

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION I 475 ALLENDALE ROAD – SUITE 102 KING OF PRUSSIA, PA 19406-1415

April 7, 2023

Chris Coon, D.V.M.
BRM Haven Lake, LLC
d/b/a Haven Lake Animal Hospital
300 Milford-Harrington Highway
Milford, DE 19963

SUBJECT: BRM HAVEN LAKE, LLC, D/B/A HAVEN LAKE ANIMAL HOSPITAL,

ACCEPTANCE OF NOTIFICATION OF CHANGE OF CONTROL AND LICENSE

AMENDMENT, MAIL CONTROL NO. 633690

Dear Dr. Coon:

By application dated November 1, 2022 (Agencywide Documents Access and Management System (ADAMS) Accession Number ML22335A420), Haven Lake Animal Hospital 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 07-31361-01. 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.

Haven Lake Animal Hospital is authorized by the NRC for the possession and use of byproduct material under Part 30. By application dated November 1, 2022, Haven Lake Animal Hospital requested written consent to the direct transfer of control of its license from the NRC and associated change in licensee name to BRM Haven Lake, LLC d/b/a Haven Lake Animal Hospital. 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 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 application dated November 1, 2022 (ML22335A420), the direct transfer of control resulted from a sale of a majority stake in the licensee. The owners of Haven Lake Animal Hospital essentially entered into a partnership with Blue River PetCare Group, LLC in a new Delaware LLC entity named BRM Haven Lake, LLC. The new entity is majority owned by the Blue River PetCare Group, LLC, with a minority ownership stake held by Haven Lake Animal Hospital, and minority ownership stakes held directly by the owners of Haven Lake Animal Hospital. The individuals responsible for the radiation safety programs from Haven Lake Animal Hospital will remain the same and there will be no changes to the radiation protection program or operating procedures. 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, Haven Lake Animal Hospital provided information regarding its current decommissioning funding plans. Based on the information provided, Haven Lake Animal 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, Rev. 1.

Further, the NRC conducted an inspection of Haven Lake Animal Hospital from March 12, 2020, through December 17, 2020, at the Milford, DE location. The NRC identified two Severity Level IV violations. The first violation was of 10 CFR 20.1904 for the failure to ensure that each container of licensed material bears a durable, clearly visible label bearing the radiation symbol and appropriate words. The second violation was of license condition 18 of NRC License No. 07-31361-01 for the failure to perform removable contamination surveys in accordance with procedures and license commitments.

Additionally, as described in its request, Blue River PetCare Group, LLC 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 keep regulatory required surveillance records and decommissioning records;

However, the licensee will change the organization's name listed in the NRC license as a result of the sale. The new name for the licensee will be BRM Haven Lake, LLC d/b/a Haven Lake Animal Hospital. This name change will not impact the licensed operations.

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.

Blue River PetCare Group, LLC will be providing management and ownership oversight to Haven Lake Animal Hospital, though direct management of the licensee's operations will not change. 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," 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. Blue River PetCare Group, LLC holds permits in numerous states authorizing the possession and use of radiation producing devices. Therefore, for security purposes, Blue River PetCare Group, LLC is considered a known entity as a result of holding permits in numerous states authorizing the possession and use of radiation producing devices. Blue River PetCare Group, LLC was determined to be seeking an authorization for activities within the scope of existing operations for which it currently holds a non-radioactive material State or federal government license/registration/ authorization.

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 07-31361-01. 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. We have confirmed that this sale has been completed; no further action on your part is required.

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 Jonathan Pfingsten at 610-337-5170 or via electronic mail at Jonathan.Pfingsten@nrc.gov.

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Thank you for your cooperation in this matter.

Sincerely,

Jonathan Pfingsten, Senior Health Physicist Medical and Licensing Assistance Branch Division of Nuclear Materials Safety Region I

License No. 07-31361-01 Docket No. 03038002 Mail Control No. 633690

Enclosure:

Amendment No. 3

cc: James Fongheiser, Radiation Safety Officer

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BRM HAVEN LAKE, LLC, D/B/A HAVEN LAKE ANIMAL HOSPITAL, ACCEPTANCE OF NOTIFICATION OF CHANGE OF CONTROL AND LICENSE AMENDMENT, MAIL CONTROL NO. 633690 DATED APRIL 7, 2023

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