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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

[Docket No: PHMSA-2013-0003]

Pipeline Safety: Information Collection Activities, Revision to Annual Report for Hazardous Liquid Pipeline Systems

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice and request for comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), this notice announces that the Information Collection Request abstracted below is being forwarded to the Office of Management and Budget (OMB) for review and comments. A Federal Register notice with a 60-day comment period soliciting comments on the information collection was published on February 6, 2013, (78 FR 8699).

PHMSA received one comment in response to that notice. PHMSA is publishing this notice to respond to the comment, provide the public with an additional 30 days to comment on the proposed revisions to the forms and the instructions, and announce that the revised information collections will be submitted to OMB for approval.

DATES: Comments must be submitted on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER.]**

FOR FURTHER INFORMATION CONTACT: Blaine Keener by telephone at 202-366-0970, by fax at 202-366-4566, or by email at blaine.keener@dot.gov.

ADDRESSES: You may submit comments identified by the docket number PHMSA-2013-0003 by any of the following methods:

- Fax: 1-202-395-5806.
- Mail: Office of Information and Regulatory Affairs (OIRA), Records Management Center, Room 10102 NEOB, 725 17th Street, N.W., Washington, D.C. 20503,
ATTN: Desk Officer for the U.S. Department of Transportation\PHMSA.
- E-mail: Office of Information and Regulatory Affairs, OMB, at the following email address: OIRA_Submission@omb.eop.gov.

Requests for a copy of the Information Collection should be directed to Angela Dow by telephone at 202-366-1246, by fax at 202-366-4566, by email at Angela.Dow@dot.gov, or by mail at U.S. Department of Transportation, PHMSA, 1200 New Jersey Avenue, SE, PHP-30, Washington, DC 20590-0001.

SUPPLEMENTARY INFORMATION:

Section 1320.8 (d), Title 5, Code of Federal Regulations, requires PHMSA to provide interested members of the public and affected agencies an opportunity to comment on information collection and recordkeeping requests. This notice identifies a revised information collection request that PHMSA will be submitting to OMB for approval. The information collected from hazardous liquid operators' annual reports is an important tool for identifying safety trends in the hazardous liquid pipeline industry.

Summary of Topic Comments/Responses

During the two-month response period, PHMSA received one joint comment from the following stakeholders:

- American Petroleum Institute (API)
- Association of Oil Pipelines (AOPL)

This 30-day notice responds to the comments, which may be found at <http://www.regulations.gov>, at docket number PHMSA-2013-0003.

The following is a summary of the joint comments to PHMSA regarding the proposed changes to the Hazardous Liquid Operator Annual Report. Most of the comments are in reference to the reporting of Parts D and E information on a by-state basis.

A. By-State Reporting for Parts D and E

Comment: API and AOPL commented that state-by-state reporting for parts D and E will not enhance pipeline safety or provide meaningful data, and that data collection will impose more burden on operators than PHMSA estimated. They point out that “although the notice states that state-by-state information is “essential for PHMSA’s response to state regulators, Congress, state officials, and the public following pipeline incidents,” the notice fails to explain how the data will be used to quantify risk or advance pipeline safety. PHMSA already receives the data on a total system basis, which is consistent with PHMSA’s regulatory approach of overseeing the safety of the interstate liquids pipeline network overall, not on a state-by-state basis.

PHMSA’s Response: PHMSA is responsible for safety oversight of both interstate and intrastate pipeline systems. For those states that are certified, the state pipeline safety agency provides oversight and enforcement on pipeline facilities within that state. PHMSA funds up to 80 percent of costs for state pipeline safety programs. By-state reporting will increase PHMSA’s ability to oversee state pipeline regulatory activities. Without by-state reporting for the proposed information, PHMSA is unable to respond to elementary questions from State Governors, Senators, Congressmen, and the media, who frequently ask for such information especially following significant accidents within their state. Safety analysis is a large part of PHMSA’s mission, but responding to information needs from stakeholders is also critical to the mission. By-state information can also help track overall improvements in pipe inventory at a state level, which aides in

understanding national improvement trends. For example, cast iron replacement became a special concern for the Secretary of Transportation and others after an accident involving cast iron pipe in Pennsylvania in 2011. PHMSA is able to track by-state replacement rates for such pipe because that information is available on a by-state basis. PHMSA also believes that the increasing use of Geographic Information System (GIS) tools by industry makes it increasingly easier for operators to provide such information.

