



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION IV
1600 E. LAMAR BLVD
ARLINGTON, TX 76011-4511

May 30, 2023

Christopher Havern,
ShawCor President
Shaw Pipeline Services, Inc.
1725 West Reno Street
Broken Arrow, OK 74012
03038558
35-23193-03

**SUBJECT: SHAW PIPELINE SERVICES, INC. REQUEST FOR WRITTEN CONSENT TO
DIRECT LICENSE TRANSFER**

By letter dated December 20, 2022 (Agencywide Documents Access and Management System (ADAMS) Accession Number ML2236A128), Shaw Pipeline Services, Inc. submitted to the U.S. Nuclear Regulatory Commission (NRC) a request for written consent to a direct transfer of control of NRC Materials License number 35-23193-03. 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.

Shaw Pipeline Services, Inc. is authorized by the NRC for the possession and use of byproduct material under Part 30. By letter dated December 20, 2022, Shaw Pipeline Services, Inc. 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 30.34(b). Additionally, the NRC staff reviewed the direct 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

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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.

ShawCor LTD., the parent corporation of Shaw Pipeline Services Inc, ShawCor Ltd., is being acquired by SPS Acquisition, LLC. SPS Acquisition LLC is a new company set up late last year specifically for the acquisition of Shaw Pipeline Services. Achieve Capital is the private equity firm behind the acquisition. It is a stock sale, not an asset sale. 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 a direct 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 a direct transfer of ownership, Shaw Pipeline Services, Inc. provided information regarding its current decommissioning funding plans. Based on the information provided, Shaw Pipeline Services, 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 Shaw Pipeline Services, Inc. on 07/27/2021 at Broken Arrow, Oklahoma. The NRC identified two Severity Level IV violations.

Additionally, as described in its request, Achieve Capital 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;
- 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.

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Shawcor LTD. is the parent corporation of Shaw Pipeline Services, Inc. Shaw Pipeline Services, Inc. is being acquired by SPS Acquisition, LLC. SPS Acquisition, LLC is a holding company set up in August 2022 specifically for the acquisition of Shaw Pipeline Services, Inc. Achieve Capital, LLC, a private equity firm based in Tulsa, Oklahoma, is behind the acquisition. There are fifteen investors in total. SPS Acquisition, LLC is managed by a board of managers made up of Eric Clower, Tom Ritchie, and Christopher Havern, who are investors in the business. The other investors are investors by subscription, meaning that they own shares but have no management responsibility in the business. The transaction is a stock sale, not an asset sale. The current management will remain in place, and Christopher Havern is leading transition to new ownership. Because, Achieve Capital does not possess an NRC or Agreement State license, the NRC staff performed a virtual 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 35-23193-03. 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, 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 Michelle R. Simmons at 817-200-1590 or via electronic mail at Michelle.Simmons@nrc.gov.

Sincerely,

Michelle R.
Simmons

 Digitally signed by Michelle R.
Simmons
Date: 2023.05.30 14:43:28 -05'00'

Michelle R. Simmons, Sr. Health Physicist
Materials Licensing Branch

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