

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE CHIEF INFORMATION OFFICER**

**SUPPORTING STATEMENT
“Incident Reports for Natural Gas Pipeline Operators”
OMB Control No. 2137-0635
Docket No. PHMSA-2018-0046
RIN 2137-AF36**

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 Reports for Natural Gas Pipeline Operators” (OMB Control No. 2137-0635). The current expiration date for this information collection is January 31, 2023.

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-2018-0046 - Pipeline Safety: Gas Pipeline Regulatory Reform

- Reduces burden by 39 responses and 468 hours for incident reporting activities.
- Revises the Gas Distribution Annual Report to collect data on mechanical joint failures.

Part A. Justification

1. Circumstances that make the collection of information necessary.

The reports contained within this information collection support the Department of Transportation’s strategic goal of safety. 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 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 to be used.

PHMSA uses this information to gather incident and failure information from gas pipeline operators, which includes operators of both gas distribution and gas transmission pipelines,

and operators of liquefied natural gas facilities. These operators are required to provide immediate notification, in accordance with § 191.5, following pipeline incidents as defined in § 191.3. PHMSA uses these immediate notifications to address ongoing safety issues related to an incident.

In addition, PHMSA requires gas pipeline operators to submit incident reports. These incident reports 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 incident reports are identified as follows:

Gas Distribution Incident Report
Gas Transmission Incident Report
LNG Incident Report

The information from incident 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. PHMSA estimates that approximately 95% of submissions are completed electronically. Pipeline operators are encouraged to file the incident and 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 transmission or gathering pipelines.

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 incident and annual reports. For those operators to whom electronic submissions would pose an undue burden and hardship, PHMSA allows alternative options for submission.

6. Impact of less frequent collection of information.

Incident Reporting: PHMSA would not be able to assess the rate and locations of incidents to the gas distribution/transmission and gathering pipelines without this information collection.

7. Special Circumstances.

There are no special circumstances within this request.

8. Compliance with 5 CFR 1320.8(d).

PHMSA published a Notice of Proposed Rulemaking [85 FR 35240] on June 9, 2020.

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 guarantee confidentiality.

11. Justification for collection of sensitive information.

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

12. Estimate of burden hours for information requested.

Current Number of Responses: 301	Proposed Number of Responses: 262
Current Burden Estimate: 3,612 hours	Proposed Burden Estimate: 3,144 hours

Currently PHMSA estimates to receive 301 (300 gas distribution and gas transmission and 1 LNG) incident report submissions annually. PHMSA expects each operator to spend 12 hours preparing and submitting each incident report. This includes the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of

information. PHMA proposes to raise the monetary threshold in 49 CFR 191.3 for reporting incidents from \$50,000 to \$118,000. Due to this change, PHMSA expects to receive 26 fewer gas distribution incidents and 13 fewer gas transmission incidents for an overall burden reduction of 468 hours annually. This would result in an overall annual burden of 3,144 hours (262 reports *12 hours per report) for this information collection.

PHMSA is also revising Form F7100.1, the Gas Distribution Incident Report form, to collect incident data on mechanical joint failures that arise to the level of a reportable incident in 49 CFR 191.3 PHMSA does not expect the addition of this data to cause an increase to the overall burden for the reporting of Gas Distribution incident data.

IC	Responses	Burden Per Response	Total Burden
Gas Distribution Incident Report	124	12 hours	1,488 hours
Gas Transmission and Gathering Incident Report	137	12 hours	1,644 hours
LNG Incident Report	1	12 hours	12 hours
Total	262 annual responses		3,144 annual burden hours

13. Estimate of the total annual costs burden.

Incident reports are assumed to be filled out by a senior engineer. 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)^a 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 cost burden associated with this information collection is estimated to \$104.63 x 3,144 hours = \$328,956.72.

^a https://www.bls.gov/oes/current/naics3_486000.htm

14. Estimates of costs to the Federal Government.

PHMSA spends an estimated cost of \$184,445 to operate and maintain this information collection. Operations and maintenance includes PRA compliance, interface improvements, database management, planning, revisions, and customer service.

	Monthly Average (Hrs)	Hourly Rate	Annual Hours	Total Costs
Salary Costs*	7	\$38.82/hr	84	\$3,260
Contracting Costs** - Gas Incident Forms (GT, GD, LNG)	117.5	\$128.50/hr	1410	\$181,185
Total	124.5 hours	167.32/hr	1,494 hours	\$184,445

15. Explanation of the program change or adjustments.

The Pipeline Safety: Gas Pipeline Regulatory Reform NPRM raises the monetary threshold in 49 CFR 191.3 for reporting incidents from \$50,000 to \$118,000. Due to this change, PHMSA expects to receive 26 fewer gas distribution incidents and 13 fewer gas transmission incidents for an overall burden reduction of 468 hours annually. PHMSA is also revising Form F7100.1, the Gas Distribution Incident Report form, to collect incident data on mechanical joint failures that arise to the level of a reportable incident in 49 CFR 191.3 PHMSA does not expect there to be an increase in the overall burden for the reporting of Gas Distribution incident data.

16. Publication of results of data collection.

The results of the accident reports will be summarized and posted on PHMSA's website.

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

PHMSA is not seeking approval to not display the expiration date.

18. Exceptions to the certification statement.

There is no exception to PHMSA's certification of this request for information collection approval.