

## SUPPORTING STATEMENT

### A. Justification

#### **1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

Collecting transportation safety data, including data on precursors to adverse events, is an important component of BTS's responsibility to the transportation community and is authorized in BTS's authorizing statute. On July 6, 2012, President Obama signed the Moving Ahead for Progress in the 21st Century Act (MAP-21) (Public Law 112-141), which amended Title 49 U.S.C. by adding a new chapter (Chapter 63) for the Bureau of Transportation Statistics (BTS). Section 6306 authorizes the BTS Director to enter agreements with Federal, state, local, or private agencies for the purposes of transportation data collection and analysis. The legislation authorizes to ensure that all transportation statistical collection, analysis, and dissemination is carried out in a coordinated manner, the BTS Director may- *(1) use the services, equipment, records, personnel, information, and facilities of other Federal agencies, or State, local, and private agencies and instrumentalities, subject to the conditions that the applicable agency or instrumentality consents to that use and with or without reimbursement for such use; (2) enter into agreements with the agencies and instrumentalities described in paragraph (1) for purposes of data collection and analysis; ...* Toward that end, in 2013 BTS entered into an interagency agreement (IAA) with the Department of Interior Bureau of Safety and Environmental Enforcement to develop and implement SafeOCS, a voluntary program for confidential reporting of "near miss" events in oil and gas operations on the outer continental shelf (OCS).

While the collection of voluntary near miss reports has been previously approved by OMB (2138-0045, exp. date 09/30/2018) and is not the subject of this supporting statement, the collection at issue builds on SafeOCS. Thus, it is useful to provide the following concise background information about the SafeOCS program. The goal of the program is to provide BTS with essential information about accident precursors and other hazards associated with OCS oil and gas operations. Under the program, BTS will develop and publish aggregate reports that BSEE, the industry, and all OCS stakeholders can use—in conjunction with incident reports and other sources of information—to reduce safety and environmental risks and continue building a more robust OCS safety culture.

In July 2016, new BSEE regulations became effective which require, in part, the reporting of well control barrier-related failure event and analysis information (see 81 FR 25887, Apr. 29, 2016). BSEE requested and BTS agreed to expand the scope of SafeOCS to include reports of equipment failure mandated by 30 CFR 250.730(c). The collection of this information has been previously approved by OMB (1014-0028, exp. date 04/30/2019).

On September 7 2016, BSEE published a final rule amending and updating oil and gas

production safety systems regulations which require, in part, the reporting of safety and pollution prevention equipment (SPPE) failure event and analysis information (see 81 FR 61833-61939, September 7, 2016). The rule becomes effective on November 7, 2016. BSEE requested and BTS agreed to expand the scope of SafeOCS to include reports of equipment failure mandated by 30 CFR 250.803. The collection of this information has been previously approved by OMB (1014-0003, exp. date 08/31/2019).

Both BTS and BSEE agree that reports of equipment failures are considered a type of precursor safety information and can be included in SafeOCS to provide a means of identifying industry-wide data trends on barrier failures or potential for barrier failures. BTS has entered into a memorandum of understanding (MOU) with BSEE describing the agencies' agreement to expand the scope of SafeOCS as summarized above. In accordance with the MOU, BTS will develop an industry-wide repository of barrier failure data, analyze and aggregate information collected under this program, and publish reports that will provide BSEE, the industry, and all OCS stakeholders with essential information about failure types and modes of critical safety barriers for offshore operations.

The confidentiality of notices and reports submitted directly to BTS will be protected in accordance with the Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA) (44 U.S.C. § 3501 note). This data collection will provide parties in the oil and gas industry a trusted means to report sensitive proprietary and safety information related to equipment failures and to foster trust in the confidential collection, handling, and storage of the raw data.

Feedback from the industry during the rulemaking and form drafting processes indicates substantial reluctance to provide detailed barrier failure event information without the additional protections of CIPSEA. Reports submitted directly to BSEE use an abbreviated data collection form that includes only limited information related to barrier failure events. Reports submitted directly to BTS will use a longer data collection form that includes additional essential detail about a barrier failure event such as equipment history information, certain important event data information, and root cause information.

In total, the longer form includes approximately 21 additional data fields over the abbreviated form. The additional detail included in the longer form is critical to comprehensively assess failures and determine appropriate exposure denominators for risk estimates, in service of BSEE's mission to promote safety and prevent environmental harm.

Through this submission, BTS is requesting clearance to collect information from members of the offshore oil and gas industry on failure types and modes of critical safety barriers for offshore well and production operations. This information collection is necessary to aid BSEE, the oil and gas industry, and other stakeholders in identifying root causes of potentially unsafe events.

