



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

August 1, 2019

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

**SUBJECT: MID-VOL COAL SALES, INC., NRC INSPECTION NO. 03036910/2019001
AND NOTICE OF VIOLATION**

Dear Mr. Castle:

This letter refers to the inspection conducted in-office during the review of your license renewal application for Mid-Vol Coal Sales, Inc. This inspection examined activities conducted under your license as they relate to public health and safety, and to confirm compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection focused on areas relating to the license renewal process and historical change of control for the license. A telephone conversation was held on July 3, 2019, to confirm our understanding of the issues identified during the licensing action reviews and to inform your personnel of the results of our review.

Based on the results of this inspection, the NRC has determined that two Severity Level IV violations of NRC requirements occurred. These violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at <https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violations are cited in the enclosed Notice of Violation (Notice) because the violations were identified by the NRC.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

M. Castle

2

If you have any questions regarding this matter, please contact Jonathan Pfingsten of my staff at 610-337-5170 or via electronic mail at Jonathan.Pfingsten@nrc.gov.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anne DeFrancisco', written in a cursive style.

Anne DeFrancisco, Acting Chief
Commercial, Industrial, R&D
and Academic Branch
Division of Nuclear Materials Safety
Region I

Docket No. 030-36910
License No. 47-31035-01

Enclosure:
Notice of Violation

cc w/ enclosure: State of West Virginia

MID-VOL COAL SALES, INC. - NRC INSPECTION NO. 03036910/2019001 AND NOTICE OF VIOLATION DATED AUGUST 1, 2019

DOCUMENT NAME: \\nrc.gov\nrc\R1\Office\DNMS\WBL Documents\WBL Inspection Letter\L47-31035-01.2019001.NOV.docx

<input type="checkbox"/> SUNSI Review		<input checked="" type="checkbox"/> Non-Sensitive		<input checked="" type="checkbox"/> Publicly Available	
		<input type="checkbox"/> Sensitive		<input type="checkbox"/> Non-Publicly Available	
OFFICE	R1/DNMS	R1/DNMS	R1/DNMS		
NAME	JPfingsten <i>JBP</i>	EUIrich <i>[Signature]</i>	ADeFrancisco <i>aid</i>		
DATE	8/1/19	8/1/19	8/1/19		

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Mid-Vol Coal Sales, Inc.
Princeton, West Virginia

Docket No. 030-36910
License No. 47-31035-01

During an NRC inspection conducted in our NRC Region I office, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 30.34(b) states, in part, that no license issued or granted nor any right under a license shall be transferred through transfer of control of any license to any person, unless the commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing.

Contrary to the above, in 2008, NRC License No. 47-31035-01 was transferred through transfer of control to ArcelorMittal before the commission had, after securing full information, found that the transfer was in accordance with the provisions of the Act and had given its consent in writing. Specifically, the licensee transferred control of the license to ArcelorMittal without submitting to the NRC the necessary notification and supplemental information concerning the transfer for evaluation and approval.

This is a Severity Level IV violation (Enforcement Policy Section 6.3).

- B. Condition 12 of License Number 47-31035-01 states that "The Radiation Safety Officer for this license is Bo Mabardy."

Contrary to the above, as of May 2019, Bo Mabardy was not the Radiation Safety Officer (RSO) for the license. Specifically, management representatives of ArcelorMittal removed the access and authority of Bo Mabardy for activities required of the RSO in May of 2019. Management representatives of ArcelorMittal had submitted a license amendment dated April 26, 2019 to the NRC requesting that a new RSO be authorized on the license. However, the licensee removed the RSO duties and authority from the approved RSO and assigned those duties to the proposed RSO prior to receiving approval from the NRC.

This is a Severity Level IV violation (Enforcement Policy Section 6.3).

Pursuant to the provisions of 10 CFR 2.201, Mid-Vol Coal Sales, Inc. is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or

revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated This First Day of August 2019.