

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

**Supporting Statement
“Annual and Incident Reports for Gas Pipeline Operators”
OMB Control No. 2137-0522
Docket No. PHMSA-2011-0023
RIN 2137-AF38**

INTRODUCTION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests approval from the Office of Management and Budget (OMB) for a revision of a currently approved collection entitled “Annual and Incident Reports for Gas Pipeline Operators” (OMB Control No. 2137-0522). The current expiration date for this information collection is October 31, 2024.

The revision 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: Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and Other Related Amendments

- Requires previously unregulated new Type C and Type R gas gathering pipeline operators to submit annual and incident reports
- Adds 585 new responses and 20,163 burden hours to this information collection for annual and incident reporting.

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
- Type R Reporting-Regulated Annual Report

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.

On April 8, 2016, PHMSA published a Noticed of Proposed Rulemaking (NPRM) to seek public comments on the gas transmission pipeline safety regulations (81 FR 20721). During the comment period, PHMSA received 2 comments from trade associations regarding the reporting requirements of the rule. See the preamble of the final rule for a summary of the comments and PHMSA's response.

PHMSA continued to engage its stakeholders around the issues in this information collection in conjunction with the rulemaking process. Pursuant to 49 U.S.C. 60115(c), PHMSA shared the proposed standards on gathering lines with the Gas Pipeline Advisory Committee (GPAC) after initially considering the comments to the NPRM.¹ The GPAC met on June 25-26, 2019, to consider the proposed standards regarding gathering lines. Subsequently, PHMSA posted the meeting slides that were used for the GPAC votes as well as the transcript, which constitute the statutorily required report of the GPAC's recommendations, including minority views.

Additionally, PHMSA maintains an "open-door" policy with its stakeholders where continual engagement on ways to improve pipeline safety are routine. In this vein, PHMSA has participated in various discussions where updates on this information collection were provided. PHMSA included updates on this information collection in its regulatory updates presentation that is used to update stakeholders on the status of

¹ The Technical Pipeline Safety Standards Committee, or GPAC, is an advisory committee, created pursuant to 49 U.S.C. 60115, that advises PHMSA on proposed safety standards, risk assessments, and safety policies for natural gas pipelines. The GPAC was established under the Federal Advisory Committee Act (Pub. L. 92-463) and § 60115 of the Federal Pipeline Safety Law (49 U.S.C. 60101 et seq.). The GPAC consists of 15 members, with membership divided among Federal and State agencies, the regulated industry, and the public. The GPAC considers the "technical feasibility, reasonableness, cost-effectiveness, and practicability" of each proposed pipeline safety standard and provide PHMSA with recommended actions pertaining to those proposals.

pending actions. PHMSA has taken all feedback received into consideration in the proposed adjustments.

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: 2,247	Proposed Number of Responses: 2,832
Current Burden Estimate: 71,801 hours	Proposed Burden Estimate: 91,964 hours

As a result of the Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and Other Related Amendments final rule, all gas gathering operators will become subject to incident and annual reporting requirements.

In the final rule, operators of previously unregulated gas gathering lines must begin submitting annual reports beginning with the first annual report cycle occurring after the endpoints of Type C or Type R gathering lines have been determined one year after the publication date of the final rule. As a result, operators of Type R and Type C gathering lines must submit a 2022 annual report no later than March 15, 2023. March 15 is the existing deadline for submitting annual reports for other gas pipeline facilities, consistent reporting deadlines reduces confusion and administrative burdens on PHMSA and operators with both Type R and regulated gas pipeline facilities.

PHMSA is revising this information collection to account for the new addition to the reporting community. PHMSA will require 500 currently unregulated gas gathering line operators (370 Type C operators and 130 Type R operators) to complete and submit annual reports each year. Type C operators will submit annual report data on DOT Form PHMS F7 100.2-1. The estimated burden for submitting this form is 47 hours per report. Type R operators will submit annual report data on the new DOT Form PHMSA F7

100.2-3. The estimated burden for submitting this form is 21 hours per report. These changes will result in an overall annual burden increase of 20,120 hours (17, 390 hours annually for Type C operators and 2,730 hours annually for Type R operators) for this information collection.

Type C and Type R gas gathering operators will also be required to make immediate telephonic notification of incidents, should they occur. PHMSA expects that these previously unregulated operators will make approximately 85 telephonic notifications of incidents per year. PHMSA estimates that it takes 30 minutes to complete a telephonic notification. As such, the estimated burden for gas gathering operators to make immediate notification of incidents is approximately 43 hours.

