting and regulation ○ Tax and financial incentives

Category	Past framework	Updated framework (executive/legislative)	Projected impact
LNG export approvals	Restricted leasing and pause on LNG exports	Court ended the prior LNG export pause; the US DOE resumed approvals and expansions	Enhanced drilling access; export growth; regulatory pullback
Federal leasing expanded (Alaska & Gulf of Mexico)	Bans and limited leases	Expanded leasing to include Alaska; opened new areas	Increased production
Gulf lease sales (more than 1 per year)	Minimum three lease sales (2024 to 2029)	Two lease sales annually through 2039, and one in 2040	Increased offshore acreage; operational expansion
Reopening offshore areas*	Bans on new offshore leases (Atlantic/Pacific OCS regions)	Reopen offshore areas for leasing (pending in court)	Expanded leasing opportunities; coastal opposition
Methane fees & charges removal	Methane fees ($900–$1,500/ton), slow permits	Defers methane fees to 2034, delay charge until 2034	Cost reduction; emission trade-off
Expedited NEPA review	1 to 2 years of NEPA delays	Expedites NEPA reviews for oil/gas	Accelerated project timelines; oversight gaps
Protecting energy from state overreach*	State fracking bans (e.g., California, New York)	Federal override of bans	Unlocked shale reserves; legal uncertainties
Streamlined drilling permits	6 to 24-month-long drilling permit reviews	Permit reviews accelerated to 28 days	Quicker project approvals
Refinery emission rules*	VOC/NOx limits on refineries	Extended compliance deadlines for emission reporting	Lower compliance costs
Approval of drilling, pipelines, and LNG terminals	Stalled pipelines and paused LNG permits	Fast-tracked the permitting for pipelines and LNG terminals	Streamlined logistics; spill and methane risks
Royalty rate cuts (onshore & offshore)	16.67%–18.5% royalty, discretionary leases	12.5% to 16.67% royalty; mandatory leases	Reduced industry expenses



CAPEX vs. Integrity and OPEX

- The oil and gas industry is correlated to global supply chains, due to internationally sourced equipment (e.g., steel, rigs)
- U.S. tariffs could increase margins
- Several operators appear to be allocating more attention to integrity management
- According to Mordor Intelligence, the pipelines integrity management market size was estimated at $10.81 B in 2025, and is expected to reach $13.91 B by 2030, at a CAGR of 27%



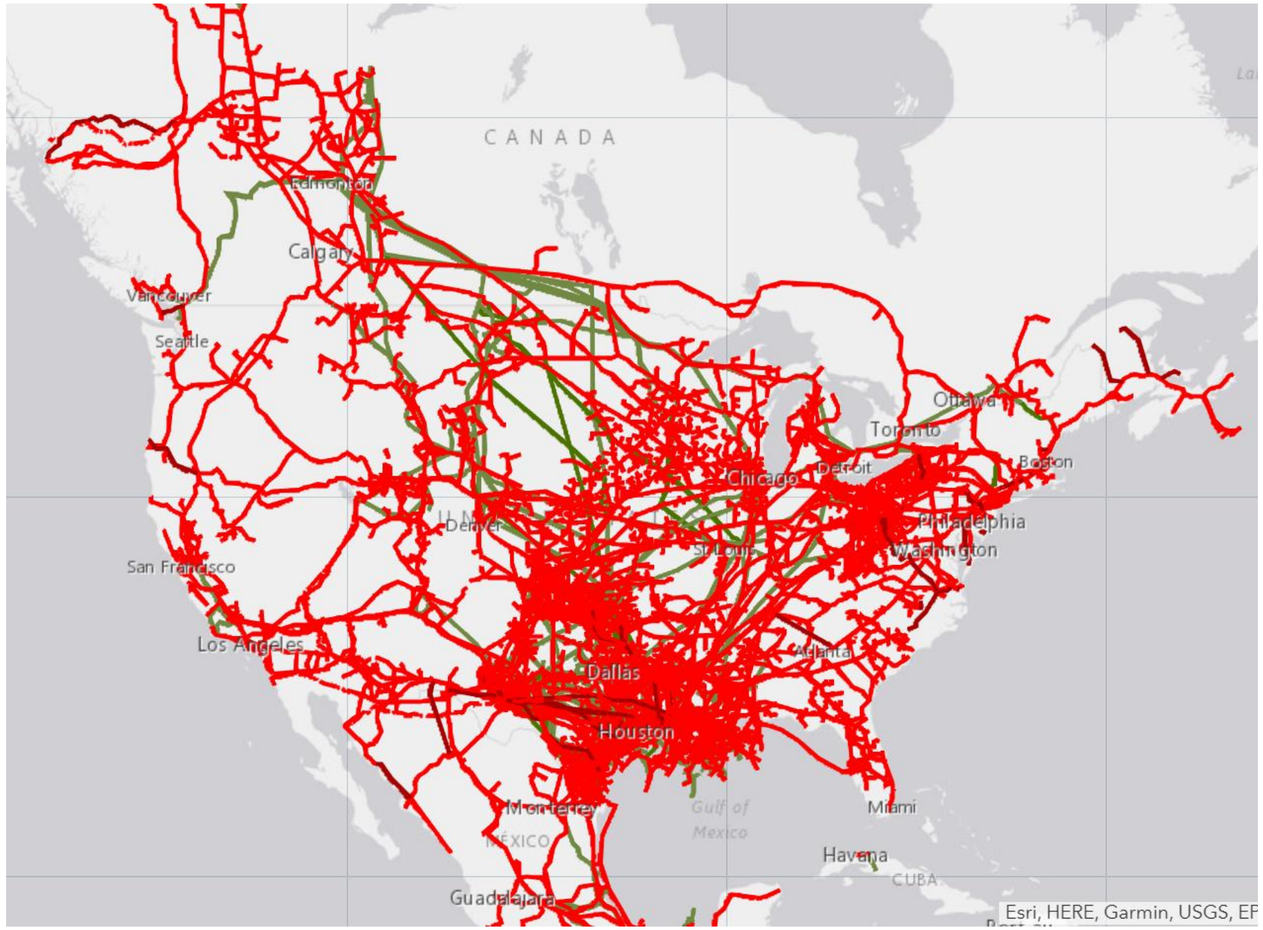
Pipelines Still Growing, But More Selectively

