

Supporting Statement for Welding and Hot Work Permits; Posting of Warning Signs

A. Justification

1) Circumstances that make the collection of information necessary.

A) To conduct welding, cutting or other hot work on a Liquefied Natural Gas (LNG) and Liquefied Hazardous Gas (LHG) facility, the approval of the Coast Guard Captain of the Port (COTP) is required per 33 CFR 127.617 and 127.1603. Upon determination that welding is safe, the Coast Guard COTP issues a permit allowing such activity. Hot work and welding have the capacity to cause fires and explosions that can lead to significant injuries and deaths, as well as structural damage. The Golden Dolphin incident involved an explosion that led to the destruction of the ship and the deaths of nine of its crew. It is important that the COTP is informed about where hot work is being done and who is doing it. The permittee is required to supply the COTP with the following information:

- (a) Description of the work;
- (b) Location of the hot work in relation to dangerous cargo and/or vessel; and
- (c) Expected duration of the activity.

B) Warning signs must be posted as required under 33 CFR 126.15(a)(3) on all designated Class I (Explosive) facilities. These signs should meet the requirements of the National Fire Protection Association (NFPA) 307.

This information collection supports the following strategic goals:

Department of Homeland Security

- Prevention
- Protection

Coast Guard

- Safety
- Protection of the Natural Resources

Marine Safety, Security and Stewardship Directorate (CG-5)

- Safety: Eliminate deaths, injuries, and property damage associated with commercial maritime operations.
- Human and Natural Environment: Eliminate environmental damage associated with maritime transportation and operations on and around the nation's waterways.

2) By whom, how, and for what purpose the information is to be used.

A) COTPs use this information to ensure compliance with minimum safety standards. The COTP issues permits to facility owners/operators and vessel officers. These permits are issued by most COTPs for up to one year for most terminals, and on a job by job basis for vessels. Terminals and vessels report their hot work or welding operations at least 24 hours before the hot work operations begin. The COTP boarding teams check these reports and design their patrols to check that all safety precautions per the permit are being enforced.

B) Posting of warning signs is expected to contribute to a higher level of marine safety on waterfront facilities.

3) Consideration of the use of improved information technology.

The information required is specific to each operation and is fill out on form CG-4201. The permit is general in nature, but the actual work is not. In most cases a phone call will suffice for renewal of the permit.

We estimate that 80% of the reporting and recordkeeping requirements can be done electronically. At this time, we estimate that approximately 5% of these responses are collected electronically.

4) Efforts to identify duplication. Why similar information cannot be used.

This information is specific to each operation. While some local port authorities and fire protection bureaus require the same date, the practice is by no means widespread. Therefore to ensure that a minimum level of safety is maintained a federal requirement is necessary. There is no other similar Federal requirement known to exist.

5) Methods to minimize the burden to small business if involved.

This information collection does not have an impact on small businesses or other small entities.

6) Consequences to the Federal program if collection were conducted less frequently.

If the information were not collected the COTP would be forced to expend more resources to ensure the port was safe from potential hazardous conditions due to hot work being conducted. The agencies would no longer be able to target patrols for the most effective use of people and resources. The program is presently at a minimum level with most permits being issued for extended periods of time, up to one year in many cases, with terminals being able to notify via telephone only when hot work takes place.

- 7) Explain any special circumstances that would cause the information collection to be conducted in a manner inconsistent with guidelines.

This information collection is conducted in a manner consistent with the guidelines in 5 CFR 1320.5(d)(2).

- 8) Consultation.

A 60-day Notice (See [USCG-2009-0412], June 4, 2009, 74 FR 26872) and 30-Day Notice (September 25, 2009, 74 FR 48998) were published in the *Federal Register* to obtain public comment on these collections. The Coast Guard has not received any comments on this information collection

- 9) Explain any decision to provide any payment or gift to respondents.

There is no offer of monetary or material value for this information collection.

- 10) Describe any assurance of confidentiality provided to respondents.

There are no assurances of confidentiality provided to the respondents for this information collection.

- 11) Additional justification for any questions of a sensitive nature.

There are no questions of sensitive language.

- 12) Estimates of reporting and recordkeeping hour and cost burdens of the collection of information.

- The annual number of respondents is 204.
- The annual number of responses is 748.
- The estimated annual hour burden is 425.
- The estimated annual cost burden is \$21,845.

Reporting

There are approximately 136 LNG and LHG facilities that must submit a request for welding or hot work permits. On average, each facility submits 5 applications per year, or a total of 680 applications for all facilities. It will take an average of approximately 0.25 hours of management time to prepare and review the information required for the permit. It will likewise take approximately 0.25 hours of clerical time to type this information. The estimated time involved to complete the paperwork is (0.50) hours per facility or a total of

340 hours¹ annually for these respondents. Total annual cost to submit for permits is **\$18,190**. Table 1 represents the annual cost to the public for submitting the application for a hot work permit.

**Total Reporting Burden Hours is 340 hours and the
Total Reporting Cost to Respondents is \$18,190.**

Recordkeeping

A) It will take approximately 0.10 hours per permit to file the resulting paperwork at a wage cost of \$45 (GS-09 rate). The annual recordkeeping burden is [0.10 hours X 680 permits] **68 hours²**. The annual cost for recordkeeping is approximately **\$3,060**. Table 1 represents the annual cost to the public for recordkeeping of the permits.

B) Title 33 CFR 126.15(a)(3) requires that on certain designated waterfront facilities, warning signs must be constructed and installed in accordance with NFPA (National Fire Protection Association) 307, Chapter 7-8.7. The warning signs need to be easily visible, not obstructed by cargo storage, and contain the words HAZARDOUS MATERIALS-NO SMOKING, in capital letters not less than 150mm (6in) in height.

