

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

**Supporting Statement
“Incident and Annual Reports for Gas Pipeline Operators”
OMB Control No. 2137-0522
Docket No. PHMSA-2011-0023**

INTRODUCTION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests approval from the Office of Management and Budget (OMB) for an extension and amendment of a currently approved collection entitled “Incident and Annual Reports for Natural Gas Pipeline Operators” (OMB Control No. 2137-0522). The current expiration date for this information collection is August 31, 2020.

The amendment of this information collection is necessary due to the following PHMSA action that will affect the current collection of information:

Docket No. PHMSA-2011-0023- Pipeline Safety: Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments

- Revises the Gas Transmission and Gas Gathering Annual Report to collect additional information including mileage of pipe subject to the IVP and MCA criteria.
- Adds 7,200 burden hours for annual reporting activities.

Part A. Justification

1. Circumstances that make collection of information necessary.

The reports contained within this information collection support the Department of Transportation’s strategic goal of safety. Annual summary reports 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 storage, transmission, gathering, and distribution pipeline failures.

The requirements for annual reporting and telephonic notification of incidents 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 the recently revised 60139.

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

PHMSA uses this information collection to gather annual data and failure information from natural gas pipeline operators. The term “natural gas pipeline operators” includes Gas Transmission operators, Gas Distribution operators, and LNG pipeline facility operators.

PHMSA collects annual information from gas pipeline operators via annual reports. 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. The annual report forms are identified as follows:

- Underground Natural Gas Storage Annual Report
- Gas Transmission Annual Report
- LNG Annual Report

Gas Distribution operators are also required to submit Mechanical Fitting Failure reports (PHMSA F-7100.1-2) on an annual basis. PHMSA uses the mechanical fitting failure report to look for trending information relative to such failures in an effort to find ways to reduce future failures. These reports are filed by operators of gas distribution pipeline systems.

The information from annual reports 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.

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 annual reports on-line at www.opsweb.phmsa.dot.gov.

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.

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 annual reports. PHMSA will make exception in cases where it is not feasible for operators to submit electronically.

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 report data. 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.

PHMSA published a Final Rule [84 FR 52180] on October 1, 2019.

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.

PHMSA does not have the authority to guarantee confidentiality, however, this information collection does not include anything of a sensitive nature or of any matters considered private.

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.

Current Number of Responses: 10,852	Proposed Number of Responses: 10,547
Current Burden Estimate: 75,951 hours	Proposed Burden Estimate: 80,101 hours

The burden estimate for this information collection has been revised to include an increase in burden resulting from provisions of the Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments Final Rule. PHMSA expects that the currently-approved **burden for this information collection will increase by 7,200 hours** for annual reporting (on DOT PHMSA Form 7100.4-1) relative to operators of natural gas transmission pipelines.

This burden estimate has also been revised to remove the burden, under this information collection, associated with the reporting of gas distribution, gas transmission and gathering, and LNG incidents. The burden associated with reporting those incidents (305 responses and 3,050 burden hours) is now covered under OMB Control No. 2137-0635.

A breakdown of the estimated burden for this information collection is detailed below:

IC	Responses	Burden Per Response	Total Burden
Gas Transmission and Gathering Annual Report	1,440`	47 hours per report	67,680 hours
LNG Annual Report	113	12 hours per report	1356 hours
Underground Storage Annual Report	124	20 hours per report	2,480 hours
Mechanical Fitting Failure Report	8,300	1 hour per report	8,300 hours
Immediate Notice of Incidents	570	0.5 hours per report	285 hours
Total	10, 547 Annual Responses		80, 101 Annual Burden Hours

(a) Annual Reports for gas transmission and gas gathering systems, LNG Facilities, and underground natural gas storage facilities (Section 191.17) w/1677 responses

Annual reports are required for all operators of gas transmission and gathering pipeline systems, liquefied natural gas facilities and underground natural gas storage facilities. An explanation of the estimated burden for each report collection is detailed as follows:

1. Transmission Systems Annual Report (**67,680 hours**)

PHMSA estimates that it receives approximately 1,440 gas transmission annual reports each year. PHMSA previously estimated that it would take operators of natural gas transmission and gathering systems approximately 42 hours, per response, to satisfy the reporting requirement. This includes time for reviewing instructions, gathering the data needed, completing, reviewing and submitting the requested data. Based on the proposed revisions associated with the Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments Final Rule, PHMSA estimates that completing the Gas Transmission and Gathering Annual report will require an additional 5 hours per report to include the newly required data increasing the burden for each report to 47 burden hours for an overall **burden increase of 7,200** burden hours across all natural gas transmission operators. Accordingly, PHMSA estimates the burden associated with collecting Gas Transmission and Gathering Systems annual data to be 67,680 hours (1,440 reports *47 hours per report) each year.