U.S. oil pipelines: 209

- Non-operational: 21
- Operating: 178
- Planned: 9
- Under construction: 1

U.S. gas pipelines: 357

- Non-operational: 27
- Operating: 282
- Planned: 33
- Under construction: 15



Global Pipeline Market

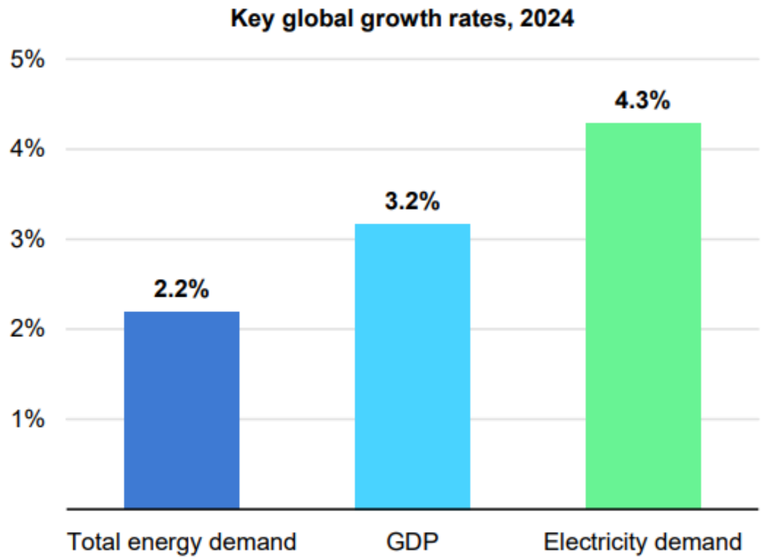
Oil pipelines:	**2,073**
• Non-operational:	11
• Operating:	2,038
• Planned:	17
• Under construction:	7
Gas pipelines:	**5,346**
• Non-operational:	89
• Operating:	4,925
• Planned:	236
• Under construction:	95

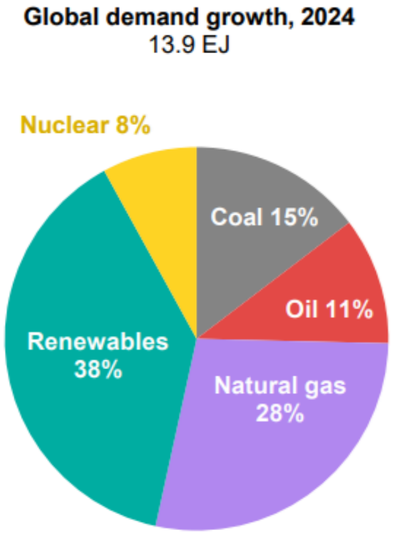
Europe has 794 active oil pipeline projects and 3,059 gas pipeline projects

