

Department of Transportation
Office of the Chief Information Officer

Supporting Statement

Pipeline Safety: Transportation of Hazardous Liquids by Pipeline: Recordkeeping and
Accident Reporting
OMB Control No. 2137-0047
Docket No. PHMSA-2018-0047

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 “Transportation of Hazardous Liquids by Pipeline: Recordkeeping and Accident Reporting” (OMB Control No. 2137-0047). The current expiration date for this information collection is January 31, 2023. 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-2018-0047 - Pipeline Safety: Liquid Pipeline Regulatory

Reform

- Eliminates 40 annual responses and 400 burden hours for hazardous liquid accident reporting.

Part A. Justification

1. Circumstances that make collection of information necessary.

Hazardous liquid pipeline operators must keep records to ensure that their pipelines are operated safely. Operators must also report accidents. This information collection promotes the U.S. DOT’s Safety and Environmental Strategic Goals by identifying areas which would benefit from targeted regulatory actions to decrease incidents involving hazardous liquid low-stress lines.

The requirements for incident reporting and recordkeeping are found in 49 CFR Part 195. The PHMSA delegation of authority is found in 49 CFR 1.97 which allows for PHMSA to exercise the authority vested in the Secretary in under Chapter 601 of title 49, U.S.C.

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

The information collection provides PHMSA with the information necessary to evaluate the risk posed by these lines. PHMSA will use the information provided in the reports to

more accurately assess the risks to pipeline infrastructure, understand emerging safety related trends, and identify opportunities for improving the regulatory system for rural low-stress pipelines.

3. Extent of automated information collection.

PHMSA's Hazardous Liquid Accident Reports may be submitted electronically on-line on the PHMSA website. PHMSA encourages the use of electronic technology. PHMSA expects at least 95 percent of data collection and reporting to be completed electronically.

4. Efforts to identify duplication.

There is no duplication, as the information collected is unique to specific situations.

5. Efforts to minimize the burden on small businesses.

The burden has been made as simple as possible. PHMSA expects impacted operators to be large and small businesses. For PHMSA to be able to effectively carry out its legislative mandate and monitor overall pipeline safety, it is essential that both large and small operators of pipelines provide incident reports.

6. Impact of less frequent collection of information.

It is not possible to conduct the collection less frequently and still ensure the necessary level of safety to life and property inherent in transporting hazardous materials. PHMSA would not be able to adequately assess potential risks associated with these pipelines, which could potentially be detrimental to the pipeline safety and the protection of the environment. Therefore, less frequent information collection could compromise the safety of the U.S. pipeline system and the environment.

7. Special circumstances.

This collection of information is generally conducted in a manner consistent with the guidelines in 5 CFR 1320.5(d)(2). There are three anticipated potential special circumstances regarding information collection: (1) A special circumstance could occur if an operator has more than one low-stress pipeline incident or accident within an officially recognized business quarter; (2) An operator may have an accident or incident in the same quarter as their annual report is submitted; and (3) More than a single safety-related condition within a single business quarter is also possible. Operators' safety measures and vigilance can avoid such circumstances. As such, PHMSA does not mandate information collection occur twice within a single quarter.

8. Compliance with 5 CFR 1320.8.

PHMSA issued a Notice of Proposed Rulemaking (NPRM) on March XX, 2020 (85 FR XXXX). The comment period ends 60 Days from the time OIRA receives this information collection revision request.

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, the reporting and recordkeeping requirements of this information collection do not include anything of a sensitive nature or of any matters considered private.

11. Justification for collection of sensitive information.

The reporting and recordkeeping requirements of this information collection do not involve questions of a sensitive nature.

12. Estimate of burden hours for information requested.

- Currently Approved Responses: 1,644 Currently Approved Hours: 52,692 hours
- Estimated Annual Responses: 1,604 Estimated Burden Hours: 52,292 hours

IC	Responses	Burden Per Response	Total Burden
Haz Liquid Accident Report	366	10 hours	3,660 hours
Haz Liquid Recordkeeping	335	136.25 hours	45,647 hours
Safety Data Sheet Notifications	406	0.5 hours	203 hours
<u>Written Plans for Telephonic Notification of HL Accidents</u>	447	6 hours	2,682 hours
IBR of Industry Standard on Leak Detection	50	2 hours	100 hours
Total	1,604 annual responses		52,292 annual burden hours

PHMSA estimates that this revision will eliminate 40 responses and 400 burden hours for accident reporting as detailed below.

Burden for Accident Reporting (PHMSA Form 7000-1 and PHMSA Form 7000-2):

Previously Approved burden: 400 responses and 4000 burden hours

Reduced Burden: 40 responses and 400 burden hours (revision)

Estimated total burden: 366 responses and 3,660 burden hours

Accident reporting occurs on occasion. Currently, PHMSA estimates that 400 accident reports (responses) are submitted each year. This estimate is based on accident reporting data that PHMSA has collected between 2002 and 2008. While PHMSA recognizes that approximately 363 (a total of the previously approved 335 HL pipeline operators and the newly added 28 HL pipeline operators) HL pipeline operators will be required to submit accident reports, PHMSA does not expect each operator to submit a report each year.

The proposed rule would raise the monetary threshold for reporting hazardous liquid accidents from \$50,000 to \$118,000. PHMSA estimates that due to the revised monetary damage threshold for reporting accidents, operators will submit 40 fewer hazardous liquid accident reports per year. Therefore, PHMSA expects to eliminate 40 responses and 400 hours to this information collection per year because of the provisions in the proposed rule. This results in an estimated **366 annual responses and 3,660 annual burden hours** for accident reporting.

