

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

**Supporting Statement
“Annual Report for Gas Distribution Operators”
OMB Control No. 2137-0629
Docket No. PHMSA-2021-0039
RIN 2137-AF51**

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 Report for Gas Distribution Operators” (OMB Control No. 2137-0629). The current expiration date for this information collection is October 31, 2021.

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

Pipeline Safety: Gas Leak Detection and Repair Proposed Rule:

- Revises form PHMSA F7100.1-1, the Gas Distribution Annual Report, to collect the total number of leaks identified within a calendar year, emissions from leaks by grade, and estimated emissions from other sources by source categories.
- Adds 8,676 burden hours to this information collection for reporting activities.

Part A. Justification

1. Circumstances that make the collection of information necessary.

Annual reports inform PHMSA and the public about the extent of gas distribution pipeline systems and leaks from these systems. 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 characterize the extent and safety record of natural gas distribution pipeline systems.

The requirements for annual reporting 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 60139.

This collection supports the DOT strategic safety mission by providing metrics that enable PHMSA to be aware of and mitigate inherent risks in the operation of gas distribution pipelines.

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

PHMSA uses this information collection to gather annual report data from gas distribution

pipeline operators. The annual report form collects data about the pipe material, size, and age. The form also collects data on leaks from these systems as well as excavation damages. PHMSA uses the information to track the extent of gas distribution systems and normalize incident and leak rates.

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

4. Describe efforts to identify duplication.

PHMSA is the only federal agency that collects information related to miles of mains, number of services, leaks, and excavation damages for gas distribution pipeline systems. No similar information is requested by the government or industry.

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 annual reports.

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 reports. 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(d).

On May 18, 2023 PHMSA published a Noticed of Proposed Rulemaking (88 FR 31890) to seek public comments on the proposed data collection.

On May 5, 2021, PHMSA held a two-day virtual Pipeline Leak Detection, Leak Repair and

Methane Emission Reductions public meeting to engage stakeholders on gas pipeline leak detection and repair issues as an important step in fulfilling the requirements of Sections 113 and 114 of the PIPES Act of 2020 ("Act"). During the meeting, stakeholders—including environmental and public safety groups, Federal and state governments, and the pipeline industry shared perspectives on improving gas pipeline leak detection and repair. Topics discussed included the scope of the current problem, as well as advanced technologies and practices to address methane emissions from natural gas pipeline systems.

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 participates in various discussions where updates on this information collection are provided. PHMSA includes updates on this information collection in its regulatory updates presentation that is used to update stakeholders on the status of pending actions. PHMSA takes all feedback received into consideration in the proposed adjustments.

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 assure confidentiality.

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.

Table 1: Estimated Change in Burden

Current Number of Responses: 1,446	Proposed Number of Responses: 1,446
Current Burden Estimate: 28,920 hours	Proposed Burden Estimate: 37,596 hours

There are approximately 1,446 gas distribution operators. These operators are required to submit annual reports to PHMSA on form F7100.1-1, the Gas Distribution Annual Report, for their pipeline systems each year. PHMSA previously estimated that it would take each operator 20 hours to compile information pertaining to this report and to submit the requested data. PHMSA proposes to revise form F7100.1-1, the Gas Distribution Annual Report in conjunction with proposed regulatory changes made in the Pipeline Safety: Gas Leak Detection and Repair NPRM. The requested revision would revise form PHMSA F7100.1-1, the Gas Distribution

Annual Report, to collect the total number of leaks identified within a calendar year, emissions from leaks by grade, and estimated emissions from other sources by source categories.

PHMSA estimates that it will take operators approximately 6 hours to add this information to the annual report. As a result, the burden on operators to complete and submit form F7100.1-1 will increase from 20 hours to 26 hours. Accordingly, the estimated burden for this information collection will increase by approximately 8,676 hours (1,446 respondents * 6 hours) for an estimated total burden of 37,596 hours (26hours * 1,446 operators).

Table 2 below details this burden calculation:

Table 2: Estimated Burden Calculation

Number of Operators	Hours to Complete	Total Burden
1,446	26	37,596

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 3 below shows the calculations used to derive the average labor cost utilized by PHMSA.

Table 3: Estimated Labor Costs (2021\$)

Occupation Code	Occupation Category	Mean Wage Rate	Total Labor Cost	Estimated % of Reporting Hours
13-1041	Compliance Officers	\$36.45	\$52.44	40%
23-1011	Lawyers	\$71.17	\$102.40	20%
17-2171	Petroleum Engineers	\$70.06	\$100.80	20%
11-1000	Top Executives	\$59.31	\$85.33	10%

15-1240	Database and Network Administrators and Architects	\$52.50	\$75.53	10%
Total	Average Loaded Wage Rate	\$57.89	\$83.30	100%

Source: U.S. Department of Labor's BLS May 2021 Occupational Employment and Wage Statistics (2018 Data), 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

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: $\$36.45 / 69.5\% = \52.44 .

Based on these calculations, PHMSA estimates an average loaded wage rate of \$83.30 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 total annual estimated costs for this information collection with all of the incorporated proposals would be \$3,131,746.80 ($\$83.30 * 37,596$ hours).

14. Estimates of costs to the Federal Government.

The estimated cost to the Federal Government for the development, maintenance, and operation of the the Gas Distribution Annual Report data collection is approximately \$76,700.00. This estimate includes the costs of acquiring contractor time (3 man months total using a blended rate for developers, database admin, and analysts for requirements and testing. This also includes the annual Operations & Maintenance costs which are estimated to be \$15,000 for contractor support to address any issues, correct operator reports, if needed, and to patch/upgrade software and hardware as required. There is an additional \$1, 700 for Federal FTE to manage the operations and maintenance of the application, which includes user support.

15. Explanation of the program change or adjustments.

PHMSA revised form F7100.1-1, the Gas Distribution Annual Report in conjunction with proposed regulatory changes made in the Pipeline Safety: Gas Leak Detection and Repair

NPRM. PHMSA intends to use form PHMSA F7100.1-1 to require gas distribution pipeline operators to include reporting of leaks discovered and repaired by grade, estimated leak emissions by grade, and estimated annual emissions from other sources by source category in their annual report submissions. Currently, form PHMSA F7100.1-1 includes data on leak repair, however they lack data on leaks discovered and data on emissions generally.

16. Publication of results of data collection.

PHMSA summarizes the annual report data on its public website and makes the entire data set available for download.

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

PHMSA will display the expiration date.

18. Exceptions to the certification statement.

There are no exceptions to the certification statement.