**2. Indicate how, by whom, and for what purpose the information is to be used. Indicate the actual use the agency has made of the information received from the current collection.**

Knowledge about well control and production equipment failures represents an opportunity to improve safety through examination and analysis of safety data, including precursors, safety barriers, and barrier failure and failure modes as identified in 30 CFR 250.730(c) and 30 CFR 250.803. This data collection process will provide parties in the oil and gas industry a trusted means to report sensitive proprietary and safety information related to equipment failures and to provide increased confidence in the protected collection, handling, and storage of the raw data.

BTS will collect, store, process, and analyze failure reports while assuring data confidentiality. BTS will: collect failure notices, failure analysis reports, and design change/modified procedures reports as described in 30 CFR 250.730(c) and 30 CFR 250.803 submitted by industry operators, their contractors, original equipment manufacturers, and others employed in the oil and gas industry; develop an analytical database using the reported data and other pertinent information; conduct statistical analyses and develop public reports; and protect the confidentiality of notices and reports in accordance with BTS' own statute (49 U.S.C. § 6307) and CIPSEA. In accordance with these confidentiality statutes, only statistical (aggregated) and non-identifying data will be made publicly available by BTS through its reports. BTS will not release to BSEE or any other public or private entity any information that might reveal the identity of individuals or organizations mentioned in failure notices or reports without explicit consent of the respondent and any other affected entities.

BTS will develop and publish aggregate reports that BSEE, the industry, and all OCS stakeholders can use—in conjunction with industry incident reports and other sources of information—to reduce safety and environmental risks and continue building a more robust OCS safety culture. These reports will make available only statistical and non-sensitive information and may contribute to research and development of intervention programs aimed at preventing accidents and fatalities.

Respondents who report a barrier-related failure will be asked to fill out a form based upon the requirements of 30 CFR 250.730(c) and cited industry standards. They will also be asked to submit supplemental information and analysis as described in 30 CFR 250.730(c) or 30 CFR 250.803 and cited industry standards. Respondents will have the option to mail or submit the reports electronically to BTS. Respondents will be asked to provide information such as: (1) Name and contact information; (2) time and location of the failure event; (3) a short description of the failure event and operating conditions that existed at the time of the event; (4) contributing factors to the event; (5) results of an investigation or safety analysis report; (6) any design or procedural changes as a result of the reported equipment failure; and (7) any other information that might be useful in determining ways to prevent such failures from occurring.

BTS is in the process of establishing a Barrier Data Review Team (BDRT) to act as subject matter experts (SMEs) to evaluate, review, and analyze microdata for the purpose of identifying and reporting trends and producing industry-wide statistics. All work performed by BDRT members will take place in the confines of a BTS data secure space. All BDRT members must have applicable subject matter expertise to the failures under consideration in various areas of drilling, production, and decommissioning in oil and gas operations on the OCS. The BDRT is

composed of core members and specialized SMEs to be called upon as needed based on technical content of incoming reports.

Information collected through this program may be used to develop new or modified training programs, assess risk and allocate resources to address those risks, learn why these reported failure events are taking place, and to engage in informed discussions among BSEE, oil and gas operators, their contractors, original equipment manufacturers, and other stakeholders.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submissions of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.**

The data collection forms are based upon the requirements of 30 CFR 250.730(c) and 30 CFR 250.803 and cited industry standards. In developing the reporting requirements, BTS has attempted to ensure that the form and format of all data collection tools are designed to minimize the burden of the respondents while increasing the confidence and trust in the failure reporting system.

BTS is promoting electronic reporting and is developing tutorials and other tools to assist respondents with filing electronic failure notices and reports.

**4. Describe efforts to identify duplication. Show specifically why similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

This information collection is limited to the establishment of BTS as an authorized repository for the previously approved information collections (OMB Control Number 1014-0028, expiration 04/30/2019, and OMB Control Number 1014-0003, expiration 08/31/2019) in order to ensure the confidentiality of submissions under CIPSEA.

As part of BSEE's rulemaking process and as reported in the associated information requests, BSEE took steps to ensure that similar failure reporting data was not being collected elsewhere by a public entity. The failure database will serve as an industry-wide repository for failure data, allowing improved opportunities for identifying issues, challenges, and obstacles related to quality information sharing on barrier failure events for overall safety improvements on the OCS.

**5. If the collection of information impacts small businesses or other small entities, describe efforts to minimize burden.**

This information collection is limited to the establishment of BTS as an authorized repository for the previously approved information collections (OMB Control Number 1014-0028, expiration 04/30/2019, and OMB Control Number 1014-0003, expiration 08/31/2019). For the purposes of this collection BTS has identified BSEE as the sole respondent; therefore, the collection does not impact small business or other small entities.