Energy Demand

- According to the IEA, global energy demand grew by 2.2% in 2024, a notably faster rate than the annual average of 1.3% seen between 2013 and 2023
- This is largely due to increasing power demand from digitalization, data centers and AI, and electrification
- The IEA estimates that in the U.S., data centers could account for almost half of incremental electricity demand growth between now and 2030

Key global growth rates and the share of energy demand growth by source, 2024



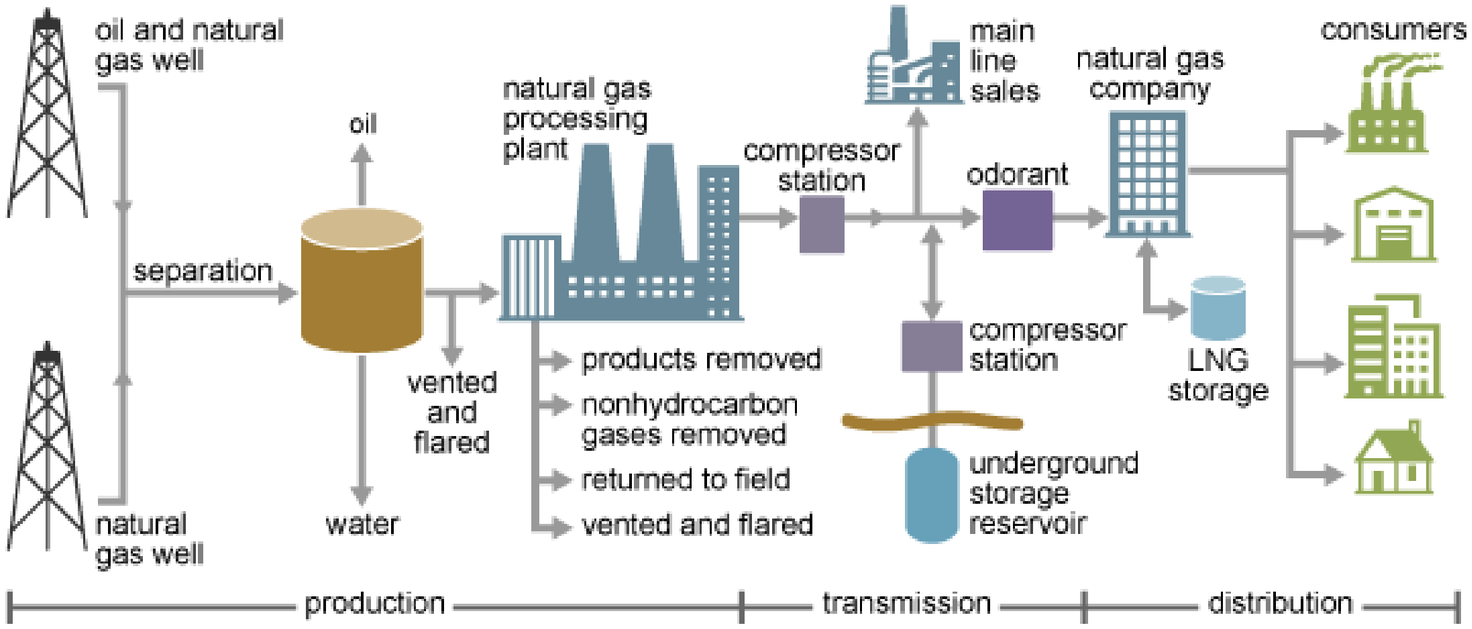


The Power Demands of Data Centers

- Modern hyperscale facilities can require hundreds of megawatts of electricity
- Global data center electricity demand is projected to roughly double by 2030, driven heavily by AI-optimized servers
- These facilities increasingly cluster near reliable gas, power and fiber corridors, often coinciding with existing pipeline rights-of-way
- For operators supporting these facilities, reliability and redundancy are typically top of mind

