

**Department of Transportation
Office of the Chief Information Officer**

**Supporting Statement
“Incident and Annual Reports for Gas Pipeline Operators”
OMB Control No. 2137-0522**

INTRODUCTION

The Pipeline and Hazardous Materials Safety Administration (PHMSA, we) requests approval from the Office of Management and Budget (OMB) for an amendment of a currently approved collection entitled “Incident and Annual Reports for Gas Pipeline Operators” (OMB Control No. 2137-0522). The expiration date for this information collection currently designated as 11/30/2010.

Part A. Justification

1. Circumstances that make collection of information necessary.

Gas pipeline releases can cause human injuries, fatalities, economic losses, and environmental damage. Rapid reporting, detailed incident reports, and annual summary reports all help to inform PHMSA and the public of release incident risks and trends. The National Transportation Safety Board (NTSB), the U.S. Department of Transportation’s Office of the Inspector General, and the General Accounting Office all urged PHMSA to collect this information. The information is an essential part of PHMSA’s overall effort to minimize natural gas transmission, gathering, and distribution pipeline failures.

The requirements for reporting incidents are in 49 CFR Part 191. The legislative authority for the requirements in 49 CFR Part 191 is at 49 U.S.C. 5121, 60102, 60103, 60104, 60108, 60117, 60118, and 60124. Additional authority for the requirements is at 49 CFR 1.53.

This information collection revision is necessary due to PHMSA actions that affect this information collection. The specific action is as follows:

- Docket No.: PHMSA-2008-0211 (Incident/Accident Information Collection Notice)

2. How, by whom, and for what purpose is the information used.

Pipeline operators will contact PHMSA immediately following pipeline incidents meeting the definition above. In addition, the operators must submit reports for every gas distribution/transmission and gathering pipeline incident and annual reports on an annual report form. The annual report form has query fields regarding incident cause categories, impacts, failure mechanisms, locations, and other details about natural gas pipeline incidents. PHMSA uses the information to track incidents and help guide future regulations to reduce future pipeline incidents.

PHMSA uses immediate telephonic notification (Section 191.5) to address ongoing safety issues related to an incident. The individual reports, for each incident (Sections 191.9 and 191.15) enable PHMSA to identify and evaluate existing and potential pipeline safety problems and perform safety trend analyses. The information is also essential for FERC reporting compliance.

The annual reports for gas distribution/transmission and gathering (Sections 191.11 and 191.17) are used for identifying existing or potential pipeline safety problems, to develop statistical and data/safety reports, and to develop benefit-cost analyses pertaining to pipeline safety.

Without the information collection, PHMSA would not be guaranteed timely notification of gas pipeline incidents, would lack the ability to track safety, and would lack a method to proactively identify trends and avoid potential safety issues.

3. Extent of automated information collection.

Pipeline operators are encouraged to file the incident and annual reports on-line, except in cases of imminent danger. As specified in the proposed “One Rule”, PHMSA is requiring operators to submit all required reports electronically with an exception for those operators to whom electronic submissions would pose an undue burden and hardship.

4. Efforts to identify duplication.

PHMSA is the only federal agency that collects information related to distribution pipeline failures. No similar information is requested by the government or industry on distribution pipeline failures that occur between the point-of-sale to a distribution company and a customer’s meter.

The information collection on gas transmission and gathering pipelines is extremely limited in terms of scope and population of gas pipeline operators covered. The Department of Interior (DOI) collects information that is in some ways similar to that collected by PHMSA, but the information DOI collects does not cover all gas transportation or gathering pipelines.

Operators are only required to submit one annual report for gas pipelines. Incidents will show up on both the incident form and the annual report. This duplication is necessary as

PHMSA needs to be alerted immediately about incidents to respond to them, and at the year close to summarize the total number of incidents.

5. Efforts to minimize the effects on small business.

For PHMSA to be able to effectively carry out its legislative mandate and monitor natural gas pipeline safety, it is essential that both large and small operators of pipelines provide incident and annual reports.

