

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

**Supporting Statement
Hazardous Liquid Pipeline Assessment Requirements
OMB Control No. 2137-0605
Docket No. PHMSA-2017-0152**

INTRODUCTION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests approval from the Office of Management and Budget (OMB) for the revision of an approved information collection entitled, “Integrity Management in High Consequence Areas for Operators of Hazardous Liquid Pipelines,” under OMB Control No. 2137-0605, which expires on April 30, 2023.

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

Docket No. PHMSA-2017-0152 - Pipeline Safety: Unusually Sensitive Areas for the Great Lakes, Coastal Beaches, and Certain Coastal Waters

- **Adds 12 responses and 19,200 burden hours for recordkeeping requirements.**

Part A. Justification.

1. Circumstances that make collection of information necessary.

Certain areas are particularly environmentally sensitive to hazardous liquid pipeline failures. These areas are called “high consequence areas” (HCAs). Operators are required by 49 CFR §195.452 to develop and implement a program to provide direct integrity testing and evaluation of hazardous liquid pipelines in HCAs. The purpose of the program is to require HL operators to continually reassess their system to mitigate potential safety risk in High Consequence Areas.

Owners and operators of hazardous liquid pipelines must continually assess the integrity of their pipelines. Operators that are not subject to the integrity management requirements in 49 CFR §195.452 must provide PHMSA with notifications under certain circumstances. Operators in this category must notify PHMSA when they are unable to assess their pipeline via an in-line inspection. In-line inspections have been proven across industry standards to be one of the most effective ways to assess the integrity of a pipeline.

Operators who choose to use a different method of pressure-testing must demonstrate that their pipeline is not capable of accommodating an in-line inspection tool and that the use of an alternative assessment method will provide a substantially equivalent understanding of the

condition of the pipeline.

Owners and operators of hazardous liquid pipelines that are not subject to the integrity management requirements in 49 CFR §195.452 are also required to notify PHMSA, in writing, in cases where a determination about pipeline threats has not been obtained within 180 days following the date of an inspection. Operators are required to provide an expected date when adequate information will become available.

This information collection promotes the US DOT's Safety Strategic Goals. 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 is the information used.

The information collection provides PHMSA with the information necessary to evaluate an operator's compliance with the Pipeline Safety Regulations (PSR) and to make determinations in cases where deviations from the PSR are necessary. PHMSA will use the information provided in these notifications to ensure that alternative methods used provide an equivalent level of safety and effectiveness.

This information will be used by the Office of Pipeline Safety (OPS) and state pipeline inspectors to determine compliance with OPS regulations. The data collected as a result of this IC allows for both PHMSA and the state pipeline inspectors to ensure that operators are taking the necessary measures to review their system and implement their HL IM Program. The notifications allow PHMSA, and state pipeline inspectors, to be made aware of certain deviations from the HL IM Program.

3. Extent of automated information collection.

PHMSA allows operators to send notifications via facsimile, email and, in some instances, operators may make notification by phone. PHMSA encourages the use of electronic technology where applicable.

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 mission and monitor overall pipeline safety, it is essential that both large and small operators of pipelines comply with the associated directives.

Small businesses may get assistance from pipeline trade associations in helping them develop the necessary documentation in addition to the information provided by PHMSA.

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. Without this information, PHMSA would not be able to adequately assess potential risks associated with hazardous liquid pipelines. These pipelines could potentially be detrimental to 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.

The information collection contains no special circumstances.

8. Compliance with 5 CFR 1320.8.

PHMSA issued an Interim Final Rule (IFR) on December 27, 2021 (86 FR 73173). The comment period ends on February 25, 2022.

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, moreover, the 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.

This information collection does not contain questions of a sensitive nature.

12. Estimate of burden hours for information requested.

- Currently Approved Responses: 10,503 Currently Approved Hours: 325,607 hours
- Estimated Annual Responses: 10,515 Estimated Burden Hours: 344,807 hours

IC	Responses	Burden Per Response	Total Burden
New Integrity Management Plans	72	2,440 hours	175,680 hours
Integrity Management Plan Updates	209	760 hours	158,840 hours
HI Assessment Notifications	10,150	1 hours	10,150 hours
180 Day Repair Notifications	74	0.5 hours	37 hours
Non-ILI Notifications	10	10 hours	100 hours
Total	10,515 annual responses		344,807 annual burden hours

The Pipeline Safety: Unusually Sensitive Areas for the Great Lakes, Coastal Beaches, and Certain Coastal Waters IFR requires a hazardous liquid pipeline that could affect certain coastal waters, the Great Lakes, and coastal beaches to be classified as unusually sensitive areas and requires operators to include these pipelines in their integrity management programs. PHMSA estimates that the new USA definitions in the IFR will require 6 new operators to create IM programs resulting in 12 new responses and 19,200 additional burden hours for this information collection.

Initial Integrity Management Plans

PHMSA estimates that approximately 203 hazardous liquid operators are subject to integrity management requirements. Among those requirements are the need to have a detailed integrity management plan. Based on PHMSA audits, it is assumed that approximately 66 new integrity management plans will be developed each year. PHMSA expects each operator to spend an average of 1,400 hours developing the initial plan. In addition to the usual 66 new operators, the Pipeline Safety: Unusually Sensitive Areas for the Great Lakes, Coastal Beaches, and Certain Coastal Waters IFR will bring in 6 additional operators who will need to create IM plans. This brings the total amount of initial IM plans to 72 and the overall number of plans to 209 IM plans.