The Midstream Link

The natural gas production and delivery

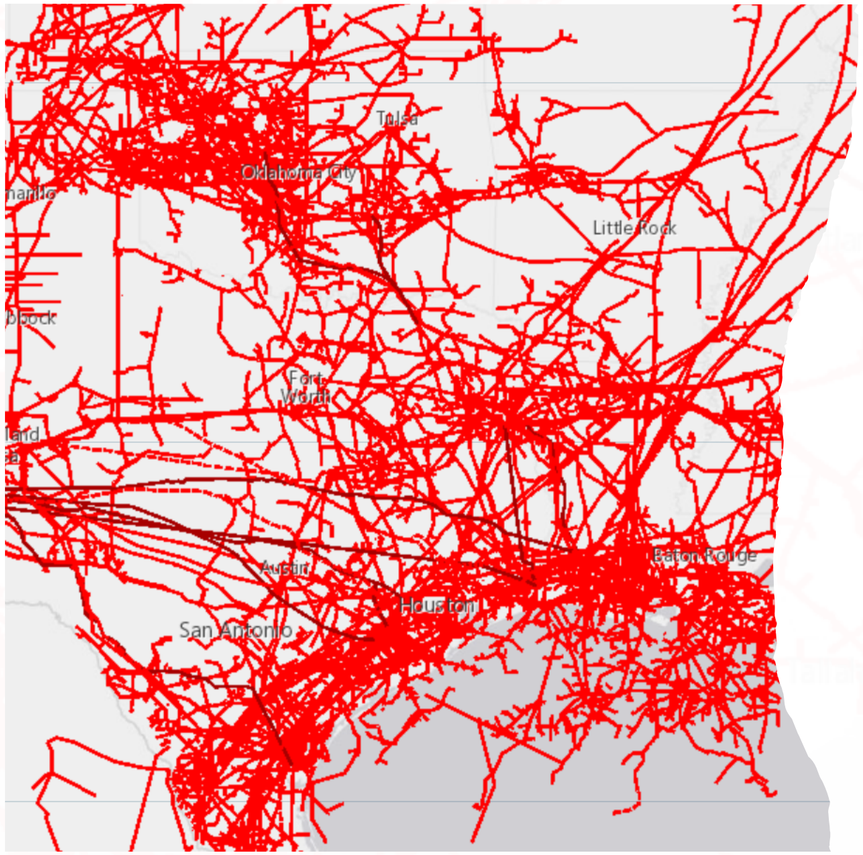


Data source: U.S. Energy Information Administration

- While data centers themselves do not consume natural gas directly, the power plants serving them often do
- Major areas in the U.S. include parts of Ohio, Pennsylvania and Texas
- In Mexico, developers are already seeing a boom in data center construction as a direct driver of pipeline demand, according to Bloomberg

The Texas Case

- In North Texas, particularly around the Dallas-Forth Worth area, data center development appears increasingly concentrated
- Existing infrastructure may be expected to work harder and more frequently than it was designed for
- In the Permian, what appears to be evolving is the potential redirection of some gas volumes toward power generation
- Along the Gulf Coast, traffic could be an issue (e.g., LNG exports, petrochemical demand).