According to Coast Guard Marine Safety Management System (MSMS) data, there are approximately 675 facilities that handle, store, and transfer packaged and bulk solid dangerous cargo that must post warning signs. We assume that all 675 designated waterfront facilities need to post 4 warning signs, and that the warning signs are replaced every ten years (approx. 68 facilities/year). The average time to comply with this requirement per facility is estimated as (.25) hours. The total annual hour burden for these facilities, or respondents, is estimated to be **17 hours** (68 facilities x 0.25 hours/facility). Estimating the hourly wage of the person who posts the signs on the facility at \$35 (WG-05 rate), the cost to respondents is **\$595**.

**Total Recordkeeping Burden Hours is 85 hours [68 + 17] and the
Total Recordkeeping Cost to Respondents \$3,655 [\$3,060 + \$595].**

**TOTAL ANNUAL RESPONSES = 748 (680 permit applications + 68
facilities posting new warning signs)**

**TOTAL NUMBER OF RESPONDENTS = 204 (136 LNG and LHG facilities
that must submit requests for welding and hot work permits + 68
waterfront facilities that handle, store, and transfer packaged
and bulk solid dangerous cargo that must post warning signs).**

¹ Rounded.

² Rounded.

TOTAL REPORTING AND RECORDKEEPING BURDEN HOURS = 425³
(340 + 85)

TOTAL REPORTING AND RECORDKEEPING COSTS = \$21,845
(\$18,190 + \$3,655)

13) Estimates of annualized capital and start-up costs.

There are no capital, start-up or maintenance costs associated with this information collection.

14) Estimates of annualized Federal Government costs.

The burden hours for issuing permits equals **340 hours** (680 x 0.5 hours).

It will take an average of approximately 0.25 hours of management time to prepare and review the information required for the permit. It will likewise take approximately 0.25 hours of clerical time to type this information. According to our data querying LHG facilities, there will be 680 requests for hot work permits. Hourly wages for the Coast Guard personnel utilize standard Coast Guard personnel rates in the COMDTINST 73110.1L, of \$88 (O-5 rate) per hour, and \$49 (E-6 rate) per hour. Total annual cost to process and review permits is **\$23,290**. Table 2 represents the annual cost to the Federal Government for processing and reviewing hot work permit.

The burden hours with government recordkeeping equals **68 hours** [136 recordkeeping X 0.5 hours]. The 0.5 hours are a result of 5 applications per respondent. Permits must be maintained for one year at the work site as well as at the local Coast Guard COTP Office. It will take approximately 0.10 hours per permit to file the resulting paperwork at a wage cost of \$49. Total annual cost for recordkeeping is **\$3,332**. Table 2 represents the recordkeeping costs to the Federal Government.

Total Hour burden to the Federal Government = 408 hours (340 + 68).

Total Cost to the Federal Government = \$26,622.

15) Explain the reasons for the change in burden.

The change in burden is an ADJUSTMENT due to a change in the facility population. The methodology for calculating burden has not changed.

16) For collections of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis and publication.

³ Rounded.

This information collection will not be published for statistical purposes.

- 17) Explain the reasons for seeking not to display the expiration date for OMB approval of the information collection.

The Coast Guard will display the expiration date for OMB approval of this information collection.

- 18) Explain each exception to the certification statement.

The Coast Guard does not request an exception to them certification of this information collection.

B. Collection of Information Employing Statistical Methods.

This information collection does not employ statistical methods.

TABLE 1**Cost of Application and Permit (to the Public)****Annual Costs to Submit for Permit**

	Rate/hr (a)	Hours (b)	Total Costs(a + b)
Clerical Wage	\$45 (GS-09)	.25	\$11.25
Management Wage	\$62 (GS-12)	.25	\$15.50
Total Wage Rate			\$26.75

Number of issued permits (annually) = 680.

$$(1) \text{ Total Response (Annual Application) Costs} = \$11.25 \times 680 + \$15.50 \times 680 = \$18,190$$

Recordkeeping Cost

Clerical Wage \$45
 Time to file permit .10 (hours)
 Clerical Cost per permit \$4.50

Filing cost per permit \$4.50
 Permits filed annually 680

$$(2) \text{ Total Recordkeeping Cost} = \$3,060 \text{ } [\$4.50 \times 680]$$

$$(1) + (2) = \$21,250 \text{ Paperwork Cost to the Public}$$

Cost of Posting Warning Signs

	Rate/hr (a)	Hours (b)	Total Costs(a X b)
Labor Wage	\$35 (WG-05)	.25	\$8.75
Total Wage Rate			\$8.75

$$(3) \text{ Total cost for posting warning signs} = \$ 595 \text{ } [68 \times \$ 8.75]$$

Total Cost of Collection

$$(1) + (2) + (3) = \$21,845 \text{ } [\$18,190 + \$3,060 + \$595]$$

TABLE 2**Cost to the Federal Government****Cost to Process and Review Permits**

	Rate (a)	Hours (b)	Total Costs(a X b)
Enlisted Wage	\$49 (E_6)	.25	\$12.25
Officer Wage	\$88 (O-5)	.25	\$22
Total Wage Rate per review			\$34.25

Cost per Review (\$34.25) X Total Reviews (annually) 680 =

(1) Total Response (Annual Application) Costs = \$23,290

Recordkeeping Cost

Enlisted Wage	\$49
Time to file permit	.10 (hours)
Cost of recordkeeping	\$4.90

Cost of recordkeeping	\$4.90
Permits filed annually	680

(2) Total Recordkeeping Cost = \$3,332 [\$4.90 X 680]

(1) + (2) = \$26,622 Paperwork Cost to the Federal Government