

**SAFETY EVALUATION REPORT
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 21-25823-01, LAFARGE MIDWEST INC.**

DATE: October 4, 2020

DOCKET NO.: 030-33465

LICENSE NO.: 48-26564-01

LICENSEE: CQM, Inc.

TECHNICAL REVIEWER: Erin J. Kennedy

SUMMARY AND CONCLUSIONS

CQM, Inc. is authorized by NRC License No. 48-26564-01 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 direct license transfer submitted by CQM, Inc., wherein Cornerstone Environmental Group, LLC, dba Tetra Tech SWE acquired CQM Inc. from the sole proprietor. At the close of the transaction, CQM, Inc. became a part of Cornerstone Environmental Group, LLC - a Tetra Tech Company, known internally as Tetra Tech SWE. The direct transfer of control is described in Agency Documents Access and Management System (ADAMS) accession numbers ML20246G748 and ML20269A290.

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." The NRC staff finds that the information submitted by CQM, Inc. sufficiently describes and documents the merger and commitments made by 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 change in control is in accordance with the Act. The staff finds that, CQM, Inc. 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 promotes the security of licensed material.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web Based Licensing System (WBL), CQM, Inc. has been an NRC licensee since March 25, 1994. The NRC conducted an inspection of CQM Inc. on July 15, 2016 at a temporary jobsite in Monticello, Indiana. The commitments made by CQM, Inc. state:

- A. There was no change to the radiation safety officer listed in the NRC license as a result of the merger;
- B. There was no change to the personnel involved in licensed activities;

- C. There was no change to the locations, facilities, and equipment authorized in the NRC license;
- D. There was no change to the radiation safety program authorized in the NRC license;
- E. The licensee will change the organization's name listed in the NRC license to Cornerstone Environmental Group, LLC d/b/a Tetra Tech SWE and
- F. The licensee will keep regulatory required surveillance records and decommissioning records.

Tetra Tech, Inc. is the current holder of an active NRC materials license No. 25-29408-01 that authorizes use of byproduct material for purposes permitted by 10 CFR Part 30. In addition, Cornerstone Environmental Group, LLC held of an NRC materials license No. 21-32621-01 which was terminated June 20, 2016, which authorized use of byproduct material for purposes permitted by 10 CFR Part 30. Therefore, for security purposes, Cornerstone Environmental Group, LLC - a Tetra Tech Company 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.

CQM, Inc. is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 21-25823-01

REGULATORY FRAMEWORK

CQM, Inc. License No. 48-26564-01, 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. CQM Inc.'s request for consent describes a direct change of control which resulted from the sale of CQM, Inc. to Cornerstone Environmental Group, LLC. As a result of this sale, CQM Inc. became a part of Cornerstone Environmental Group, LLC - a Tetra Tech Company, known internally as Tetra Tech SWE.

DESCRIPTION OF TRANSACTION

The transaction is described in ADAMS accession numbers ML20246G748 and ML20269A290. After completion of the merger, CQM, Inc. has continued as the licensee and has remained in control of all licensed activities under Materials License No. 48-26564-01. 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 CQM Inc. sufficiently describes and documents the commitments made by the licensee 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 CQM Inc. with regard to an direct change of control of byproduct Materials License No. 48-26564-01 and approves the application pursuant to 10 CFR 30.(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.