



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
2100 RENAISSANCE BLVD.
KING OF PRUSSIA, PA 19406-2713

July 8, 2019

Michael R. Castle, CFO
Mid-Vol Coal Sales, Inc.
640 Clover Dew Dairy Road
Princeton, WV 24740

SUBJECT: MID-VOL COAL SALES, INC., REQUEST FOR ADDITIONAL INFORMATION,
MAIL CONTROL NO. 612269

Dear Mr. Castle:

This is in reference to your organization's application dated April 26, 2019, requesting to renew NRC License No. 47-31035-01. In order to continue our review, we need the following additional information:

1. The NRC was never notified of the change of control to ArcelorMittal for this license as required by 10 CFR 30.34(b) for approval by the NRC prior to the change of ownership taking place. Based on an internet search, the change of control apparently took place in 2008. According to the NRC records, the last notification of transfer of control for NRC License No. 47-31035-01 was from Mid-Vol Leasing, Inc. to Mid-Vol Coal Sales, Inc. in 2005. Therefore, we formally cannot process or issue the license renewal detailed above until the current, formal organizational and/or ownership structures have been recognized and accepted.

The NRC has a formal process for reviewing changes of control, as detailed in NUREG-1556, Volume 15, Revision 1, "Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses". The document can be accessed via our public webpage at <https://www.nrc.gov/docs/ML1618/ML16181A003.pdf>.

Appendix E of the NUREG includes information required by the NRC to transfer control of the license to a separate entity. Please be aware that this section is usually required to be completed prior to the formal transfer of control of the license. As such, please address how the transfer impacted the following standard questions, and provide information that describes the current status of the license and its management. This information must be provided prior to our processing of the license renewal detailed above. The required questions are as follows:

- a. Describe any planned changes in the organization, including but not limited to, transfer of stocks or assets and mergers, change in members on Board of Directors,

etc. Provide the new licensee name, mailing address, and contact information, including phone numbers, if applicable. Clearly identify when the amendment request is due to a name change only.

- b. Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel and any changes in the training program.
 - c. Describe any changes in the location, facilities, equipment, radiation safety program, use, possession, waste management, or other procedures that relate to the licensed program.
 - d. Describe the status of the licensee's facilities, equipment, and radiation safety program, including any known contamination and whether decontamination will occur prior to transfer. Include the status of calibrations, leak tests, area surveys, wipe tests, training, quality control, and related records.
 - e. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination (such as leak test records), including methods and sensitivity.
 - f. Confirm that both transferor and transferee agree to transferring control of the licensed material and activity, and the conditions of transfer, and that the transferee has been made aware of any open inspection items and its responsibility for possible resulting enforcement actions.
 - g. Confirm that the transferee will abide by all constraints, conditions, requirements, representations, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.
 - h. The transferee, in the case of fuel cycle facilities, shall provide documentation showing that it is financially qualified to conduct normal operations. The information can be in the form of income statements and balance sheet forecasts.
2. We understand that, at this time, all of the fixed gauges authorized by this license were transferred or disposed of. If you do not anticipate purchasing new gauges, you may request to terminate this license. A request to terminate the license should be made using the NRC Form 314 "Certificate of Disposition of Material's" [<https://www.nrc.gov/reading-rm/doc-collections/forms/nrc314.pdf>]

If you believe you will purchase new gauges, the renewal application for Mid-Vol Coal Sales, Inc. requires additional information in accordance with the guidance to fixed gauge licensees in NUREG-1556, Volume 4, Revision 1, "Consolidated Guidance About

Materials Licenses: Program-Specific Guidance About Fixed Gauge Licenses” (NUREG-1556, Vol. 4, Rev.1). All of the item numbers listed below refer to the section of Chapter 8 and the associated licensing checklist found in Appendix B to this NUREG. In addition to your previous license commitments, please provide the following:

