# SAFETY EVALUATION REPORT PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE NUMBERS 13-17732-01, 21-32807-01, AND 24-35467-01, ATC GROUP SERVICES LLC

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LICENSE NO.:

13-17732-01, 21-32807-01, and 24-35467-01

LICENSEE:

ATC Group Services LLC

TECHNICAL REVIEWER:

Erin J. Kennedy

#### SUMMARY AND CONCLUSIONS

ATC Group Services LLC is authorized by NRC License Nos. 13-17732-01, 21-32807-01, and 24-35467-01 for the possession and use of byproduct material for purposes permitted by 10 CFR Part 30. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to an indirect license transfer submitted by ATC Group Services LLC that will result from a transaction between parent company, Atlas Technical Consultants Holdings LP, and Boxwood Merger Corp. ATC Group Services LLC is currently a wholly-owned subsidiary of Atlas Technical Consultants Holdings LP. At the Closing of the planned transaction, Boxwood Merger Corp. will acquire a majority of Atlas Technical Consultants Holdings LP. The indirect transfer of control is described in Agency Documents Access and Management System (ADAMS) accession number ML19226A347.

The request for consent was reviewed by NRC staff for an indirect change in control of a 10 CFR Part 30 license using the guidance in NUREG 1556, Volume 15, Revision 1, "Consolidated Guidance About Materials Licenses - Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses." The NRC staff finds that the information submitted by ATC Group Services LLC sufficiently describes and documents the transaction and commitments made by Atlas Technical Consultants Holdings LP and Boxwood Merger Corp.

As required by 10 CFR 30.34 and section 184 of the Atomic Energy Act of 1954, as amended (the Act), NRC staff has reviewed the application and finds that the proposed change in control is in accordance with the Act. The staff finds that, after the change of control, ATC Group Services LLC will remain qualified to use byproduct material for the purpose requested, and will continue to have the equipment, facilities, and procedures needed to protect public health and safety, and promotes the security of licensed material.

#### SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web Based Licensing System (WBL), ATC Group Services LLC has been an NRC licensee since December 30, 1977. The NRC conducted a special inspection of ATC Group Services LLC on January 25, 2017, in Indianapolis, Indiana, with continued in-office review through February 14, 2017. Based on the results of the inspection, the NRC determined that one Severity Level IV violation was identified during this inspection. The commitments made by Atlas Technical Consultants Holdings LP, and

Boxwood Merger Corp., state that ATC Group Services LLC (License Nos.13-17732-01, 21-32807-01, and 24-35467-01:

- A. will not change the radiation safety officer listed in the NRC licenses;
- B. will not change the personnel involved in licensed activities;
- C. will not change the locations, facilities, and equipment authorized in the NRC license;
- D. will not change the radiation safety program authorized in the NRC license;
- E. will not change the organization's name listed in the NRC license; and
- F. will keep regulatory required surveillance records and decommissioning records.

It is anticipated that post-Closing the current management of Atlas Technical Consultants Holdings LP will largely replace the management of Boxwood Merger Corp, with the current Chief Executive Officer of Atlas Technical Consultants Holdings LP, L. Joe Boyer, transitioning to Chief Executive Officer of Boxwood Merger Corp. The changes to the structure of the company are occurring at the corporate level, and there will be no changes to ATC Group Services LLC, the licensee. ATC Group Services LLC will maintain all the same employees, equipment, facilities, personnel and procedures. After the merger, ATC Group services LLC will continue to be the NRC's licensee.

ATC Group Services LLC is not required to have decommissioning financial assurance based on the types and amount of material authorized in License Nos. ATC Group Services LLC.

#### REGULATORY FRAMEWORK

ATC Group Services LLC's License Nos. 13-17732-01, 21-32807-01, and 24-35467-01, were issued under 10 CFR Part 30, Rules of General Applicability to Domestic Licensing of Byproduct Material. The Commission is required by 10 CFR 30.34 to determine if the change of control is in accordance with the provisions of the Act and give its consent in writing.

10 CFR 30.34(b) states: "No license issued or granted pursuant to the regulations in this part and parts 31 through 36, and 39 nor any right under a license shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, 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."

As previously indicated, the staff evaluation is based on guidance in NUREG-1556, Volume 15, Revision 1. As discussed in NUREG-1556, Volume 15, Revision 1, NRC is generally using the term "change of control" rather than the statutory term "transfer" to describe the variety of events that could require prior notification and written consent of the NRC. The central issue is whether the authority over the license has changed. ATC Group Services LLC's request for consent describes an indirect change of control resulting from a planned transaction between ATC Group Services LLC's parent company, Atlas Technical Consultants Holdings LP, and Boxwood Merger Corp. Following the completion of the transaction, Boxwood Merger Corp. plans to own a controlling stake in ATC Group Services LLC through ownership of a majority of

the shares of an intermediate parent of the Licensee, named Atlas TC Holdings LLC and, as such, the transfer requires NRC consent.

### **DESCRIPTION OF TRANSACTION**

The transaction is described in ADAMS accession number ML19226A347. After completion of the transaction, ATC Group Services LLC will continue as the licensee and remain in control of all licensed activities under Materials License Nos. 13-17732-01, 21-32807-01, and 24-35467-01. The NRC staff finds that the request for consent adequately provides a complete and clear description of the transaction, and is consistent with the guidance provided in Appendix E of NUREG-1556, Volume 15, Revision 1.

# TRANSFEREE'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS

The NRC staff finds that the information submitted by ATC Group Services LLC sufficiently describes and documents the commitments made by Atlas Technical Consultants Holdings LP and Boxwood Merger Corp., and is consistent with the guidance in NUREG-1556, Volume 15, Revision 1.

#### **ENVIRONMENTAL REVIEW**

An environmental assessment for this action is not required since this action is categorically excluded under 10 CFR 51.22(c)(14)(xi).

## CONCLUSION

The staff has reviewed the request for consent submitted by both parties with regard to an indirect change of control of byproduct materials license nos. 13-17732-01, 21-32807-01, and 24-35467-01 and approves the application pursuant to 10 CFR 30.34(b).

The submitted information sufficiently describes the transaction; documents the understanding of the license and commitments; demonstrates that personnel have the experience and training to properly implement and maintain the license and that they will maintain the existing records; And, in the future, will abide by all existing commitments to the license, consistent with the guidance in NUREG-1556, Volume 15, Revision 1.

Therefore, the staff concludes that the proposed change in control would not alter the previous findings, made under 10 CFR Part 30, that licensed operations will not be inimical to the common defense and security, or to the health and safety of the public.