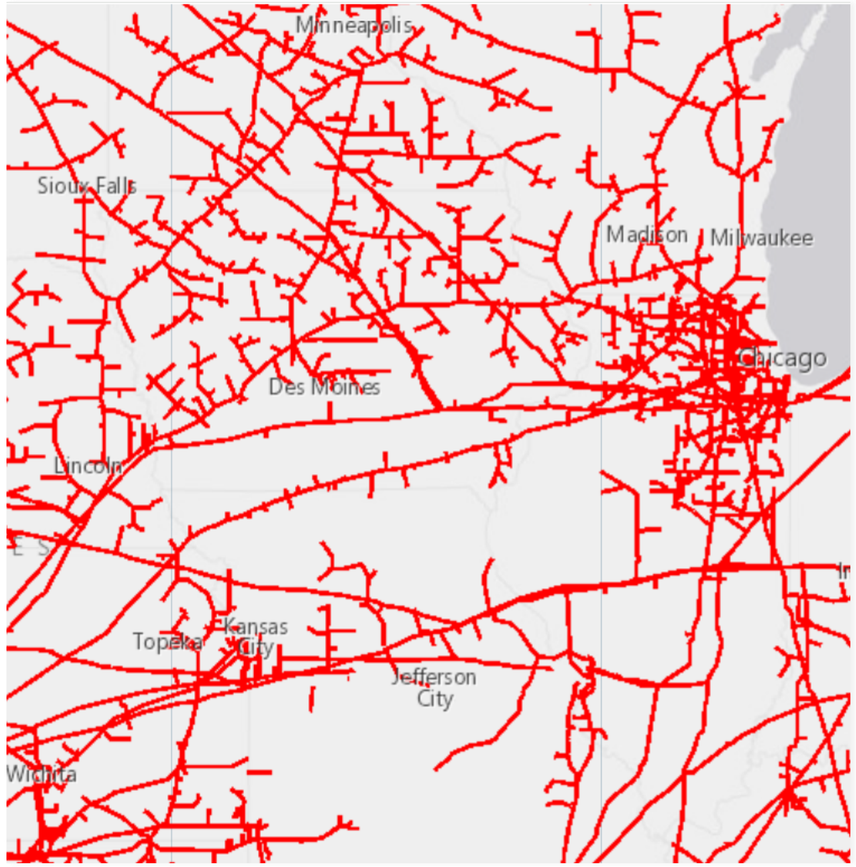


Appalachia: Where proximity changes the economics

- The region remains one of the most prolific natural gas-producing areas in North America
- What appears to be shifting is the role of in-region demand
- There seems to be growing interest in serving localized power generation and industrial activity, including data center development in parts of Ohio, Pennsylvania and West Virginia

The Midwest:

Optionality meets reliability



- The Midwest is home to some of the most interconnected pipeline systems in the country
- Data center and advanced manufacturing growth in states such as Illinois, Indiana, Ohio and Michigan appears to be incremental rather than explosive
- Systems designed for winter-peaking utility loads may be asked to deliver flatter, higher baseload volumes to power generation

Practical Takeaways

Notable Observations

- Geography appears to matter more than broad national narratives
- Reliability continues to move closer to the center of the conversation. In corridors where digital infrastructure is expanding, tolerance for downtime appears limited
- Third, existing infrastructure may become as strategically important as new construction

Project Data

- This is also where access to reliable project and infrastructure data becomes particularly valuable
- Understanding how proposed data centers align geographically with power plants, transmission corridors, LNG facilities and pipeline rights-of-way can provide clearer context for strategic planning

Global Energy Infrastructure: Pipelines

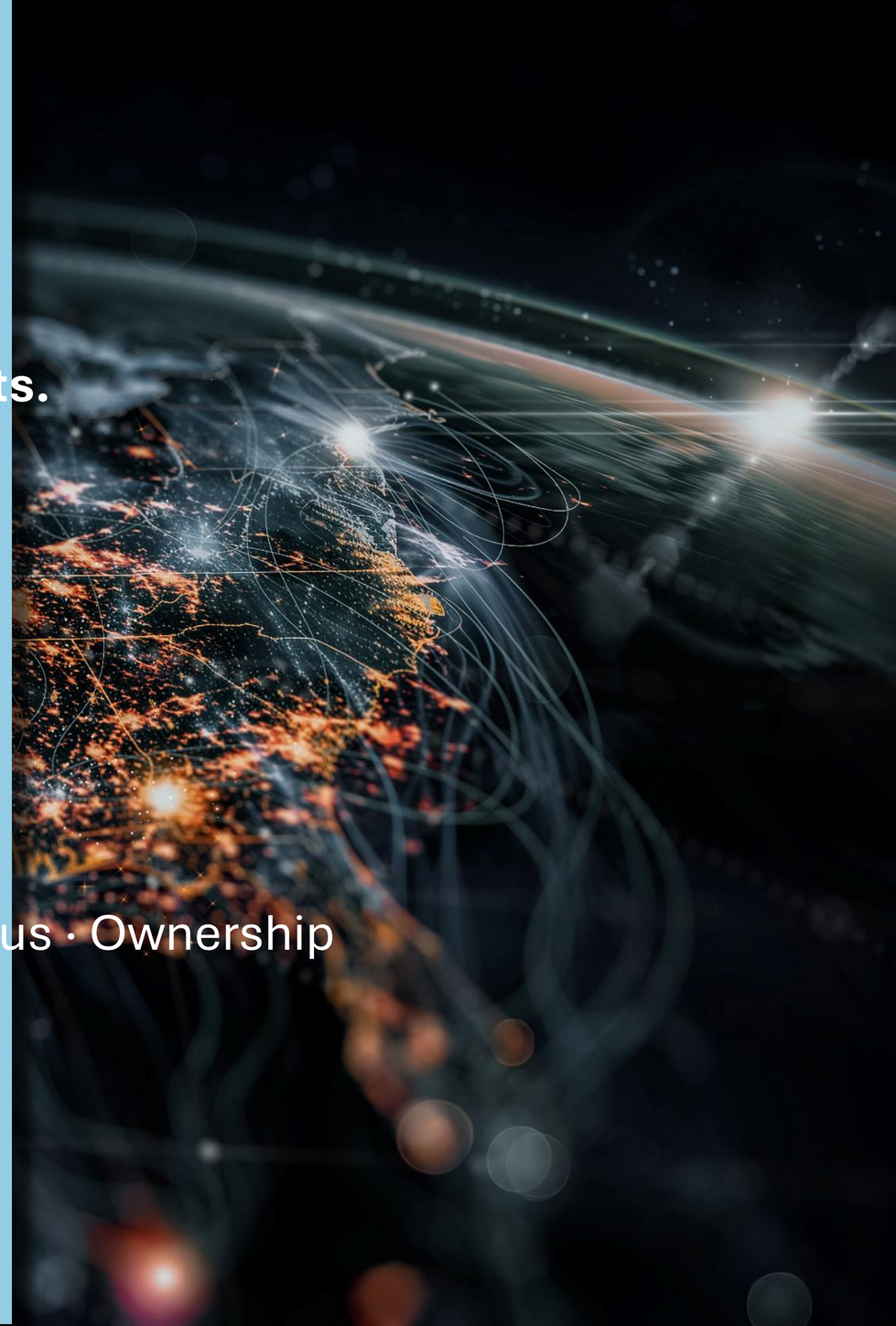
Five datasets. One comprehensive view of global assets.

