U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Ave., SE
Washington, DC 20590

DEC - 8 2010

The Honorable Deborah A. P. Hersman
Chairman
National Transportation Safety Board
490 L'Enfant Plaza, SW
Washington, DC 20594

Dear Chairman Hersman:

I am sending you this letter in response to the National Transportation Safety Board's (NTSB) safety recommendations P-07-7 and P-07-8 issued to the Pipeline and Hazardous Materials Safety Administration (PHMSA) on June 25, 2007 in response to the NTSB's investigation of an October 27, 2004 hazardous liquid pipeline rupture that occurred near Kingman, Kansas. The NTSB recommended that PHMSA require an operator to have a procedure to calculate and provide a reasonable initial estimate of release product in the telephonic report to the National Response Center (NRC) (P-07-7) and require an operator to provide an additional telephonic report to the NRC if significant new information becomes available during the emergency response (P-07-8).

PHMSA issued a Notice of Proposed Rulemaking (Federal Register /Vol. 74, No. 126 Thursday, July 2, 2009) titled "Pipeline Safety: Updates to Pipeline and Liquefied Natural Gas Reporting Requirements" that addresses these two recommendations. A final Federal Register notice (75 FR 72878) was published November 26, 2010, and the Office of Management and Budget is expected to approve the rule within 60 days of publication. A copy of the notice is enclosed.

PHMSA takes the safety recommendations from the NTSB seriously and is focused on fulfilling the requirements of these two recommendations. Through this final rule, we have implemented the changes recommended from NTSB safety recommendations P-07-7 and P-07-8 and therefore requests the classification of the two recommendations be changed to "Closed-Acceptable Action."

If you have questions, concerns, or comments, please feel free to contact me at 202-366-4433.

Sincerely yours,

Cindy Douglass

Cynthia Douglass
Assistant Administrator/Chief Safety Officer

Enclosure

E. Steps Taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered

48. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): (1) The establishment of differing compliance and reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or part thereof, for small entities.

49. The Commission asks commenters to refresh the record on what further steps the Commission should take to improve the process of changing providers and provide any new ideas that reflect and build upon the new one-business day interval. The Commission also seeks comment on the benefits and burdens, especially the burdens on small entities, of adopting any new rules regarding the porting process. The Commission expects to consider the economic impact on small entities, as identified in comments filed in response to the FNPRM, in reaching its final conclusions and taking action in this proceeding.

F. Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules

50. None.

Initial Paperwork Reduction Act of 1995 Analysis

This document does not contain proposed information collection(s) subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104–13. In addition, therefore, it does not contain any new or modified "information collection burden for small business concerns with fewer than 25 employees," pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, *see* 44 U.S.C. 3506(c)(4).

Ordering Clauses

It is ordered that pursuant to Sections 1, 4(i), 4(j), 251, and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154(i)–(j), 251, 303(r), the Further Notice of Proposed Rulemaking in WC Docket No. 07–244 and CC Docket No. 95–116 is adopted.

It is further ordered that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, shall send a copy of this Report and Order and Further Notice of Proposed Rulemaking, including the Final Regulatory Flexibility Analysis and the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

[FR Doc. E9–15131 Filed 7–1–09; 8:45 am]

BILLING CODE 6712–01–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 191, 192, 193, and 195

[Docket No. PHMSA–2008–0291]

RIN 2137–AE33

Pipeline Safety: Updates to Pipeline and Liquefied Natural Gas Reporting Requirements

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

ACTION: Notice of proposed rulemaking.

SUMMARY: This Notice of Proposed Rulemaking seeks to revise the Pipeline Safety Regulations to improve the reliability and utility of data collections from operators of natural gas pipelines, hazardous liquid pipelines, and liquefied natural gas (LNG) facilities. These revisions will enhance PHMSA's ability to: understand, measure, and assess the performance of individual operators and industry as a whole; integrate pipeline safety data to allow a more thorough, rigorous, and comprehensive understanding and assessment of risk; and expand and simplify existing electronic reporting by operators. These revisions will improve both the data and the analyses PHMSA relies on to make critical, safety-related decisions, and will facilitate PHMSA's allocation of inspection and other resources based on a more accurate accounting of risk.

DATES: Submit comments by August 31, 2009.

ADDRESSES: Comments should reference Docket No. PHMSA–2008–0291 and may be submitted in the following ways:

- *E-Gov Web Site: http://www.regulations.gov.* This Web site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the instructions for submitting comments.
- *Fax:* 1–202–493–2251.
- *Mail:* Docket Management System: U.S. Department of Transportation, Docket Operations, M–30, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590–0001.
- *Hand Delivery:* DOT Docket Management System, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590–0001 between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Instructions: If you submit your comments by mail, submit two copies. To receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard.

Note: Comments are posted without changes or edits to *http://www.regulations.gov,* including any personal information provided. There is a privacy statement published on *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Roger Little by telephone at (202) 366–4569 or by electronic mail at *roger.little@dot.gov.*

SUPPLEMENTARY INFORMATION:

I. Objective

PHMSA is seeking to improve the use of incident, infrastructure, and performance data in its approaches to improve pipeline safety. As part of PHMSA's strategy to become a more risk-based and data-driven organization, PHMSA is proposing the following general data and data management improvements to the pipeline safety regulations:

1. Modify the scope of part 191 addressed in 49 CFR 191.1 to reflect the changes made in the scope of part 192 to the definition of gas gathering lines.

2. Change the definition of an "incident" in 49 CFR 191.3 to require an operator to report an explosion or fire not intentionally set by the operator. The proposal also establishes a volumetric basis for reporting unexpected or unintentional gas loss. These reporting changes will more accurately depict the safety performance of gas pipelines over time.

3. Require operators to report and file data electronically whenever possible. The electronic submission of data will increase the accuracy and quality of data collected which, in turn, will improve PHMSA's data integration efforts. Electronic submission will also reduce the reporting burden on operators.

4. Require operators of LNG facilities to submit incident and annual reports. This data will provide valuable infrastructure information to PHMSA,

and allow for a more thorough evaluation of the safety performance of LNG facilities.

5. Create and require participation in a National Registry of Pipeline and LNG Operators. This data will provide PHMSA with timely updates on significant and potential safety-impacting changes occurring under its purview, and help PHMSA to better monitor and assess operator performance.

6. Require operators to use a standard form in electronically submitting Safety-Related Condition Reports and Offshore Pipeline Condition Reports. This will ensure consistency of data submitted across the pipeline industry.

7. Merge the natural gas transmission integrity management Semi-Annual Performance Measures Report with the annual reports. Revise the leak cause categories listed in the annual report to include those nine categories listed in ASME B31.8S. This change will significantly reduce the reporting burden on operators by changing the current semi-annual requirement. Expand information on the natural gas transmission annual report to add information for miles of gathering lines by Type A and Type B gathering; class location information by SMYS, volume of commodity transported, and type of commodity transported.

8. Modify hazardous liquid operator telephonic notification of accidents to require operators to have and use a procedure to calculate and report a reasonable initial estimate of released product and to provide an additional telephonic report to the National Response Center if significant new information becomes available during the emergency response phase.

9. Require operators of hazardous liquid pipelines to submit pipeline information by State on the annual report for hazardous liquid pipelines. This data will allow PHMSA to improve its allocation of inspection and other resources through a better understanding of the infrastructure it regulates.

10. Remove obsolete provisions that would conflict with the proposal to require electronic submission of all reports and update OMB control numbers for information collections.

11. Update OMB control numbers assigned to information collections.

II. Background

The statutory authority under 49 U.S.C. 60101 *et seq.* authorizes this proposal; these Federal Pipeline Safety Laws grant broad authority to the Pipeline and Hazardous Material Safety Administration to regulate pipeline safety. The proposed data collection and filing requirement revisions are wholly consistent with Section 15 of the PIPES Act of 2006 (Pub. L. 109–468, December 26, 2006), which requires PHMSA to review and modify the reporting criteria as appropriate to ensure that the data accurately reflects trends over time.

