

**SAFETY EVALUATION REPORT
PROPOSED TRANSFER OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 45-25330-01, RADIOCAT, LLC**

DATE: September 30, 2019

DOCKET NO.: 030-33825

LICENSE NO.: 45-25330-01

LICENSEE: Radiocat, LLC
6651-F Backlick Road
Springfield, VA 22150

TECHNICAL REVIEWER: Janice Nguyen, Senior Health Physicist, Region I

SUMMARY AND CONCLUSIONS

Radiocat, LLC (Radiocat) is authorized by U.S. Nuclear Regulatory Commission (NRC) License 45-25330-01 for the possession and use of byproduct material for use in the treatment of feline hyperthyroidism at 290 Churchman's Road, New Castle, Delaware, 730 Randolph Road, Middletown, Connecticut, and 7712 Crosspoint Commons, Fishers, Indiana. The NRC staff reviewed a request for written consent to an indirect transfer submitted by Radiocat (Agency Documents Access and Management System (ADAMS) accession number ML19119A290), as supplemented by Radiocat's September 6, 2019, response (ML19262G046) to NRC staff's June 11 (ML19262G046) and August 29, 2019, (ML19248C646) Requests for Additional Information. This indirect transfer, which is expected to occur on October 1, 2019, will result from the owners of Radiocat (David Herring, DVM, ACVR and Rand Wachsstock, DVM) transferring their membership interests in Radiocat to RadioCat Holding, LLC (RH), a Delaware limited liability company, in return for ownership interests in RH, and then transferring a majority interest in RH to PetVet RadioCat, LLC (PVR). As a result, PVR will become the majority owner of RH, and Drs. Herring and Wachsstock will become minority owners of RH. Radiocat will maintain oversight of the licensed activities with no changes to the licensed program. The request for consent to the indirect transfer of control, requests for additional information, and responses are available in ADAMS package accession number ML19093B697.

The licensee's request for consent to an indirect transfer of ownership was posted for public comment on the NRC website for 30 days in accordance with 10 CFR Part 2 and following the guidance provided in the NRC's Regulatory Issue Summary 2014-08. No comments were received.

NRC Staff reviewed the request for consent for an indirect transfer of control of a 10 CFR Part 30 license using the guidance in NUREG 1556, Volume 15, Rev. 1, "Consolidated Guidance About Materials Licenses - Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses," dated June 2016. The NRC staff finds that the information submitted by Radiocat and PVR sufficiently describes and documents the transaction and commitments made by both parties.

In addition, the NRC staff will issue an administrative license amendment (No. 31) to correct the name of the licensee from "Radiocat, PC" to "Radiocat, LLC," which was erroneously provided to the NRC in a previous communication from the licensee.

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 transfer of control is in accordance with the Act. The staff finds that, after the transfer of control, Radiocat remains qualified to use byproduct material for the purpose requested, and continues to have the equipment, facilities, and procedures needed to protect public health and safety, and to promote the common defense and security.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web Based Licensing (WBL) system, Radiocat, LLC (Radiocat) has been a licensee of the NRC since July 25, 1995. The NRC conducted inspections at the New Castle, DE location on August 25, 2014, the Middletown, CT location on September 22, 2014, and the Fishers, IN location on January 27, 2015, and no violations were identified. There is currently an open inspection of the New Castle, DE facility that began on September 17, 2019. The commitments made by Radiocat and PVR in their April 18, 2019, letter and September 9, 2019, response to NRC staff's request for additional information state that there will be:

- A. no change to the radiation safety officer listed in the NRC license;
- B. no change in personnel involved in licensed activities;
- C. no change in the locations, facilities, and equipment authorized in the NRC license;
- D. no change in the radiation safety program authorized in the NRC license; and
- E. no change in the organization's name listed in the NRC license.

Further, the licensee will maintain required surveillance records and decommissioning records as required by NRC regulations.

RH, the parent company for Radiocat, will be a joint venture between the current owners (David Herring, DVM, ACVR and Rand Wachstock, DVM) and PVR, where PVR will be the majority owner and Drs. Herring and Wachstock will become minority owners. PVR is directly owned by PetVet Care Centers, which was founded in January 2012 by Gino Volpacchio, Chairman and Chief Executive Officer. Headquartered in Westport, CT, PetVet is a leading acquirer and operator of general practice and specialty veterinary hospitals with 125 facilities located across 22 states. A pre-licensing inspection was conducted with the Vice President/General Counsel of PVR at Radiocat's New Castle, DE location on September 17, 2019. With this information, for security purposes, PVR is considered a known entity following the guidance provided by the NRC's Office of Federal and State Materials and Environmental Management Programs (FSME) "Checklist To Provide a Basis for Confidence that Radioactive Materials Will Be Used as Specified on the license," September 3, 2008 revision. The purpose of this checklist is for the NRC to obtain reasonable assurance from new license applicants or NRC licensees transferring control of licensed activities that the licensed material will be used for its intended purpose and not for malevolent use.

Radiocat is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 45-25330-01, as outlined by 10 CFR 30.35.

REGULATORY FRAMEWORK

Radiocat, LLC's License No. 45-25330-01 was issued under 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material." The NRC is required by 10 CFR 30.34(b) to determine if the change of control is in accordance with the provisions of the Act and, if so, give its consent in writing.

Specifically, 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. Radiocat, LLC's request for consent describes an indirect transfer of control and, as such, the transfer requires NRC consent.

DESCRIPTION OF TRANSACTION

The indirect transfer of control is described in ADAMS package accession number ML19093B697, which includes the following agency documents: letter from Radiocat dated December 20, 2018 (ML19093B747), letter from Radiocat dated April 18, 2019 (ML19119A290), email from NRC staff dated June 11, 2019 requesting additional information (ML19171A257), email from NRC staff dated July 10, 2019 (ML19193A082), email from NRC staff dated August 29, 2019 requesting additional information (ML19248C646), and letter from Radiocat dated September 6, 2019 (ML19262G046). After completion of the transaction, Radiocat, LLC will continue as the licensee and remain in control of all licensed activities under Materials License No. 45-25330-01. 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 Radiocat and PVR sufficiently describes and documents the commitments made by both parties and is consistent with the guidance in NUREG-1556, Volume 15, Revision 1.

ENVIRONMENTAL REVIEW

An environmental assessment for this action is not required because this action is categorically excluded under 10 CFR 51.22(c)(21).

CONCLUSION

The NRC staff has reviewed the request for consent submitted by the licensee with regard to an indirect transfer of control of byproduct materials license No. 45-25330-01 and NRC staff consents to the transfer pursuant to 10 CFR 30.34(b).

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

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.