

**Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety**

**SUPPORTING STATEMENT
Hazardous Liquid Pipeline Operator Annual Reports 2137-0614**

INTRODUCTION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests approval from the Office of Management and Budget (OMB) to renew a currently approved collection entitled, “Hazardous Liquid Pipeline Operator Annual Reports” (OMB Control No. 2137-0614). The amendment of this information collection is necessary due to PHMSA actions that affect this information collection. The specific action is as follows:

- Docket No.: PHMSA-2008-0291 Updates to Pipeline and Liquefied Natural Gas Reporting Requirements (One Rule)
 - Adds 2,682 burden hours as follows
 - o 2,682 hours (Revised Haz. Liquid Annual Report which includes “by State Reporting”)

Part A. Justification

1. Circumstances that make collection of information necessary.

PHMSA shares responsibility for inspecting and overseeing the safety of hazardous liquid and carbon dioxide pipelines with many state pipeline safety offices. Pipeline operators are currently required to document safety incidents and report them to PHMSA. In past years, Congress and the National Transportation Safety Board (NTSB) tasked PHMSA to improve the quality of pipeline accident data and data analyses. The hazardous liquid annual reports support this goal.

Authority for 49 CFR Part 195 includes 49 U.S.C. 5103, 60102, 60104, 60108, 60109, 60118; and 49 CFR 1.53.

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

PHMSA uses the information to compile a national pipeline inventory, identify and determine the scope of safety problems, and target inspections. Additionally, State agencies and the Federal government use this information to identify pipeline systems or operators that have repeated issues with safety. The information is shared via the PHMSA website (<http://phmsa.dot.gov/pipeline/library/data-stats>).

3. Extent of automated information collection.

As specified in § 195.58 of the recently published “One Rule”, PHMSA is requiring 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 incident and annual reports on-line at www.opsweb.phmsa.dot.gov. In an effort to facilitate electronic collection, PHMSA has established a process to collect base information from operators prior to their submissions. This information will be used by PHMSA to create a “profile” for each operator that is used for each report submission. “Base information” includes basic identifiers such as Company Name, Address, and Contact information. These identifiers appear on each of the Report forms covered by this information collection. Over the past five years PHMSA has seen the percentage of online submissions increase from 53 per cent in 2004 to 90 % in 2009. 2010 report submissions have not been collected yet; however, PHMSA expects the proportion of electronic vs. paper filings to continue to increase.

4. Efforts to identify duplication.

Operators of hazardous liquid and carbon dioxide pipelines are only required to complete one annual report per pipeline system.. The annual report compiles the entire year’s data in a single source.

5. Efforts to minimize the burden on small businesses.

PHMSA expects impacted operators to include both large and small businesses and therefore the requirements will impact 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.

PHMSA would not be able to appropriately and properly assess the integrity of the pipeline system without the annual reports. Less frequent information collection could compromise the safety and economic viability of the U.S. pipeline system.

7. Special circumstances.

No special circumstances for reporting are expected.

8. Compliance with 5 CFR 1320.8.

Docket #	Official Title	FR CITE	FR DATE
PHMSA-2008-0291 (One Rule)	Pipeline Safety: Updates to Pipeline and Liquefied Natural Gas Reporting Requirements	74 FR 31675 (NPRM)	July 2, 2009
Comments: The comment period ended August 31, 2009. The detailed comments and PHMSA response are specified in the attached draft of the final rule.			

9. Payments or gifts to respondents.

There are no payments or gifts to respondents associated with this information collection.

10. Assurance of confidentiality.

This information collection does not include anything of a sensitive nature or of any matters considered private. Therefore, we do not foresee any need to assure confidentiality of the information to be collected.

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.

PHMSA estimates that approximately 335 HL operators file an estimated 447 reports each year. Currently, the HL annual report takes an estimated 12 hours to complete for an estimated burden of 5,364 hours (447 reports * 12). In taking to account the new requirement to provide state-specific information, PHMSA estimates that the same number of annual reports will be submitted with an **additional 6 hours** needed to prepare each report for an estimated annual burden of 8,046 hours (447*(12+6)). This would be an increase of approximately 2,682 hours (8,046 hours - 5,364 hours) annually.

13. Estimate of total annual costs to respondents.

It is expected that a senior engineer will complete the form. PHMSA estimates the engineer's hourly wages at \$63.00 per hour (fully loaded). This will result in a cost estimate \$506,898 (63.00*8,046).

14. Estimate of cost to the Federal Government.

PHMSA will continue to review the annual reports from the pipeline operators, and does not expect any additional administrative costs associated with this regulation.

15. Explanation of program changes or adjustments.

PHMSA is making revisions to the Hazardous Liquid Annual Report which include requiring operators of HL pipelines to submit pipeline information by State on the annual report for hazardous liquid pipelines (One Rule).
Result: Increase of 2,682 burden hours. (Annual Basis)

16. Publication of results of data collection.

Annual reports summaries for hazardous liquid pipelines are available at the PHMSA website (<http://phmsa.dot.gov/pipeline/library/data-stats>).

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

PHMSA does not seek approval to not display expiration date.

18. Exceptions to certification statement.

There are no exceptions to the certification statement.

ATTACHMENTS:

There is one attachment for the Annual Hazardous Liquid Report (See Rocis).

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.