For natural gas pipeline operators specific reporting requirements in 49 CFR Part 191 are found at:

- § 191.5 telephonic notice of certain incidents.
- § 191.7 Addresses for written reports.
- § 191.9 Natural gas distribution incident report.
- § 191.11 Natural gas distribution annual report.
- § 191.15 Natural gas transmission and gathering incident report.
- § 191.17 Natural gas transmission and gathering annual report.
- § 191.23 Reporting safety-related conditions.
- § 191.25 Filing safety-related condition reports.
- § 191.27 Filing offshore pipeline condition reports.

The requirement for reporting leaks and spills of LNG in accordance with Part 191 is found at § 193.2011. Part 191 excludes LNG from many of the reporting requirements.

For hazardous liquid pipeline operators specific reporting requirements in 49 CFR Part 195 are found at:

- § 195.49 Annual report.
- § 195.50 Reporting accidents.
- § 195.52 Telephonic notice of certain accidents.
- § 195.54 Accident reports.
- § 195.55 Reporting safety-related conditions.
- § 195.56 Filing safety-related condition reports.
- § 195.57 Filing offshore pipeline condition reports.
- § 195.58 Address for written reports.

As the Nation's repository for pipeline data, PHMSA's data is used not only by PHMSA, but by State pipeline safety programs; congressional committees; metropolitan planners; civic associations and other local community groups; pipeline research organizations; industry safety experts; industry watch groups; the media; the public; industry trade associations; industry consultants; and members of the pipeline and energy industries. A significant amount of critical safety information is cultivated from PHMSA's data through statistical analysis and information retrieval. One of the agency's most valued assets is the data it collects, maintains, and analyzes pertaining to the industry. PHMSA is responsible for maintaining the most comprehensive collection of accident/incident data for intrastate and interstate pipelines in the country. PHMSA is subject to constant and continued interest and scrutiny by numerous and varied stakeholders for the reliability, utility, and applicability of information and statistics pertaining to pipelines and LNG facilities, including the collection, tracking, and retrieval of historical data. PHMSA, therefore, must periodically modify its information and data collections and associated processes to address changes in industry business practices, changes in PHMSA's regulations, and changes in PHMSA's own data analysis strategies and objectives.

As an example of one such needed change, LNG operators are currently exempt from annual and incident reporting requirements, whereas the operators of gas transmission, gas distribution, and hazardous liquid pipelines are required to report summary data annually and any incidents or accidents that meet reporting requirements specified in pipeline safety regulations. Given the increased number of LNG plants under construction, along with the understandable desire for PHMSA to better monitor the safety performance of this critical portion of the nation's energy infrastructure, this proposal removes the existing exemption for this reporting for operators of LNG facilities.

This proposed rule also supports PHMSA's strategic objectives aimed at risk reduction and the continuous improvement of the integrity of the nation's pipeline systems. The data collection improvements proposed in this proposed rule will enhance PHMSA's standing analytical capability and strengthen PHMSA's understanding of risk, all based on sound data. PHMSA will use the data to help drive program priorities and resource decisions, improve the ability to detect emerging risks, and focus prevention activities.

III. Petitions for Rulemaking and Recommendations

Petition for Rulemaking

On November 7, 2005, the Interstate Natural Gas Association of America (INGAA) submitted a Petition for Rulemaking asking PHMSA to change the definition of an incident to adequately provide a method to normalize skewing due to inflationary price increases of gas lost. INGAA asserted that the practical effect of the cost based reporting threshold has skewed the number of incidents

reported upwards as the cost of natural gas has continued to rise.

Under the current definition, a reportable incident includes estimated property damage, including cost of gas lost, of the operator or others, or both, of $50,000 or more (49 CFR 191.3). In its petition, INGAA asserts that the current definition effectively froze the dollar amount of the cost of an incident to 1984/1985 levels. Therefore, INGAA claims that, although less gas is being released, more incidents are being reported because the price of gas has escalated over time. INGAA recommended PHMSA establish a volume-based threshold for a reportable incident. A copy of the petition is in the docket.

Recommendations

This proposed rule also responds to various Government Accountability Office (GAO) and National Transportation Safety Board (NTSB) recommendations. In GAO's report, entitled "Natural Gas Pipeline Safety: Integrity Management Benefits Public Safety, but Consistency of Performance Measure Should Be Improved," (GAO–06–946, September, 2006), GAO stated that the current gas incident reporting requirements do not adjust for the changing cost of gas released in incidents. GAO recommended that PHMSA "revise the definition of a reportable incident to consider changes in the price of natural gas."

In this report GAO also recommended PHMSA revise reporting of performance measures for the integrity management programs to measure the impact of the program. GAO recommended that PHMSA improve the measures related to incidents, leaks, and failures to compare performance over time and make the measures more consistent with other pipeline safety measures. GAO also stated that the incident reporting requirements should adjust for changes in the price of natural gas, because the value of gas released is a key factor in determining whether an incident must be reported.

The NTSB recommended that PHMSA modify 49 CFR 195.52 of the hazardous liquid regulations to require pipeline operators to have a procedure to calculate and provide a reasonable initial estimate of released product in the telephonic report to the National Response Center (NTSB Safety Recommendation P–07–07). NTSB also recommended that the hazardous liquid regulations require pipeline operators to provide an additional telephonic report to the National Response Center if significant new information becomes available during the emergency response (NTSB Safety Recommendation P–07–08).

IV. Section by Section Analysis

(1) Modifying the Scope of Part 191 To Reflect the Change to the Definition of Gas Gathering Lines

49 CFR 191.1

On Wednesday, March 15, 2006, PHMSA published a new final rule, redefining the definition of gas gathering line. Part of that rulemaking effort changed the scope of Part 192 which is addressed in § 192.1. However, this rulemaking project inadvertently overlooked making the corresponding changes to the scope of Part 191 in § 191.1 Because of this omission, operators of gathering lines have been reporting the number of miles of gas gathering lines by the old definition and not by the new. § 191.1 would be changed to reflect the new gas gathering line definition.

(2) Changing the Definition of an "Incident"

49 CFR 191.3

This proposal would change the definition of an incident in 49 CFR 191.3 to establish a new reporting category: an explosion or fire not intentionally set by the operator. This proposed change would make the definition consistent with the accident reporting criteria in 49 CFR Part 195. The proposal also establishes a volumetric basis of 3,000 MCF for reporting unintentional gas loss.

Justification

Explosion or Fire Not Intentionally Set by the Operator

Adding "explosion or fire not intentionally set by the operator" as a category to the definition of a reportable incident will enable PHMSA to gain information on significant incidents, as fires and explosions are major adverse outcomes that significantly raise the risk of death or injury from a pipeline failure. PHMSA's analysis of its accident/incident database showed the risk of death or injury increased by a magnitude of four-to-five times if there was a fire or explosion, compared to incidents without a fire or explosion. This revision would also make the natural gas pipeline incident reporting requirement consistent with the reporting requirement for hazardous liquid pipelines.

Volume Measure for Released Gas

Under the existing definition, a reportable incident includes estimated property damage, including cost of gas lost, of the operator or others, or both, of $50,000 or more. Therefore, although less gas is being released, more incidents are being reported because the value of natural gas has escalated over time. This proposal would establish a volumetric basis for unplanned gas loss for reporting an incident.

In November 2005, INGAA submitted a petition for rulemaking recommending PHMSA adopt a volume basis instead of the cost of gas lost. INGAA recommended 20,000 MCF (20 million standard cubic feet) as a reporting threshold. INGAA based this volume on the $50,000 reporting threshold and the 1985 cost of gas at $2.50 per MCF.

The definition of the term "incident" affects both natural gas distribution and transmission operators. A strategy and proposed solution to address the problem posed by the escalating cost of gas therefore must apply to both natural gas distribution and transmission operators. Historical data indicates that INGAA's recommended amount of 20,000 MCF is too high to have any impact on distribution incident reporting and would significantly reduce the number of gas transmission incident reports to PHMSA, inhibiting PHMSA's ability to accurately track the number of incidents and to learn from the already small number of reportable incidents that occur annually.