6. Impact of less frequent collection of information.

PHMSA would not be able to assess the rate and locations of incidents to the gas distribution/transmission and gathering pipelines without the proposed information collection. Lack of telephonic notification may increase the risks to people and property if the release is ongoing. The biennial report to Congress mandated by 49 U.S.C. 60124(b) would not have current information without the annual reports. Less frequent information collection could compromise the safety and economic viability of the U.S. pipeline system.

7. Special circumstances.

There are two anticipated potential special circumstance regarding information collection with this renewal. First, operators having more than one reportable incident or accident within an officially recognized business quarter would have to file an incident report for each. Second, an operator may have one or more reportable incidents or accidents in the same quarter that their annual report is due. Operators, through their safety measures and vigilance, can avoid such circumstances. As such, PHMSA is not mandating information collection occur twice within a single quarter.

8. Compliance with 5 CFR 1320.8.

We have issued several notices and rulemaking which affect this information collection. The Federal Register publication dates and citations for these notices/rulemakings are as follows:

Docket #	Official Title	FR CITE	FR DATE
PHMSA-2008-0211 (Incident/Accident Notice)	Notice of Info Collection	73 FR 51697 (60day)/ 73FR 64661 (ext)	September 4, 2008 / October 30, 2008
Comments: The initial comment period was extended to December 12, 2008. PHMSA received a number of comments on the in the Gas Incident forms. The commenters had questions that ranged from the reason to why we were making amendments to questioning the layout of the new forms. We explained that some of the revisions were mandated by congress and that we were encouraging the use of the on-line forms to facilitate the filing the process. We further addressed the comments, point-by-point, in the 30 day Notice published on August 17, 2009.			
PHMSA-2008-0211 (Incident/Accident Notice)	Notice of Info Collection	74 FR 41496 - Notice and Request for Comment (30 day)	August 17, 2009
Comments: The comment period ended September 16, 2009. PHMSA has reviewed the comments, and has revised the forms, instructions and burden hour estimates accordingly. A detailed comment summary and analysis is attached.			

9. Payments or gifts to respondents.

There is no payment or gift provided to respondents associated with this collection of information.

10. Assurance of confidentiality.

The recordkeeping requirements of this information collection do not include anything of a sensitive nature or of any matters considered private. Therefore, we do not foresee any need to assure confidentiality of the information to be collected.

11. Justification for collection of sensitive information.

The recordkeeping requirements of this information collection do not involve questions of a sensitive nature.

12. Estimate of burden hours for information requested.
Estimate of annual burden hours:

36,105 hours (Currently approved)

+ 1,740 hours (Incident/Accident Form 30 day Notice)

37,845 hours **Total Annual Burden Hours**

Telephonic Notice of Certain Incidents (Section 191.5) w/570 Responses

Based on past estimates, there was an annual average of 570 telephonic reports. PHMSA estimates that these reports are estimated to require 30 minutes for operators to complete. The total time is expected to be 285 hours (= 570 reports x 0.5 hours).

Incident Reports for gas distribution systems (Section 191.9) and gas transmission, liquefied natural gas, and gathering systems (Section 191.15) w/300 responses (Incident/Accident Form 30 day Notice)

As currently approved, natural gas incidents on distribution/transmission and gathering lines were estimated to occur at the annual rate of one for every ten operators. PHMSA expects the number of annual incidents will be 210 (= 0.1 x 2,100 operators). Past analysis estimates that incident reports require 6 hours to complete with an annual burden hour estimated of 1,260 hours (= 210 incidents x 6 hours).

Based on the number of incident submission over the past decade (1999 – 2008), natural gas incidents on distribution/transmission and gathering lines are estimated be submitted at an annual rate of 300 incident reports/year (approx. 150 transmission incident reports and 150 distribution incident reports). If approved, PHMSA estimates that the form changes relative to the “Incident/Accident Form 30 day Notice” will result in a 4 hour increase in the amount of time necessary to complete an incident report. This adjustment, along with the other amendments specified above, will result in a **1,740 hour increase** of the estimated burden hours relative to incident forms from 1,260 hours to 3,000 hours (300 responses * 10 hours/response).

