



U.S. Department  
of Transportation  
**Pipeline and Hazardous  
Materials Safety  
Administration**

1200 New Jersey Avenue SE  
Washington DC 20590

# Pipeline Safety

## 2016 Gas Year End Payment Request

for

NORTH DAKOTA PUBLIC SERVICE COMMISSION



### FedSTAR Information

Electronic Submission Date: 2/22/2017 12:35:17 PM

**8**    **GS-15-678**    Filed: 2/22/2017    Pages: 5  
**2016 Gas Year End Payment Request**

U S Dept of Transportation, Office of Pipeline Safety

## 2016 Gas Year End Payment Request Cost Summary

### DIRECT COSTS

Estimated

Actual

#### Compensation for Personnel Services (A-87 #8)

████████	A. Supervisory personnel who are directly engaged in the administration of the Pipeline Safety Program	\$44,214.00	\$49,225.95
████████	A1. Supervisory fringe benefits	\$15,917.00	\$16,955.90
████████	B. Technical personnel who conduct pipeline safety inspections, failure investigations and review plans, etc.	\$136,268.00	\$136,913.30
████████	B1. Technical fringe benefits	\$49,056.00	\$49,105.68
████████	C. Administrative personnel whose duties are directly related to the Pipeline Safety Program.	\$0.00	\$0.00
████████	C1. Administrative fringe benefits	\$0.00	\$0.00
████████	D. Damage Prevention/Technical personnel include damage prevention personnel, GIS personnel and other technical personnel directly related to the pipeline safety program	\$0.00	\$0.00
████████	D1. Damage Prevention/Technical fringe	\$0.00	\$0.00

#### ACTIVITIES

Audit costs and related services (A-87 #04).....	\$0.00	\$0.00
Communication costs (A-87 #07).....	\$0.00	\$0.00
Maintenance, operations and repairs (A-87 #25).....	\$0.00	\$0.00
Memberships, subscriptions and professional activity costs (A-87 #28)..	\$600.00	\$1,280.00
Professional services (i.e. Studies and Research) (A-87 #32).....	\$0.00	\$0.00
Publication and printing costs(A-87 #34).....	\$3,000.00	\$5.00
Rental costs of building and equipment (A-87 #37).....	\$400.00	\$3,300.50
Training and Education (A-87 #42).....	\$4,000.00	\$0.00
Travel costs (A-87 #43).....	\$89,913.00	\$41,498.65

#### MATERIALS

Motor Vehicles (A-87 #15).....	\$0.00	\$0.00
Office Equipment (A-87 #15).....	\$0.00	\$0.00
Safety Clothing (A-87 #26).....	\$300.00	\$396.01
Supplies (A-87 #26).....	\$500.00	\$0.00
Testing Equipment(A-87 #15).....	\$0.00	\$0.00

#### INDIRECT COSTS (A-87 Attachment C, D, E)

Indirect costs incurred by State Agency(i.e. Public Utilities Commission, Public Service Commission, State Corporation Commission).	\$49,091.00	\$60,271.10
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### TOTAL


**\$393,259.00**

**\$358,952.09**

# Pipeline Safety Program Cost Summary Explanations -- Calendar Year 2016

## DIRECT COSTS

### PERSONNEL



Supervisory Personnel	For CY2016 it was estimated that the Division Director would use 8 percent of his time performing supervisory functions for the gas pipeline safety program. The actual amount of time devoted by the Director was 13 percent.
Supervisory Fringe Benefits	Thresholds not exceeded; therefore an explanation is not needed.
Technical Personnel	Thresholds not exceeded; therefore an explanation is not needed.
Technical Fringe Benefits	Thresholds not exceeded; therefore an explanation is not needed.
Administrative Personnel	Thresholds not exceeded; therefore an explanation is not needed.
Administrative Fringe Benefits	Thresholds not exceeded; therefore an explanation is not needed.
Damage Prevention Personnel	Thresholds not exceeded; therefore an explanation is not needed.
Damage Prevention Fringe Benefits	Thresholds not exceeded; therefore an explanation is not needed.

