



December 29, 2025

Mr. David A Barrett
Acting Director, Central Region
Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

**RE: Black Bear Transmission, LLC
Notice of Probable Violation and Proposed Compliance Order
CPF 3-2025-024-NOPV**

Dear Mr. Barrett,

From July 29 to August 2, 2024, and August 26 to August 30, 2024, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected the procedures and records of BBT Alaten, L.L.C., Ozark Gas Transmission, L.L.C., BBT Midla, L.L.C., and BBT Trans-Union Interstate Pipeline, L.P. for the gas integrity rule in Monroe, Louisiana, and Florence, Alabama.

On November 6, 2025, PHMSA issued the above referenced Notice of Probable Violation (NOPV) and Proposed Compliance Order.

As previously disclosed on December 19, 2025, each of the entities listed above is now owned by Enstor Pipeline Holdings, LLC ("Enstor") and thus replying on behalf of Black Bear Transmission, LLC (BBT).

The following is a summary of PHMSA's concerns and Enstor's response to those concerns:

PHMSA Findings

NOPV #1

1. § 192.5 Class locations.

(a)

(b) Except as provided in paragraph (c) of this section, pipeline locations are classified as follows:

(1) A Class 1 location is:

(i) An *offshore* area; or

(ii) Any class location unit that has 10 or fewer buildings intended for human occupancy.



(2) A Class 2 location is any class location unit that has more than 10 but fewer than 46 buildings intended for human occupancy.

(3) A Class 3 location is:

(i) Any class location unit that has 46 or more buildings intended for human occupancy;

(ii) An area where the pipeline lies within 100 yards (91 meters) of either a building or a small, well-defined outside area (such as a playground, recreation area, outdoor theater, or other place of public assembly) that is occupied by 20 or more persons on at least 5 days a week for 10 weeks in any 12-month period. (The days and weeks need not be consecutive.)

(4) A Class 4 location is any class location unit where buildings with four or more stories above ground are prevalent.

(c)

(d) An operator must have records that document the current class location of each gas transmission pipeline segment and that demonstrate how the operator determined each current class location in accordance with this section.

BBT did not have records that demonstrate it determined each current class location in accordance with § 192.5(b), per the requirement of § 192.5(d). It failed to properly identify several locations where a building or a small, well-defined outside area occupied by 20 or more persons on at least 5 days a week for 10 weeks in any 12-month period existed within 100 yards (91 meters) of a pipeline, per § 192.5(b)(3). Black Bear's Operation and Maintenance Manual (O&M), Section 8.1, Class Location stated, "BLACK BEAR TRANSMISSION, LLC shall have records that document the current class location of each pipeline segment and how BBT determined each of those class locations." Furthermore, Black Bear's Integrity Management Plan (IMP), Section 7.3, Process for Finding New Structures and Identified Sites, stated "changes to conditions along the pipeline are identified by annual class location and HCA review." Despite these procedures, BBT misidentified multiple sites, resulting in the current class location not being in accordance with § 192.5(b). Specifically, PHMSA discovered the following misidentified sites during a review of BBT Keyhole Markup Language Zipped (KMZ) data:

- 1) 34.712739°, -86.953165° - Athens Lateral 6" (OBJECTID 97) and Athens Lateral 3" (OBJECTID 125): BBT failed to identify the area as a Class 3 location near the Precision Auto Paintless Dent Removal building and Crossroads Church. The class location unit contained 46 or more structures in the sliding mile extending to the south, primarily within the Swan Creek Homes & RV Community.
- 2) 34.625082°, -87.038684° - Decatur 6 (OBJECTID 80) and Decatur 8 (OBJECTID 63): BBT failed to identify the area as a Class 2 location due to a modeling error by a third-party contractor that handled GIS data. The contractor only captured class as it existed and did not take into account the sliding mile.



- 3) 35.045392°, -88.268556° - Counce Lateral 6" (OBJECTID 5): BBT failed to take into account the Packaging Corporation of America's large main building to the north of their line.
- 4) 34.949314°, -88.447764° - Main Line 100 (OBJECTID 54): This runs by a Kimberly-Clark Global Non-Wovens building. Their main structure was built out towards Main line 100 in 2021, but the class location was not identified as part of the annual review.

Enstor's Response:

- 1) 34.712739, -86.953165

Enstor agrees with PHMSA that the sliding mile should have extended another ~1000' north; however, BBT operated this area as Class 3 before identifying the GIS error, and the algorithm has since been updated. Documentation supporting prior Class 3 operation is available on request.

For clarity: The Precision Auto Paintless Dent Removal building and Crossroads Church do not qualify as Class 3 locations under §192.5(3)(ii).

Enstor requests reconsideration or removal of the finding based on this additional information.

- 2) 34.625082°, -87.038684°

Enstor acknowledges a modeling error in the software, but operated the area as Class 3 before discovering the GIS data issue. The algorithm has since been corrected to identify it properly as Class 3. Documentation supporting prior Class 3 operation is available upon request.

