

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

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

**OMB Control No. 2137-0605
Docket PHMSA-2010-0229**

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 was approved on November 7, 2013 and is currently due to expire on November 30, 2016. The amendment of this information collection is necessary due to the following PHMSA action that will affect the current collection of information:

- Docket No. PHMSA-2010-0229 - Pipeline Safety: Safety of On-Shore Hazardous Liquid Pipelines
 - **Adds 75 responses and 37.5 burden hours for 180 Day Repair Notifications.**

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.

PHMSA issued a Notice of Proposed Rulemaking (NPRM) on October 13, 2015 (80 FR 61610). The comment period ends on January 8, 2016.

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 will be required to update their plans annually. It is assumed it will take each operator 347.5 hours to annually update the plan. The labor breakdown is as follows:

Administrative: 70 hours
Engineering: 200 hours (includes 50 hours for notification)
37.5 hours for 180 Day Repair Notifications¹)
Senior Engineering: 40 hours

310 hours per plan x 203 plans = 62,930 for updates + 37.5 hours for 180 Day Repair Notifications = 62,967.5 hours

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 1 hour 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.

As a result of the provisions in the proposed rule, operators will now be required to notify PHMSA if they incur an anomalous condition in which the cause cannot be identified within 180 days. PHMSA expects approximately 75 operators (less than 1% of the affected community) to submit these notifications each year. PHMSA estimates that it will take each operator 30

minutes to complete the notification. **This new provision will result in a burden increase of 75 responses and 37.5 burden hours. These hours are included under “engineer time”. }**

Additionally the 203 operators will also need 500 hours of supervisory time to ensure that the data collected annually is appropriately integrated, for an industry total of (203 x 500) 101,500

Therefore, each subsequent year will require:

Updates: 62,967.5 hours
Data Integration: 101,500 hours

164,467.5 hours annually each year

Therefore, the total annual burden hours are estimated as:

Initial Plans: 161,040
Annual Updates 164,467.5

325,507.5 hours

325,507.5 burden hours x an average hourly wage of \$50.00 = \$16,275,375.00 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 \$75,621 (GS-12) at \$39.38/hour, PHMSA estimates the cost to Federal Government at \$1,969.00 (50 hours * \$39.38/hour).

15. Explanation of program changes or adjustments.

The proposed rule includes a provision under Integrity Management that operators must notify PHMSA if it cannot obtain sufficient information about the discovery of anomalous conditions within 180 days. If 180-days is impracticable to make a determination about a condition found during an assessment, the pipeline operator must notify PHMSA and provide an expected date when adequate information will become available. PHMSA estimates that it will receive approximately 75 of these notifications each year. PHMSA also estimates that it will take

operators roughly 30 minutes to complete the notifications. This change results in an added burden of 37.5 hours {75 notifications x .5 hours} to this information collection.

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.