- a. Confirm the name and address of the license applicant. The application form dated April 26, 2019, states that the applicant is ArcelorMittal Mining Princeton. Based on telephone conversations, you would prefer that the license be issued to MID-VOL Coal Sales, Inc. The name and address listed in Items 1 and 2 of the license are normally the mailing address of the licensee, and can be different than the location of use listed in Condition 10 of the license.
- b. Items 5 and 6: Provide an updated list of each radionuclide and its nominal activity in each gauge; the manufacturer or distributor and model number of each type of fixed gauge; the number of each type of fixed gauge requested; and confirm that the maximum activity of each source and of each gauge, and the uses of the gauges, will be as listed on the sealed source and device (SSD) registration certificate.
- c. Item 7.1: Please provide the syllabus associated with the ETI “Radiation Safety Officer Training” certificate included in your renewal request.
- d. Item 7.2: Condition 11 of your current license states that authorized materials may be used by Bo Mabardy, Steve Lambert, or Jon Casey. Please confirm if these individuals should continue to be listed as authorized users. You may state that (a) there has been no change in authorized users as listed in condition 11 of your license or (b) provide a revised list of names of authorized users and provide the training and qualifications of any new authorized users to be listed on the license or (c) state that “Before using licensed materials, authorized users will have successfully completed one of the training courses described in the “Criteria” part of the section titled, “Authorized Users” in NUREG-1556, Volume 4, Revision 1, “Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Fixed Gauge Licenses”.
- e. Confirm that Item 9 of your January 27, 2009 application is still applicable. If not, in accordance with NUREG-1556, Vol. 4, Rev. 1, Item 8.9, state that “We will ensure that the location of each fixed gauge meets the criteria in Section 8.9, “Facilities and Equipment,” in NUREG-1556, Vol. 4, Rev. 1.” Alternately, confirm that all fixed gauges will be secured to prevent unauthorized removal or access, and submit specific information demonstrating that the proposed conditions will not impact the safety or integrity of the source or device.
- f. Confirm that the information in Item 10 of your January 27, 2009 application is still applicable. In addition,

- In accordance with NUREG-1556, Vol. 4, Rev. 1, Item 10.3, state that "We will develop, implement and maintain procedures for ensuring accountability of licensed materials at all times." AND
- In accordance with NUREG-1556, Vol. 4, Rev. 1, Item 10.6, state that "Operating, emergency, and security procedures will be developed, implemented, maintained, and distributed and will meet the criteria in Section 8.10.6, "Operating, Emergency, and Security Procedures," in NUREG-1556, Volume 4, Revision 1.

We will continue our review upon receipt of this information. Please reply to:

Jonathan Pfingsten
Mail Control No. 612269
USNRC, Region I
Division of Nuclear Materials Safety
2100 Renaissance Boulevard
King of Prussia, PA 19406

Or

R1DNMSMail.Resource@nrc.gov
Reference – Jonathan Pfingsten
Mail Control No. 612269

In order to conduct a prompt review of your application, we request that you submit your response to this letter within 30 calendar days from the date of this letter.

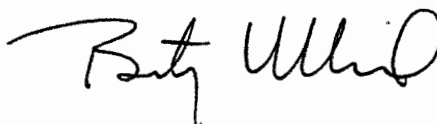
An electronic version of the NRC's regulations is available on the NRC Web Site at: www.nrc.gov. Additional information regarding use of radioactive materials may be obtained on the NRC Web Site at: <http://www.nrc.gov/materials/miau/mat-toolkits.html>. This site also provides the link to the toolbox for updated information on the revised regulations for naturally-occurring and accelerator-produced radioactive materials (NARM).

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web Site at: <http://www.nrc.gov/reading-rm/adams.html>. Please be aware that you may request that certain portions of your submittal to NRC be withheld from public disclosure as proprietary information. To do this, you must execute an affidavit as specified in 10 CFR 2.390. You must list all portions that you wish to be held proprietary, along with your reasoning as to why that is appropriate. While it is allowable, please refrain from submitting proprietary information in support of a license unless necessary. Keep in mind that all NRC licenses are considered to be in the public domain, and therefore may be viewed by any member of the public who requests to see them.

If you have any questions regarding this request for additional information, please contact the license reviewer assigned to this action, Jonathan Pfingsten, at 610-337-5170 or via electronic mail at Jonathan.Pfingsten@nrc.gov.

Thank you for your cooperation.

Sincerely,



Betsy Ullrich, Senior Health Physicist
Commercial, Industrial, R&D
and Academic Branch

License No. 47-31035-01
Docket No. 030-36910
Mail Control No. 612269

cc: Kim Reed, Arcelor Mittal
Bo Mabardy, RSO, Mid-Vol Coal Sales, Inc.

MID-VOL COAL SALES, INC., REQUEST FOR ADDITIONAL INFORMATION, MAIL CONTROL NO. 612269 DATED JULY 08, 2019

DOCUMENT NAME: G:\WBL Documents\WBL License RAIL47-31035-01.612269 RAI.docx

SUNSI Review Complete: Jonathan Pfingsten

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