

**SAFETY EVALUATION REPORT  
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE  
NUMBER 13-35359-01, ARCELORMITTAL USA, LLC.**

**DATE:** December 18, 2020

**DOCKET NO.:** 030-35880

**LICENSE NO.:** 13-32359-01

**LICENSEE:** ArcelorMittal USA, LLC  
3210 Watling St.  
East Chicago, IN 46312

**TECHNICAL REVIEWER:** Laura B. Cender

**SUMMARY AND CONCLUSIONS**

ArcelorMittal USA, LLC is authorized by NRC License No. 13-32359-01 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 a indirect license transfer submitted by Cleveland-Cliffs, Inc. that will result from a sale of ArcelorMittal USA, LLC to Cleveland-Cliffs, Inc.

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 Cleveland-Cliffs, Inc. sufficiently describes and documents the transaction and commitments made by ArcelorMittal USA, LLC and Cleveland-Cliffs, Inc.

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, Cleveland-Cliffs, Inc. will be qualified to use byproduct material for the purpose requested, and will 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), ArcelorMittal USA, LLC has been an NRC licensee since December 18, 2001. The NRC conducted a main facility inspection of ArcelorMittal USA, LLC on August 27, 2017, and two Severity Level IV violations were identified. The commitments made by ArcelorMittal USA, LLC and Cleveland-Cliffs, Inc. state that Cleveland-Cliffs, Inc.:

- 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;
- E. will not change the organization's name listed in the NRC license until a later date after the transaction close; and
- F. will keep regulatory required surveillance records and decommissioning records;

Following the transaction ArcelorMittal USA, LLC will become indirectly controlled by Cleveland-Cliffs, Inc. through their 100% acquisition of ArcelorMittal USA LLC's equity assets. Cleveland-Cliffs, Inc. is the parent company of Tilden Mining Company L.C., a current NRC license holder (License No. 21-26748-01). Additionally, Cleveland-Cliffs, Inc. is also the parent company of United Taconite, LLC, a company licensed by the State of Minnesota for fixed gauging activities (MN License No. 1079). Therefore, for security purposes, Cleveland-Cliffs, Inc. 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 license', 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.

ArcelorMittal USA, LLC is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 13-32359-01.

## **REGULATORY FRAMEWORK**

ArcelorMittal USA, LLC License No. 13-32359-01, was 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. Cleveland-Cliffs, Inc.'s request for consent describes an indirect change of control resulting from a sale between ArcelorMittal USA, LLC and Cleveland-Cliffs, Inc. and, as such, the transfer requires NRC consent.

## **DESCRIPTION OF TRANSACTION**

The transaction is described in ADAMS accession number ML20303A022. After completion of the sale, Cleveland-Cliffs, Inc. will assume indirect control of all licensed activities under Materials License No. 13-32359-01. 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 Cleveland-Cliffs, Inc. sufficiently describes and documents the commitments made by ArcelorMittal USA, LLC and Cleveland-Cliffs, Inc., 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 agreed to by both parties with regard to an indirect change of control of byproduct materials license No. 13-32359-01 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.