### ACTIVITIES

Audit	Thresholds not exceeded; therefore an explanation is not needed.
Communication	Thresholds not exceeded; therefore an explanation is not needed.
Maintenance, operations and repairs	Thresholds not exceeded; therefore an explanation is not needed.
Memberships, subscriptions and professional activities	The CY2016 budget estimate included a \$300 registration fee for the NAPSR National Meeting and a \$300 registration fee for the NAPSR Central Region Meeting. The actual expense includes one \$250 registration fee for the NAPSR Central Region Meeting and two registration fees for the NAPSR National Meeting, one at \$495 and one at \$525.
Professional services (i.e. studies and research)	Thresholds not exceeded; therefore an explanation is not needed.
Publication and Printing	The estimate for CY2016 anticipated publication and printing costs for the ND/SD Operator Training Conference. However, the cost was negligible.
Rental costs of building and equipment	For CY2016, the inspector at the Bismarck office was located in a larger office. Since the rental cost for office space is based on the percentage of the building floor space that is provided for the inspector's office, the cost increased.
Training and Education	The estimate for CY2016 included \$4000 for the cost of meeting rooms for the ND/SD Operator Training Conference. Staff negotiated with a hotel to include meeting rooms at no cost if hotel rooms booked for lodging exceeding a certain threshold. The threshold was met.

Travel

When preparing the reimbursement request for CY2015, the Commission found that instate travel costs were overestimated and knew that travel costs in the CY2016 base grant application were overestimated.

For CY2016 the budget estimate for instate inspections included 30,960 miles for the two inspectors at \$0.28 per mile for a cost of \$8,669. For CY2016 the vehicle depreciation charge was estimated at \$3456 and the actual for CY2016 was \$3842 (an underestimate of \$386). Actual in-state mileage was 25,402 at an average cost of \$0.245 per mile, total mileage cost of \$6,223 (an overestimate of \$2,446).

The budget estimate included 275 nights lodging at \$120 per night for an estimated cost of \$33,000, and 200 days per diem at \$40 per day for an estimated cost of \$13,760. Actual in-state lodging cost was \$5,408 (resulting overestimate of \$27,592). The actual in-state cost for meals was \$2,198 (resulting overestimate of \$11,562).

As anticipated, in-state travel costs for 2016 were overestimated in the grant application.

For CY2016 the budget estimate for instate inspections included 30,960 miles for the two inspectors at \$0.28 per mile for a cost of \$8,669. For CY2016 the vehicle depreciation charge was estimated at \$3456 and the actual for CY2016 was \$3842 (an underestimate of \$386).

The budget estimate included 275 nights lodging at \$120 per night for an estimated cost of \$33,000, 200 days per diem \$40 per day for an estimated cost of \$13,760 for meals associated with in-state inspections.

Actual in-state miles were 25,402 at an average cost of \$0.245 per mile for a cost of \$6,223 (an overestimate of \$2,446). Actual in-state lodging cost was \$5,408 (overestimate of \$27,592). The actual in-state cost for meals was \$2,198 (overestimate of \$11,562). As anticipated, in-state travel costs for 2016 were overestimated in the grant application.

**MATERIALS**

Motor Vehicles

Thresholds not exceeded; therefore an explanation is not needed.

Office Equipment

Thresholds not exceeded; therefore an explanation is not needed.

Safety Clothing

The expense for safety clothing was a little higher than expected because replacement and additional safety clothing was purchased for the inspectors based on the recommended list of safety clothing provided by PHMSA.

Supplies

The estimate for CY2016 anticipated \$500 supply costs for the ND/SD Operator Training Conference. Since Commission supplies were sufficient, no supplies were purchased.



Testing Equipment

Thresholds not exceeded; therefore an explanation is not needed.

**Indirect Costs**

Indirect

The CY2016 budget was estimated using an indirect cost rate of 20%. The actual cost at \$60,271.10 is determined using an indirect cost rate of 29.68%.