Annual Reports for gas distribution systems (Section 191.11) and gas transmission, and gathering systems (Section 191.17) w/2,880 responses

Annual reports are required for all 2,293 (1,343 distribution + 950 transmission) operators of gas distribution, gas transmission and gathering pipelines. PHMSA estimates that, with the exception of distribution system annual reports, each annual report will require 12 hours of work to complete. With 2,880 expected responses, PHMSA estimates the total burden hours for annual reports at 34,560 hours (2,880 responses * 12 hours). An explanation of the estimated burden hours for annual reports is detailed as follows:

A. Distribution Systems Annual Report

Currently, PHMSA estimates that 1,262 Distribution operators will submit an estimated 1,440 reports. The number of operators is about 114% of the number of distribution operators. This will yield an estimated 17,280 hours (12 hours * 1,440).

B. Transmission Systems Annual Report

Annual reports are required for all 950 operators of gas transmission & gathering pipelines. Currently, an annual report is estimated to require 12 hours of work to complete. Past submittals reveal that there are approximately 1,440 annual reports submitted by operators of transmission systems. Based on the number of reports, the current total burden hours for transmission system annual reports is approximately 17,280 hours (1,440 annual reports x 12 hours).

Total Hours:

Telephonic Notification (285 hours) + Incident Reports (**3,000 hours**) + Annual Reports (34,560 hours) = 37,845 hours

13. Estimate of total annual costs to respondents.

PHMSA assumes that the reporting would be made by an engineering manager, who is expected to cost, fully loaded, \$64.75 per hour.

The total annual estimated costs for this information collection with all of the incorporated proposals would be \$2,450,463.75 (= \$64.75 * 37,845 hours)

14. Estimate of cost to the Federal Government.

PHMSA already reviews the incident and annual reports. PHMSA does not expect there will be any additional cost for the Federal government.

15. Explanation of program changes or adjustments.

Incident/Accident Information Collection Notice (30 day Notice)

PHMSA proposed revisions to the distribution and transmission incident forms specified in a notice that was originally published in the Federal register on September 4, 2008 (73 FR 51697 and followed by a comment period extension on October 30, 2008 (73 FR 64661). If approved, this would **add 1,740 burden hours** to this information collection.

16. Publication of results of data collection.

PHMSA will summarize the incident and annual reports post the results on PHMSA's website.

17. Approval for not displaying the expiration date for OMB approval.

PHMSA will display the expiration date.

18. Exceptions to certification statement.

There are no exceptions to the certification statement.

Attachments:

Attachments (in ROCIS) Include:

Form Title	Description
Comment Summary (30 day notice)	Summary of comments and PHMSA response from
Clean Incident Distribution Report and Instructions (PHMSA F-7100-1)	Finalized Proposed Form (FPF) and instructions
Comparison Incident Distribution Report (PHMSA F-7100-1)	FPF with highlights to distinguish between currently approved form and FPF
Clean Incident Transmission Report (PHMSA F-7100-2)	Finalized Proposed Form (FPF) and instructions
Comparison Incident Transmission Report (PHMSA F-7100-2)	FPF with highlights to distinguish between currently approved form and FPF

Part B. Collections of Information Employing Statistical Methods.

This information collection does not employ statistical methods.

1. Describe potential respondent universe and any sampling selection method to be used.

There is no potential respondent universe or any sampling selection method being used.

2. Describe procedures for collecting information, including statistical methodology for stratification and sample selection, estimation procedures, degree of accuracy needed, and less than annual periodic data cycles.

There are no procedures for collecting information, including statistical methodology for stratification and sample selection, estimation procedures, degree of accuracy needed, and less than annual periodic data cycles.

3. Describe methods to maximize response rate.

There are no methods to maximize the response rate.

4. Describe tests of procedures or methods.

There are no tests of procedures or methods.

5. Provide name and telephone number of individuals who were consulted on statistical aspects of the information collection and who will actually collect and/or analyze the information.

There were no individuals consulted on statistical aspects of this information collection.