

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

Supporting Statement

Integrity Management in High Consequence Areas for Operators of Hazardous Liquid Pipelines.

INTRODUCTION

This is to request the Office of Management and Budget's (OMB) renewed three-year approved clearance for the information collection entitled, "Integrity Management in High Consequence Areas for Operators of Hazardous Liquid Pipelines," under OMB Control No. 2137-0605, which is currently due to expire on May 31, 2013.

Part A. Justification.

1. Circumstances that make collection of information necessary.

Certain areas are particularly environmentally sensitive to hazardous liquid pipeline failures. These areas are called "high consequence areas" (HCAs). Operators are required by 49 CFR §195.452 to develop and implement a program to provide direct integrity testing and evaluation of hazardous liquid pipelines in HCAs. The purpose of the program is to require HL operators to continually reassess their system in an effort to mitigate potential safety risk in High Consequence Areas.

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 determine compliance with OPS regulations. The data collected as a result of this IC allows for both PHMSA and the state pipeline inspectors to ensure that operators are taking the necessary measures to review their system and implement their HL IM Program. The notifications allows for PHMSA, including the state pipeline inspectors, to be made aware of certain deviations from HL IM Program.

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.

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 businesses will likely get assistance from pipeline trade associations in helping them develop the necessary documentation in addition to the information provided by PHMSA.

6. Impact of less frequent collection of information.

If the activities were done less frequently, there would be less up-to-date information pertaining to the condition of pipelines in HCAs.

7. Special circumstances.

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

8. Compliance with 5 CFR 1320.8.

A 60-Day Notice requesting comments was published in the Federal Register on December 13, 2012 (77 FR 74276). No comments pertaining to this information collection were received.

9. Payments or gifts to respondents.

There is no payment or gift provided to respondents associated with this collection of information.

10. Assurance of confidentiality.

The requirements of this information collection do 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.

This information collection does not contain questions of a sensitive nature.

12. Estimate of burden hours for information requested.

There are 203 operators of hazardous liquid pipelines. PHMSA regularly audits compliance. Based on PHMSA audits, it is assumed that approximately 32 percent (66 operators) of existing plans need to be revised and each operator would take an average of 1,400 hours to refine initial plan. The labor breakdown is as follows:

Administrative:	400 hours
Technical:	800 hours

Senior Engineering: 200 hours

1,400 hours per plan x 66 plans = 92,400 hours to refine the initial plan.

Additionally, it is estimated that each company will be required to commit additional resources to ensure that the data collected is properly integrated and analyzed to ensure safety. It is estimated that to revise the plan operators will require a total of 1,040 hours of administrative (400 hours) and supervisory time (640 hours).

66 operators x 1,040 hours = 68,640 hours.

Therefore, it is estimated that the hour burden to complete the initial plan is $92,400 + 68,640 = 161,040$.

Additionally, all 203 operators (including the 71 operators previously covered under 2137-0604) will be required to update their plans annually. It is assumed it will take each operator 310 hours to annually update the plan. The labor breakdown is as follows:

Administrative: 70 hours
Engineering: 200 hours (includes 0.24 hours for notification¹)
Senior Engineering: 40 hours

310 hours per plan x 203 plans = 62,930 hours for updates.

¹{As part of the plan, operators must submit notifications to PHMSA for various situations. Notifications include: Repair, Alternate Technology, Interval Changes, and Long-term Pressure Reductions. These notifications may be submitted in any form. PHMSA estimates that each notification takes approximately 1hour to submit. PHMSA receives approximately 50 of these notifications from the entire community of HL operators that are subject to this plan for a total of 50 hours for all 203 operators. PHMSA estimates an average notification time burden of 0.24 hours (50 hours/203 operators) for each operator. These hours are included under “engineer time”. }

Additionally the 203operators (132 + 71) will also need 500 hours of supervisory time to ensure that the data collected annually is appropriately integrated, for an industry total of $203 \times 500 = 101,500$

Therefore, each subsequent year will require:

Updates: 62,930
Data Integration: 101,500

164,430 annually each year

Therefore, the total annual burden hours are estimated as:

Initial Plans:	161,040
Annual Updates	<u>164,430</u>
	325,470 hours

325,470 burden hours x an average hourly wage of \$50.00 = \$16,273,500.00 total burden costs.

13. Estimate of total annual costs to respondents.

There is no cost burden to respondents other than those identified in item 12 above.

14. Estimate of cost to the Federal government.

PHMSA spends approximately 1 hour in addressing each notification submitted by an operator. PHMSA receives an estimated 50 notifications per year thus resulting in 50 hours (50 notifications * 1 hour) of review time on an annual basis. Based on an average annual salary of \$68,809 (GS-12) at \$32.97/hour, PHMSA estimates the cost to Federal Government at \$1,648.50 (50 hours * \$32.97/hour).

15. Explanation of program changes or adjustments.

There is no change.

16. Publication of results of data collection.

The information will not be published for statistical purposes.

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

OPS is not seeking approval to not display expiration date.

18. Exceptions to certification statement.

There are no exceptions.