



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 22, 2022

Mr. Paul Hewitt,
President,
Tracerco US LLC
3320 E. 84th Place, Ste. A/B
Merrillville, IN 46410

SUBJECT: TRACERO, A BUSINESS UNIT OF JOHNSON MATTHEY, INCORPORATED,
REQUEST FOR WRITTEN CONSENT TO DIRECT LICENSE TRANSFER OF
EXEMPT DISTRIBUTION LICENSE 07-35288-01E

Dear Mr. Hewitt:

By letter dated October 25, 2022 [Agencywide Documents Access and Management System (ADAMS) Accession Number ML22298A190], Tracerco, A Business Unit of Johnson Matthey, Inc., submitted to the U.S. Nuclear Regulatory Commission (NRC) a request for written consent to a direct transfer of control of Materials License Number 07-35288-01E and to amend the license to reflect the new licensee. In accordance with Section 184 of the Atomic Energy Act of 1954, as amended (AEA), and Title 10 of the *Code of Federal Regulations* (10 CFR) Section 30.34, the NRC consents to the transfer. Additionally, enclosed is Amendment No. 3 to your NRC Exempt Distribution License No. 07-35288-01E, which has been amended to document the direct license transfer, as requested.

The Tracerco, A Business Unit of Johnson Matthey, Inc., is authorized by the NRC for the distribution of byproduct material under 10 CFR Part 30. By letter dated October 25, 2022, Tracerco requested written consent to the direct 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 Paragraph 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.

As described in the October 25, 2022 letter, the direct transfer of control involves Johnson Matthey Inc. and its wholly-owned subsidiary, Tracerco US LLC undergoing an Internal Reorganization which will result in the licenses, licensed activities and personnel responsible for licensed materials and licensed activities, being transferred from an unincorporated business unit of Johnson Matthey Inc. (presently known as Tracerco) to Tracerco US LLC, a newly-created and wholly-owned subsidiary of Johnson Matthey, Inc. This Internal Reorganization will result in Tracerco US LLC becoming the licensee. 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 the NRC's Regulatory Issue Summary 2014-08, Revision 1. No comments were received from members of the public.

The Tracerco, A Business Unit of Johnson Matthey Inc. 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 Tracerco, a business unit of Johnson Matthey, Inc. on February 17, 2017. The NRC identified no violations.

Additionally, as described in its request Tracerco US LLC commits that it:

- a. has not changed the radiation safety officer listed in the NRC license;
- b. has not changed the personnel involved in licensed activities;
- c. has not changed the locations, facilities, and equipment authorized in the NRC license;
- d. has not changed the radiation safety program authorized in the NRC license.

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, Rev. 1.

Tracerco US LLC, is considered a known entity for security purposes. Tracerco US LLC ("Tracerco LLC") is Johnson Matthey Inc. ("Johnson Matthey") wholly-owned subsidiary, NRC Materials License No. 07-35288-01E. an unincorporated business unit of Johnson Matthey (presently known as Tracerco) to Tracerco LLC, a newly-created and wholly-owned subsidiary of Johnson Matthey (the "Internal Reorganization"). This Internal Reorganization will result in Tracerco LLC becoming the licensee. Therefore, the NRC staff does not need to perform a pre-

licensing visit to obtain reasonable assurance that the licensed material will be used for its intended purpose and not for malevolent use.

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 a direct transfer of control of License No. 07-35288-01E. The NRC staff finds that the direct 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, upon consummating the internal reorganization. If the internal reorganization 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. The NRC's approval must be received prior to implementation of any such proposed change.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," 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 the NRC's ADAMS. ADAMS is accessible from the NRC Website at <https://www.nrc.gov/reading-rm/adams.html>.

If you have any questions regarding your Exempt Distribution License, you may contact me at (301) 415-7640, or by electronic mail at Shirley.Xu@nrc.gov.

Sincerely,

Shirley S. Xu

Digitally signed by Shirley S. Xu
Date: 2022.12.22 13:05:37 -05'00'

Materials Safety and Tribal Liaison Branch
Division of Material Safety, Security, States,
and Tribal Program
Office of Nuclear Material Safety
and Safeguards

Docket No. 030-38897
Control No. 633368

Enclosure:
License No. 07-35288-01E

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DATED: December 22, 2022

ADAMS Accession Number: ML22355A651

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