

October 25, 2022

By Email (Jason.Kelly@NRC.gov)

Jason M. Kelly, MPH
Health Physicist
U.S. Nuclear Regulatory Commission, Region III
Nuclear Materials Licensing Branch
2443 Warrenville Rd., Suite 210
Lisle, IL 60532-4352

**Re: Application for Consent to Direct Change of Control with Respect to Licenses
07-28386-01 and 07-35288-01E, and Amendment of Licenses to Reflect New Licensee**

Dear Mr. Kelly,

Pursuant to 10 CFR § 30.34(b)(1), Johnson Matthey Inc. (“Johnson Matthey”), on behalf of itself and its wholly-owned subsidiary, Tracerco US LLC (“Tracerco LLC”) (together, “Applicants”), submit the enclosed Application for Consent to a Direct Change of Control of NRC Materials License Nos. 07-28386-01 and 07-35288-01E, and certain conforming amendments (“Application”). This submittal is triggered by a proposed 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 (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.

Johnson Matthey is a corporation organized under Pennsylvania law. Johnson Matthey’s headquarters are located at 435 Devon Park Drive, Suite 600, Wayne, Pennsylvania 19087. Johnson Matthey is controlled by a Board of Directors that consists of two members, both of whom are U.S. citizens. Tracerco LLC is a limited liability company organized under Delaware law with its headquarters at 4106 New West Drive, Pasadena, TX 77507. Tracerco LLC is a single-member LLC and is wholly owned by Johnson Matthey. Johnson Matthey is owned through several intermediate holding companies by Johnson Matthey PLC, a public limited company organized under UK law. Johnson Matthey PLC’s shares are listed and publicly traded on the London Stock Exchange.

As stated above, this Application is submitted pursuant to 10 CFR § 30.34(b)(1). The information in this Application complies with that regulation and follows U.S. Nuclear

Regulatory Commission guidance provided in NUREG-1556, Volume 15, Rev. 1, *Consolidated Guidance About Materials Licenses: Guidance about Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses* (June 2016) and Information Notice No. 89025, Rev. 1, “Unauthorized Transfer of Ownership or Control of Licensed Activities” (December 7, 1994).

There will be no material changes to the NRC-licensed operations, key operating personnel, or NRC-licensed activities as a result of the Internal Reorganization. Johnson Matthey will remain a U.S. company and will continue to be headquartered in Wayne, Pennsylvania. Tracerco LLC is also a U.S. company, wholly owned by Johnson Matthey and headquartered in Pasadena, Texas. All NRC-licensed activities will still be conducted at Tracerco’s facility in Merrillville, Indiana and at temporary job sites as authorized by the license. Employees of Tracerco will become employees of Tracerco LLC and will remain responsible for NRC-licensed materials and activities. Johnson Matthey will transfer all procedures and records relating to licensed material and licensed activities to Tracerco LLC. It will also transfer all records necessary for decommissioning and there will be no material change to the decommissioning financial assurance as a result of the Internal Reorganization. Accordingly, Tracerco LLC is technically and financially qualified as the licensee and will continue to fulfill all responsibilities as the licensee.

Along with the NRC’s consent to the direct transfer, Applicants request that conforming administrative amendments be made to the licenses by naming “Tracerco US LLC” as the licensee for License Nos. 07-28386-01 and 07-35288-01E.

Implementing the Internal Reorganization involves review and consent from other agencies along with the consent requested of the NRC in the Application. The parties anticipate implementing the Internal Reorganization on January 1, 2023. **Applicants therefore request that the Department consent to the change of control be issued as promptly as practicable and no later than December 23, 2022, and issue the amendment effective as of January 1, 2023.**¹

Applicants also would appreciate the NRC adding the individuals listed below to the distribution list for any correspondence related to this Application.

¹ In the event the NRC does not grant its consent by December 23, 2022 (to take effect January 1, 2023), Johnson Matthey intends to transfer its employees responsible for licensed activities to Tracerco LLC effective January 1, 2023. On or before that date, Johnson Matthey and Tracerco LLC will execute an intercompany services agreement under which those employees transferred to Tracerco LLC will provide services to Johnson Matthey while Johnson Matthey retains ultimate responsibility for, and final decision-making authority with respect to, the licenses, licensed material and licensed activity. If/when the Commission grants approval for the transfer of the licenses to Tracerco LLC, the licenses will be transferred and the intercompany services agreement will be terminated.

Should there be any questions about the Application or the Internal Reorganization, please feel free to contact the appropriate contact individual(s) listed in the Application.