**6. Describe the consequence to the Federal Program or policy activities if the collection were not collected or conducted less frequently.**

Currently reports on equipment failures required by BSEE regulations at 30 CFR 250.730(c) and 30 CFR 250.803 are submitted directly to BSEE with limited information related to barrier failure events and root cause. Feedback from the industry during the data collection form drafting process indicates substantial reluctance to provide detailed barrier failure event information without the additional protections of CIPSEA.

Reports submitted directly to BTS under CIPSEA will use a longer data collection form that includes additional essential detail about a barrier failure event such as equipment history information, certain important event data information, and root cause information. The additional detail included in the longer form is critical to comprehensively assess failures and determine appropriate denominators for risk estimates, in service of BSEE's mission to protect safety and prevent environmental harm. If the longer-form data were not collected, it will inhibit the comprehensive assessment of barrier failures and risks, the identification of barrier failure trends, and the identification of causes of critical safety barrier failure events.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, government contracts, grant-in-aid, or tax records for more than 3 years;**

- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are no special circumstances that pertain to this information collection.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the Agency's notice, required by 5 CFR 1320.8(d) soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to the notice and describe actions taken by the agency in response to these comments.**

BTS published an Agency Request for Emergency Approval of an Information Collection in a Federal Register notice on September 7, 2016 (81 FR 61734). The public is invited to submit comment directly to the Office of Information and Regulatory Affairs (OIRA).

**9. Explain any decision to provide any payment or gift to respondents, other than re-enumeration of contractors or grantees.**

No payment or gift of any kind is being made to respondents.

**10. Describe any assurances of confidentiality provided to respondents.**

The confidentiality of barrier failure data is protected under the BTS confidentiality statute (49 U.S.C. 6302) and CIPSEA (Public Law 107-347, Title V). In accordance with these confidentiality statutes, only statistical and non-identifying data will be made publicly available

through reports. Further, BTS will not release to any public or private entity any information that might reveal the identity of individuals reporting failure events or any other individuals mentioned in these reports.

**11. Are there any questions of a sensitive nature?**

There are no questions of a sensitive or personal nature.

**12. Provide estimates of reporting burden.**

This information collection is limited to the establishment of BTS as an authorized repository for the previously approved information collections (OMB Control Number 1014-0028, expiration 04/30/2019, and OMB Control Number 1014-0003, expiration 08/31/2019) in order to ensure the confidentiality of submissions under CIPSEA.

BTS has entered into a MOU with BSEE to facilitate the collection of information from respondents identified in the BSEE notices for OMB Control Numbers 1014-0028 and 1014-0003. Responsibility for establishing the actual scope and burden for this collection resides with BSEE.

This BTS information collection request does not create any additional burden for respondents. For the purposes of this collection BTS has identified BSEE as the sole respondent reporting to BTS at the annual frequency of one.

Number of Potential Responses: For the purposes of this collection BTS has identified BSEE as the sole respondent reporting to BTS at the annual frequency of one.

Estimated Time per Response: 60 minutes

Frequency: Once, Total Annual Burden: 1 hour

Number of Responses	1
Number of Respondents	1
Frequency of Responses	1
Burden per Respondent	1 hour
Annual burden hours	1 hour

The annualized cost is estimated to be negligible.

**13. Provide an estimate of cost to the respondents. Do not include the cost of any hour burden shown in items 12 and 14. General estimates should not include purchase of equipment or services or portions thereof made prior to October, 1995.**

There is no additional cost to the respondent.

**14. Provide estimates of annualized cost to the Federal Government.**

Federal Costs

This project is funded by BSEE on a reimbursable basis to BTS.

**15. Explain the reasons for any program changes or adjustments in Items 13 or 14 of OMB 83-I.**

The reason for the Program Change is that the proposed collection is a new data collection.

**16. Is the information received published?**

Micro-data received through this data collection will not be made public. The information received through this data collection will be used to identify accident precursors and trends in unsafe situations through multiple cause incident analysis conducted by a limited number of BTS staff and SMEs serving as BTS agents. Results of such analyses in aggregate format will be published in annual progress reports. All SMEs will participate in confidentiality training, sign non-disclosure agreements, and be considered BTS agents under CIPSEA.

**17. Is the agency seeking approval not to display the expiration date for OMB approval?**

No.

**18. Explain each exception to the certification statement identified in Item 19, "Certification for paperwork reduction act submissions" of OMB Form 83-I.**

None.