

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

**SUPPORTING STATEMENT
“Incident Reports for Natural Gas Pipeline Operators”
OMB Control No. 2137-0635**

Introduction

The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests approval from the Office of Management and Budget (OMB) of a non substantive change to a currently approved information collection collection entitled “Incident Reports for Natural Gas Pipeline Operators” under OMB Control No. 2137-0635. The current expiration date for this information collection is October 31, 2024.

The change to this information collection is necessary to accurately organize information collections that were approved under a different OMB Control No. PHMSA is requesting to move the following information collections from OMB Control No. 2137-0522 to OMB Control No. 2137-0635:

- Immediate Notice of Incidents
- Incident Report - Gas Transmission and Gathering Systems
- Incident Report - Type R (Reporting Regulated) Gas Gathering Systems

PHMSA is not requesting approval to collect additional data at this time.

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
Type R Reporting-Regulated Gas Gathering 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 reports on-line at www.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).

The relative information collections have already been approved by OMB. As such, compliance with 5 CFR 1320.8(d) is not required for a non-substantive change request.

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, 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.

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: 259	Proposed Number of Responses: 999
Current Burden Estimate: 3,108 hours	Proposed Burden Estimate: 4,456 hours

PHMSA currently receives approximately 259 gas incident reports annually. Of these incident reports, PHMSA currently receives 136 reports from Gas Transmission and Gas Gathering operators. The Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and Other Related Amendments final rule now requires Type C and Type R gas gathering operators to submit reports of incidents that occur on previously unregulated gas gathering lines. 49 CFR§ 192.8 designates “Type R” gathering lines as lines that are not regulated under 49 CFR Part 192 but are subject to incident and annual reporting requirements in 49 CFR Part 191.

PHMSA created DOT Form PHMSA F 7100.2.2 for Type R (reporting-regulated) gas gathering operators to submit data on reportable incidents. Type C operators will submit incident data on existing DOT Form PHMSA F 7100.2.

PHMSA currently receives 136 incident reports from gas transmission operators. PHMSA expects to receive 85 (18 Type C and 67 Type R) incident reports, annually, from the newly regulated gathering lines. 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. This results in an overall annual burden of 2,652 hours (221 reports *12 hours per report) for this information collection.

The two information collections for Type C and Type R incident reports were approved, in conjunction with The Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and Other Related Amendments final rule, under OMB Control No. 2137-0522 on March 1, 2022.

In an effort to separate the annual report data collections from the incident report data collection, PHMSA proposes moving the incident-related data collections to OMB Control No. 2137-0635.

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).

This results in an overall annual burden of 4,456 hours for this information collection.

Table 1: Estimated Burden

IC	Responses	Burden Per Response	Total Burden
Gas Distribution Incident Report	122	12 hours	1,464 hours
Gas Transmission and Gathering Incident Report	154	12 hours	1,848 hours
Type R Reporting Regulated Incident Report	67	12 hours	804 hours
LNG Incident Report	1	12 hours	12 hours
Immediate Notice of Incidents	655	0.5 hours	328 hours
Total	999 annual responses		4,456 annual burden hours

13. Estimate of the total annual costs burden.

Preparing incident reports will require input from a diverse array of occupations, including technical input, legal review, database development/entry, and senior executive approval. PHMSA developed a weighted average labor cost based on wage rates for several relevant occupational categories that are likely to be involved in the reporting process. Table 2 below shows the calculations used to derive the average labor cost utilized by PHMSA.

Table 2: Estimated Labor Costs (2019 \$)

Occupation Code	Occupation Category	Mean Wage Rate	Total Labor Cost	Estimated % of Reporting Hours
13-1041	Compliance Officers	\$38.05	\$54.75	40%
23-1011	Lawyers	\$69.86	\$100.52	20%
17-2171	Petroleum Engineers	\$59.72	\$85.93	20%
11-1000	Top Executives	\$57.60	\$82.88	10%
15-1240	Database and Network Administrators and Architects	\$45.72	\$65.78	10%
Total	Average Loaded Wage Rate	\$51.47	\$74.05	100%

Source: U.S. Department of Labor's BLS March 2020 Occupational Employment Statistics (2019 Data), modified July 6, 2020, www.bls.gov/oes/tables.htm. [NAICS code: 486200 - Pipeline Transportation of Natural Gas]

Note: The wage rate was scaled upward to account for the total cost of performing these tasks. Wages composed an estimated 69.5% of total employee costs for private industry workers (BLS 2019), https://www.bls.gov/news.release/archives/ecec_06182019.pdf

For each category of labor cost, PHMSA calculated those values based on the BLS data indicating that wages constitute 69.5 percent of total labor cost. For example, the total labor cost for compliance officers (second row of Table 2) is computed as follows: $\$38 / 69.5\% = \54.75 .

Based on these calculations, PHMSA estimates an average loaded wage rate of \$74.05 per hour. This figure was calculated from the wage rates for the various occupation codes in North American Industry Classification System (NAICS) 486200 – Pipeline Transportation of Natural Gas.

The cost burden associated with this information collection is estimated to $\$74.05 \times 4,456$ hours = \$329,966.80.

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.

Table 3: Costs to the Federal Government

Cost Category	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	1,410	\$181,185
Total	124.5 hours	167.32/hr	1,494 hours	\$184,445

15. Explanation of the program change or adjustments.

Due to the provisions contained within the Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and Other Related Amendments final rule, Type C and Type R gas gathering operators will be required to submit reports of incidents that occur on previously unregulated gas gathering systems.

PHMSA created DOT Form PHMSA F 7100.2.2 for Type R (reporting-regulated) gas gathering operators to submit data on reportable incidents. Type C operators will submit incident data on existing DOT Form PHMSA F 7100.2.

In the Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and Other Related Amendments final rule, PHMSA stated that this information would be submitted under OMB control number 2137-0635. Due to procedural issues, PHMSA had to submit this information collection request under 2137-0522. PHMSA is now requesting this non-substantive change request to move the gas transmission and gathering information collections back to 2137-0635.

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.