Policy Brief

PHMSA's Natural Gas Distribution Infrastructure Safety & Modernization Grant

Report Issued April 7, 2026 || Dylan Chandler (dchandler@gti.energy)

Summary

On March 23, 2026, the U.S. Department of Transportation (USDOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) announced $98 million in funding available for the repair, replacement, and modernization of aging, leak-prone distribution pipeline infrastructure. This funding is made available through the Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) grant program and is available to city- and community-owned utilities.

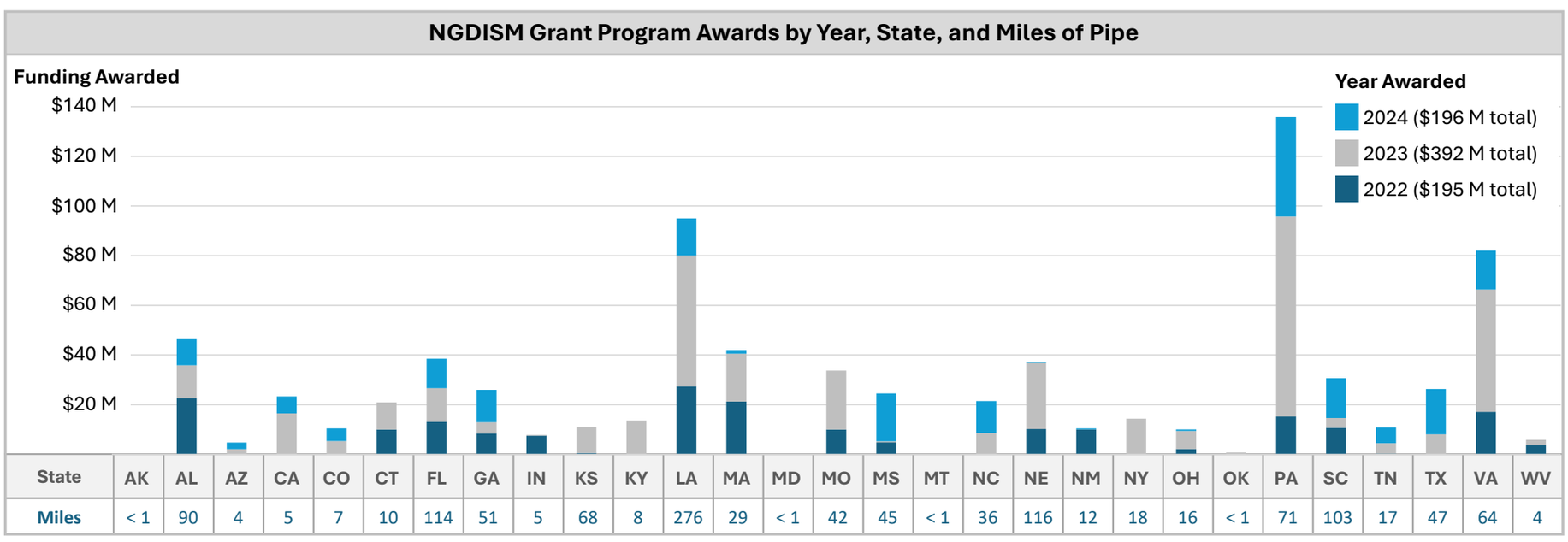
NGDISM is PHMSA's first infrastructure grant program and was created through The Infrastructure Investment and Jobs Act of 2021. A total of $1 billion was designated for allocation over a 5 year period from 2022 to 2026 (about $200 million available per year). In addition to costs related to the repair, rehabilitation, or replacement of leak-prone portions of pipe or pipeline systems, funding can also be used to acquire equipment needed to reduce the risk of safety incidents and avoid economic losses, including leak detection and line locating equipment.

Applicant Eligibility & Resources

Utilities may apply for grant funding if they have covered infrastructure replacement or equipment needs and are municipality or community owned. This includes utilities owned by county governments, city or township governments, special designated government, federally recognized Native American tribal governments, and nonprofits having a 501(c)(3) status with the IRS (other than institutions of higher education). Application criteria are outlined in the corresponding Notice of Funding Opportunity. A step-by-step guide for the NGDISM grant application process can be found here, and **applications must be submitted by May 22, 2026** to be considered.

Past PHMSA Grant Awards & Impacts

In its first three years, the NGDISM grant program distributed **over $700 million in awards** to utilities across **29 states** for infrastructure replacement and rehabilitation projects. These projects directly modernized **over a thousand miles** of aging, leak-prone pipe infrastructure, improving the safety and reliability of the nation's natural gas distribution system.



State	AK	AL	AZ	CA	CO	CT	FL	GA	IN	KS	KY	LA	MA	MD	MO	MS	MT	NC	NE	NM	NY	OH	OK	PA	SC	TN	TX	VA	WV
Miles	< 1	90	4	5	7	10	114	51	5	68	8	276	29	< 1	42	45	< 1	36	116	12	18	16	< 1	71	103	17	47	64	4

Sources: PHMSA NGDISM Reports for 2022, 2023, and 2024

Center Impact

GTI Energy and the Center for Methane Research are actively supporting operators in their efforts to monitor and continually improve the safety and integrity of their gas systems by providing leak detection technical expertise and strategic guidance. GTI Energy has several current Operation Technology Development (OTD)-sponsored projects improving understanding of leak detection technology capabilities and limitations, and their effective application and integration into greater leak detection program strategies. The table below includes a brief snapshot of these projects, with more information available on the OTD/CMR website.

I.D.	Project Title	Description
7.25.d	**Leak Survey Instrument Standards & Test Protocol**	Developing industry-approved standards and test procedures for leak survey instruments to ensure reliable performance and regulatory compliance.
7.25.h	**Controlled Underground Leak Detection**	Establishing standardized performance metrics for walking survey technologies by determining detection probabilities under controlled field conditions.
7.22.j.2	**Evaluation of Current AMLD Systems**	Understanding how advanced mobile leak detection (AMLD) systems perform under real-world utility operating conditions and why performance degrades relative to controlled testing.
7.26.a	**Combustible Gas Indicator Technology Review**	Reviewing current and past combustible gas indicator instrument performance specifications to understand how the technology is improving and what current models are capable of.