



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION I
475 ALLENDALE ROAD – SUITE 102
KING OF PRUSSIA, PA 19406-1415

November 6, 2023

William Stenger, RES, Assistant Vice President
and Radiation Safety Officer
CDI Infrastructure, LLC dba L. R. Kimball
615 West Highland Avenue
Ebensburg, PA 15931

SUBJECT: CDI INFRASTRUCTURE, LLC DBA L. R. KIMBALL, ACCEPTANCE OF
NOTIFICATION OF AN INDIRECT CHANGE OF CONTROL, MAIL CONTROL
NO. 635891

Dear Mr. Stenger:

By letter dated May 17, 2023, (Agencywide Documents Access and Management System (ADAMS) Accession Number ML23179A067), CDI Infrastructure, LLC dba L. R. Kimball, submitted to the U.S. Nuclear Regulatory Commission (NRC) a request for an amendment to change the name of the company. An internet review identified that an indirect change of control had occurred, based on an announcement by TranSystems Corporation (TranSystems) dated June 21, 2021, that TranSystems acquired L. R. Kimball, "formerly a division of CDI Engineering Solutions...". Although the license was renewed on August 9, 2021, there was no discussion of a change of control in the renewal documentation, and no request for consent to an indirect transfer of control of NRC Materials License number 37-17717-02. Therefore, the indirect change of control is reviewed with this request to amend the license to change the name. Additional information was provided in a letter dated October 2, 2023. 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.

CDI Infrastructure, LLC dba L. R. Kimball, is authorized by the NRC for the possession and use of byproduct material under Part 30. By letter dated May 17, 2023, CDI Infrastructure, LLC dba L. R. Kimball, requested amendment of the license to change the name, and review determined that an indirect transfer of control of its license occurred in 2021. Additional information was provided in a letter dated October 2, 2023. 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 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 ADAMS package accession number ML23165A078, the indirect transfer of control resulted from the acquisition of L. R. Kimball by TranSystems in May 2021, and continued to operate under the name CDI Infrastructure, LLC dba L. R. Kimball. Licensed activities continued under the same radiation safety program and same radiation safety officer as prior to the indirect transfer. Because the transfer of control occurred on May 20 2021, and the request is dated May 17, 2023, this request was for approval of an indirect license transfer, without receiving prior written consent from the Commission. 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 NRC's Regulatory Issue Summary 2014-08, Revision 1. No comments were received from members of the public.

In the request for an indirect transfer of ownership, CDI Infrastructure, LLC dba L. R. Kimball, provided information regarding its current decommissioning funding plans. Based on the information provided, CDI Infrastructure, LLC dba L. R. Kimball, 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 CDI Infrastructure, LLC dba L. R. Kimball, on 10/26/2020 at Ebensburg, PA. The NRC identified one violation, for failure to provide hazmat training required by the Department of Transportation at least every 3 years to employees that transport radioactive materials.

Additionally, as described in its request, TranSystems 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; and
- E. 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.

TranSystems holds License No. PA-1670 from the Commonwealth of Pennsylvania for possession and use of portable gauges in that state. 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. Therefore, for security purposes, TranSystems is considered a known entity because it holds a current license from an Agreement State.

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 an indirect transfer of control of 37-17717- 02. The NRC staff finds that the indirect 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 me at 610-337-5040 or by electronic mail to Elizabeth.Ullrich@nrc.gov.

W. Stenger

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Thank you for your cooperation in this matter.

Sincerely,

Betsy Ullrich, Senior Health Physicist
Commercial, Industrial, R&D
and Academic Branch
Division of Radiological Safety and Security
Region I

License No. 37-17717-02
Docket No. 030-16053
Mail Control No. 635891

CDI INFRASTRUCTURE, LLC DBA L. R. KIMBALL, ACCEPTANCE OF NOTIFICATION OF AN INDIRECT CHANGE OF CONTROL, MAIL CONTROL NO. 635891 DATED NOVEMBER 6, 2023

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SUNSI Review Complete: Betsy Ullrich

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