

Draft of Responses to 30-Day Comments for Gas Transmission Annual Report, Gas Transmission Incident Report. (OMB Control # 2137-0522)

Commenters:

1. American Gas Association (AGA)
2. Interstate Natural Gas Association of America (INGAA)
3. National Grid
4. Northeast Gas Association (NGA)
5. Texas Pipeline Association (TPA)
6. Washington Gas

The following is a summary of the comments to OMB regarding the proposed changes to the Gas Transmission Annual Report (6 comments received) Gas Transmission Incident Report and Hazardous Liquid Accident Report (1 comment report). Most of the comments are in reference to the reporting of MAOP verification data.

A. Gas Transmission Annual Report Comments (2137-0522)

A1. Comment: AGA and TPA believe that PHMSA needs to address legal issues caused by the way it has used the term “without records” in the form and instructions. There is a high probability that PHMSA and operators will incur legal liabilities because the form and instructions are written in a manner that encourages operators to submit, and PHMSA to knowingly publish, inaccurate information to the public. The instructions should clarify that operators are not operating some pipelines “without records.” Instead, they are operating some pipelines “with incomplete” records. That is to say, the records do not meet the newly defined traceable, verifiable and complete policy that PHMSA is adopting. The Annual Report Form description and instructions should not use the term “without records,” rather it should be “with incomplete records.” The incomplete or inadequate record description is consistent with federal legislation. There is no basis in law or fact to support PHMSA’s use of “without records.”

PHMSA’s response: PHMSA acknowledges the concerns raised by the commenters and has replaced “w/out Recds” with “Inc Recds” on both the form and instructions.

A2. Comment: AGA, INGAA, National Grid, NGA, TPA, and Washington Gas have concerns with the March 15th deadline to report MAOP verification data. The consensus is that it shortens the 18 months allotted by Congress to report this information and that majority of the operators will not have this information by the March 15th deadline so that language should be stricken from the instructions. AGA specifically stated “there is no reason to arbitrarily limit the reporting to the status of the record review as of December 31, 2012. This reduces the 18 months that Congress gave operators to submit MAOP verification data to 12 months. Under the proposed instructions, AGA believes that almost all operators will submit reports on March 15 and supplemental reports closer to the July 3, 2013 deadline. AGA believes that the instructions can be changed to allow operators to submit the information requested in sections Q and R as of the date of the March 15 submission. This will reduce the number of operators that will have to file supplemental reports.”

PHMSA’s response: PHMSA acknowledges that additional time would be beneficial for operators to provide the requested information. Therefore, PHMSA is moving the reporting deadline of March 15, 2013 to June 15, 2013. In response to AGA comment relative to the December 31, 2012 reporting limit, PHMSA has modified the instructions regarding the information to be reported. These modifications make it clear that the entire report is for the pipeline system as it existed on December 31, 2012. However, the information submitted in Parts Q and R is not limited to records found as of December 31, 2012. If operators find records after December 31, 2012 that impact the information submitted in Part Q, the operator should submit a supplemental report modifying Part Q to reflect these newly discovered records.

A3. Comment: AGA, INGAA, and National Grid take issue with the burden hours estimated for completing the Gas Transmission Annual report. PHMSA says that it should take 4 hours to complete the report. INGAA contends that the proposed amount of time doesn't account for the hours it takes to collect, compile, and analyze the data needed for reporting. INGAA specifically requests, "At a minimum, PHMSA should put its estimate in context by acknowledging the extensive efforts owners and operators expend to obtain the figures that appear in their Annual Reports. AGA suggests that it will take an average of 10 hours per mile of transmission pipe verify records for a total of 300,000 hours for the first year.

PHMSA's response: In the 30-day Federal Register notice, PHMSA estimated that the revision will add 4 hours to the current time (22 hours) necessary to complete the Gas Transmission Annual Report over 1,440 reports. Based on the comments received, PHMSA has revised the burden impact of the Gas Transmission Annual Report Revision from the currently approved 22 hours per submission to 42 hours per submission. PHMSA estimates that approximately 12% of gas transmission pipeline (36,100 miles out of 297,000 miles) will be subject to the verification reporting. PHMSA receives Gas Transmission Annual Reports, with gas transmission mileage, from approximately 900 OPIDs. PHMSA estimates that 20,000 miles are subject to the Integrity Management (IM) requirements in 49 CFR Part 192, Subpart O which have been subjected to baseline assessments. Although operators should have records on hand, PHMSA estimates that 16,100 miles of pipe (36,100 miles - 20,000 miles) may require additional time for record verification. This would average out to approximately 18 miles of pipeline per OPID (16,100 miles /900 OPIDs). Since median number of Gas Transmission miles per operator is 16 miles (based on 2011 Annual Report Submissions), PHMSA believes the best way to assess the impact is to use 2 miles per OPID (12% of the 18 miles per OPID). This will allow for the various methodologies used by operators to collect and report information. PHMSA will use AGA's estimate of 10 hours per mile for a burden impact of 28,800 hours (10 hours/mile x 2 miles x 1,440 reports). This results in average of 20 additional hours per report. Therefore, PHMSA has increased the burden from the proposed 26 hours per report to 42 hours per report.

A4. Comment: NGA suggested that PHMSA add a column to Parts Q and R to permit operators to note that the data verification for miles of pipeline is not yet completed as a way to enhance the quality, utility, and clarity of the information to be collected

PHMSA's response: PHMSA does not agree with the suggestion to add a "not yet complete" column to Parts Q and R. PHMSA has instructed operators to indicate mileage with MAOP records yet to be verified as "Inc Recds" in Part Q. In Part R, if an operator is not certain if pipeline mileage was pressure tested, the miles are to be reported in the "PT<1.1 or No PT" column. Similarly, if an operator is uncertain whether pipeline miles are able to be internally inspected, the miles are to be reported in the "Miles Internal Inspection NOT ABLE" column. There is no discernible safety difference between miles that operators are uncertain about and miles that operators report as "Inc Recds", "PT<1.1 or No PT", or "Miles Internal Inspection NOT ABLE." Furthermore, operators will be reporting Parts Q and R annually. When operators complete data verification and if this verification results in more favorable categorizations in Parts Q and R, subsequent annual reports will reflect the completed data verification.

B. Gas Transmission Incident Report Comments (2137-0522)

B1. Comment: INGAA requested that PHMSA address their concerns during the review of the Gas Transmission Incident form review that is scheduled to take place next year.

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PHMSA response: PHMSA has noted INGAA's request and will address their concerns during the next review of information collection 2137-0522, which includes the Gas Transmission Incident form which scheduled to expire on January 31, 2014. PHMSA is currently preparing to address revisions to the Gas Transmission Incident form that will include INGAA's concerns along with other potential revisions. PHMSA is planning on issuing a 60-day Federal register notice in the Spring/Summer of 2013 to propose revisions to the form in conjunction with the renewal of Information collection 2137-0522. This will allow PHMSA .