

**SAFETY EVALUATION REPORT
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 09-29309-01, UP-SIDE RADIOLOGICAL SERVICES, LLC**

DATE: January 8, 2020

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LICENSE NO.: 09-29309-01

LICENSEE: Up-Side Radiological Services, LLC
324 East Third Street
Jacksonville, FL 32206

TECHNICAL REVIEWER: Betsy Ullrich, Senior Health Physicist

SUMMARY AND CONCLUSIONS

Up-Side Radiological Services, LLC (USRS) is authorized by NRC License 09-29309-01 for the possession and use of byproduct material for purposes of characterization and packaging of radioactive waste, decontamination and decommissioning activities, and other related activities as a service for customers at temporary job sites only. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to a direct license transfer submitted by USRS that will result from the cessation of USRS as a joint venture between Up-Side Management Company, LLC (U-SMC) and Radiological Survey and Remedial Services, LLC (RSRS). USRS will no longer remain in business and all licensed activities will be performed by U-SMC. The direct transfer of control is described in Agency Documents Access and Management System (ADAMS) accession number ML19343B391.

The request for consent was reviewed by NRC staff for a direct 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," dated June 2016. The NRC staff finds that the information submitted by USRS sufficiently describes and documents the transaction and commitments made by USRS, U-SMC and RSRS.

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, U-SMC 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), USRS has been an NRC licensee since October 20, 2015. The NRC conducted a main office inspection of USRS on November 26, 2018, and no violations were identified during this inspection. The commitments made by USRS and U-SMC state that License No. 09-29309-01 will be amended to change the name of the company on the license to U-SMC, but:

- A. will not change the radiation safety officer listed in the NRC license;
- 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; and
- E. will keep regulatory required surveillance records and decommissioning records.

U-SMC, along with RSRS, was one of the partners in the USRS joint venture. Therefore, for security purposes, U-SMC is considered a known entity following the guidance provided by the NRC's Office of Nuclear Material Safety and Safeguards (NMSS) "Checklist to Provide a Basis for Confidence that Radioactive Materials Will be Used as Specified on the Application," January 29, 2019, 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.

USRS is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 09-29309-01.

REGULATORY FRAMEWORK

USRS's License No. 09-29309-01 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 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. The central issue is whether the authority over the license has changed. USRS's request for consent describes a direct change of control resulting from a planned cessation of the joint venture, which was USRS. The joint venture was between U-SMC and RSRS. Following the completion of the transfer of the license, USRS will no longer remain in business and U-SMC will take sole responsibility for licensed activities. As such, the transfer requires NRC consent.

DESCRIPTION OF TRANSACTION

The transaction is described in ADAMS accession number ML19343B391. After cessation of the joint venture, U-SMC will continue as the licensee and remain in control of all licensed

activities under Materials License No. 09-29309-01. 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 F of NUREG-1556, Volume 15.

TRANSFeree'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS

The NRC staff finds that the information submitted by USRS sufficiently describes and documents the commitments made by U-SMC and USRS 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)(21).

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 No. 09-29309-01 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.