

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

Supporting Statement

Natural Gas Distribution Infrastructure Safety and Modernization Grant Program

1

INTRODUCTION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests that the Office of Management and Budget (OMB) grant an emergency clearance for a new information collection entitled “Natural Gas Distribution Infrastructure Safety and Modernization Grant Program”.

Part A. Justification

1. Circumstances that make the collection of information necessary.

The Infrastructure Investment and Jobs Act (H.R. 3684, Public Law 117 - 58) is the most significant investment in our nation’s infrastructure in more than half a century. This includes the Pipeline and Hazardous Materials Safety Administration’s (PHMSA) first ever infrastructure grant program. Subject to funding availability, the legislation designated \$200 million a year in grant funding with a total of \$1 billion in grant funding over the next five years.

This grant funding is intended to reduce potential incidents and fatalities and to avoid the economic losses that can result from an incident occurring. Additionally, this will also assist in the reduction of methane emissions by replacing existing pipe that is more prone to fugitive emissions of methane.

The Act sets forth that the Secretary of Transportation shall establish procedures for awarding grants that take into consideration the following: (1) the risk profile of the existing pipeline system operated by the applicant, including the presence of pipe prone to leakage; (2) the potential of the project for creating jobs; (3) the potential for benefiting disadvantaged rural and urban communities; and (4) economic impact or growth. This information collection is necessary to meet the Act’s requirements stipulated above. In order to award the grant money, DOT/PHMSA must request solicitations from the municipalities and community owned utility systems for review against set criteria for consideration as laid out in H. R. 3684—1015.

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

Information will be collected by PHMSA beginning with PHMSA’s Notice of Funding Opportunity (NOFO), posted on Grants.gov. Prospective applicants will apply for grant funding consideration and the information collected will be used to evaluate and award grant funding. After grants are awarded, PHMSA will collect information as required by the NOFO and Federal Grants process and, if needed, additional information to monitor use of grant funding and track grantee progress.

3. Extent of automated information collection.

Grant applicants must submit the required Federal grant application forms and narrative statements in electronic form through www.grants.gov.

PHMSA is currently reviewing and assessing existing grant management and reporting systems with the goal of streamlining the reporting requirements within the statute to reduce the reporting burden of prospective and awarded grantees and determining the most efficient and effective way to submit that information to include [grants.gov](http://www.grants.gov), web portal, e-mails, or some other electronic means.

4. Describe efforts to identify duplication.

PHMSA does not foresee any duplication of efforts caused by our information collection.

5. Efforts to minimize the burden on small businesses.

This information collection applies only to municipalities and community-owned utility companies. PHMSA does not expect this information collection to adversely impact small businesses or other small entities.

6. Impact of less frequent collection of information.

If this information was collected less frequently, the disbursement of federal funds to municipalities and community-owned utilities would be adversely impacted. Information used to evaluate potential grantees would not be timely or accurate, possibly resulting in an inequitable distribution of funds.

7. Special Circumstances.

PHMSA intends for this information collection to be conducted in a manner consistent with the guidelines in 5 CFR 1320.5(d)(2).

8. Compliance with 5 CFR 1320.8(d).

PHMSA sent a Notice to the Federal Register for publication to notify the public of its plan to seek emergency approval of this information collection from the OMB. Due to the emergency status of this request, the comment period for this notice will be open for 10 days. A draft of the Federal Register Notice is included with this submission.

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 grant confidentiality.

11. Justification for collection of sensitive information.

The information collected does not include information of a sensitive nature.

12. Estimate of burden hours for information requested.

Estimated Annual Burden: 200 responses and 7,000 burden hours.

PHMSA expects the requested information to be collected once per applicant for each NOFO. PHMSA expects to receive approximately 100 applications from potential grantees. PHMSA estimates that it will take applicants approximately 65 hours to compile and submit the forms required to complete the application process. PHMA estimates that grant recipients will spend another 5 hours, annually, requesting reimbursements and submitting post-award reports. The total estimated average hourly burden for this information collection is 70 hours per applicant, or a total of 7,000 hours for an estimated 100 applicants. Estimates are based on information provided by agencies with similar programs. Actual hours will vary depending on the proposed scope of the applicant's program, the applicant's geographic service area and the number of affiliate organizations. The burden estimate below accounts for the total amount of effort involved.

Information Collection	Number of Responses	Burden Hours Per Respondent	Total Annual Burden Hours
Natural Gas Distribution Infrastructure Safety and Modernization Grant Application	100	65	6,500
Post-Grant Reporting Quarterly/Closeout Reporting	100	5	500
Total	200 responses	70 hours per respondent	7,000 total burden hours

13. Estimate of the total annual costs burden.

There are no costs to the respondents other than those shown in item 12 above.

14. Estimates of costs to the Federal Government.

Based on PHMSA’s best projections using examples of other NOFO’s published by PHMSA, the estimated cost to the federal government to review and rate applications and select grantees is \$198,000 on an annual basis. This estimate is based on experience with prior NOFO application cycles. PHMSA expects to receive 100 applications for grant funds. PHMA estimates that it will spend approximately 33 hours, per application, reviewing and rating each application . At a rate of approximately \$60 per hour, PHMSA expects that this information collection will cost the federal government \$198,000 annually.

The hourly cost reflects the rate of PHMSA staff who are assigned to perform each of the required actions listed in the chart below. The hourly cost is based on PHMSA experience, under other grant applications cycles.

Required Action	Frequency of Action	Hours per Action	Number of Respondents	Number of PHMSA Staff Hours	Average GS Hourly Rate	Annual Cost
Eligibility Review	1.00	5.00	100.00	500	\$60.00	\$30,000.00
Technical Review & Rating Application	1.00	20.00	100.00	2,000	\$60.00	\$120,000.00
Grantee Selection	1.00	8.00	100.00	800.00	\$60.00	\$48,000.00
Total						\$198,000.00

15. Explanation of the program change or adjustments.

The Infrastructure Investment and Jobs Act (H.R. 3684, Public Law 117 - 58) required PHMSA to create the “Natural Gas Distribution Infrastructure Safety and Modernization Grant Program.” The statutory requirements of the Natural Gas Distribution Infrastructure Safety and Modernization Grant are found under the heading “Department of Transportation -- Pipeline and Hazardous Materials Safety Administration -- Natural Gas Distribution Infrastructure Safety and Modernization Grant Program” in title VIII of division J of Public Law 117-58 Those statutory requirements necessitate swift issuance of a notification of funding opportunity (NOFO) and a tight deadline to issue the awards. Specifically, PHMSA is statutorily required to issue a NOFO no later than 180 days from the date the funds were made available and to make awards to eligible municipality and community owned utilities no later than 270 days after publication of the NOFO.

16. Publication of results of data collection.

Annual grant awards will be publicly announced. Grant annual progress report will be made available on PHMSA's website 90-days after the grant period.

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.