## Constitution Pipeline Could Generate Up to \$11.6 Billion in Total Savings by Lowering Natural Gas Prices in 'Energy Tight' US Northeast, S&P Global Analysis Finds

Savings could stimulate up to \$4.4 billion in additional gross state product throughout the region while supporting nearly 2,000 jobs annually

NEW YORK, Nov. 4, 2025 /PRNewswire/ -- Construction of the proposed Constitution natural gas pipeline could provide significant price relief and other economic benefits for the U.S. Northeast region, generating up to \$11.6 billion in energy savings for consumers and supporting nearly 2,000 jobs annually over a 15-year period, according to a new analysis by S&P Global.

# **S&P Global**

Energy savings from the pipeline could also stimulate up to\$4.4 billion in additional gross state product (GSP) across Connecticut, Massachusetts, New York and Rhode Island and could generate \$432 million in federal and state tax revenues, the analysis finds.

The new report, leveraging the combined expertise of the S&P Global Commodity Insights and Market Intelligence divisions, finds that the proposed 135-mile pipeline could alleviate persistent pipeline constraints in a region where—despite its proximity to low-cost, abundant gas reserves in the Appalachia basin—winter gas prices are nearly three times the national average.

In addition to mitigating price spikes, the new pipeline could reduce local gas prices by up to 6% during peak demand months even in average weather years, providing consistent end-user savings throughout the life of the project, the analysis finds.

"Constitution Pipeline would bring much needed pipeline capacity to the U.S. Northeast," saidEd Kelly, Executive Director, North America Gas & LNG Consulting, S&P Global Commodity Insights Consulting. "The region currently experiences an extreme winter weather price spike once every five years where demand overwhelms the available pipeline capacity, ballooning prices to as much as 36 times the annual average on peak days. Our new S&P Global analysis shows that avoiding just one such event over the next 15 years could likely justify the total cost of the pipeline."

Absent additional pipeline capacity, the current conditions that lead to severe market dislocations and seasonal price spikes will persist—even with a substantial buildout of renewables in the region, the analysis finds.

"Growing renewables capacity in the region has the knock-on effect of pushing peak demand for gas-fired power generation to the winter, when renewable power generation is less effective," said Kelly. "This trend of shifting peak gas demand to winter is already underway and underscores the need for additional access to supply."

Additionally, improved gas supply deliverability and price stability could also lower GHG emissions in the region by facilitating greater switching from heating oil to natural gas, which has a 28% lower emissions intensity, the report says.

Summary of Key Findings: S&P Global Constitution Pipeline Market Impact Report

(2028-2043 pipeline contract term)

- Up to \$11.6 billion in energy savings (\$8.5 billion net savings after assumed cost of service) from reduced gas and power
  prices during market dislocations caused by outages and extreme winter price spikes, bolstered by consistent savings
  from increased access to low-cost gas supply
- Nearly 2,000 average annual direct, indirect and induced U.S. jobs supported
- Potential \$4.4 billion impact on regional gross state product
- Up to \$432 million total federal and state tax revenues
- Up to \$8.5 billion total revenues for businesses across Connecticut, Massachusetts, New York and Rhode Island

#### About the study:

Constitution Pipeline Market Impact Report is available at: https://view.highspot.com/viewer/41207f04c15a7c5f88b8fb2f90dc45c9

This report represents the independent analysis and views of S&P Global. It leverages the Gas Pipeline Competition Model (GPCM), with proprietary S&P Global data, to determine the impact of the Constitution Pipeline on regional gas prices in New York, Connecticut, Massachusetts, and Rhode Island. The modelling indicates introduction of Constitution Pipeline would mitigate extreme winter price spikes, with additional savings forecast based on weather-normalized modeling.

It is understood that wholesale gas prices are not fully reflected in end-users' costs, given that gas utilities have confidential gas sourcing strategies not publicly available that mitigate some of the impact. It is also evident that spikes in wholesale prices do impact end-user costs. Thus, S&P Global believes that wholesale price analysis remains the best available analytical approach to estimate potential savings.

The analysis and metrics developed during the course of this research represent the independent analysis and views of S&P Global. The study makes no policy recommendations. This research was supported by The Williams Companies, Inc.

S&P Global is exclusively responsible for all of the analysis, content and conclusions of the report.

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