The labor breakdown is as follows:

Administrative: 400 hours
 Technical: 800 hours
 Senior Engineering: 200 hours

1,400 hours per plan x 72 plans = 100,800 hours to develop the initial plan.

Additionally, it is estimated that each company will be required to commit additional resources to ensure that the data collected is properly integrated and analyzed to ensure safety. It is estimated that this will require a total of 1,040 hours of administrative (400 hours) and supervisory time (640 hours).

The labor breakdown is as follows:

Administrative: 400 hours
Supervisory Time: 640 hours

1,040 hours x 72 operators = 74,880 hours for data integration.

Therefore, it is estimated that the burden to complete the initial plan is (100,800 hours to develop + 74,880 hours for data integration) **175,680 hours for 72 respondents – approximately 2, 440 burden hours per respondent.**

Integrity Management Plan Updates

All 209 operators that have existing plans are required to update their plans annually. It is assumed that each operator will take 260 hours each year to update their plan.

The labor breakdown is as follows:

Administrative: 70 hours
Engineering: 150 hours
Senior Engineering: 40 hours

260 hours per plan x 209 plans = 54,340 for plan updates

Additionally, the 209 operators will also need 500 hours of supervisory time to ensure that the data collected annually is appropriately integrated, for an industry total of (209 x 500) 104,500

Therefore, each subsequent year will require:

Updates: 54,340 hours
Data Integration: 104,500 hours

158,840 for plan updates and data integration each year

Hazardous Liquid Assessment Notifications

Additionally, operators subject to integrity management must submit notifications to PHMSA in various situations. Notifications include: Repair, Use of Alternate Technology, Interval Changes, and Long-term Pressure Reductions. These notifications may be submitted in any format. PHMSA estimates that each operator will submit 50 of these ad hoc notifications each year. PHMSA estimates that each notification takes approximately 1 hour to submit. **This results in a total annual burden of 10,150 responses and 10,150 burden hours.**

180 Day Repair Notifications

Owners and operators of hazardous liquid pipelines are required to have continual assessment and evaluation of pipeline integrity through inspection or testing, as well as remedial preventive and mitigative actions. The Pipeline Safety: Safety of On-Shore Hazardous Liquid Pipelines final rule, requires operators to notify PHMSA if they incur an anomalous condition in which the cause cannot be identified within 180 days. In cases where a determination about pipeline threats has not been obtained within 180 days following the date of inspection, pipeline operators are required to notify PHMSA in writing and provide an expected date when adequate information will become available. PHMSA expects approximately 74 operators to submit these notifications each year. PHMSA estimates that it will take each operator 30 minutes to complete the notification. **This new provision will result in a burden increase of 74 responses and 37 burden hours.**

Non-ILI/ Alternate Assessment Method Notifications

Hazardous Liquid pipeline operators are also required to notify PHMSA when they are unable to assess their pipeline via an in-line inspection. Operators who choose to use an alternate assessment method must demonstrate that their pipeline is not capable of accommodating an in-line inspection tool and that the use of an alternative assessment method will provide a substantially equivalent understanding of the condition of the pipeline. PHMSA estimates that operators will submit approximately 10 notifications each year regarding these conditions. Further, PHMSA estimates that each notification will take 10 hours, which includes the time to assemble the necessary information to demonstrate that the pipeline is not capable of accommodating an ILI tool and specify that the alternative assessment method will provide a substantially equivalent understanding of the pipeline. **This new provision will result in a burden increase of 10 responses and 100 burden hours.**

Therefore, the total annual burden hours are estimated as:

Initial Plans:	175,680 hours
Annual Updates	158,840 hours
Ad Hoc Notifications:	10,150 hours
180 Day Repair Notifications:	37 hours
Non-ILI Notifications:	100 hours

344,807 burden hours for 10, 515 responses

13. Estimate of total annual costs to respondents.

Integrity Assessment Notifications are assumed to be made 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 recordkeeping 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 $\$104.63 \times 344,807$ hours = \$36,077,156.40

14. Estimate of cost to the Federal government.

Notifications are reviewed by PHMSA's regional staff and engineers at the GS-13 and GS-14 levels. The average annual salary is estimated to be around \$115,500. Other than salary costs, there are no additional costs to the federal government.

15. Explanation of program changes or adjustments.

The Pipeline Safety: Unusually Sensitive Areas for the Great Lakes, Coastal Beaches, and Certain Coastal Waters amended the pipeline safety regulations to explicitly state that certain coastal waters, the Great Lakes, and coastal beaches are classified as unusually sensitive areas for the purpose of compliance with the hazardous liquid integrity management regulations. This amendment implements mandates contained in the Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2016, as amended by the PIPES Act of 2020. A hazardous liquid pipeline that could affect these newly designated areas must be included in an operator's integrity management program. PHMSA estimates that the new USA definitions in the IFR will require 6 operators to create new IM programs resulting in 12 new responses and 19,200 additional burden hours for this information collection.

16. Publication of results of data collection.

The information will not be published for statistical purposes.

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

OPS is not seeking approval to not display expiration date.

18. Exceptions to certification statement.

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

There are no exceptions.