Enstor requests reconsideration or removal of the findings based on this information.

- 3) 35.045392°, -88.268556°

Enstor concurs with PHMSA that this area was mistakenly classified as Class 2 in the GIS data; however, BBT managed this location as Class 3 prior to discovering the GIS data error. The algorithm has since been updated to accurately reflect its status as Class 3.

Note: Enstor possesses documentation verifying its operation of the area as Class 3 before identifying the error and can provide this upon request.

Enstor requests that the findings be reconsidered or withdrawn based on the additional details submitted.

- 4) 34.949314°, -88.447764°

The pipeline was rerouted during the construction of the referenced building. According to the current alignment, the class location is accurately designated as Class 1. Enstor possesses documentation to substantiate both the reroute and the present class location, and is prepared to provide this information upon request.

Enstor respectfully requests that the findings be reconsidered or withdrawn in light of the additional information provided.



NOPV #2

2. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

BBT did not follow its manual of written procedures in accordance with § 192.605(a). Specifically, BBT did not follow its O&M, Section 4, Definitions and Abbreviations, which stated:

The length of the moderate consequence area extends axially along the length of the pipeline from the outermost edge of the first potential impact circle containing either 5 or more buildings intended for human occupancy; or any portion of the paved surface, including shoulders, of any designated interstate, freeway, or expressway, as well as any other principal arterial roadway with 4 or more lanes, to the outermost edge of the last contiguous potential impact circle that contains either 5 or more buildings intended for human occupancy, or any portion of the paved surface, including shoulders, of any designated interstate, freeway, or expressway, as well as any other principal arterial roadway with 4 or more lanes.³

During PHMSA's inspection, PHMSA inspectors reviewed BBT's pipeline system KMZ data for MCAs and determined that, at the time of the inspection, BBT did not measure the length of MCAs pursuant to the methodology in its O&M, Section 4. Specifically:

- 1) 34.761758°, -88.036201° - Main Line 100 (OBJECTID 390) 10" and Main Line 100 (OBJECTID 388) 12" are parallel lines that cross Highway 72. The MCA layer only called out the 12" line. The 10" line was not included when determining the MCA length.
- 2) 34.746751°, -87.948997° - Main Line 100 (OBJECTID 305) 10" and Main Line 101 (OBJECTID 256) 12" are parallel lines that cross Highway 72. The MCA layer only called out the 12" line. The 10" line was not included when determining the MCA length.
- 3) 34.705583°, -87.672873° - Main Line 102 (OBJECTID 270) 16" and Main Line 101 (OBJECTID 382) 12" are parallel lines that run through a neighborhood in Muscle Shoals, AL. The MCA layer only called out the 16" line. The 12" line was not included when determining the MCA length.
- 4) 34.686055°, -86.753673° - Main Line 501 (OBJECTID 284) 10" and Main Line 500 (OBJECTID 296) 12" are parallel lines that run through a neighborhood in Madison, AL. The MCA layer only called out the 12" line. The 10" line was not included when determining the MCA length.

Thus, BBT did not follow its O&M, Section 4, for the identification of MCAs in four locations, in violation of § 192.605(a).



Enstor's Response:

- 1) 34.761758°, -88.036201°
- 2) 34.746751°, -87.948997°
- 3) 34.705583°, -87.672873°
- 4) 34.686055°, -86.753673°

BBT followed its procedures and identified all referenced MCAs, which were included in risk assessments and met regulatory requirements. Documentation is available upon request. The issue appears to be a software display preference, not a violation.

Enstor requests reconsideration or removal of the findings based on this information.

NOPV #3

3. §192.911 What are the elements of an integrity management program?

An operator's initial integrity management program begins with a framework (see § 192.907) and evolves into a more detailed and comprehensive integrity management program, as information is gained and incorporated into the program. An operator must make continual improvements to its program. The initial program framework and subsequent program must, at minimum, contain the following elements. (When indicated, refer to ASME B31.8S (incorporated by reference, see § 192.7) for more detailed information on the listed element.)

(a) An identification of all high consequence areas, in accordance with § 192.905.

BBT's integrity management program failed to identify pipeline segments in high consequence areas (HCAs) from information it had obtained from routine operations, maintenance activities, and annual HCA reviews. Specifically, BBT did not follow its IMP, Section 7.1, Identifying a High Consequence Area - §192.905, which stated "Black Bear Transmission, LLC uses Method 2 for HCA determination." This required the use of identified sites. Furthermore, O&M Section 15.6, Continuing Surveillance, stated "observations include, but is not limited to: identification of new High and Moderate Consequence Areas."

