

DEPARTMENT OF TRANSPORTATION

**INFORMATION COLLECTION
SUPPORTING STATEMENT**

**Annual Report for Gas Distribution Operators
[Seeking OMB Control Number]
Docket:PHMSA-2013-0004**

INTRODUCTION

This is to request the Office of Management and Budget's (OMB) renewed three-year approved clearance for the information collection entitled, "Annual Report for Gas Distribution Operators".

Part A. Justification

1. Circumstances that make the collection of information necessary.

Annual reports inform PHMSA and the public about the extent of gas distribution pipeline systems and leaks from these systems. 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 characterize the extent and safety record of natural gas distribution pipeline systems.

The requirements for annual reporting are in 49 CFR Part 191. The PHMSA delegation of authority is found in 49 CFR 1.97 which allows for PHMSA to exercise the authority vested in the Secretary in under Chapter 601 of title 49, U.S.C. The specific legislative authority cites for the requirements in 49 CFR Part 191 include 49 U.S.C. 60102, 60103, 60104, 60108, 60117, 60118, 60124 and 60139.

This collection supports the DOT strategic safety mission by providing metrics that enable PHMSA to be aware of and mitigate inherent risks in the operation of gas distribution pipelines.

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

PHMSA uses this information collection to gather annual report data from gas distribution pipeline operators. The annual report form collects data about the pipe material, size, and age. The form also collects data on leaks from these systems as well as excavation damages. PHMSA uses the information to track the extent of gas distribution systems and normalize incident and leak rates.

3. Extent of automated information collection.

PHMSA requires operators to submit all required reports electronically with an exception for those operators to whom electronic submissions would pose an undue burden and hardship. Pipeline operators are encouraged to file the annual reports on-line at www.opsweb.phmsa.dot.gov.

4. Describe efforts to identify duplication.

PHMSA is the only federal agency that collects information related to miles of mains, number of services, leaks, and excavation damages for gas distribution pipeline systems. No similar information is requested by the government or industry.

5. Efforts to minimize the burden on small businesses.

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 annual reports.

6. Impact of less frequent collection of information.

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 no special circumstances within this request.

8. Compliance with 5 CFR 1320.8(d).

The 60 Day Notice was published on April 28, 2014 [79 FR 23403]. PHMSA received one comment from the American Gas Association. The comment were summarized and addressed in the 30 Day Notice which published on August 14, 2014 [79 FR 47723].

9. Payment or gifts to respondents.

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

10. Assurance of confidentiality.

PHMSA does not have the authority to assure confidentiality.

11. Justification for collection of sensitive information.

This information collection does not involve questions of a sensitive nature.

12. Estimate of burden hours for information requested.

There are approximately 1, 440 gas distribution operators. These operators are required to submit annual reports for their pipeline systems to PHMSA on an annual basis. PHMSA estimates that it will take each operator 16 hours to compile information pertaining to this report and to submit the requested data to PHMSA for an estimated total burden of 23,040 hours {16 hours * 1, 440 operators}.

A table detailing this burden estimate is listed below:

Number of Operators	Hours to Complete	Total Burden
1,440	16	23,040

13. Estimate of the total annual costs burden.

PHMSA assumes that the reporting would be made by an engineering manager, who is expected to cost, fully loaded, \$68.60 per hour. PHMSA calculates a total annual cost burden of \$1,580,544.00 for 23,040 hours at \$68.60 per hour.

14. Estimates of costs to the Federal Government.

The estimated cost to the Federal Government for the development, maintenance, and operation of the the Gas Distribution Annual Report data collection is approximately **\$76, 700.00**. This estimate includes the costs of acquiring contractor time (3 man months total using a blended rate for developers, database admin, and analysts for requirements and testing. This also includes the annual Operations & Maintenance costs which are estimated to be \$15,000 for contractor support to address any issues, correct operator reports, if needed, and to patch/upgrade software and hardware as required. There is an additional \$1, 700 for Federal FTE to manage the operations and maintenance of the application, which includes user support.

15. Explanation of the program change or adjustments.

PHMSA is making some minor changes to the gas distribution annual report to resolve conflicts and improve the granularity of the data collected.

Specify Commodity:

We have added a section for operators to specify the commodity type transported, similar to the gas transmission and hazardous liquid reporting forms. These commodity groups are: "Natural

Gas,” “Synthetic Gas,” “Hydrogen Gas,” “Propane Gas,” “Landfill Gas,” and “Other Gas.” Operators will select a commodity group based on the predominant gas carried and complete the report for that commodity group. If “Other Gas” is selected, operators will need to provide the name of the other gas. By collecting both mileage and incidents by commodity, PHMSA could determine an incident rate per mile for each commodity, determine which commodities are higher risk, and take action to improve the safety of pipeline systems transporting commodities with higher risk.

Specify Operator Type:

We have added a section to the report for submitters to identify the operator type. The operator type groups include “Investor Owned”; “Municipally Owned,” “Privately Owned,” “Cooperative,” and “Other Ownership”. If “Other Ownership” is selected, operators will need to describe the ownership type. Ownership structure could be used as an indicator of the operator’s sophistication and access to resources for pipeline safety programs. This change would allow PHMSA and our State Partners to clearly determine the extent of gas distribution systems under each ownership structure.

Additional Material Type:

We are adding “Reconditioned Cast Iron” as a pipe material and defining it as a cast iron gas distribution pipe that has been lined internally by use of suitable materials. Cast iron pipe is considered more risky than other pipe materials. However, PHMSA and the industry expects cast iron pipe that has been reconditioned is no longer more risky. Adding this material type to the annual and incident report would allow PHMSA and the industry to determine if this expectation is true.

Removal of Requirement to Populate Certain Fields in Part B Tables:

We have streamlined the report by removing the requirement to populate certain fields in Tables B1, B2, and B3 as that data will now be calculated automatically and populated appropriately from certain other fields in the tables.

Revision of Leak Cause Categories in Part C:

To improve efficiency and consistency, we have revised the “Cause of Leak” categories in Part C to align with the leak causes in the gas distribution annual report with the incident causes from the gas distribution incident reporting form (PHMSA F 7100.1, Incident Report—Gas Distribution System). By having the same categories in both reports, PHMSA would be able to determine the causes with high counts in both incidents and leaks. PHMSA could then focus safety improvement efforts on these causes.

Addition of Excavation Damage Cause Categories in Part D:

We added a new data collection in “Excavation Damage” to include the four causes from Part I of the “Damage Information Reporting Tool (DIRT)—Field Form.” These cause categories are also aligned with the fields that must be completed in Part G4, field number 14 in the gas distribution incident reporting form. Excavation Damage continues to be the leading cause of pipeline incidents causing fatality or in-patient hospitalization. By collecting information about the root cause of excavation damages, PHMSA can determine which aspects of damage prevention programs should be improved to provide the most increase in pipeline safety.

16. Publication of results of data collection.

PHMSA summarizes the annual report data on its public website and makes the entire data set available for download.

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

PHMSA will display the expiration date.

18. Exceptions to the certification statement.

There are no exceptions to the certification statement.