1200 New Jersey Ave., S.E. Washington, DC 20590

August 22, 2016

The Honorable Thad Cochran Chairman Committee on Appropriations United States Senate Washington, DC 20510

Dear Mr. Chairman:

House Report 114-129 directed the Pipeline and Hazardous Materials Safety Administration (PHMSA) to provide a report to Congress on the agency's Fiscal Year (FY) 2016 staffing and hiring plans as well as actual turnover and hiring in FY 2015 for the Office of Pipeline Safety 120 days after enactment of the Consolidated Appropriations Act, 2016 (Public Law 114-113). The attached transmits PHMSA's 2016 Office of Pipeline Safety staffing and hiring plan and the Office of Pipeline Safety's actual turnover and hiring in FY 2015.

Throughout FY 2016, PHMSA will continue to work towards full employment of 336 Pipeline Safety personnel. We expect we will reach this employment level in FY 2017. Pipeline Safety inspectors typically are engineers who are often difficult to recruit and retain when the economy creates a high demand for these positions. There is often competition with the higher paying private sector, pipeline operators, and other energy sector employers for this highly skilled workforce. In FY 2016, PHMSA continues to implement creative hiring solutions such as veterans outreach, multiple concurrent announcements, and partnerships with universities and their engineering departments. In FY 2015, PHMSA added 82 (92 hires less 10 separations) new Pipeline Safety employees net of turnover, increasing the staff from 189 to 271. The FY 2015 turnover rate was 5%.

PHMSA is continuing to utilize new recruitment tools, incentives, and hiring events to complete the hiring in FY 2016 as described in the report.

Identical letters were sent to the Vice Chairwoman of the Senate Committee on Appropriations and the Chairman and Ranking Member of the House Committee on Appropriations. If you need further information or assistance, please feel free to call me or have your staff contact Artealia Gilliard, Director of the Office of Governmental, International and Public Affairs, by phone at 202-366-4431 or by e-mail at Artealia. Gilliard @dot.gov.

Sincerely,

Marie Therese Dominguez

Marie Glevere Borning

1200 New Jersey Ave., S.E. Washington, DC 20590

August 22, 2016

The Honorable Barbara A. Mikulski Vice Chairwoman Committee on Appropriations United States Senate Washington, DC 20510

Dear Vice Chairwoman Mikulski:

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Marie Therese Dominguez

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1200 New Jersey Ave., S.E. Washington, DC 20590

August 22, 2016

The Honorable Harold Rogers Chairman Committee on Appropriations U.S. House of Representatives Washington, DC 20515

Dear Mr. Chairman:

House Report 114-129 directed the Pipeline and Hazardous Materials Safety Administration (PHMSA) to provide a report to Congress on the agency's Fiscal Year (FY) 2016 staffing and hiring plans as well as actual turnover and hiring in FY 2015 for the Office of Pipeline Safety 120 days after enactment of the Consolidated Appropriations Act, 2016 (Public Law 114-113). The attached transmits PHMSA's 2016 Office of Pipeline Safety staffing and hiring plan and the Office of Pipeline Safety's actual turnover and hiring in FY 2015.

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Sincerely,

Marie Therese Dominguez

Marie Therese Duringuez

1200 New Jersey Ave., S.E. Washington, DC 20590

August 22, 2016

The Honorable Nita Lowey Ranking Member Committee on Appropriations U.S. House of Representatives Washington, DC 20515

Dear Congresswoman Lowey:

House Report 114-129 directed the Pipeline and Hazardous Materials Safety Administration (PHMSA) to provide a report to Congress on the agency's Fiscal Year (FY) 2016 staffing and hiring plans as well as actual turnover and hiring in FY 2015 for the Office of Pipeline Safety 120 days after enactment of the Consolidated Appropriations Act, 2016 (Public Law 114-113). The attached transmits PHMSA's 2016 Office of Pipeline Safety staffing and hiring plan and the Office of Pipeline Safety's actual turnover and hiring in FY 2015.

