

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

SUPPORTING STATEMENT

Hazardous Liquid Pipeline Operator Annual Reports
OMB Control No. 2137-0614
Docket PHMSA-2010-0229

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 current expiration date for this information collection is May 31, 2014. 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 28 responses and 504 burden hours for annual reporting.

Part A. Justification

1. Circumstances that make collection of information necessary.

The annual report provides critical data used by pipeline safety stakeholders to assess the performance of hazardous liquid pipeline systems. The infrastructure and integrity management performance data in the annual report is combined with other data, such as accident data, to assess the long-term performance of these systems. PHMSA shares responsibility for inspecting and overseeing the safety of hazardous liquid and carbon dioxide pipelines with many state pipeline safety offices. PHMSA and these state offices routinely use these reports during compliance audits of pipeline operators.

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, PHMSA requires 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. Nearly all annual reports are submitted electronically.

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.

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 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.

Estimated Annual Burden Hours:

8,961 hours

Annual Reporting (PHMSA Form 7000-1.1) Estimated total burden: 475 responses and 8,961 burden hours – Previously Approved burden: 447 responses and 8,457 burden hours. **Added Burden: 28 responses and 504 burden hours**

The proposed rule will require operators of both gravity lines and gathering lines to be subject to annual reporting. As a result of this change, PHMSA expects an additional 28 HL pipeline operators (**23 gathering line operators** and approximately **5 gravity line operators**) to be added to the reporting community.

PHMSA estimates that it takes each operator 18 hours to complete an annual report. The addition of the 28 newly covered operators will result in **28 additional responses** and an added burden of **504 hours** (28 operators * 18 hours).

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 \$564,543 (63.00*8,961).

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.

As a result of the changes proposed in this rule, PHMSA proposes the following revisions be made to the Hazardous Liquid Annual Report:

Annual Report for Calendar Year 20__ Hazardous Liquid or Carbon Dioxide Systems (PHMSA F. 7000-1.1)	Add a new Part G1 to the form to collect miles assessed outside of HCA. Under the proposed rulemaking, operators are required to assess pipelines outside of HCA. The new Part will collect the number of miles assessed outside of HCA and the number of miles reassessed outside of HCA. Revise Part F of the form to collect the number of anomalies repaired in a high consequence
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	<p>area (HCA) under two condition categories – immediate and 9-month. Under the proposed rulemaking, the repair condition categories are being changed from immediate, 60-day, and 180-day to immediate and 9-month. The new categories will appear in Parts F2c, F4c, and F5c.</p> <p>Revise Part F of the form to collect the number of anomalies repaired outside of HCA under two condition categories – immediate and 18-month. Under the proposed rulemaking, operators are required to categorize conditions outside of HCA. Operators will no longer submit a total number of anomalies in Parts F2b, F4b, and F5b. These sections will be replaced by the number of anomalies repaired outside of HCA as immediate conditions and the number of anomalies repaired outside of HCA as 18-month conditions.</p> <p>Add a new Part K1 to the form for operators to report the number of miles of pipelines operating by gravity only. Under the proposed rulemaking, liquid pipelines operating by gravity only would be changed from unregulated to regulated. The addition of “gravity line” miles and could affect HCA miles to the annual report is crucial to PHMSA’s understanding of the performance of such pipeline systems.</p> <p>Add a new Part K2 to the form to collect mileage data for “reporting-regulated” gathering pipelines. Under the proposed rulemaking, annual reports would be required for all liquid gathering lines, but only a subset of these liquid gathering lines are regulated for safety. The annual report needs to differentiate between “reporting-regulated” and “safety-regulated” gathering mileage to understand the performance of such pipeline systems.</p> <p>Revise Part K of the form to collect mileage data for “safety-regulated” gathering pipelines, including miles that could affect HCA. Miles of “gravity lines” and “reporting-regulated gathering” will be collected in new parts of the form. PHMSA needs a distinct count of each of these liquid pipeline types to understand the performance of these pipelines.</p>
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	<p>Add a note emphasizing that “reporting-regulated” gathering miles are not to be included in Parts B, C, D, E, H, I, J, K, K1, L, and M of the form. Sufficient data about “reporting-regulated” gathering miles are included in the new Part K2 of the form. Parts B, C, D, E, H, I, J, K, K1, L, and M of the form will collect data about liquid pipelines with regulatory requirements beyond reporting.</p>
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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.