During the inspection, PHMSA inspectors reviewed BBT's pipeline KMZ data for HCAs and determined that BBT missed five HCAs at the time of the inspection. The missed HCAs discovered during PHMSA's inspection were:

- 1) 34.949314°, -88.447764° - Main Line 100 (OBJECTID 54) runs by a Kimberly-Clark Global Non-Wovens building, which is occupied by twenty or more persons. Their main structure was built out towards Main line 100 in 2021 but the change in HCA status was not captured at the time of the inspection.
- 2) 34.737092°, -87.678103° - Florence-Sheffield 8 (OBJECTID 321) parallels Northwest Shoals Community College. Housing associated with the college was previously identified as a college dorm with twenty-two apartments and treated as an HCA when the line was owned by Enbridge. However,



since BBT took ownership, it has been identified as an MCA. The building is being broken up into multiple small polygons for each dwelling and only what is reached by the potential impact radius is counted instead of the entire building, which affects the total building count. This location meets the definition of an HCA as “[a]ny area in a Class 1 or Class 2 location where the potential impact radius is greater than 660 feet (200 meters), and the area within a potential impact circle contains 20 or more buildings intended for human occupancy.”

3) 34.752806°, -87.679240° - Florence-Sheffield 8 (OBJECTID 319) goes around Stonebrook Apartments which has a community pool, multi-unit buildings, and was listed as an MCA. However, the pool was not considered as a possible identified site. In addition, BBT did not properly capture all of the multi-dwelling units within a single building and as such undercounted the number of buildings contained within the potential impact radius. This location meets the definition of an HCA as (1) “[a]ny area in a Class 1 or Class 2 location where the potential impact radius is greater than 660 feet (200 meters), and the area within a potential impact circle contains 20 or more buildings intended for human occupancy,” and (2) the area within a potential impact circle containing an identified site.

4) 34.564305°, -87.007985° - Hartselle 6” (OBJECTID 342) goes through the Blossom Wood Apartments and was listed as an MCA. However, BBT did not properly capture all the multi-dwelling units in the area and undercounted the number of units per building contained within the potential impact radius. This location meets the definition of an HCA as “[a]ny area in a Class 1 or Class 2 location where the potential impact radius is greater than 660 feet (200 meters), and the area within a potential impact circle contains 20 or more buildings intended for human occupancy.”

5) 34.551230°, -86.995503° - Hartselle 6” (OBJECTID 345) parallels Summer Key Apartments which has a community pool, multi-unit buildings, and was listed as an MCA. However, the pool was not considered as a possible identified site. In addition, BBT did not properly capture all of the multi-dwelling units within a single building and undercounted the number of units per building contained within the potential impact radius. This location meets the definition of an HCA as (1) “[a]ny area in a Class 1 or Class 2 location where the potential impact radius is greater than 660 feet (200 meters), and the area within a potential impact circle contains 20 or more buildings intended for human occupancy,” and (2) the area within a potential impact circle containing an identified site.

Thus, BBT failed to identify all HCAs in violation of § 192.911(a).

Enstor’s Response:

1) 34.949314°, -88.447764°

The pipeline was rerouted during the construction of the referenced building. With its current route, the area is correctly designated as not an HCA. Enstor possesses supporting documentation and can provide it upon request.

Enstor requests that the findings be reconsidered or withdrawn based on this additional information.

2) 34.737092°, -87.678103°



PHMSA noted that Black Bear Transmission, LLC used Method 2 to determine HCAs but referenced a rule from Method 1. The segment's PIR is 127', with structures located outside this range.

Enstor requests removal of the findings based on this additional information.

3) 34.752806°, -87.679240°

The earlier software algorithm overlooked pools as possible identified sites. Now, the GIS data algorithm has been revised to include this information. The most recent risk model incorporates these changes and classifies the area as an HCA.

4) 34.564305°, -87.007985°

Enstor acknowledges the GIS error that indicated a break between two HCAs at Blossom Wood Apartments; however, BBT operated the area as a single HCA before identifying this issue. The algorithm has since been updated to reflect this. Documentation supporting prior HCA operation is available on request.

Enstor requests the findings be reconsidered in light of this information.

5) 34.551230°, -86.995503

The earlier software algorithm overlooked pools as possible identified sites. Now, the GIS data algorithm has been revised to include this information. The most recent risk model incorporates these changes and classifies the area as an HCA.

Enstor's Response:

Enstor has reviewed all processes associated with the NOPVs and have identified 11 of the 13 were associated with GIS data errors and/or display preferences and have been corrected in the software. It is also to note that BBT operated these 11 areas properly despite the GIS data errors.

Enstor requests these 11 findings to be reconsidered or removed as per additional information provided for each of these concerns.

The other two issues were associated with community pools not being considered as a potential identified site in the algorithm. The algorithm has since been revised to capture these areas and Enstor agrees with the findings.

Thank you for the additional time given to put together our response. Please give me a call at (713) 305-2845 if you need further information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Casadaban'.

Rene Casadaban

Chief Operating Officer