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Sincerely,

Marie Therese Dominguez

Marie Sharere Doninguey

Pipeline and Hazardous Materials Safety Administration (PHMSA) Report to Congress on the Office of Pipeline Safety FY 2015 Actual and FY 2016 Hiring Plan

FY 2015 Actual Turnover and Hiring:

In FY 2015, the Office of Pipeline Safety staff increased from 189 full-time personnel on October 1, 2014 to 271 full-time personnel on September 30, 2015. During FY 2015, PHMSA hired 92 Pipeline Safety employees, 40 of which accepted an offer to come onboard shortly thereafter. Of these 92 hires, 72 were inspectors. During FY 2015, there were 10 employees who left the Office of Pipeline Safety resulting in a net increase of 82 (92-10) employees. The calculated turnover rate was 5 percent, based on an average number of 208 employees in FY 2015.

FY 2015 Pipeline Safety Staffing and Turnover

October 1, 2014 Onboard	FY 2015 Hiring n	FY 2015 Separations	Total Onboard and Onboarding September 30, 2015	Turnover/2
189	92	(10)	271	5%

^{1/92} hires includes 40 Pipeline Safety employees that accepted offers prior to September 30, 2015 and had their onboarding process scheduled in the first quarter of FY 2016.

Pipeline Safety Hiring Plan:

In FY 2015, PHMSA's Office of Pipeline Safety received funding for 109 new Pipeline Safety positions, 85 of which were inspectors and 24 were positions other than inspectors. Overall, the Office of Pipeline Safety received funding for 336 positions, 186 of which are inspectors and 150 are non-inspectors. As of June 30, 2016, 156 of the authorized 186 inspector positions were hired and 30 were being actively recruited.

Pipeline Safety inspectors are often difficult positions to fill. These highly skilled staff are typically engineers and are oftentimes difficult to recruit due to competition with pipeline operators and the energy sector. PHMSA uses creative hiring solutions such as veterans outreach, multiple concurrent announcements, and partnerships with universities and their engineering departments in order to compete for engineers and energy professionals.

To manage the staffing challenges, and to fill the remaining new positions, PHMSA is continuing its Hiring Plan that began in FY 2015, as detailed below:

- Continue a steering group with the Office of Pipeline Safety to plan and execute the hiring surge and meet regularly to evaluate progress and adjust the plan. The steering group continues to have a positive impact in keeping management focused on our hiring efforts. Some of the techniques the steering group recommended and are being implemented are:
 - Special pay rate Continue exploration of establishing a special pay rate for pipeline inspectors.

^{2/} Turnover calculated using the number of separations divided by the average number of Pipeline Safety employees onboard of 208 in FY 2015.

- Hire engineers at a lower experience level—Drop or reduce the requirement for previous pipeline experience at lower hiring grade levels for promising candidates.
- Professional development program Although in the development stage, PHMSA will mimic the Federal Highway Administration's (FHWA) program to attract the best and brightest students and recent graduates.
- Feature Positions in USAJOBS Post PHMSA pipeline jobs in the Featured Job section on USAJOBS.
- Making multiple selections off single certificates of eligible candidates. PHMSA continues
 to make multiple selections when possible, in order to shorten the lengthy recruitment
 process.
- Advertising vacancies through social media (Twitter, LinkedIn, etc.)—this has been one of PHMSA's most successful hiring strategies as it tends to pique the interest of engineers entering the workforce.
- Continuous announcements for each region (with option for Veterans Recruitment Appointment announcements). Continuous announcements are job recruitment notices that remain open for six months at a time. At least half of our new hires in FY 2015 and FY 2016 have come from continuous announcements.
- Advertising each job in industry journals, such as *The Oil and Gas Journal*.
- Offering increased rates of pay or additional leave for candidates with superior qualifications.
- Executing major advertising campaign to get the word out that PHMSA is hiring. Several selections have been made through our regional job postings.
- Hiring *Pipeline Auditors* and *Transportation Specialists* instead of engineers to staff certain functions on pipeline inspection teams. In FY 2015, 20 of the 73 new inspectors were hired on as *Transportation Specialists*.