2. LNG Annual Report (**1,356 hours**)

PHMSA estimates that there are 82 LNG pipeline operators for 113 LNG facilities. PHMSA expects to receive an annual report submission for each of the 113 LNG facilities. PHMSA estimates that it will take LNG operators 12 hours to prepare each annual report submission. This includes the time it will take to review instructions, gathering the data needed, completing, reviewing and submitting the requested data. Accordingly, PHMSA estimates the information collection burden associated with the LNG annual report information collection to be approximately 1,356 hours (113 LNG reports* 12 hours per report) each year.

3. Underground Natural Gas Storage Facility Annual Report (**2,480 hours**)

49 CFR § 191.17 requires each operator of an underground natural gas storage facility to submit an annual report on DOT PHMSA Form 7100.4-1 by March 15, for the preceding calendar year. PHMSA estimates that there are 124 operators of underground natural gas storage facilities. PHMSA expects each of these operators to spend 20 hours, annually, to prepare annual report submissions. This includes time for reviewing instructions, gathering the data needed, reviewing the required data, and completing and submitting PHMSA Form 7100.4-1 for an overall burden of 2,480 hours (124 reports *20 hours per report) for annual report submissions.

(b) Mechanical Fitting Failure Reports for gas distribution systems w/8,300 responses

Mechanical Fitting Failure Reports (**8,300 hours**)

PHMSA requires operators to submit mechanical fitting failure reports for Gas Distribution operators on annual basis along with an option to report throughout the year. PHMSA estimates that 1,343 Distribution operators will submit an estimated 8,300 reports. Previously, PHMSA estimated that it would take 30 minutes to complete each submission. PHMSA is revising that burden estimate to reflect that PHMSA now believe that it will take each operator approximately 1 hour to file each report. This will result in an increase of 4, 150 burden hours for a total annual burden of 8,300 hours (1 hour per report * 8,300 reports) for this information collection.

(c) Immediate Notice of Incidents (Section 191.5) w/570 Responses

Gas Pipeline operators are required to provide immediate notification of incidents as detailed in § 191.5. Based on past estimates, there was an annual average of 570 immediate notifications. PHMSA estimates that these notifications 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).

(d) Total Hours:

Telephonic Notification (285 hours) Annual Reports (+67,680 +1,356+2,480) + Mechanical Fitting Failure Report (8,300 hours) = **80,101 hours**.

13. Estimate of total annual costs to respondents.

PHMSA assumes that the reporting would be made by an engineering manager. Based on the industry-specific occupational and wage estimates provided by the U.S. Department of Labor’s Bureau of Labor Statistics, median hourly wage of an engineering manager (for NAICS 486000 – pipeline transportation)¹ is estimated as \$77.50. Using an estimated fringe benefit of approximately 35 percent, the recordkeeping requirements for the gas operators are prepared at the average rate of \$104.63 per hour.

The total annual estimated costs for this information collection with all of the incorporated proposals would be \$8,380,967.63 (= \$104.63 * 80,101 hours)

14. Estimate of cost to the Federal Government.

PHMSA spends an estimated cost of \$223,916.00 to operate and maintain this information collection. Operations and maintenance includes PRA compliance, interface improvements, database management, planning, revisions, and customer service.

	Monthly	Hourly	Annual	Total Costs
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¹ https://www.bls.gov/oes/current/naics3_486000.htm

	Average (Hrs)	Rate	Hours	
Salary Costs*	7	\$38.82/hr	84	\$3,260
Contracting Costs- MFF Form	23.5	\$120.38/hr	282	\$33,947
Contracting Costs- Gas Annual Forms (GT, LNG, UNGS)	129.25	\$120.38/hr	1551	\$186,709
TOTAL				\$223,916.00

15. Explanation of program changes or adjustments.

Due to the provisions in the Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments Final Rule, PHMSA revised the Gas Transmission and Gas Gathering Annual Report to collect additional information including mileage of pipe subject to the IVP and MCA criteria.

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.