Datasets:

- Global Oil Pipelines
- Global Gas Pipelines
- US Oil Pipelines
- US Gas Pipelines
- Hydrogen Pipelines

Key Data Points Include: Route · Length · Diameter · Status · Ownership

Access Via: AI Search · Filters · Interactive Maps



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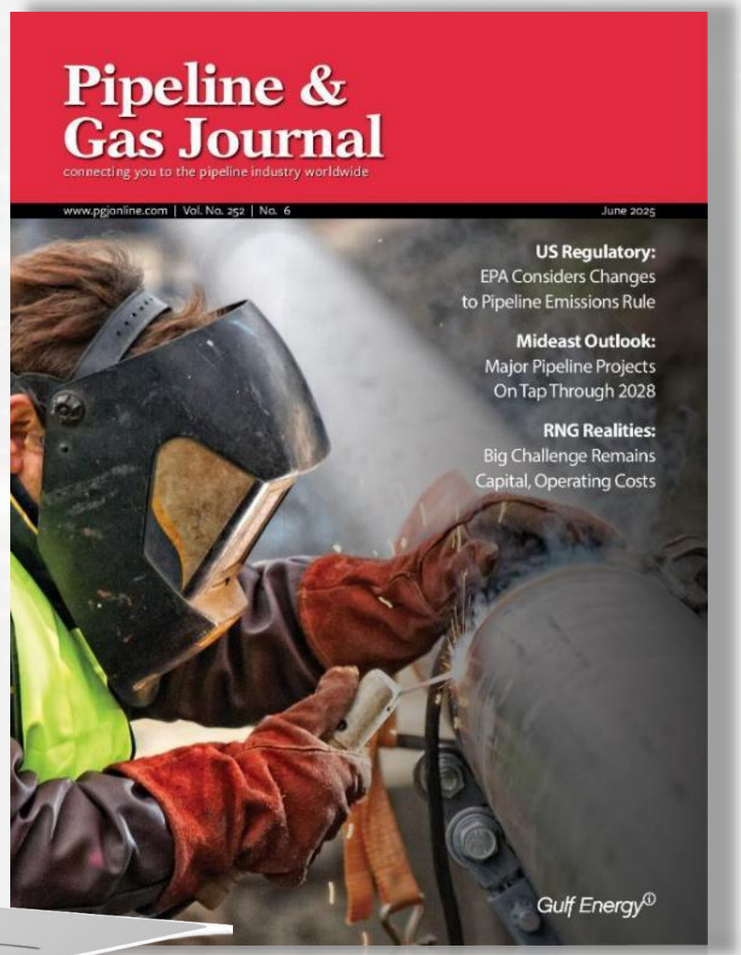

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