



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION III
2443 WARRENVILLE RD. SUITE 210
LISLE, IL 60532-4352

February 9, 2022

Casey L. Glassey
Radiation Safety Officer
Premium Inspection and Testing, Inc.
2305 Millpark Drive
Maryland Heights, MO 63043

SUBJECT: PREMIUM INSPECTION AND TESTING, INC., REQUEST FOR WRITTEN
CONSENT TO INDIRECT LICENSE TRANSFER

By letter dated October 8, 2021 (Agencywide Documents Access and Management System (ADAMS) Accession Number ML21285A029), Premium Inspection and Testing, Inc. ("Premium") submitted to the U.S. Nuclear Regulatory Commission (NRC) a request for written consent to an indirect transfer of control of NRC Materials License number 24-32292-01. In accordance with Section 184 of the Atomic Energy Act of 1954, as amended (AEA), and 10 CFR 30.34, the NRC consents to the transfer.

Premium is authorized by the NRC for the possession and use of byproduct material under Part 30. By letter dated October 8, 2021, Premium requested written consent to the indirect transfer of control of its license from the NRC. Because the license was issued under 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material," the NRC must find that the transfer is in accordance with the provisions of the AEA and, if so, must give its consent in writing prior to the transfer, in accordance with Section 184 of the AEA and 10 CFR 30.34(b). Additionally, the NRC staff reviewed the indirect transfer of control request 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.

10 CFR 30.34(b) states:

- (1) No license issued or granted pursuant to the regulations in [parts 30] 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.
- (2) An application for transfer of license must include:
 - (i) The identity, technical and financial qualifications of the proposed transferee; and
 - (ii) Financial assurance for decommissioning information required by [10 CFR] 30.35.

The enclosed document contains sensitive security-related information.
When separated from this cover letter this letter is uncontrolled.

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As described in ADAMS package accession number ML21285A029, the indirect transfer of control will result from a transfer of the equity ownership of Premium by its current shareholders to Rockwood Services Corporation ("Rockwood"). The transaction will be organized as a merger — whereby a newly formed corporation, PIT Acquisition, Inc. ("PIT Acquisition"), a wholly-owned subsidiary of Rockwood, will be merged with and into Premium, with Premium surviving the merger. Following the transaction, Premium will be a wholly-owned subsidiary of Rockwood. Premium will remain a separate operating entity and will continue to conduct its own operations under the license. Because the transfer of control occurred on 11/19/2021 while the request was posted for public comment and reviewed by the NRC staff, this request was for approval of an indirect license transfer, without receiving prior written consent from the Commission. The NRC staff finds that the licensee request adequately provides a complete and clear description of the proposed transaction, consistent with 10 CFR 30.34(b) and Chapter 5 and Appendix E of NUREG-1556, Vol. 15, Rev. 1. The sufficiency of the description is evaluated below.

The request for an indirect transfer of ownership was posted for public comment on the NRC website for 30 days in accordance with 10 CFR Part 2, Subpart M and as described in NRC's Regulatory Issue Summary 2014-08, Revision 1. No comments were received from members of the public.

In the request for an indirect transfer of ownership, Premium provided information regarding its current decommissioning funding plans. Based on the information provided, Premium is not required to have financial assurance for decommissioning because of the types and amount of material authorized in its license. The NRC staff finds that the licensee's request adequately provided information for financial assurance for decommissioning, consistent with 10 CFR 30.34(b) and Chapter 5 and Appendix E of NUREG-1556, Vol. 15, Rev. 1.

Further, the NRC conducted an inspection of Premium on 10/15/2020 at 2305 Millpark Dr., Maryland Heights, Missouri. The NRC identified no violations.

Additionally, as described in its request, Rockwood commits that it:

- 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; and
- F. will keep regulatory required surveillance records and decommissioning records.

Based on these commitments, the NRC staff finds that the licensee request adequately documents the constraints, license conditions, requirements, representations, and commitments made by the transferee, consistent with 10 CFR 30.34(b) and Chapter 5 and Appendix E of NUREG-1556, Vol. 15, Rev. 1.

Rockwood is a holding company which, through its affiliated companies, has already operated in the business of industrial radiographic testing and inspection services. The NRC staff used the guidance provided by the NRC's Office of Nuclear Material Safety and Safeguards' "Checklist to

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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. Therefore, for security purposes, Rockwood is considered a known entity because one of its immediately subsidiaries, Acuren Inspection, Inc., is the current holder of NRC Materials License No. 22-27593-01 which is authorized for the use of byproduct material for industrial radiography.

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

The staff has reviewed the request for an indirect transfer of control of 24-32292-01. The NRC staff finds that the indirect transfer of control is in accordance with Section 184 of the AEA and 10 CFR 30.34(b) and consents to the transfer. Please note that you will need to notify us promptly, in writing, after the transaction has been finalized and include a signed copy of the sales agreement confirming completion of the transaction. If this planned sale has not been consummated within 30 days of the date of this letter, please notify us in writing.

Future changes in the licensee's name, licensed use, licensed materials, licensed location, persons responsible for licensed material, or other changes to the corporate organizational structure require submission of a request to amend the license or a request to transfer the license. NRC approval must be received prior to implementation of any such proposed change.

In accordance with 10 CFR 2.390, a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC website at <https://www.nrc.gov/reading-rm/adams.html>. If you have any questions regarding this letter, please contact me at 630-829-9623 or via electronic mail at frank.tran@nrc.gov.

Sincerely,

Frank P. Tran

Digitally signed by Frank P. Tran
Date: 2022.02.09 16:57:56
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Frank P. D. Tran
Health Physicist
Materials Licensing Branch

License No. 24-32292-01
Docket No. 030-35610
Mail Control No. 628813

Enclosure: Amendment No. 16 to NRC License No. 24-32292-01