

Supporting Statement
Pipeline Integrity Management in High Consequence Areas
Operators with more than 500 miles of Hazardous Liquid Pipelines
2137-0604

1. Circumstances that make collection of information necessary:

Certain areas are particularly environmentally sensitive from hazardous liquid pipeline failures. These areas are called high consequence areas (HCA's). The pipeline integrity management in high consequence areas (Final rule attached) requires operators to develop a program to provide direct integrity testing and evaluation of hazardous liquid pipelines in HCA's. This information collection request supports the objective of the rule ensuring the safety and integrity of hazardous liquid pipelines in HCA's.

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

This information will be used by the Office of Pipeline Safety (OPS) and state pipeline inspectors to ensure the integrity of hazardous liquid pipelines in HCA's.

3. Extent of automated information collection:

OPS does not specify the format of this information collection. OPS encourages the use of electronic technology where applicable. Operators may submit annual reports electronically via the OPS website. Based on previous submissions, it is estimated that at least 50 percent of respondents will use the electronic format.

4. Efforts to identify duplication:

There is no duplication. There is no similar information available.

5. Efforts to minimize the burden on small businesses:

Small operators will likely get assistance from pipeline trade associations in helping them develop the necessary documentation.

6. Impact of less frequent collection of information:

If the activities were done less frequently this would pose a risk of pipeline failure in HCA's.

7. Special circumstances:

This information collection has no special circumstances described in the above list.

8. Compliance with 5 CFR 1320.8:

The 60-day Federal Register Notice was published on June 16th, 2006 (71 FR 34996) that is on Page 34996 Vol. 71 No. 116 of the Federal Register. No comments were received. The 60-day Federal Register Notice is attached. The 30-day Federal Register Notice has been published on December 22nd, 2006 in Vol. 71 No. 246 page number 77093 (71 FR 77093) and attached.

9. Payments or gifts to respondents:

There is no remuneration provided.

10. Assurance of confidentiality:

There is no information that is being collected that is of a confidential nature.

11. Justification for collection of sensitive information:

There are no questions of a sensitive nature.

12. Estimate of burden hours for information requested:

There are 71 operators (unique OPIDs) with more than 500 miles of hazardous liquid pipelines. There were 66 operators when the last set of Information Collection analysis was completed.

All 71 large operators will be required to update their plans annually.

It is assumed to take each operator 310 hours to annually update the plan. The labor hours are broken down as follows:

70 hours secretarial time

200 hours engineer time

40 hours senior engineer time

310 hours per company X 71 companies = 22,010 hours annually for update

Additionally the 71 operators that will also need 500 hours of supervisory time to ensure that the data collected annually is appropriately analyzed and integrated. For an industry total of $71 \times 500 = 35,500$

Each subsequent year will require:
22,010 for updating
35,500 for data integration
57,510 annually each year

Operators are required to either use hydrostatic testing or smart pigging as a method to inspect their pipelines. However, operators can use another technology if they request in writing and demonstrate that is equivalent to the two technologies mentioned above. OPS has concluded that few operators will choose this option. If they do choose an alternative technology they will be required to put their request in writing which should take them approximately one hour. Because OPS assumes few if any operators will elect to use other technologies, the burden was considered minimal and therefore not calculated.

Additionally, operators could seek an extension to testing every five years if they request and provide their reason for seeking time extension. OPS estimates approximately 10% of operators may request an extension. This request can be in the form of a telephone call, fax or letter. OPS views the burden of a telephone call or fax as minimal and therefore did not add it to the overall burden hours discussed above.

13. Estimate of total annual costs to respondents:

There are no costs beyond those cited above.

14. Estimate of cost to the Federal government:

The cost to the government to initially review the plans and annual updates is estimated to require 14 additional personnel 12 in the regional offices and 2 at headquarters. Assuming a loaded salary of \$60,000 per person the cost for plan review for the cost to initially review the plans to the Federal Government is \$840,000. Annually it will require a total of 8 regional personnel to review the plans as part of the routine operator inspections. The costs are limited to salaries.

At a cost of \$60,000 per inspector the annual cost will be \$480,000 ($8 \times \$60,000$). (These costs were submitted with the large operator submission).

15. Explanation of program changes or adjustments:

This is a renewal of an existing program.

16. Publication of results of data collection:

There is no use of statistics.

17. Approval for not explaining the expiration date for OMB approval:

Pipeline and Hazardous Materials Safety Administration is not seeking approval to not display expiration date.

18. Exceptions to certification statement:

There are no exceptions.

Attachments