Comment: According to API and AOPL, “The notice’s regulatory impact analysis underestimates the burden of the revisions upon pipeline operators. PHMSA believes that most of the regulated hazardous liquid pipeline industry already collects this information on a by-state basis so the burden for providing it would be minimal. The notice incorrectly characterizes the nature of the information currently collected by the industry and seeks a level of reporting granularity that imposes significant burdens. The industry does not collect this information, but rather, it collects total intrastate mileage through its Pipeline Performance Tracking System (PPTS), a reporting system where industry members voluntarily report release data in an effort to understand and improve industry performance.”

PHMSA’s Response: The annual report currently collects data about the size, age, pressure range, and high consequence area status on both a by-state and by-commodity basis. Fifty-six percent of operators in the calendar year 2011 data set reported in only one state. There will be no additional burden for these operators. For the 44 percent of

operators reporting in more than one state, PHMSA expects that the additional data proposed for collection is already integrated with information systems containing the data currently reported on both a by-state and by-commodity basis. However, PHMSA acknowledges that operators without GIS capability would have added burden in computing by-state totals. PHMSA has modified the burden estimate to reflect that some operators will incur costs to extract the requested data.

Comment: The proposal requires the intrastate data be broken down additionally into a complex matrix that would categorize state pipeline mileage by material type, corrosion prevention status, and location onshore or offshore. Consequently, the notice would compel operators to further collect and sort the information into smaller subcategories. Compiling, mining, and assessing the data in the complex matrices that the notice proposes is not a trivial exercise. API and AOPL would not characterize this burden as minimal. Moreover, the burden estimates included in the notice do not consider the costs required by operators to modify their existing geospatial technological architecture to incorporate these changes. In general, API and AOPL members manage their data networks on a system-wide foundation, not a state-wide foundation. Consequently, operators are not able to easily access the information that would be collected and would need to modify their systems to access this data more readily. In fact, during the report's last revision, which occurred only a few years ago, operators incurred noteworthy modification costs to upgrade their geospatial architecture. Those operators that are unable to upgrade current systems will be relegated to manually mining the data for this

information, expending significant time and human resources not fully recognized in the notice's burden estimate.

PHMSA's Response: PHMSA's understanding is that it is already common practice to integrate the proposed data with the information systems containing the data that is currently reported. PHMSA believes that by way of these information systems, the proposed data could be easily extracted on both a by-state and by-commodity basis. Nonetheless, PHMSA has modified the burden estimate to reflect that some operators will incur costs to extract the requested data.

Regarding the comment about intrastate filing difficulty, based on conversation with industry, PHMSA expects most, if not all, hazardous liquid pipeline companies contain primary information regarding their enterprise in a GIS, and as such, the information requested should be readily available by state. PHMSA believes that the information proposed for by-state collection can be obtained or derived from any GIS system with state boundary data that is free to the public. PHMSA can also provide state boundary data information on request. Also, queries to calculate a by-state basis should be trivial if the information is within a GIS system, on a system-wide basis, or otherwise at a national level.

B. Online Reporting Enhancements

Comment: If PHMSA nonetheless proceeds with the revisions, API and AOPL request that PHMSA incorporate several changes to its navigation of the online report. Specifically, the report's instructions indicate that Parts N and O are to be completed after Parts P and Q. The proposed revisions would also require operators to complete Part L prior to Part F. Since these changes would require operators to complete the report out of sequence, API and AOPL request that PHMSA provide a notification in the electronic report, in addition to changes in the instructions that would direct operators to bypass the respective Parts. API and AOPL also request that PHMSA provide corresponding navigation that will permit operators to freely move between the related Parts on the report. Such revisions will facilitate accurate and quality data collection.

PHMSA's Response: The on-line navigation will allow the users to move freely among the Parts of the form. If an operator attempts to enter Part F or G data before the prerequisite entries have been made in Part L, the online system will explain why data entry is not yet permitted.

Comment: Time Stamp Requested: API and AOPL note that there is currently no confirmation of the date and time that an initial or supplemental Annual Report has been submitted. Confirmation would certify that the operator has successfully submitted the report, and will verify those viewing a hard copy have the most recent version of the

report. In fact, PHMSA inspectors request this information during inspections. API and AOPL request that PHMSA supply confirmation upon submittal of any report.

PHMSA's Response: PHMSA is implementing the date confirmation suggested by API and AOPL. In the Summary section of the PHMSA Portal, operators have access to all original and supplemental reports.

