



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
2443 WARRENVILLE RD. SUITE 210
LISLE, IL 60532-4352

April 18, 2022

Ralph J. Duman, M.D.
Radiation Safety Officer
Chippewa County War Memorial Hospital
500 Osborne Blvd.
Sault Ste. Marie, MI 49783

SUBJECT: NRC CONSENT TO A CHANGE OF CONTROL AND AMENDMENT NO. 23 TO
RADIOACTIVE MATERIALS LICENSE NO. 21-20318-01 FOR CHIPPEWA
COUNTY WAR MEMORIAL HOSPITAL

Dear Dr. Duman:

By letter dated November 15, 2021, Chippewa County War Memorial Hospital, (Licensee) submitted to the U.S. Nuclear Regulatory Commission (NRC) Region III Office a request for a written consent to a transfer of control of NRC Materials License No. 21-20318-01. The letter is available electronically from NRC's Agencywide Documents Access and Management System (ADAMS), the NRC's electronic document system, at accession no. ML21327A195. The NRC's ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. In accordance with Section 184 of the Atomic Energy Act of 1954, as amended (AEA), and Title 10 of the *Code of Federal Regulations* (CFR) CFR 30.34, the NRC consents to the transfer.

Chippewa County War Memorial Hospital is authorized by the NRC for the possession and use of byproduct material under 10 CFR Part 30. By letter dated November 15, 2021, the Licensee requested written consent to the transfer of control of its license from the NRC. In letter dated April 11, 2022 (ML22104A008), the licensee provided additional information. 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 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.

As described in your November 15, 2021, letter, MidMichigan Health (the Transferee) became the sole member of the Licensee. The transfer of control took effect on January 1, 2022, as confirmed in your letter dated April 11, 2022. The NRC staff finds that the Licensee's request adequately provides a complete and clear description of the transaction, consistent with 10 CFR 30.34(b) and Chapter 5 and Appendix E of NUREG-1556, Vol. 15, Revision 1. The sufficiency of the description is evaluated below.

The request for a 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.

Chippewa County War Memorial Hospital 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, Revision 1.

Further, the NRC most recently conducted an inspection of the Licensee on August 24, 2021. No violations of NRC requirements were identified.

Additionally, as described in the correspondence, MidMichigan Health commits that it:

- A. will abide by all constraints, conditions, requirements and commitments of License No. 21-20318-01;
- A. will not change the radiation safety officer listed in the license;
- B. will not change 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 maintain records important to decommissioning as required by NRC regulations.

Based on these commitments, the NRC staff finds that the Licensee's 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, Revision 1.

The NRC staff used the guidance provided by the NRC's Office of Nuclear Material Safety and Safeguards' "Checklist to provide a basis for confidence that radioactive materials will be used as specified on the application," dated January 29, 2019. 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, MidMichigan Health is considered to be a known entity because it holds an NRC radioactive material license in the State of Michigan.

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

In conclusion, the staff has reviewed the request for a transfer of control of License No. 21-20318-01. The NRC staff finds that the transfer of control is in accordance with Section 184 of the AEA and 10 CFR 30.34(b) and consents to the transfer.

Enclosed is Amendment No. 23 to your NRC Material License No. 21-20318-01 in accordance with your confirmation that the transfer has been completed as described in letter dated April 11, 2022. Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions regarding any of the documents or this letter, please contact me at (630) 829-9875, or by e-mail at Magdalena.Gryglak@nrc.gov so that we may provide appropriate corrections and answers.

You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's expectations for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's safety culture Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from NRC's ADAMS.

Sincerely,

Magdalena R. Gryglak
Health Physicist
Materials Licensing Branch

Docket No. 030-18244
Control No. 629293
License No. 21-20318-01

Enclosure: Amendment No. 23