

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

**Supporting Statement
Recordkeeping Requirements for LNG Facilities
OMB Control No. 2137-0048
Docket: PHMSA 2018-0021**

INTRODUCTION

This is to request the Office of Management and Budget’s (OMB) renewed three-year approved clearance for the information collection entitled, “Recordkeeping Requirements for LNG Facilities” OMB Control Number 2137-0048, which is currently due to expire on June 30, 2018.

Part A. Justification.

1. Circumstances that make collection of information necessary.

Liquefied natural gas (LNG) is potentially dangerous and can cause explosions, fires and deaths if not handled properly. The Pipeline and Hazardous Materials Safety Administration (PHMSA) is tasked with the Federal Government’s mandate to protect the public from the dangers of handling LNG.

49 U.S.C. 60102(b) states that “The Secretary of Transportation shall prescribe minimum safety standards for designing, installing, constructing, initially inspecting, and initially testing a new liquefied natural gas facility.” 49 U.S.C. 49 60103(d) states that, “The Secretary of Transportation shall prescribe minimum operating and maintenance standards for a liquefied natural gas pipeline facility.” Section (f) of this legislation requires, “A new liquefied natural gas pipeline facility may be operated only after the operator submits an adequate contingency plan.”

According to the requirements found in 49 CFR Part 193, operators of LNG facilities must maintain records pertaining to facility design, operations, maintenance, and personnel training as follows:

- Design:

§193.2119 requires each operator to keep a record of all materials for components, buildings, foundations, and support systems, as necessary to verify that material properties meet the requirements of this part. These records must be maintained for the life of the item concerned.

- Operations:

§193.2521 requires each operator to maintain a record of results of each inspection, test and investigation required by this subpart. For each LNG facility that is designed and constructed after March 31, 2000 the operator shall also maintain related inspection, testing, and investigation records that NFPA-59A-2001 (incorporated by reference, see §193.2013) requires. Such records, whether required by this part or NFPA-59A-2001, must be kept for a period of not less than five years.

- Maintenance:

§193.2639 states that (a) each operator shall keep a record at each LNG plant of the date and type of each maintenance activity performed on each component to meet the requirements of this part. For each LNG facility that is designed and constructed after March 31, 2000 the operator shall also maintain related periodic inspection and testing records that NFPA-59A-2001 (incorporated by reference, see §193.2013) requires. Maintenance records, whether required by this part or NFPA-59A-2001, must be kept for a period of not less than five years.

(b) Each operator shall maintain records or maps to show the location of cathodically protected components, neighboring structures bonded to the cathodic protection system, and corrosion protection equipment.

(c) Each of the following records must be retained for as long as the LNG facility remains in service:

(1) Each record or map required by paragraph (b) of this section.

(2) Records of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures.

- Personnel

§193.2719 (a) Each operator shall maintain a system of records which—

(1) Provide evidence that the training programs required by this subpart have been implemented; and

(2) Provide evidence that personnel have undergone and satisfactorily completed the required training programs.

(b) Records must be maintained for one year after personnel are no longer assigned duties at the LNG plant.

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

The information is used to assist Federal and state pipeline safety inspectors who audit this information when they inspect LNG facilities to ensure compliance with the regulations. The inspectors will be able to ascertain compliance with the regulations since portions of the LNG facility operator's facility are not visible once the plant is completed and in operation. The program would be unable to ensure public safety if this information were unavailable.

3. Extent of automated information collection.

The method for keeping records or developing written plan manuals is left to the discretion of the facility operator. The operator may maintain the information in any retrievable form.

4. Efforts to identify duplication.

Every LNG facility is particularly unique to its location, to its builder, and to its size. For this reason, no similar information is available.

5. Efforts to minimize the burden on small businesses.

The information collection does not involve small entities.

6. Impact of less frequent collection of information.

If these records were to be kept less frequently, critical data that could potentially inform safety-related investigations could be compromised.

7. Special circumstances.

There are no special circumstances pertaining to this information collection.

8. Compliance with 5 CFR 1320.8.

A 60-Day Notice requesting comments was published in the Federal Register on March 26, 2018 [83 FR 13004]. 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.

PHMSA does not have the authority to guarantee confidentiality. However, none of the data collected contain personally identifiable information (PII) or business confidential information.

11. Justification for collection of sensitive information.

No sensitive information is required.

12. Estimate of burden hours for information requested.

Total Burden Estimate: 12, 120 hours

There are 101 LNG facilities operated by 78 operators (based on the user fee information) under Office Pipeline Safety (OPS) jurisdiction. The recordkeeping takes place on a daily basis at the facility level. Many of the requirements involve establishing procedures for manuals and updating as needed – an average of five record keepings per year, per facility. Also, training plans and records require about five record keepings per year. Another 30 records must be kept annually to record materials used to construct facilities. The remainder of the record keepings, 360 per facility, involves maintenance records. On average, maintenance activities are performed each day by operators in each facility. OPS estimates that an average LNG record takes less than 18 minutes which equals 0.3 hours and multiplying 400 records x 0.3 hours = 120 burden hours per facility. The burden hours per record has been determined by on-site inspection of the facilities. Since a great deal of the required recordkeeping is accomplished by automatic recording devices on strip charts, the incremental time to prepare a record is small. As stated above, the burden per operator is 120 hours per facility. The total hours for the entire industry is 120 hours x 101 facilities = 12,120 total hours for the industry annually.

Type of Records	Number of Respondents	Number of Responses	Burden per Response	Overall Burden
Maintenance Records	101	360	0.3 hours	10,908 hours
Materials Records	101	30	0.3 hours	909 hours
Personnel Training/ Procedures Records	101	10	0.3 hour	303 hours
Total	101	400	0.3	12,120 hours

The estimated annual cost burden of recordkeeping is \$65.07 (per hour) x 120 (hours) = \$7,808.40 per year. Multiplying this cost by the 101 facilities, the cost to the industry is \$7,808.40 x 101 = \$788,648.40 per year.

13. Estimate of total annual costs to respondents.

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

14. Estimate of cost to the Federal Government.

Currently, 100 Federal inspectors spend an estimated 10 percent of their time reviewing records retained by gas pipeline operators. The average salary of a Federal transportation inspector is \$107,630.

This calculates to an estimated annual cost to the Federal Government of:

100 (Federal inspectors) x \$107,630 (mean salary) x 0.10 (time) = \$1,076,300.

15. Explanation of program changes or adjustments.

There is no change to the program at this time, however, the number of responses has been adjusted to account for the various record keeping activities LNG facility operators will undertake. Previously, we estimated the number of responses to be 101 in accordance with the number of LNG facilities. During this renewal, we reorganized our submission by separating the record keeping activities into separate information collections. As a result, the number of responses has been adjusted from 101 to 40,400 (Program Change Due to Agency Discretion is 40,299). The overall hourly burden estimate for this information collection remains the same.

16. Publication of results of data collection.

PHMSA has no plans to publicize this data.

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

PHMSA is not seeking such approval.

18. Exceptions to certification statement.

There is no exception to PHMSA's certification of this request for information collection approval.