



U.S. Department  
of Transportation  
**Pipeline and Hazardous  
Materials Safety**

901 Locust Street, Suite 480  
Kansas City, MO 64106

**NOTICE OF PROBABLE VIOLATION  
and  
PROPOSED COMPLIANCE ORDER**

**VIA ELECTRONIC MAIL TO: rcasadaban@blackbearllc.com;  
lbonner@blackbearllc.com**

November 6, 2025

Mr. Rene Casadaban  
CEO  
Black Bear Transmission, LLC  
1501 McKinney, Suite 800  
Houston, TX 77010

**CPF 3-2025-024-NOPV**

Dear Mr. Casadaban:

From the weeks of 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 Black Bear Transmission LLC<sup>1</sup> (BBT) for the gas integrity rule<sup>2</sup> in Monroe, Louisiana, and Florence, Alabama.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

**1. § 192.5 Class locations.**

**(a) . . . .**

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<sup>1</sup> BBT Alaten, L.L.C., Ozark Gas Transmission, L.L.C., BBT Midla, L.L.C., and BBT Trans-Union Interstate Pipeline, L.P. are the separate Operators inspected that are all owned by Black Bear Transmission, LLC. See <https://www.blackbearllc.com/> (last visited September 25, 2025).

<sup>2</sup> Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments, 84 Fed. Reg. 52,180 (October 1, 2019).

- (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:

- 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.
- 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.

- 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.
- 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.

By failing to properly identify these Class locations, BBT did not meet the requirements of § 192.5(d).

## 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.<sup>3</sup>

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:

- 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.

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<sup>3</sup> This language mirrors the regulatory definition of moderate consequence area found at 49 CFR § 192.3.

- 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.
- 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.
- 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).

### 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:

- 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.
- 34.737092°, -87.678103° - Florence-Scheffield 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.”

- 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.
- 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.”
- 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).

#### Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$272,926 per violation per day the violation persists, up to a maximum of \$2,729,245 for a related series of violations. For violation occurring on or after December 28, 2023 and before December 30, 2024, the maximum penalty may not exceed \$266,015 per violation per day the violation persists, up to a maximum of \$2,660,135 for a related series of violations. For violation occurring on or after January 6, 2023 and before December 28, 2023, the maximum penalty may not exceed

\$257,664 per violation per day the violation persists, up to a maximum of \$2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022 and before January 6, 2023, the maximum penalty may not exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,412 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to propose a civil penalty assessment at this time.

#### Proposed Compliance Order

With respect to Items 2 and 3, pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to BBT. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

#### Warning Items

With respect to Item 1 we have reviewed the circumstances and supporting documents involved in this case and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to promptly correct this item. Failure to do so may result in additional enforcement action.

#### Response to this Notice

This amended Notice is issued in accordance with 49 CFR § 190.207(c). Any response you may have submitted to the original Notice is no longer applicable. You must respond as set forth below.

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement Proceedings*. Please refer to this document and note the response options. All material you submit in response to this enforcement action may be made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. § 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. § 552(b).

Following your receipt of this Notice, you have 30 days to respond as described in the enclosed *Response Options*. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. The Region Director may extend the period for responding upon a written request timely submitted demonstrating good cause for an extension.

In your correspondence on this matter, please refer to **CPF 3-2025-024-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

cc: Larry Bonner, VP of Operations, BBT, [lbonner@blackbearllc.com](mailto:lbonner@blackbearllc.com)

Enclosures: *Proposed Compliance Order*  
*Response Options for Pipeline Operators in Enforcement Proceedings*

## **PROPOSED COMPLIANCE ORDER**

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Black Bear Transmission LLC (BBT) a Compliance Order incorporating the following remedial requirements to ensure the compliance of BBT with the pipeline safety regulations:

- A. In regard to 2 of the Notice pertaining to failure to identify MCAs, BBT must update its O&M to include steps to properly identify, verify and take any required action on MCAs within **30** days of receipt of the Final Order, for the Director's review and approval. Furthermore, BBT must submit records to demonstrate the implementation and completion of its updated O&M within **90** days of the Director's approval of the new procedures.
- B. In regard to 3 of the Notice pertaining to failure to identify MCAs, BBT must update its O&M to include steps to properly identify, verify, and take any required action on HCAs within **30** days of receipt of the Final Order, for the Director's review and approval. Furthermore, BBT must submit records to demonstrate the implementation and completion of its updated O&M within **90** days of the Director's approval of the new procedures.
- C. It is requested (not mandated) that BBT maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Region Director, Central, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.