PHMSA proposes to revise the definition of incident to add a reporting criterion for 3,000 MCF of gas lost. PHMSA believes that 3,000 MCF more accurately represents the median volume of gas lost reported through transmission incident reports since 2002. The 3,000 MCF proposed volume represents a large amount of gas from a small pipeline that would have less potential to do major damage, compared to a small amount of gas from a large pipeline (*e.g.* 30- to 40-inch diameter) that could cause major damage.

(3) Requiring Electronic Reporting and Filing of Reports

49 CFR 191.7 and 195.58

We are proposing to require an operator of a regulated pipeline or facility as defined in § 191.3 or § 195.2 to submit all reports to PHMSA electronically.

Justification

To improve the processing of submitted reports, PHMSA proposes to modify §§ 191.7 and 195.58 to require electronic reporting and updating of operator data in PHMSA databases.

Electronic data submission will enhance efficiency while reducing paperwork burdens.Currently, 55–80% of operators submit reporting data

electronically. The remaining operators submit large volumes of reporting data to PHMSA in paper format. Often these operators submit incomplete data, inconsistent data, and improperly filled-in forms. PHMSA lacks resources to verify individual data elements and seek further information to correct errors. Any PHMSA electronic filing requirement will be a function of the ability of the regulated industry to report data electronically to PHMSA. Given the size and technological capacity of pipeline operators, PHMSA believes the regulated industry has the required technological capability to provide required data to PHMSA electronically. However, should any operator lack the technological capacity for electronic reporting, we are proposing that the operator notify PHMSA and request an alternative to comply with this requirement. Such requests for alternative methods must be submitted to PHMSA by mail or fax. PHMSA specifically invites comments from operators on the burden the proposed electronic reporting requirement would impose.

Mandatory electronic filing is wholly consistent with the E-Government Act of 2002 (Pub. L. 107–347) and the Government Paperwork Elimination Act of 1998 (Pub. L. 105–277) requirements. By placing required data fields in an electronic form pipeline and liquefied natural gas facility operators will submit more concise, complete, and accurate information in a format that will improve PHMSA's ability to use the information, ensure compliance, and reduce risk. PHMSA has the authority and sufficient justification for requiring data collection on pipeline-related matters by electronic filing. As discussed above, electronic filing, as encouraged by the E-Gov initiative, will greatly benefit PHMSA. PHMSA has provided electronic reporting as a method of filing required reports since 2002. PHMSA believes the regulated industry possesses the technological expertise, skills, equipment (hardware and software), internet access etc., and, generally prefers to submit data electronically as opposed to hard copy. Some affected smaller business or individuals, however, may not have the required skills or equipment and the cost of acquiring these necessary resources for electronic filing could be costly. Therefore, PHMSA will provide alternatives, such as paper forms submitted though mail or facsimile, for those operators who notify PHMSA that they are unable to report electronically and request an alternative.

As part of the revisions to §§ 191.7 and 195.58, PHMSA proposes to remove the language on filing duplicate copies of annual and incident reports to State agencies because any State filing requirement is independent of PHMSA's requirements. With the new requirement to file reports electronically, we see this provision on State filing requirements as only adding confusion.

We will continue to require safety-related condition reports to be submitted concurrently to the applicable State agency for intrastate pipeline transportation and on interstate transportation facilities, where the State acts as PHMSA's agent.

(4) Requiring LNG Operators To Submit Incident and Annual Reports

49 CFR 191.9, 191.15, 191.17 and 193.2011

PHMSA proposes to amend §§ 191.15, 191.17, and 193.2011 to require LNG facility operators to submit annual and incident reports consistent with the current reporting requirements for gas and hazardous liquid pipeline operators.

Justification

Currently, 49 CFR 193.2011 requires LNG operators to report leaks and spills of LNG according to the requirements in Part 191. Part 191 provides the requirements for Annual Reports, Incident Reports, and Safety Related Condition Reports. LNG facilities are exempt from the requirements for incident reporting in § 191.15 and annual reporting in § 191.17.

Various GAO and internal assessments have identified the need for improved data quality in the area of LNG operations. PHMSA does not collect annual reports or incident reports for LNG facilities. These reports would provide timely information needed to improve PHMSA's ability to effectively evaluate the safety performance of the LNG industry, to monitor significant changes to plant or facility operations, and to aid regulatory decision making regarding LNG operations. PHMSA will also use the information for accurate user fee assessments.

The proposed data collection and reporting requirements for LNG operators are consistent with the current PHMSA reporting requirements for gas and hazardous liquid pipeline operators.

(5) Creating a National Registry of Pipeline and LNG Operators

49 CFR 191.22 and 195.64

In this proposed rule we are proposing that all regulated pipeline operators and LNG plant or LNG facility operators must obtain an Operator Identification (OPID) number from PHMSA. An "operator" of a regulated pipeline, pipeline facility, LNG plant or LNG facility—or group of regulated pipelines or facilities—as defined in §§ 191.3 and 195.2 will be required to submit all reports for those regulated pipelines or facilities using the assigned OPID for the specific pipeline segments or facilities for which the operator requested the OPID.

This proposal would require operators to use this OPID for all submissions (National Pipeline Mapping System, Annual report, accident, incident, safety-related condition *etc.*) to PHMSA. If an operator has a single OPID, then all of its reporting to PHMSA for regulated pipelines, pipeline facilities, and/or LNG facilities will use the one number assigned to the company for those assets. If an operator has multiple OPIDs, the operator must determine which OPID is assigned to which specific and unique pipeline segments or facilities, and use that OPID consistently for those pipeline segments or facilities in reporting to PHMSA.

To ensure consistency and accuracy of information collection, even those operators with an existing OPID must reapply. If the pipeline segments or facilities associated with an existing OPID have not changed, the existing OPID would not change. Changes to OPID assigned numbers would occur on a case-by-case basis depending on the extent of mergers, acquisitions, divestitures, etc. that have occurred since PHMSA assigned the existing OPID.

We are also proposing that an operator notify PHMSA at least 60 days in advance of certain profile or other changes to its facilities which could impact public safety. Such changes would include any of the following activities for an existing or new pipeline, pipeline segment, pipeline facility, LNG plant, or LNG facility:

- A change in the operating entity responsible for operating an existing pipeline, pipeline segment, or facility.
- A change in the operating entity responsible for managing or administering a safety program (such as an Integrity Management or Corrosion Protection Program) covering an existing pipeline, pipeline segment, or facility.
- The acquisition or divestiture of 50 or more miles of an existing regulated pipeline or pipeline segment.
- Any rehabilitation, replacement, modification, upgrade, uprate, or update costing $5 million or more.
- The construction of 10 or more miles of a new hazardous liquid or gas

transmission pipeline facility, or other construction project costing $5 million or more.

- The construction of a new LNG plant or LNG facility, or the sale or purchase of an existing LNG plant or LNG facility.

Justification

A National Registry of Pipeline and LNG Operators will serve as the storehouse for the reporting requirements for an operator regulated or subject to reporting requirements under 49 CFR Parts 192, 193, or 195. Essential to the effectiveness of PHMSA's oversight is the ability to monitor and assess the performance of the regulated community—examining both discrete performance as well as historical trending over time. The single greatest challenge to PHMSA's ability to track performance—and in particular, performance over time—is the dynamic nature of the regulated community itself. Due to conversions of service, new construction, and abandonments, or changes in operatorship that occur during divestitures, acquisitions, or contractual turnovers, operators' asset profiles often change year-to-year, rendering historical trending inaccurate. Currently, PHMSA does not receive any alerts, information, or notification of these types of changes and we lack any mechanism to track or capture these changes when they occur. As a result, PHMSA's ability to accurately portray and assess the performance of individual operators is severely compromised, with the problem deteriorating over time as operating and asset changes accumulate and compound.

