

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

**Supporting Statement
“Pipeline Safety: Integrity Management Program for Gas Distribution Pipelines”
OMB Control No. 2137-0625
Docket No. PHMSA-2018-0046
RIN 2137-AF36**

INTRODUCTION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests approval from the Office of Management and Budget (OMB) for a revision of a currently approved collection entitled “Integrity Management Program for Gas Distribution Pipelines” (OMB Control No. 2137-0625). The current expiration date for this information collection is June 30, 2022.

The revision of this information collection is necessary due to the following PHMSA action that will affect the current collection of information:

Docket No. PHMSA-2018-0046 - Pipeline Safety: Gas Pipeline Regulatory Reform

- Reduces annual burden by 5,461 responses and 141,986 hours for recordkeeping activities.

Part A. Justification

1. Circumstances that make collection of information necessary.

49 CFR Part 192, Section 1005, in Subpart P requires operators of gas distribution pipelines to develop and implement integrity management (IM) programs. The purpose of these programs is to enhance safety by identifying and reducing pipeline integrity risks.

This regulation addresses recommendations from the Department of Transportation’s (DOT) Office of the Inspector General (OIG) and the National Transportation Safety Board. It also implements a requirement in the Pipeline Inspection, Protection, Enforcement and Safety Act (PIPES Act) of 2006 that integrity management requirements be established for distribution pipelines.

The Pipeline Safety: Gas Pipeline Regulatory Reform Final Rule eliminates the requirement for master meter operators to develop and maintain integrity management plans under § 192.1015. This deregulatory action will significantly reduce the burden on these small operators.

This information collection supports the U.S. Department of Transportation's SAFETY GOAL, which targets three main strategic initiatives: managing risk and integrity, sharing responsibility, and providing effective stewardship. This goal enhances public health and safety by working toward the elimination of transportation-related deaths and injuries.

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

The integrity management (IM) approach was designed to promote continuous improvement in pipeline safety by requiring operators to identify and invest in risk control measures beyond core regulatory requirements. Based on the required risk assessments and enhanced controls, this requirement also establishes procedures permitting risk-based adjustment of prescribed intervals for leak detection surveys and other fixed-interval requirements in the agency's existing regulations for gas distribution pipelines. PHMSA requires operators to maintain records demonstrating compliance with its requirements for 10 years and these records must include superseded IM plans. The recordkeeping requirements are consistent with good business practices and are designed to enhance risk management practices. PHMSA will use the information to evaluate the overall effectiveness of distribution IM requirements.

3. Extent of automated information collection.

Operators may keep the records in any retrievable form and operators may use the technology that is most cost effective to reduce the burden.

4. Efforts to identify duplication.

Each gas distribution pipeline system is particularly unique in its location, its type of design, and its operation. Therefore, the regulations set forth certain requirements so that an operator will produce for PHMSA a record for his unique system. At this time, no other alternate source is available.

5. Efforts to minimize the burden on small businesses.

The Pipeline Safety: Gas Pipeline Regulatory Reform Final Rule eliminates the requirement for master meter operators to develop and maintain integrity management plans. This significantly reduces the burden on these small operators. PHMSA estimates that 5,461 master meter operators spend 141,986 hours annually developing and updating integrity management plans.

Small LPG operators (with fewer than 100 customers) of a gas distribution pipeline must follow the requirements in § 192.1015. The IM requirements applicable to smaller operators are simplified somewhat, to reflect both the relative simplicity of these pipelines and the limited capability of the operators. These operators are not required to submit performance measures, which is consistent with their prior treatment with respect

to annual reports. PHMSA developed guidance suitable for use by small LPG operators to develop simple IM plans for their simple pipelines, and this guidance is available via PHMSA's web site. In addition, APGA SIF developed and implemented a computer program "Simple, Handy, Risk-based, Integrity Management Program" (SHRIMP) to support these operators in developing and implementing their IM plans. Operators are permitted to keep records in any retrievable form. They may use the latest information technology to reduce the additional information-collection burden.

6. Impact of less frequent collection of information.

49 CFR Part 192.1011 requires operators to maintain records demonstrating compliance with its requirements for 10 years, and that these records must include superseded IM plans.

7. Special circumstances.

None of the conditions apply.

8. Compliance with 5 CFR 1320.8.

PHMSA published a Noticed of Proposed Rulemaking (NPRM) on June 9, 2020, to seek public comments on the proposed amendments to the pipeline safety regulations (85 FR 35240). During the comment period, PHMSA received several comments in support of PHMSA's decision to exempt master meter operators from the DIMP requirements. The public interest group, Pipeline Safety Trust, stated that they do not oppose this change, but urged PHMSA and its state partners to ensure that master meter operators are managing the integrity risks to their systems outside the context of a DIMP plan.

All comments pertaining to the exemption of master meter operators from DIMP requirements are addressed in the preamble of the Final Rule.

9. Payments or gifts to respondents.

No payment is provided.

10. Assurance of confidentiality.

PHMSA does not have the authority to guarantee confidentiality.

11. Justification for collection of sensitive information.

There is no sensitive information collected.

12. Estimate of burden hours for information requested.

Current Number of Responses: 9,343	Proposed Number of Responses: 3,882
Current Burden Estimate: 865,178 hours	Proposed Burden Estimate: 723,192 hours

The burden estimate for this information collection has been revised to include a decrease in burden resulting from provisions of the Pipeline Safety: Gas Pipeline Regulatory Reform Final Rule. With this deregulatory action, PHMSA proposes to eliminate the requirement for master meter operators to develop and maintain integrity management plans. PHMSA expects that by eliminating this recordkeeping requirement for master meter operators, the **currently-approved burden for this information collection will decrease by 5,461 responses and 141,986 hours.**

Each affected operator must develop and maintain a written integrity management plan, which includes initial plan development, recordkeeping and updates. Burden for complying with this requirement is heavily based on the size of the operator. While small LPG operators (with LPG distributions systems serving less than 100 customers from a single source) must comply with the same requirements, documentation requirements for these operators are different - consistent with their treatment in the rest of Part 192.

The table below has the breakdown by system.

Type of Operator	Prepare an IM Plan (hours per operator)	Threat Identification (hours per operator)	Update Plan (hours per operator)	Total Hours Per Operator Type
Large Operators (201)	960	800	288	411,648
Small Operators and LPG Operators with 100 or more Customers (1,142)	71	120	24	245,530
Small LPG Operators with fewer than 100 Customers (2,539)	14	8	4	66,014
Total for 3,882 operators				723,192

In sum, PHMSA estimates the overall burden for developing and periodically revising IM plans is approximately 723,192 hours annually.

13. Estimate of total annual costs to respondents.

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 recordkeeping requirements for the gas operators are prepared at the average rate of \$104.63 per hour.

The total cost to the industry is 723,192 hours x \$104.63/hour = \$75,667,579.

14. Estimate of cost to the Federal government.

PHMSA estimates that 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:

$$100 \text{ (Federal inspectors)} \times \$107,630 \text{ (mean salary)} \times 0.10 \text{ (time)} = \$1,076,300.$$

15. Explanation of program changes or adjustments.

This ICR is revised to include reflect changes proposed in the Pipeline Safety: Gas Pipeline Regulatory Reform Final Rule. With this deregulatory action, PHMSA proposes to eliminate the requirement for master meter operators to develop and maintain integrity management plans. Eliminating this requirement for master meter operators will result in reduction of 5,461 responses and 141,986 burden hours for this information collection.

16. Publication of results of data collection.

PHMSA summarizes the information. PHMSA makes information available on its website.

17. Approval for not explaining 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.

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