

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

**Supporting Statement  
Reporting of Safety-Related Conditions on Gas, Hazardous Liquid and Carbon  
Dioxide Pipelines and Liquefied Natural Gas Facilities**

OMB Control No. 2137-0578

Docket No. PHMSA-2016-0016

**This ICR is associated with the Interim Final Rule Pipeline Safety: Safety of Underground Natural Gas Storage Facilities published on December 19, 2016. N**

**INTRODUCTION**

The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests approval from the Office of Management and Budget (OMB) for an extension and amendment of a currently approved collection entitled “Reporting of Safety-Related Conditions on Gas, Hazardous Liquid and Carbon Dioxide Pipelines and Liquefied Natural Gas Facilities” under OMB Control No. 2137-0578. The current expiration date for this information collection is July 31, 2017.

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-2016-0016 - Pipeline Safety: Safety of Underground Natural Gas Storage Facilities**
  - Adds 4 annual responses and 24 annual burden hours for reporting activities.

**Part A. Justification**

1. Circumstances that make collection of information necessary.

Under 49 U.S.C. 60102, an operator of a pipeline facility (except master meter) must submit a written report to the Department of Transportation on any safety-related condition that causes or has caused a significant change or restriction in the operation of their pipeline or liquefied natural gas (LNG) facility or a condition that is a hazard to life, property, or the environment. PHMSA implemented this requirement under 49 CFR 191.23 and 195.56.

The information collection promotes the US DOT’s and PHMSA’s Safety and Environmental Strategic Goals. PHMSA uses the information collected to identify safety related trends and to take action to reduce pipeline accidents and incidents. Decreased incidents and accidents will better protect both human and environmental resources.

2. How, by whom, and for what purpose is the information used.

PHMSA requires each operator to provide detailed information documenting a safety related condition. The Safety Related Condition Reports (SRCRs) inform the agency when there are conditions that could lead to a reportable incident if left unresolved. A pipeline or LNG facility operator submits the safety related condition reports every time there is a possible risk to the pipeline integrity. The operator must provide information on the operator, pipeline or LNG facility location, and the date of the safety related condition. In addition, the operator details the event characteristics and operator response to the safety related condition.

The data is used to inform inspections and acts as a forecasting of issues PHMSA may need to address with regulatory action. If an increased number of operators are experiencing the same safety-related conditions, it may be a sign that PHMSA needs to pay more attention to a particular area or safety-related issue.

Safety-related condition data is needed to enhance PHMSA's ability to measure and assess the performance of pipeline and LNG facility operators; to integrate pipeline safety data and to conduct risk analysis.

3. Extent of automated information collection.

PHMSA does not specify the format of this information collection. PHMSA accepts electronic mailings of safety related condition reports. In the past, the majority of operators have faxed the reports.

4. Efforts to identify duplication.

The information collection reduces duplication by exempting incidents that result in an accident before the safety-related condition report filing deadline. No other information collection exists to gather data on these pipeline safety-related conditions.

5. Efforts to minimize the effects on small business.

PHMSA expects impacted operators to be large and small businesses and therefore the requirement may impact small businesses.<sup>1</sup> In an effort to minimize the burden on small businesses, PHMSA allows for the submission of data in a variety of methods. In addition, the smallest operators – master meter operators – are exempt from the reporting requirements.

6. Impact of less frequent collection of information.

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<sup>1</sup> Small businesses as defined by the Regulatory Flexibility Act (P.L. 96-354)

The information collection is event driven and therefore cannot be conducted less frequently. PHMSA would be unable to appropriately and properly assess the safety of the impacted pipelines and LNG facilities in a timely fashion without the information collection. Less frequent information collection could compromise the safety and economic viability of the U.S. pipeline system.

7. Special circumstances.

No special circumstances apply with this regulation.

8. Compliance with 5 CFR 1320.8.

PHMSA published an Interim Final Rule (IFR) [81 FR 91860] on December 19, 2016. The effective date of the rule is January 18, 2017. The comment period closed on February 17, 2017. PHMSA did not receive any comments pertaining to this information collection request.

9. Payments or gifts to respondents.

The disbursement of payment and gifts is not applicable to this information collection.

10. Assurance of confidentiality.

PHMSA does not have the authority to assure confidentiality.

11. Justification for collection of sensitive information.

No sensitive information will be collected.

12. Estimate of burden hours for information requested.

Current Number of Responses: 142	Proposed Number of Responses: 146
Current Burden Estimate: 852 hours	Proposed Burden Estimate: 876 hours

The following burden breakdown has been revised to include the burden increase resulting from provisions of the Safety of Underground Natural Gas Storage Facilities IFR. PHMSA expects that the currently-approved **annual burden for this information collection will increase by 4 responses and 24 hours** for the overall reporting of safety-related conditions.

Of the estimated 124 operators with active natural gas storage facilities, PHMSA assumed that, on average, 3 percent (approx. 4 operators) may need to submit safety-related condition reports annually. PHMSA took the annual percentage of operators

currently submitting safety-related condition reports across other commodity types (gas, liquid, etc.) and applied that percentage to the UNGS community to devise an estimate.

Calendar Year	CRUDE OIL	HVL FLAMM TOXIC	LNG	NATURAL GAS	NOT SPECIFIED	REFINED PP
2014	22	11	1	89	1	22
2015	19	12		78		27
2016	53	18	1	92		29

PHMSA estimates that 146 reports, including the estimated 4 submissions from operators of underground natural gas storage facilities, will be submitted on annual basis. PHMSA used the following assumptions in estimating the burden hours and costs of the reporting requirement:

- Response Time – Operators will require 4 hours to complete each report
- Recordkeeping -- Operators will require 2 hours to collect and maintain record for each report.
- Operator Completing Report – An engineering manager will perform all of the reporting related duties associated with the rule. Engineering managers have a fully loaded cost of \$64.75 per hour.

Therefore, PHMSA estimates the total annual burden hours at 876 hours (146 reports \* 6 hours).

The full expected cost for the time that the engineering managers devote to reporting is estimated to be \$56,721 (146 reports x 6 hours x \$64.75).

13. Estimate of total annual costs to respondents.

PHMSA does not anticipate any costs other than those detailed in question number 12.

14. Estimate of cost to the Federal Government.

PHMSA does not anticipate additional costs.

15. Explanation of program changes or adjustments.

PHMSA is revising § 191.23 to require operators of underground storage facilities to report certain safety-related conditions to PHMSA. PHMSA expects to receive four (4) of these safety-related condition reports annually from operators of underground storage

facilities. This information collection is being revised to account for the increased burden stemming from this requirement.

16. Publication of results of data collection.

PHMSA will summarize the results of the safety-related condition reports and post the summary on the Data and Statistic portion of PHMSA's website (<http://www.phmsa.dot.gov/pipeline/library/data-stats>).

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

PHMSA is not requesting approval to not display the OMB approval expiration date.

18. Exceptions to certification statement.

There are no exceptions to the certification statement.