Additionally, there is an increased burden to industry and to PHMSA in tracking and maintaining potentially numerous OPID's for the same company. Some companies accumulate a large number of OPID's, often inadvertently, as the company reports across a variety of lines of business (*e.g.*, operators may use separate OPID's for reporting their user fee mileage, safety-related conditions, National Pipeline Mapping System (NPMS) submissions, incidents, and annual infrastructure and integrity management data.) The proposed National Registry of Pipeline and LNG Operators will facilitate the use of one OPID across a company's reporting requirements for a given set of pipeline segments or facilities thereby reducing the burden on both PHMSA and industry for tracking these multiple, duplicative OPID's.

This proposed rulemaking will also require operators to notify PHMSA when they experience significant asset changes that affect PHMSA's ability to accurately monitor and assess pipeline safety performance. Certain types of changes to or within an operator's facilities or pipeline network represent potential safety-altering activities for which PHMSA may need to inspect, investigate, or otherwise oversee to ensure that any public safety concerns are adequately and proactively addressed. In these cases, this timely notification will allow PHMSA to mobilize inspection resources or notify one of its partner State pipeline safety agencies if needed.

This proposed Registry would include mandatory registration and notification requirements, which do not exist within PHMSA's current OPID assignment process. This Registry is necessary to compile an integrated national pipeline inventory of operator contact and facility information that is sustainable and can evolve over time to accommodate an ever-changing environment. Implementing a National Registry of Pipeline and LNG Operators will ensure that PHMSA's communications with representatives of the regulated community are complete and accurate, achieving a level of assurance that does not exist within PHMSA's existing OPID assignment process. The proposed Registry will also enable PHMSA to distribute up-to-date pipeline safety information for various technology applications used in the performance of inspections, regulatory oversight, reporting, and other safety-based needs, and will provide the accurate and up-to-date compilation of operating entities and facilities that is a critical element of PHMSA's pipeline safety mission.

Moreover, the accurate and timely representation of the scope and make-up of the nation's pipeline and LNG facility infrastructure is not only critical to PHMSA, but it is also critical to the various oversight bodies, Congress, the GAO, the DOT Inspector General, and the NTSB. Other stakeholders such as safety and environmental advocacy groups, and State and local pipeline safety partners also rely on the accuracy and completeness of this information.

(6) Requiring Electronic Safety-Related Condition and Offshore Pipeline Condition Reports

49 CFR 191.25, 191.27, 195.56, 195.57 and 195.58

We are proposing to require an operator of a natural gas or hazardous liquid pipeline, or of an LNG plant or LNG facility to use a new standardized form instead of the free-form Safety-Related Condition reporting now used. The requirement under § 191.7 and under § 195.58 to file Safety-Related Condition reports concurrently with State agencies under the conditions outlined in those sections for filing with State agencies would still apply.

We are also proposing to require an operator of a hazardous liquid pipeline to use a new standardized form instead of the free-form Offshore Pipeline Condition Report now used.

Justification

PHMSA requires an operator of a natural gas pipeline or LNG plant or LNG facility to report the existence of a safety-related condition (SRC) meeting the criteria specified in § 191.23. Hazardous liquid operators must report a SRC using the criteria in § 195.55. An operator must file a report within five working days after determination but no later than ten working days after discovery of the condition. Reports are sent by facsimile to PHMSA. This proposed rule proposes to amend §§ 191.25, 195.56 and 195.58 to require operators to submit the information electronically through a standardized form.

For offshore pipeline conditions, PHMSA requires an operator to report certain information within 60 days after completion of the inspection of all its underwater pipelines subject to § 192.6(2a) or § 195.413(a). This proposed rule proposes to obtain this information on a standardized form, filed electronically with PHMSA.

These proposed requirements will ensure that PHMSA obtains all the pertinent information it needs to perform its assessments and safety analyses; ensure that operators report all the required data; ensure consistent reporting across the regulated community; reduce the data management burden on PHMSA; and, reduce the reporting burden on operators. A copy of each form is available in the docket.

(7) Merging the Gas Transmission Integrity Management Semi-Annual Performance Measures Report With the Gas Transmission Operator Annual Reports

49 CFR 192.945 and 192.951

PHMSA is proposing to merge the gas transmission Integrity Management Program semi-annual performance measures reports with the annual reports.

Justification

Operators of gas transmission pipelines subject to Subpart O, "Pipeline Integrity Management", must

submit four overall measures of their integrity management performance on a semi-annual basis, as required by § 192.945. On December 15, 2003, PHMSA published a new Subpart O to the regulations governing safety of gas pipelines in 49 CFR Part 192 (68 FR 69778). Subpart O establishes requirements governing integrity management programs for gas transmission pipelines. Included among these provisions are requirements for each gas transmission pipeline operator to maintain quantitative measures of its integrity management performance as specified in ASME/ANSI B31.8S, "Managing System Integrity of Gas Pipelines", Section 9.4 (49 CFR 192.945). The same regulation requires that each operator submit the performance measures to PHMSA semi-annually. The report on performance measures collects information on the number of pipeline miles inspected; the number of immediate repairs completed; the number of scheduled repairs completed; and the number of leaks, failures, and incidents in the High Consequence Areas.

A consequence of moving these reporting requirements to a gas transmission operator's annual report for ASME/ANSI B31.8S performance metrics is that the annual report is by State. Moreover, for the ASME/ANSI B31.8S performance metrics, the annual report will seek separate reporting for interstate and intrastate facilities and system information. Operators will identify if they are interstate or intrastate. If an operator has interstate mileage it will be able to report by State or have the data rolled up into a single report. If an operator is an intrastate operator, the report is already by State. The acceptable means for submitting reports required by Subpart O are in 49 CFR 192.951.

In addition, PHMSA is proposing that operators submit the required performance measures through the annual report required in § 191.17. This regulatory change will reduce the reporting burden of the industry from twice a year to once a year and will allow PHMSA to identify the location of the inspection, repairs, leaks, failure, and incidents in a high consequence area.

The existing section on the annual report for reporting total leaks eliminated or repaired during the year has seven cause categories, while the equivalent information on the biannual reporting for gas integrity management, as specified in ASME B31.8s, has nine cause categories. GAO noted the inconsistency in its report (GAO–06–946), "Natural Gas Pipeline Safety: Integrity Management Benefits Public Safety, but Consistency of Performance Measure Should Be Improved." GAO recommended PHMSA improve the measures related to incidents, leaks, and failures to better allow for optimal comparison of performance over time and make them more consistent with other pipeline safety measures. To achieve consistency PHMSA proposes to revise the annual report form DOT form 7100.2–1 to replace the seven annual report leak cause categories with the ASME B31.8s nine cause categories. A copy of the revised annual report is available for review in the public docket.

The ASME B31.8s nine cause categories are as follows:

- External Corrosion.
- Internal Corrosion.
- Stress Corrosion Cracking.
- Manufacturing.
- Construction.
- Equipment.
- Third Party Damage/Mechanical Damage.
- Incorrect Operations.
- Weather Related/Other Outside Force.

The existing seven cause categories on the Gas Transmission and Gathering System Annual Report are as follows:

- Corrosion.
- Natural Forces.
- Excavation.
- Other Outside Force Damage.
- Material and Welds.
- Equipment and Operations.
- Other.

PHMSA also seeks expanded information on mileage by Type A and Type B gathering lines (refer to 49 CFR 192.8 and 192.9); expanded information on class location by specified minimum yield strength (SMYS) to better understand the effects of recent "special permits" and the final rule (*Pipeline Safety: Standards for Increasing the Maximum Allowable Operating Pressure for Gas Transmission Pipelines;* 73 Fed. Reg. 62148: October 17, 2008) allowing operators to operate certain pipelines at up to 80% SMYS; and information on volume and commodity transported to better understand system miles by product type (propane vs. natural gas for example). The expanded information will enhance our ability to effectively understand the need for further expansion of regulations for gathering lines and high stress lines.

(8) Modifying Hazardous Liquid Operator Telephonic Notification of Accidents Reporting Requirement

49 CFR 195.52

This proposal would require an operator to have a procedure to calculate and provide a reasonable initial estimate of released product in telephonic reports to the National Response Center (NRC). An operator would also be required to provide additional telephonic reports to the NRC if significant new information becomes available during the emergency response phase of a reported event.

