

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

Supporting Statement

Pipeline Integrity Management in High Consequence Areas Gas Transmission Pipeline Operators

INTRODUCTION

This is to request the Office of Management and Budget's (OMB) renewed three-year approved clearance for the information collection entitled, ""Pipeline Integrity Management in High Consequence Areas Gas Transmission Pipeline Operators"" OMB Control No. 2137-0610, which is currently due to expire on May 31, 2009.

Part A. Justification.

1. Circumstances that make collection of information necessary.

This information collection request pertains to gas transmission operators jurisdictional to 49 CFR Part 192 Subpart O. The Gas Transmission Integrity Management rule became effective February 14, 2004 (The Final Rule as published in the Federal Register is attached). The regulation improves pipeline safety through (1) accelerating the integrity assessment of pipelines in high consequence areas, (2) improving integrity management systems within companies, (3) improving the government's role in reviewing the adequacy of integrity programs and plans, and (4) providing increased public assurance in pipeline safety.

The information collection required by the rule is the submittal of a written integrity management program and records that demonstrate compliance with Subpart O to PHMSA by operators of gas transmission pipelines in high consequence areas. Operators must maintain their integrity management records for the life of the pipeline, and PHMSA or State regulators may review it as a part of inspections. The regulation requires that each operator submit information on four overall performance measures to PHMSA semi-annually. This information collection supports the DOT strategic goal of safety by reducing the number of incidents in natural gas transmission pipelines.

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

Federal pipeline safety inspectors and state pipeline safety inspectors participating in the pipeline safety program will use the information to ascertain compliance with Subpart O to PHMSA by operators of gas transmission pipelines in high consequence areas

3. Extent of automated information collection.

Operators are permitted to keep integrity management plan records in any retrievable format, including the use of the latest information technology. PHMSA actively encourages the use of electronic technology wherever possible. Most operators submit semi annual reports on-line. In an effort to address the needs of those without computer access, PHMSA provides a hardcopy template for the requested information. See attached document, “Gas Integrity Management Program”.

4. Efforts to identify duplication.

There is no other similar information available.

5. Efforts to minimize the burden on small businesses.

Smaller operators will have lower costs than the larger operators, as they will likely have fewer pipelines that are located in HCAs.

6. Impact of less frequent collection of information.

If the activities were conducted less frequently, then PHMSA’s ability to gather pertinent information on the status of pipelines in HCAs would be reduced, as would PHMSA’s ability to properly monitor and ensure safety as directed by Congress in Pipeline Safety Improvement Act of 2002.

7. Special circumstances.

The collection is consistent with all OMB guidelines, except guideline 5 CFR 1320.6(f) (maximum retention 3 years). In the case of integrity testing, testing may take place as infrequently as once every ten years. Since some actions build on previous work, to maintain a complete picture of the integrity management associated with a pipeline, the collected information will need to be retained for the life of that pipeline. Some information may be of confidential in nature, and PHMSA will consider requests for confidentiality from operators on a case-by-case basis.

8. Compliance with 5 CFR 1320.8.

A 60-day Federal Register notice was published on February 20, 2009 (74 FR 7955). PHMSA received comments Southwest Gas (SWG) and Paiute, a subsidiary of SWG, on this information collection. These commenters expressed concerns that the burden hour estimates appear to be low and that workshops should be conducted to generate more accurate burden hour estimates. PHMA addressed the comments in the 30-day notice by announcing that such forums would be considered prior to end of the next 3-year cycle. PHMSA is currently looking for forums that

will address the concerns of the commenters. A 30-day Federal Register notice for public comment has been published on April 29, 2009 (74 FR 19623).

9. Payments or gifts to respondents.

Not applicable.

10. Assurance of confidentiality.

Confidentiality will be considered on a case-by-case basis using the Freedom of Information Act (FOIA) as guidance.

11. Justification for collection of sensitive information.

The information collection requirements do not involve questions of a sensitive nature.

12. Estimate of burden hours for information requested.

Based on 2004 Gas Transmission Annual reports submitted by the gas transmission operators in 2005, 721 gas transmission operators are expected to submit baseline assessment plans. If an operator does not have pipelines in an HCA, then that operator's baseline assessment plan needs to reflect that. Since the baseline assessment plan must have been prepared by December 17th, 2004, this information collection request does not include the annual hours associated with the baseline assessment plan. However, there will be on-going yearly updates for the plans and associated record keeping requirements. Based on its experience monitoring the plans in past years, PHMSA estimates the following hour requirements for the four components of this information collection request:

Plan modification - 233 hours of engineering time and 80 hours for clerical time or 313 hours per operator

Record keeping - 80 hours of clerical time for each operator

Data integration - 700 hours of engineering time and 320 hours of clerical time or 1,020 hours

Semi-annual reporting of performance measures - 8 hours of clerical time each time (the time associated with collecting and maintaining the data is included in the record keeping estimate) or 16 hours per year.

Therefore, a total of $(313+80+1,020+16) = 1,429$ hours per operator per year.

The total information collection burden on the affected industry is thus $721 \times 1,429 = 1,030,309$ hours.

In addition to the responses specified above, PHMSA estimates approximately 12 additional responses per year. These responses are for reports that an operator may need to submit when dealing with a special situation relative to their plan. PHMSA estimates an additional 2.8 hours

per response which yields an approximate 34 additional hours to the information collection. This will result in an estimated total of 1,030,343 burden hours.

The expected costs associated with the burden hours are assumed to be filled out by a senior engineer whose fully-loaded hourly cost (i.e., salary plus overhead) is estimated to \$64.75 x 1,030,343 hours = \$66,714,709.25.

13. Estimate of total annual costs to respondents.

There is no cost beyond the labor cost cited above.

14. Estimate of cost to the Federal Government.

The costs to the Federal Government associated with this rulemaking is expected to be minimal as the regulations will necessitate little additional enforcement work because PHMSA will redirect some of the focus of its compliance activities rather than add additional inspection time.

15. Explanation of program changes or adjustments.

There is a minimal increase of 34 burden hours due to the recalculation of the annual burden during this review as specified above.

16. Publication of results of data collection.

This information will not be published for statistical purposes.

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

Not applicable.

18. Exceptions to certification statement.

Not applicable.

Part B. Collections of Information Employing Statistical Methods.

This information collection does not employ statistical methods.

1. Describe potential respondent universe and any sampling selection method to be used.

There is no potential respondent universe or any sampling selection method being used.

2. Describe procedures for collecting information, including statistical methodology for stratification and sample selection, estimation procedures, degree of accuracy needed, and less than annual periodic data cycles.

There are no procedures for collecting information, including statistical methodology for stratification and sample selection, estimation procedures, degree of accuracy needed, and less than annual periodic data cycles.

3. Describe methods to maximize response rate.

There are no methods to maximize the response rate.

4. Describe tests of procedures or methods.

There are no tests of procedures or methods.

5. Provide name and telephone number of individuals who were consulted on statistical aspects of the information collection and who will actually collect and/or analyze the information.

There were no individuals consulted on statistical aspects of this information collection.

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