Burden for Hazardous Liquid Recordkeeping Requirements:

Previously approved burden: 335 responses and 45,647 burden hours

Added burden: 0 responses and 0 burden hours (no change)

Estimated total burden: 335 responses and 45,647 burden hours

Previously, PHMSA estimated that 335 HL operators spend 45,647 hours maintaining records. This equates to approximately 136.26 hours per operator. PHMSA is not requesting any change to this portion of the information collection.

Burden for Safety Data Sheet Notifications:

Previously approved burden: 406 responses and 203 burden hours

Added burden: 0 responses and 0 burden hours (no change)

Estimated total burden: 406 responses and 203 burden hours

Operators of hazardous liquid pipeline facilities, following accidents that result in hazardous liquid spills, are required to provide safety data sheets on those spilled hazardous liquids to the designated Federal On-Scene Coordinator and appropriate State and local emergency responders within 6 hours of a telephonic or electronic notice of the accident to the National Response Center. PHMSA expects hazardous liquid operators to file approximately 406 accident reports per year. This will result in an added burden of 406 new notifications per year. PHMSA expects that it will take operators 30 minutes to conduct the required task. PHMSA is not requesting any change to this portion of the information collection.

Burden for Written Plans for Telephonic Notification of HL Accidents:

Previously approved burden: 447 responses and 2,682 burden hours

Added burden: 0 responses and 0 burden hours (no change)

Estimated total burden: 447 responses and 2,682 burden hours

49 CFR 195.52 (c) requires operators to have a written procedure to calculate and provide reasonable initial estimate of the amount of released product whenever there is a reportable accident as described in 49 CFR 195.50.

PHMSA assumes that approximately 335 HL pipeline operators will be impacted by the requirement for operators to have and use a procedure to calculate and report a reasonable initial estimate of released product. Since these operators submit 447 annual reports, PHMSA estimates that each report represents a separate facility and therefore, a separate procedure. PHMSA estimates that it will take approximately 6 hours to develop and maintain each procedure on an annual basis. The total burden will be approximately 2,682 hours (447 * 6) each year. PHMSA is not requesting any change to this portion of the information collection.

Burden for IBR of Industry Standard on Leak Detection:

Previously approved burden: 50 responses and 100 burden hours

Added burden: 0 responses and 0 burden hours (no change)

Estimated total burden: 50 responses and 100 burden hours

49 CFR 195.444 requires operators of Hazardous Liquid pipelines to comply with API RP 1130 which was incorporated by reference into the Pipeline Safety Regulations in 49 CFR 195.3. This standard requires recordkeeping activities that pertain to computational pipeline monitoring (CPM) leak detection systems.

PHMSA estimates that there are 50 operators in the U.S. using CPM systems. PHMSA expects there to be 50 respondents and 50 responses annually. Each of these responses will require approximately 2 hours of an engineer's time to prepare and record the CPM test results for an overall industry burden of 100 hours (50 responses x 2 hours) for to this information collection. PHMSA is not requesting any change to this portion of the information collection.

The revised overall burden estimate for this information collection is 1,604 responses and 52,292 burden hours.

13. Estimate of total annual costs to respondents.

Accident reports are assumed to be filled out by a senior engineer. Based on the industry-specific occupational and wage estimates provided by the U.S. Department of Labor's Bureau of Labor Statistics, median hourly wage of an engineering manager (for

NAICS 486000 – pipeline transportation)¹ is estimated as \$77.50. Using an estimated fringe benefit of approximately 35 percent, the accident reporting requirements for pipeline operators are prepared at the average rate of \$104.63 per hour.

The cost burden associated with this information collection is estimated to \$104.63 x 52,292 hours = \$5,471,311.96

14. Estimate of cost to the Federal government.

PHMSA spends an estimated cost of \$61,325 to operate and maintain this information collection. Operations and maintenance includes PRA compliance, interface improvements, database management, planning, revisions, and customer service.

	Monthly Average (Hrs)	Hourly Rate	Annual Hours	Total Costs
Salary Costs	2	\$38.82/hr	24	\$930
Contracting Costs Haz. Liquid Accident Forms	39	\$128.50/ hr	470	\$60,395
TOTAL				\$61,325

15. Explanation of program changes or adjustments.

Under the Pipeline Safety: Pipeline Safety: Liquid Pipeline Regulatory Reform proposed rulemaking, PHMSA proposes to revise the definition of an “accident” in the Pipeline Safety Regulations 49 CFR at sections 195.50 and 195.52 to adjust the monetary damage reporting threshold for inflation. PHMSA proposes adjusting the threshold for reporting accidents that cause estimated property damage, including cost of cleanup and recovery, value of lost product, and damage to the property of the operator or others, or both, from \$50,000 to \$118,000. Operators must still report any accident that caused a death or a personal injury requiring hospitalization; resulted in either a fire or explosion not intentionally set by the operator; resulted in pollution of any stream, river, lake, reservoir, or other similar body of water; or is significant in the judgment of the operator.

16. Publication of results of data collection.

The results of the accident reports will be summarized and posted on PHMSA’s website.

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

¹ https://www.bls.gov/oes/current/naics3_486000.htm

PHMSA is not seeking approval to not display the expiration date.

18. Exceptions to certification statement.

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