Justification

The NTSB recommended that PHMSA modify 49 CFR 195.52 to require hazardous liquid pipeline operators to have a procedure to calculate and provide a reasonable initial estimate of released product in the telephonic report to the National Response Center (NTSB Safety Recommendation P–07–07). The NTSB also recommended that PHMSA modify the hazardous liquid telephonic notice regulation section to require pipeline operators to provide an additional telephonic report to the National Response Center if significant new information becomes available during the emergency response phase of a reported event (NTSB Safety Recommendation P–07–08).

(9) Requiring Operators of Hazardous Liquid Pipelines To Report Pipeline Information by State on the Annual Report for Hazardous Liquid Pipelines

49 CFR 195.49

This proposal would require operators of hazardous liquid pipelines to submit certain infrastructure and integrity management data for each State a pipeline traverses.

Justification

Currently, natural gas transmission pipeline operators submit State-specific annual reports that give PHMSA a sound and basic understanding of the location, scope, and nature of the pipeline facilities subject to its regulations. Hazardous liquid pipeline operators do not report State-specific information on their annual reports. These reports show the mileage and characteristics of the hazardous liquid pipelines operated by approximately 314 operators with about 165,000 miles of pipelines. These annual reports only contain nationally aggregated information for the general characteristics of the hazardous liquid pipelines, along with fundamental integrity management information. Nationally aggregated information does not provide the granularity of data that is critical to PHMSA's understanding of the risks posed by, as well as the condition of, these pipelines. Although PHMSA's NPMS maintains location information on 310 operators reporting

over 175,000 miles of pipe, none of these submittals contains the desired State-specific pipeline characteristics or integrity management information PHMSA needs to effectively understand, monitor, and assess safety performance and risks more discretely.

This more granular level of understanding and analysis is critical to PHMSA's fundamental safety mission. Capturing this State-specific information for both gas transmission and hazardous liquid pipelines provides PHMSA with the data necessary to identify areas of potential high risk and allocate agency resources accordingly. Without this information, PHMSA cannot differentiate risks and exposures on a State or regional basis, thereby precluding efforts to allocate internal resources based on risk or accurately portray and assess the performance of its various enforcement Regions or individual partner State pipeline safety agencies. The absence of this information also severely limits PHMSA's ability to analyze risks and identify safety issues that may be specific to a particular State or region. Additionally, this level of information would facilitate PHMSA's efforts to reconcile discrepancies between operator NPMS submissions and information submitted through annual reports.

Many States have pipeline safety programs that operate as either PHMSA-certified interstate or PHMSA-certified intrastate agents for hazardous liquid pipelines. PHMSA helps to fund these State programs to reimburse costs for inspections and other safety activities. PHMSA needs to have a full and complete understanding of the scope, nature, and extent of the pipeline infrastructure under each State's purview to be able to assess the effectiveness of funding State pipeline programs for these activities, and to effectively assess, monitor, and compare the State's respective safety performance. Similarly, State pipeline program managers need this same information to plan and manage their own programs.

PHMSA conducted preliminary discussions on the reporting by State proposal with representatives of the hazardous liquid pipeline community. These preliminary discussions were held during meetings with an industry data team consisting of representatives from American Petroleum Institute (API), Association of Oil Pipe Lines (AOPL), and hazardous liquid pipeline operators. This industry data team generally supported reporting by State for the specific areas that PHMSA proposes to obtain annual report information by State. PHMSA was also urged to consider an efficient method for the collection of the proposed information.

Members of the industry data team also requested PHMSA consider obtaining infrastructure and integrity management (IM) information through the NPMS. PHMSA acknowledges the potential benefits of NPMS submission of infrastructure and IM information. NPMS submission of the information would greatly enhance PHMSA's ability to make informed safety-related assessments and decisions. PHMSA is also mindful of the costs associated with submitting the proposed information via the NPMS as opposed to other means. PHMSA would have to modify the existing geospatial technological architecture of the NPMS to accept the substantial data elements that would have to be submitted if the NPMS were to generate the proposed State totals. These modifications would be costly and are not currently budgeted or planned. To retrofit the NPMS into a format that could accept the substantial data elements requires several years of planning and extensive work by PHMSA. Additionally, we need to determine the percentage of the hazardous liquid operators with the capability to submit information using geospatial technology. Many small companies are not API or AOPL members and we need to better understand the overall abilities and capabilities of the industry before considering this method for the collection of information. This proposed rule therefore seeks comment from any hazardous liquid operator that could not provide information via a geospatial tool.

PHMSA agrees with the potential benefits of NPMS submission for this information. Like the industry data team, PHMSA also recognizes that having the information in a GIS tool greatly facilitates the ease with which such tables can be computed and produced. Although the industry data team believes that virtually all of the API and AOPL members have information in GIS tools, preliminary results from a joint OPS and industry pilot project indicate that industry may not have any additional information other than currently collected in NPMS, in GIS format.

Therefore, PHMSA is requesting comments on whether infrastructure and IM information through NPMS is a better alternative that operators could easily implement. For now, PHMSA will continue to collect the information through the Annual Report until PHMSA determines that industry has the capability to convert its technological platform into a format that could accept the submission via GIS tool and that the entire industry could adhere to such a format.

(10) Removing Obsolete Provisions

49 CFR 191.19, 191.27, 195.57 and 195.62

PHMSA proposes to remove or revise the following provisions in light of the proposal to require electronic submission of all reports. Electronic reporting makes these requirements obsolete.

- Remove § 191.19, which advises operators they may obtain, without charge, copies of paper report forms and reproduce the forms.
- Remove §§ 191.27(b) and 195.57(b), which require mailing hard copies of Offshore Pipeline Condition reports.
- Revise § 195.54 to remove the option to file an accident report by facsimile.
- Remove § 195.62, which requires operators to maintain an adequate supply of forms that are a facsimile of DOT accident report forms so that the operator may promptly report an accident.

Hard copies of forms will continue to be available on PHMSA's Web site at *http://phmsa.dot.gov/pipeline.*

(11) Updating OMB Control Numbers

49 CFR 191.21 and 195.63

PHMSA proposes to update these sections to add new OMB control numbers for the new forms (and information collection) proposed in this proposed rule. There will be new forms for reporting safety-related and offshore pipeline conditions, LNG incidents and for submitting an LNG annual report.

V. Regulatory Analyses and Notices

Executive Order 12866 and DOT Policies and Procedures

This proposed rule is not a significant regulatory action under section 3(f) of Executive Order 12866 (58 FR 51735) and, therefore, was not reviewed by the Office of Management and Budget. This proposed rule is not significant under the Regulatory Policies and Procedures of the Department of Transportation (44 FR 11034).

Overall, the costs of the proposed rule are expected to be approximately $1.9 million per year. The present value of this cost over 10 years using a 3 percent discount rate is approximately $17 million, while its present value over 10 years using a 7 percent discount rate is approximately $14 million. Those costs cover changes to the 49 CFR to enhance

general data and data management improvements for pipelines.

The average of the present value of net benefits over 10 years at a 3 percent discount rate is approximately $76 million and approximately $62 million at 7 percent.

The benefits of the proposed rule enhance PHMSA's ability to understand, measure, and assess the performance of individual operators and industry as a whole; integrate pipeline safety data in a way that will allow a more thorough, rigorous, and comprehensive understanding and assessment of risk; expand and simplify existing electronic reporting by operators; improve the data and analyses PHMSA relies on to make critical, safety-related decisions; and facilitate PHMSA's allocation of inspection and other resources based on a more accurate accounting of risk.

A comparison of the benefits and costs of the rule results in positive net benefits. The present value of net benefits (the excess of benefits over costs) for the proposed rule is approximately $59 million using a three percent discount rate and $48 million using a seven percent discount rate. A copy of the regulatory evaluation is available for review in the docket.