As a result of the provisions mentioned above, the burden for this information collection will increase by 585 new responses and 20,163 burden hours.

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	1,810	47 hours per report	85,070 hours
LNG Annual Report	113	12 hours per report	1,356 hours
Underground Storage Annual Report	124	20 hours per report	2,480 hours
Type R Reporting-Regulated Annual Report	130	21	2,730
Immediate Notice of Incidents	655	0.5 hours per report	328 hours
Total	2,832 Annual Responses		91,964 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/ 2,177 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 **(85,070 hours)**

PHMSA estimates that it receives approximately 1,440 gas transmission annual reports each year. PHMSA is adding 370 new responses to this information collection to account for newly regulated Type C gathering operators. This addition results in a total of **1,810 responses**. PHMSA estimates that it will take operators approximately 47 hours to compile and submit the data required to comply with this annual reporting requirement. 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 burden associated with collecting Gas Transmission and Gathering Systems annual data to be 85,070 hours (1,810 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.

4. Type R Reporting Regulated Gas Gathering Annual Report (**2,730 hours**)

49 CFR§ 192.8 designates “Type R” gathering lines as lines that are not regulated gathering lines under 49 CFR Part 192 but are subject to incident and annual reporting requirements in 49 CFR Part 191. PHMSA created new DOT Form PHMSA F7 100.2-3 for Type R gas gathering systems that are not subject to the safety requirements in 49 CFR Part 192. Type R operators are required to submit DOT Form PHMSA F7 100.2-3 by March 15, for the preceding calendar year. PHMSA estimates that there are 130 Type R operators who are subject to this requirement. PHMSA estimates that it will take operators approximately 21 hours annually to complete this report. This includes time for reviewing instructions, gathering the data needed, reviewing the required data, and

completing and submitting the mandatory report. This will result in an overall annual burden of 130 responses and 2,730 (130 reports *21 hours per report) hours.

(b) Immediate Notice of Incidents (Section 191.5) w/ 655 Responses (328 hours)

Gas Pipeline operators are required to provide immediate notification of incidents as detailed in § 191.5. Based on previous years' reporting trends, there was an annual average of 570 immediate notifications. PHMSA expects that previously unregulated gathering operators will make approximately 85 telephonic notifications of incidents per year bring the number of responses to 655 (570+85). PHMSA estimates that it will take operators approximately 30 minutes to complete these notifications. As such, PHMSA estimates the total burden associated with this information collection to be approximately **328 hours** (= 655 reports x 0.5 hours).

(c) Total Hours:

Telephonic Notification (328 hours) Annual Reports (+85,070 +1,356+2,480+2,730) = **91,964 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)² 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 \$9,622,193.32 (= \$104.63 * 91,964 hours)

14. Estimate of cost to the Federal Government.

PHMSA spends an estimated cost of \$189,969.00 to operate and maintain this information collection. Operations and maintenance include PRA compliance, interface improvements, database management, planning, revisions, and customer service.

	Monthly	Hourly	Annual	Total Costs
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² https://www.bls.gov/oes/current/naics3_486000.htm

	Average (Hrs)	Rate	Hours	
Salary Costs*	7	\$38.82/hr	84	\$3,260
Contracting Costs- Gas Annual Forms (GT, LNG, UNGS)	129.25	\$120.38/hr	1551	\$186,709
TOTAL				\$189,969.00

15. Explanation of program changes or adjustments.

As a result of the Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and Other Related Amendments final rule, previously unregulated Type C and Type R gas gathering pipeline systems will become subject to incident and annual reporting requirements.

PHMSA is revising this information collection to account for the new addition to the reporting community. PHMSA will require 500 previously unregulated gas gathering line operators (370 Type C operators and 130 Type R operators) to complete and submit annual reports each year. Type C operators will submit annual report data on DOT Form PHMS F7 100.2-1 and Type R operators will submit annual report data on the new DOT Form PHMSA F7 100.2-3 by March 15th of each year for the preceding year.

Gas Gathering operators will also be required to make immediate telephonic notification of incidents, should they occur. PHMSA expects that these previously unregulated operators will make approximately 85 telephonic notifications of incidents per year. PHMSA estimates that it takes 30 minutes to complete a telephonic notification. As such, the estimated burden for gas gathering operators to make immediate notification of incidents is approximately 43 hours.

As a result of the provisions mentioned above, the burden for this information collection will increase by 585 new responses and 20,163 burden hours.

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.