



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

June 22, 2022

Darryl Schuh
Radiation Safety Officer
Verso Paper
P.O. Box 191
Norway, MI 49870

Dear Mr. Schuh:

I have reviewed the application dated February 28, 2022, signed by Rob Kreizenbeck, Senior Vice President of Operations, Verso Corporation, and letters dated June 2, 2022, both signed by Rob Kreizenbeck, President, North America, Billerud Americas Corporation.

The NRC's guidance document for your type of license, which I refer to below as "the guidance", is NUREG-1556, Volume 4, Rev. 1, dated July 2016, "Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Fixed Gauge Licenses." This guidance is available on the NRC Web site at: <https://www.nrc.gov/docs/ML1618/ML16188A048.pdf>

Upon review of the request, I identified the following areas where additional or clarifying information is needed:

1. Section 8.5.1. "Sealed Sources and Devices," and Section 8.6, "Item 6: Purpose(s) for Which Licensed Material Will Be Used," of the guidance states that applicants must provide information regarding the radioactive material requested and the intended purpose of use. This should include the following:
 - identification of each radionuclide and nominal activity for each fixed gauging device;
 - identify the manufacturer (or distributor) and model number of each type of fixed gauging device;
 - state the number of each type of fixed gauging device requested;
 - provide a description of the use of the fixed gauging devices; and
 - list the activity per source and the maximum activity per fixed gauging device being requested, which must not exceed the maximum activity listed in the approved certificate of registration issued by the NRC or by an Agreement State.

Your application refers to your license authorizations identified in Items 6, 7, 8 and 9 of your current amendment to your U.S. NRC Materials License No. 21-24692-01. Upon review, I identified that Item 8, Subparts A, B, D and E, of your license do not identify the maximum activity per source.

Please resubmit your application providing complete information for Items 5 and 6, "Materials To Be Possessed and Proposed Uses." Identify all requested radionuclides and specify the activity per source and the total activity for each type of fixed gauging device in your possession.

2. Section 8.7.1, "Radiation Safety Officer," of the guidance identifies that the Radiation Safety Officer (RSO) is responsible for the oversight of licensed operations. The RSO must have sufficient organizational authority and management prerogative to enforce appropriate radiation protection rules, standards, and practices.

Submit an updated delegation of authority supporting your continuing appointment as RSO. A model Delegation of Authority is provided in Appendix C, "Typical Duties and Responsibilities of the Radiation Safety Officer," of the guidance. The completed Delegation of Authority should be signed by the appointed RSO and a management representative. Include the printed name, title and date for each individual signing.

3. Section 8.7.1, "Radiation Safety Officer," of the guidance identifies that licensees must notify the U.S. NRC and obtain a license amendment before making changes in the designation of the RSO responsible for the Radiation Protection Program.

Your application included the following statement: "Before being named as the RSO, future RSOs will have successfully completed the training described in Section 8.7.1, "Radiation Safety Officer" in NUREG-1556, Vol. 4, Revision 1. Within 30 days of naming a new RSO, the licensee will submit the new RSO's name to NRC to include in its license."

Please resubmit your application clarifying that before a change in the designation of the RSO is made that you will request and await a license amendment.

4. Section 8.10.6, "Operating, Emergency, and Security Procedures," of the guidance, states that applicants must develop, implement and maintain adequate Operating, Emergency & Security (OE&S) Procedures. In addition, copies of the OE&S Procedures must be provided to all gauge users and the procedures should be posted or otherwise made available at each location of use.

The NRC permits greater flexibility when licensing certain types of fixed gauging devices. For each fixed gauging device that is requested, if one or more of the following safety conditions are met, the applicant need not submit the OE&S Procedures for NRC review during the licensing process:

- the air gap between the radiation source and detector of the device is less than 45 centimeters [18 inches];
- the air gap of the device would not allow insertion of a 30-centimeter [12-inch] diameter sphere into the radiation beam of the device without removal of a barrier;
- the radiation dose rate in the radiation beam of the device at 45 centimeters [18 inches] from the radiation source with the device shutters, if any, in the open position does not exceed 1 mSv per hour [0.1 rem per hour]; and
- entry into vessels (e.g., bins, tanks, hoppers, or pipes) with a gauge installed is not necessary under any foreseeable circumstances and is prohibited.

The “Response from Applicant,” section of the guidance specifies that that one of the following should be provided:

- if the gauge meets one or more of the safety conditions, provide the statement, “Operating, emergency and security procedures will be developed, implemented, maintained and distributed, and will meet the criteria in Section 8.10.6, ‘Operating, Emergency and Security Procedures,’ in NUREG-1556, Volume 4, Revision 1, ‘Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Fixed Gauge Licensees’”; or
- if the gauge does not meet any of the safety conditions, provide your operating, emergency, security, and lock-out (if applicable) procedures.

Your application neither provides your OE&S Procedures nor commits to develop, implement, maintain, and distribute OE&S Procedures meeting the criteria in Section 8.10.6 of the guidance.

Please revise and resubmit your application providing an acceptable response. You may refer to Section 8.10.6 and Appendix H, “Operating, Emergency and Security Procedures,” of the guidance for additional information.

5. Your application included selections from your Radiation Protection Program, including the following:

- Radiation Program, including the elements of,
 - Radiation Safety Officer
 - Radiation Sources
 - Licensing
 - Testing
 - Instruments
 - Storage
 - ALARA Commitment
 - Declared Pregnant Worker Program;
- ALARA Statement for Verso Corporation Quinnesec Mill;
- Lock-Out Policy; and
- Emergency Response Plan – Radiation Emergencies.

The above information is either redundant to your procedures and commitments elsewhere included in your license application or are otherwise not required to be submitted with your application for license renewal. The submission of these selections from your Radiation Protection Program represents a binding commitment upon your licensed operations. You may either resubmit your license application without these procedures or you may acknowledge your intention that the submitted selections from your Radiation Protection Program are to be received as binding commitments upon your licensed operations.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) §2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <https://www.nrc.gov/reading-rm/adams.html>.

To continue review of your application, please submit your response to this letter within 30 calendar days from the date of this letter. In your response, please refer to the license, docket, and control number specified below. I will assume that you do not wish to further pursue this licensing action if no response is received within the specified timeframe noted above.

If you have questions, require additional time to respond, or require clarification on any of the information stated above, you may contact me at (630) 829-9737 or Jason.kelly@nrc.gov.

Sincerely,

Jason M. Kelly, MPH
Health Physicist
Materials Licensing Branch

Docket No.: 030-29166
License No.: 21-24692-01
Control No.: 630248