Regulatory Flexibility Act

The Regulatory Flexibility Act of 1980, as amended, requires Federal agencies to conduct a separate analysis of the economic impact of rules on small entities. The Regulatory Flexibility Act requires that Federal agencies take small entities' concerns into account when developing, writing, publicizing, promulgating, and enforcing regulations. The modifications noted in the proposed rule will affect hazardous liquid, natural gas pipelines (distribution and transmission), and LNG facility operators. PHMSA does not collect information on number of employees or revenues for pipeline operators. Such a collection would require OMB approval. Nevertheless, PHMSA continues to seek information (and invites comments on this subject) about the number of small pipeline operators to more fully determine impact on small entities.

The Small Business Administration (SBA) size standards for hazardous liquid operators are companies with less than 1,500 employees, including employees of parent corporations. The SBA size standards are $6.5 million in annual revenues for the natural gas transmission pipeline industry and 500 employees for the natural gas distribution industry.

PHMSA has reviewed the data it collects from the hazardous liquid pipeline industry and has estimated there are 10 to 20 small entities in this industry. PHMSA estimates that about 480 of the gas transmission and gathering firms have less than $6.5 million in revenues and about 1,000 gas distribution firms have fewer than 500 employees. Information on the market structure of the LNG industry is scarce but the estimated reporting cost to LNG facilities' operators is very low, and thus, PHMSA assumes that LNG facilities operators, large or small, will not be adversely affected by the requirements in the proposed rule.

The average annual cost of the increased reporting burden of the proposed rule ranges from $3,804 to $5,649 for small hazardous liquid operators, $231 to $385 for small natural gas operators and from $683 to $1,103 for liquefied natural gas operators. These preliminary results suggest that there is not a significant impact on a substantial number of small entities.

Executive Order 13175

PHMSA has analyzed this proposed rule according to the principles and criteria in Executive Order 13175, "Consultation and Coordination with Indian Tribal Governments." Because this proposed rule would not significantly or uniquely affect the communities of the Indian Tribal governments or impose substantial direct compliance costs, the funding and consultation requirements of Executive Order 13175 do not apply.

Paperwork Reduction Act

This proposed rule may result in revisions to several currently approved information collections. The following list contains the potentially impacted information collections and their current approval information:

OMB Control No.	Info collection title	Current expiration date	Currently approved burden hours
1. 2137–0047	Transportation of Hazardous Liquids by Pipeline: Recordkeeping and Accident Reporting.	11/30/2011	51,011
2. 2137–0522	Incident and Annual Reports for Gas Pipeline Operators	11/30/2010	36,105
3. 2137–0578	Reporting Safety-Related Conditions on Gas, Hazardous A Liquid, and Carbon Dioxide Pipelines and Liquefied Natural Gas Facilities.	2/28/2011	390
4. 2137–0610	Pipeline Integrity Management in High Consequence Areas Gas Transmission Pipeline Operators.	6/30/2009	1,030,309
5. 2137–0614	Pipeline Safety: New Reporting Requirements for Hazardous Liquid Pipeline Operators: Hazardous Liquid Annual Report.	6/30/2010	5,364

Pursuant to 5 CFR 1320.8(d), PHMSA is required to provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This notice identifies revised information collection requests that PHMSA will submit to the Office of Management and Budget (OMB) for approval based on the requirements in this proposed rule.

PHMSA has developed revised burden estimates to reflect changes in this proposed rule. PHMSA estimates that, based on the proposals in this rule, the current information collection burden for these information collections will be revised as follows:

1. *Title of information Collection:* Transportation of Hazardous Liquids by Pipeline: Recordkeeping and Accident Reporting.

OMB Control Number: 2137–0047.

Total Annual Number of Respondents: 300.

Total Annual Responses: 450.

Total Annual Burden Hours: 51,011.

Total Annual Burden Cost: $3,302,962.25.

2. *Title of information Collection:* Incident and Annual Reports for Gas Pipeline Operators.

OMB Control Number: 2137–0522.

Total Annual Number of Respondents: 2,289.

Total Annual Responses: 5,629.

Total Annual Burden Hours: 63,153.
Total Annual Burden Cost: $2,910,448.

3. *Title of information Collection:* Reporting Safety-Related Conditions on Gas, Hazardous A Liquid, and Carbon Dioxide Pipelines and Liquefied Natural Gas Facilities.
OMB Control Number: 2137–0578.
Total Annual Number of Respondents: 2,673.
Total Annual Responses: 718.
Total Annual Burden Hours: 1,512.
Total Annual Burden Cost: $46,620.

4. *Title of information Collection:* Pipeline Integrity Management in High Consequence Areas Gas Transmission Pipeline Operators.
OMB Control Number: 2137–0610.
Total Annual Number of Respondents: 721.
Total Annual Responses: 721.
Total Annual Burden Hours: 1,018,773.
Total Annual Burden Cost: $65,967,753.00.

5. *Title of information Collection:* Pipeline Safety: New Reporting Requirements for Hazardous Liquid Pipeline Operators: Hazardous Liquid Annual Report.
OMB Control Number: 2137–0614.
Total Annual Number of Respondents: 300.
Total Annual Responses: 447.
Total Annual Burden Hours: 11,748 hours.
Total Annual Burden Cost: $760,683.00.

Requests for a copy of the information collection should be directed to Cameron Satterthwaite, U.S. Department of Transportation, Office of Regulations, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue, SE., East Building, 2nd Floor, Washington, DC 20590–0001, Telephone (202) 366–4046.

All comments should be addressed to the Dockets Unit as identified in the **ADDRESSES** section of this proposed rule and received prior to the close of the comment period identified in the **DATES** section of this proposed rule.

We specifically request comments on the information collection and recordkeeping burden associated with developing, implementing, and maintaining these requirements for approval under this proposed rule.

Unfunded Mandates Reform Act of 1995

This proposed rule would not impose unfunded mandates under the Unfunded Mandates Reform Act of 1995. It would not result in costs of $100 million, adjusted for inflation, or more in any one year to either State, local, or Tribal governments, in the aggregate, or to the private sector, and is the least burdensome alternative that achieves the objective of the proposed rulemaking.

National Environmental Policy Act

PHMSA analyzed this proposed rule in accordance with section 102(2)(c) of the National Environmental Policy Act (42 U.S.C. 4332), the Council on Environmental Quality regulations (40 CFR 1500–1508), and DOT Order 5610.1C, and has preliminarily determined this action will not significantly affect the quality of the human environment. The Environmental Assessment for this proposed action is in the docket.

Executive Order 13132

PHMSA has analyzed this proposed rule according to Executive Order 13132 ("Federalism"). The proposed rule does not have a substantial direct effect on the States, the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government. This proposed rule does not impose substantial direct compliance costs on State and local governments. This proposed rule would not preempt State law for intrastate pipelines. Therefore, the consultation and funding requirements of Executive Order 13132 do not apply.

Executive Order 13211

This proposed rule is not a "significant energy action" under Executive Order 13211 (Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use). It is not likely to have a significant adverse effect on supply, distribution, or energy use. Further, the Office of Information and Regulatory Affairs has not designated this proposed rule as a significant energy action.

Privacy Act Statement

Anyone may search the electronic form of all comments received for any of our dockets. You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (70 FR 19477) or visit *http://dms.dot.gov.*

List of Subjects

49 CFR Part 191

Pipeline safety, Reporting and recordkeeping requirements.

49 CFR Part 192

Pipeline safety, Fire prevention, Security measures.

49 CFR Part 193

Pipeline safety, Fire prevention, Security measures, and Reporting and recordkeeping requirements.

49 CFR Part 195

Ammonia, Carbon dioxide, Incorporation by reference, Petroleum, Pipeline safety, Reporting and recordkeeping requirements.

In consideration of the foregoing, we propose to amend 49 CFR Chapter I as follows:

PART 191—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE; ANNUAL REPORTS, INCIDENT REPORTS, AND SAFETY-RELATED CONDITION REPORTS

1. The authority citation for Part 191 continues to read as follows:

Authority: 49 U.S.C. 5121, 60102, 60103, 60104, 60108, 60117, 60118, and 60124, and 49 CFR 1.53.

1a. In § 191.1, paragraph (b)(4) is revised to read as follows:

§ 191.1 Scope.