C. Improved Instructions

Comment: Reporting of actionable anomalies removed due to pipe replacement or abandonment: To streamline operator reporting in this section of the report, API and AOPL request that the report's instructions include examples of how to calculate reportable anomalies for any repair. API and AOPL believe the following are suitable examples of such guidance:

Example 1. An area on the pipe has three actionable anomalies in the same general area, per the assessment data. If an operator excavates this area and installs a repair sleeve over these three actionable anomalies as well as 20 smaller anomalies, the total reported number of actionable anomalies for this repair should equal three.

Example 2. An area on the pipe has three actionable anomalies in the same general area, per the assessment data. Upon ditch investigation, if there are four anomalies that meet the actionable definitions (if, for instance, the ILI tool missed one anomaly) as well as

several smaller anomalies, the reported number of actionable anomalies should equal four.

Example 3. An area on the pipe has three actionable anomalies in the same general area, per the assessment data. If upon in the ditch investigation it is discovered that only one of the anomalies is actionable, the reported number should be one.

Example 4. An area on the pipe has three actionable anomalies in the same general area per the assessment data. The operator elects to do a pipe replacement or abandonment without a ditch investigation. The reported number of actionable anomalies should equal three per the assessment data.

The definition for the term repair presents another example of where modest changes to the instructions will improve the understanding of those entering the data as well as the quality of the data. Specifically, API and AOPL request that PHMSA adopt the term “repair” as included in the PPTS Advisory Bulletin: Reporting Integrity Management Program Activity in the Infrastructure Survey (2004), which defines “repair” as “a mechanical fix of some kind – a sleeve or clamp, for instance – that restores the pressure-containing capability of the pipe.” A pipe repair can include the installation of pressure containing sleeves or non-pressure containing sleeves, replacement of a weld or welding to fill in an anomaly, and removal of stress concentrators through grinding. A repair should not include touching-up, re-establishing or replacing coating. A “replacement” on the other hand, is a type of repair.

PHMSA’s Response: API’s and AOPL’s suggestion regarding instructions for reporting repairs is already partially implemented in PHMSA’s proposed changes. For example, the instructions clearly state that recoating is not considered a repair. However, the suggestion that replacement be treated as a type of repair directly conflicts with PHMSA’s proposal to collect actionable anomalies eliminated by pipe abandonment or replacement. PHMSA will proceed with collecting replacement data separately from repair data.

Comment: High Consequence Area Mileage: API and AOPL request that PHMSA clarify the instructions on page 11 of the “60 day Version” of the Report’s General Instructions. Page 11 instructs operators that, “Part F includes inspection, assessment, and repair data both within and outside HCAs.” Although the instructions in Part F later detail section-by-section how to report mileage, AOPL and API request that PHMSA include a notation on this page noting that, “where 49 C.F.R. § 195.452 is cited, only ‘could affect’ HCA mileage should be reported,” to avoid potential confusion.

PHMSA’s Response: PHMSA has modified page 11 of the instructions to clarify that “in HCA” means “on pipeline segments that could affect an HCA.”

The following information is provided for each information collection:

(1) abstract for the affected annual report form; (2) title of the information collection; (3) OMB control number; (4) affected annual report form; (5) description of affected public; (6) estimate of total annual reporting and recordkeeping burden; and (7) frequency of collection. PHMSA will request a three-year term of approval for each information collection activity and, when approved by OMB, publish a notice of the approval in the Federal Register.

PHMSA requests comments on the following information collection:

Title: Transportation of Hazardous Liquids by Pipeline: Recordkeeping and Annual Reporting.

OMB Control Number: 2137-0614.

Current Expiration Date: 1/31/2014

Type of Request: Revision.

Abstract: To ensure adequate public protection from exposure to potential hazardous liquid pipeline failures, PHMSA collects information on reportable hazardous liquid pipeline accidents. Additional information is also obtained concerning the characteristics of an operator's pipeline system on the Annual Report for Hazardous Liquid Pipeline Systems form (PHMSA F 7000-1.1). This information is needed for normalizing the accident information to provide for adequate safety trending. The form is required to be filed annually by June 15 of each year for the preceding calendar year.

Affected Public: Hazardous liquid pipeline operators.

Annual Reporting and Recordkeeping Burden:

Total Annual Responses: 447.

Total Annual Burden Hours: 8,063 (8,046 + 17).

Frequency of collection: Annually.

Comments are invited on:

(a) The need for the proposed collection of information for the proper performance of the functions of the agency, including whether the information will have practical utility;

(b) The accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(d) Ways to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques.

Issued in Washington, D.C. on July 5, 2013.

Jeffrey D. Wiese,
Associate Administrator for Pipeline Safety.

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