* * * * *

(b) * * *

(4) Onshore gathering of gas—

(i) Through a pipeline that operates at less than 0 psig (0 kPa);

(ii) Through a pipeline that is not a regulated onshore gathering line (as determined in § 192.8 of this subchapter); and

(iii) Within inlets of the Gulf of Mexico, except for the requirements in § 192.612.

2. In § 191.3, the definition of "Incident" is revised to read as follows:

§ 191.3 Definitions.

* * * * *

Incident means any of the following events:

(1) An event that involves a release of gas from a pipeline, or of liquefied natural gas, liquefied petroleum gas, refrigerant gas, or gas from an LNG facility, and that results in one of the following consequences:

(i) A death, or personal injury necessitating in-patient hospitalization;

(ii) Estimated property damage of $50,000 or more, including loss to the operator and others, or both;

(iii) Estimated gas loss of 3,000 million cubic feet or more;

(iv) An explosion or fire not intentionally set by the operator.

(2) An event at an LNG plant or LNG facility that results in an emergency shutdown, excluding the activation of emergency shutdown devices for maintenance.

(3) An event that is significant in the judgment of the operator, even though it

did not meet the criteria of paragraphs (1) or (2) of this definition.

* * * * *

3. Section 191.7 is revised to read as follows:

§ 191.7 Report submission requirements.

(a) *General.* An operator must submit each report required by this Part electronically to the Pipeline and Hazardous Materials Safety Administration at *http://opsweb.phmsa.dot.gov.* If electronic reporting imposes an undue burden and hardship, the operator must submit a written request for an alternative reporting method to the Information Resources Manager, Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, PHP–10, 1200 New Jersey Avenue, SE., Washington, DC 20590. The request must describe the undue burden and hardship and be sent at least 60 days prior to the due date of the report.

(b) Safety-related conditions. An operator must submit concurrently to the applicable State agency a safety-related condition report required by § 191.23 for intrastate pipeline transportation or when the State agency acts as an agent of the Secretary with respect to interstate transmission facilities.

4. In § 191.9, paragraph (c) is revised to read as follows:

§ 191.9 Distribution system: Incident report.

* * * * *

(c) Master meter operators are not required to submit an incident report as required by this section.

5. Section 191.11 is revised to read as follows:

§ 191.11 Distribution system: Annual report.

(a) *General.* Except as provided in paragraph (b) of this section, each operator of a distribution pipeline system must submit an annual report for that system on DOT Form PHMSA F 7100.1–1. This report must be submitted each year, not later than March 15, for the preceding calendar year.

(b) *Not required.* The annual report requirement in this section does not apply to a master meter system or to a petroleum gas system that serves fewer than 100 customers from a single source.

6. Section 191.15 is revised to read as follows:

§ 191.15 Transmission systems; gathering systems; and liquefied natural gas facilities: Incident report.

(a) *General.* Each operator of a transmission or a gathering pipeline system must submit DOT Form PHMSA F 7100.2 as soon as practicable but not more than 30 days after detection of an incident required to be reported under § 191.5 of this subchapter.

(b) *LNG.* Each operator of a liquefied natural gas plant or facility must submit DOT Form PHMSA F [INSERT FORM NUMBER] as soon as practicable but not more than 30 days after detection of an incident required to be reported under § 191.5 of this subchapter.

(c) *Supplemental report.* Where additional related information is obtained after a report is submitted under paragraph (a) or (b) of this section, the operator must make a supplemental report as soon as practicable with a clear reference by date and subject to the original report.

7. Section 191.17 is revised to read as follows:

§ 191.17 Transmission systems; gathering systems; and liquefied natural gas facilities: Annual report.

(a). *General.* Each operator of a transmission or a gathering pipeline system must submit an annual report for that system on DOT Form PHMSA 7100.2.1. This report must be submitted each year, not later than March 15, for the preceding calendar year.

(b) *LNG.* Each operator of a liquefied natural gas facility must submit an annual report for that system on DOT Form PHMSA [INSERT FORM NUMBER]. This report must be submitted each year, not later than March 15, for the preceding calendar year.

§ 191.19 [Removed]

8. Section 191.19 is removed.

9. Section 191.21 is revised to read as follows:

§ 191.21 OMB control number assigned to information collection.

This section displays the control number assigned by the Office of Management and Budget (OMB) to the information collection requirements in this Part. The Paperwork Reduction Act requires agencies to display a current control number assigned by the Director of OMB for each agency information collection requirement.

OMB Control Number 2137–0522

Section of 49 CFR part 191 where identified	Form No.
191.5	Telephonic
191.9	PHMSA 7100.1
191.11	PHMSA 7100.1–1
191.15	PHMSA 7100.2
191.17	PHMSA 7100.2–1
191.22	PHMSA xxxxx
191.25	PHMSA xxxxx
191.27	PHMSA xxxxx

10. Section 191.22 is added to read as follows:

§ 191.22 National Registry of Pipeline and LNG Operators.

(a) *OPID Request.* Each operator of a gas pipeline, gas pipeline facility, LNG plant or LNG facility must obtain from PHMSA an Operator Identification Number (OPID). An OPID is assigned to an operator for the pipeline or pipeline system for which the operator has primary responsibility. To obtain an OPID or a change to an OPID, an operator must submit a complete and accurate OPID Questionnaire [Insert form number]. The OPID Questionnaire must be transmitted electronically to PHMSA through the National Registry of Pipeline and LNG Operators at *http://opsweb.phmsa.dot.gov.* This requirement applies to all new and existing operators, including operators who have already been assigned one or more OPID.

(b) *Changes.* Each operator of a gas pipeline, gas pipeline facility, LNG plant or LNG facility must notify PHMSA electronically through the National Registry of Pipeline and LNG Operators at *http://opsweb.phmsa.dot.gov* 60 days prior to any of the following events:

(1) A change in the name of the operator;

(2) A change in the operating entity responsible for an existing pipeline, pipeline segment, or pipeline facility, or LNG facility;

(3) The acquisition or divestiture of 50 or more miles of pipeline or pipeline system regulated by PHMSA;

(4) Any rehabilitation, replacement, modification, upgrade, uprate, or update costing $5 million or more;

(5) Construction of 10 or more miles of a new gas transmission pipeline or any project involving a pipeline or pipeline facility costing $5 million or more; or

(6) The acquisition or divestiture of an existing LNG plant or LNG facility or construction of a new LNG plant or LNG facility.

(c) *Reporting.* An operator must use the OPID issued by PHMSA for all reporting requirements covered under this subchapter and for submissions to the National Pipeline Mapping System.

(d) *Undue burden.* If electronic reporting imposes an undue burden and hardship, an operator must submit a written request for an alternative reporting method to the Information Resources Manager, Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, PHP–10, 1200 New Jersey Avenue, SE., Washington DC 20590. The request

must describe the undue burden and hardship.

11. Section 191.25 is revised to read as follows:

§ 191.25 Filing safety-related condition reports.

(a) *General.* Each operator must file a report of a safety-related condition under § 191.23(a) on DOT Form PHMSA [INSERT FORM NUMBER]. The report must be filed (received by the Administrator) within five working days (not including Saturdays, Sunday, or Federal Holidays) after the day a representative of the operator first determines or discovers that the condition exists, but not later than 10 working days after the day a representative of the operator determines or discovers the condition.

(b) *Separate conditions.* An operator may describe separate conditions in a single report if the conditions are closely related.

12. Section 191.27 is revised to read as follows:

§ 191.27 Filing offshore pipeline condition reports.

Each operator must, within 60 days after completion of the inspection of all its underwater pipelines subject to § 192.612(a), file an Offshore Pipeline Condition Report on DOT Form PHMSA [INSERT FORM NUMBER].

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

13. The authority citation for part 192 continues to read as follows:

Authority: 49 U.S.C. 5103, 60102, 60104, 60108, 60109, 60110, 60113, and 60118; and 49 CFR 1.53.

14. In § 192.945, paragraph (a) is revised to read as follows:

§ 192.945 What methods must an operator use to measure program effectiveness?

(a) *General.* An operator must include in its integrity management program methods to measure whether the program is effective in assessing and evaluating the integrity of each covered pipeline segment and in protecting the high consequence areas. These measures must include the four overall performance measures specified in ASME/ANSI B31.8S (incorporated by reference, *see* § 192.7 of this subchapter), section 9.4, and the specific measures for each identified threat specified in ASME/ANSI B31.8S, Appendix A. An operator must submit the four overall performance measures on the annual report required by § 191.17 of this subchapter.

* * * * *

15. Section 192.951 is revised to read as follows:.

§ 192.951 Where does an operator file a report?

An operator must file any report required by this subpart electronically to the Pipeline and Hazardous Materials Safety Administration at *http://opsweb.phmsa.dot.gov.* If electronic reporting imposes an undue burden and hardship, an operator must submit a written request for an alternative reporting method to the Information Resources Manager, Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, PHP–10, 1200 New Jersey Avenue, SE., Washington, DC 20590. The request must describe the undue burden and hardship.

PART 193—LIQUIFIED NATURAL GAS FACILITIES: FEDERAL SAFETY STANDARDS

16. The authority citation for part 193 continues to read as follows:

Authority: 49 U.S.C. 5103, 60102, 60103, 60104, 60108, 60109, 60110, 60113, 60118, and 49 CFR 1.53.

17. Section 193.2011 is revised to read as follows:

§ 193.2011 Reporting.

Incidents, safety-related conditions, and annual pipeline summary data for LNG plants or facilities must be reported in accordance with the requirements of part 191 of this subchapter.

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

18. The authority citation for part 195 continues to read as follows:

Authority: 49 U.S.C. 5103, 60102, 60104, 60108, 60109, 60118, and 49 CFR 1.53.

19. Section 195.49 is revised to read as follows:

§ 195.49 Annual report.

Each operator must annually complete and submit DOT Form PHMSA F 7000–1.1 for each type of hazardous liquid pipeline facility operated at the end of the previous year. The hazardous liquid operator annual report must be filed by June 15 each year. Each operator must submit a separate report for each State a pipeline traverses. A separate report is required for crude oil, HVL (including anhydrous ammonia), petroleum products, and carbon dioxide pipelines.

20. Section 195.52 is revised to read as follows:

§ 195.52 Telephonic notice of certain accidents.

(a) *Notice requirements.* At the earliest practicable moment following discovery of a release of the hazardous liquid or carbon dioxide transported resulting in an event described in § 195.50, the operator of the system must give notice, in accordance with paragraph (b) of this section, of any failure that:

(1) Caused a death or a personal injury requiring hospitalization;

(2) Resulted in either an explosion or fire not intentionally set by the operator;

(3) Caused 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, exceeding $50,000;

(4) Resulted in pollution of any stream, river, lake, reservoir, or other similar body of water that violated applicable water quality standards, caused a discoloration of the surface of the water or adjoining shoreline, or deposited a sludge or emulsion beneath the surface of the water or upon adjoining shorelines; or

(5) In the judgment of the operator was significant even though it did not meet the criteria of any other paragraph of this section.

(b) *Information required.* Reports made under paragraph (a) of this section are made by telephone to 800–424–8802 (in Washington, DC 267–2675) and must include the following information:

(1) Name, address and identification number of the operator.

(2) Name and telephone number of the reporter.

(3) The location of the failure.

(4) The time of the failure.

(5) The fatalities and personal injuries, if any.

(6) Initial estimate of amount of product released in accordance with paragraph (c) of this section.

(7) All other significant facts known by the operator that are relevant to the cause of the failure or extent of the damages.

(c) *Calculation.* A pipeline operator must have a written procedure to calculate and provide a reasonable initial estimate of the amount of released product.

(d) *New information.* An operator must provide an additional telephonic report to the National Response Center if significant new information becomes available during the emergency response phase of a reported event.

21. In § 195.54, paragraph (a) is revised to read as follows:

§ 195.54 Accident reports.

(a) Each operator that experiences an accident that is required to be reported under § 195.50 must, as soon as practicable, but not later than 30 days after discovery of the accident file an accident report on DOT Form 7000–1.

* * * * *

22. Section 195.56 is revised to read as follows:

§ 195.56 Filing safety-related condition reports.

(a) *General.* Each operator must file a report of a safety-related condition under § 195.55(a) on DOT Form PHMSA [INSERT FORM NUMBER]. The report must be filed (received by the Administrator) within five working days (not including Saturdays, Sunday, or Federal Holidays) after the day a representative of the operator first determines or discovers that the condition exists, but not later than 10 working days after the day a representative of the operator determines or discovers the condition.

(b) *Separate conditions.* An operator may describe separate conditions in a single report if the conditions are closely related.

23. Section 195.57 is revised to read as follows:

§ 195.57 Filing offshore pipeline condition reports.

Each operator must, within 60 days after completion of the inspection of all its underwater pipelines subject to § 195.413(a), file an Offshore Pipeline Condition Report on DOT Form PHMSA [INSERT FORM NUMBER].

24. Section 195.58 is revised to read as follows:

§ 195.58 Report submission requirements.

(a) *General.* An operator must submit each report required by this part electronically to PHMSA at *http://opsweb.phmsa.dot.gov.* If electronic reporting imposes an undue burden and hardship, the operator must submit a written request for an alternative reporting method to the Information Resources Manager, Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, PHP–10, 1200 New Jersey Avenue, SE., Washington, DC 20590. The request must describe the undue burden and hardship and be sent at least 60 days prior to the due date of the report.

(b) *Safety related conditions.* An operator must submit concurrently to the applicable State agency a safety-related condition report required by § 191.23 of this subchapter for an intrastate pipeline or when the State agency acts as an agent of the Secretary with respect to interstate pipelines.

§ 195.62 [Removed]

25. Section 195.62 is removed.

26. Section 195.63 is revised to read as follows:

§ 195.63 OMB control number assigned to information collection.

The control numbers assigned by the Office of Management and Budget to the hazardous liquid pipeline information collection pursuant to the Paperwork Reduction Act are 2137–0047, 2137–0601, 2137–0604, 2137–0605, 2137–0618, and 2137–0622.

27. Section 195.64 is added to read as follows:

§ 195.64 National Registry of Pipeline and LNG Operators.

(a) *OPID Request.* Each operator must obtain from PHMSA an Operator Identification Number (OPID). An OPID is assigned to an operator for the pipeline or pipeline system for which the operator has primary responsibility. To obtain an OPID or a change to an OPID, an operator must submit a complete and accurate OPID Questionnaire (Insert form number). The OPID Questionnaire must be transmitted electronically to PHMSA through the National Registry of Pipeline and LNG Operators at *http://opsweb.phmsa.dot.gov.* This requirement applies to all operators, including operators who have already been assigned an OPID.

(b) *Changes.* Each operator must notify PHMSA electronically through the National Registry of Pipeline and LNG Operators at *http://opsweb.phmsa.dot.gov*, 60 days prior to any of the following events:

(1) A change in the name of the operator;

(2) A change in the operating entity responsible for operating an existing pipeline, pipeline segment, or pipeline facility;

(3) The acquisition or divestiture of 50 or more miles of pipeline or pipeline system regulated by PHMSA;

(4) Pipeline rehabilitation, pipe replacement, or pipeline system changes to upgrade/uprate a pipeline or pipeline facility costing $5 million or more;

(5) Construction of 10 or more miles of a new hazardous liquid pipeline or any project involving a pipeline or pipeline facility costing $5 million or more; or

(6) The acquisition or divestiture of an existing pipeline facility or construction of a new pipeline facility.

(c) *Reporting.* An operator must use the OPID issued by PHMSA for all reporting requirements covered under this subchapter and for submissions to the National Pipeline Mapping System.

(d) *Undue burden.* If electronic reporting imposes an undue burden and hardship, an operator must submit written request for an alternative reporting method mitted to the Information Resources Manager, Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, PHP–10, 1200 New Jersey Avenue, SE. Washington DC 20590. The request must describe the undue burden and hardship.

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Jeffrey D. Wiese,

Associate Administrator for Pipeline Safety.

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