Very truly yours,



Paul Hewitt, President
Tracerco US LLC

Enclosure

ADDITIONS TO DISTRIBUTION LIST:

Amy Donohue-Babiak, Esq.
Assistant General Counsel
Johnson Matthey Inc.
435 Devon Park Drive, Suite 600
Wayne, PA 19087-1998
Telephone: (610) 971-3084
Email: amy.donohue-babiak@jmus.com

Alex Polonsky, Esq.
Scott Clausen, Esq.
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Ave., NW
Washington, D.C. 20004
Telephone: (202) 739-3000
Email: alex.polonsky@morganlewis.com
Email: scott.clausen@morganlewis.com

**APPLICATION FOR CONSENT TO DIRECT CHANGE OF CONTROL
WITH RESPECT TO LICENSE NOS. 07-28386-01 AND 07-35288-01E**

Pursuant to 10 CFR 30.34(b)(1), Johnson Matthey Inc., a Pennsylvania corporation (“Johnson Matthey”), on behalf of itself and Tracerco US LLC, a Delaware limited liability company (“Tracerco LLC”) (together, “Applicants”), request the U.S. Nuclear Regulatory Commission grant its consent to the direct change of control of Materials License Nos. 07-28386-01 and 07-35288-01E from Tracerco, an unincorporated business unit of Johnson Matthey, to Tracerco LLC, and make certain conforming amendments to the licenses to reflect this change of control.

At present, License Nos. 07-28386-01 and 07-35288-01E are held by “Tracerco, a business unit Johnson Matthey Inc.” Under License No. 07-28386-01, Tracerco is licensed to possess radioactive materials at its facility in Merrillville, Indiana, and under License No. 07-35288-01E, to transfer products with exempt concentrations to persons exempt from license requirements under 10 CFR §30.14. Should the NRC consent to the direct transfer, Applicants request that a conforming administrative amendment be made to the licenses to reflect the transfer by naming “Tracerco US LLC” as the licensee for License Nos. 07-28386-01 and 07-35288-01E.

The information included in this Application is consistent the requirements of 10 CFR §30.34(b) and follows NRC guidance provided in NUREG-1556, Volume 15, Rev. 1, *Consolidated Guidance About Materials Licenses: Guidance about Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses* (June 2016) and Information Notice No. 89025, Rev. 1, “Unauthorized Transfer of Ownership or Control of Licensed Activities” (December 7, 1994) to provide the following information about the Internal Reorganization to allow the NRC to review the proposed direct change of control.

1.0 INFORMATION SUPPORTING REQUEST FOR NRC CONSENT TO DIRECT CHANGE OF CONTROL

1.1 DESCRIPTION OF ANY PLANNED CHANGES IN THE ORGANIZATION

Describe any planned changes in the organization, including, but not limited to, transfer of stocks or assets and mergers, change in members on Board of Directors, etc. Provide the new licensee name, mailing address, and contact information, including phone numbers. Clearly identify when the amendment requested is due to a name change only.

1.1.1 Description of the Internal Reorganization

A chart showing the current ownership and control of Johnson Matthey is included as Exhibit A-1. Johnson Matthey is a corporation organized under Pennsylvania law with its headquarters at 435 Devon Park Drive, Suite 600, Wayne, PA 19087. Johnson Matthey is controlled by a Board of Directors that consists of two members, both of whom are U.S. citizens. Johnson Matthey is owned through several intermediate holding companies by Johnson Matthey PLC, a public limited company organized under UK law. Johnson Matthey PLC's shares are listed and publicly traded on the London Stock Exchange. Tracerco, an unincorporated business unit of Johnson Matthey, has its headquarters at 4106 New West Drive in Pasadena, Texas and conducts NRC-licensed activities at its facility in Merrillville, Indiana.

Tracerco LLC is a limited liability company (LLC) organized under Delaware law. Tracerco is a single-member LLC and a wholly owned subsidiary of Johnson Matthey, which is the sole member of Tracerco LLC. Tracerco LLC is managed by a three-member board of managers. These three managers are all U.S. citizens and are also officers and/or employees of Johnson Matthey. Tracerco LLC will be headquartered at the same Pasadena, Texas location and will continue to conduct NRC-licensed activities at its facility in Merrillville, Indiana.

The Internal Reorganization involves a corporate reorganization of Johnson Matthey that will transfer the NRC-licensed activities of Tracerco, an unincorporated business unit of Johnson Matthey, to Tracerco LLC. As a result of the Internal Reorganization, the NRC licenses, the licensed materials, and personnel responsible for the NRC-licensed materials and licensed activities will be transferred from the unincorporated business unit of Johnson Matthey to Tracerco LLC.

A simplified diagram showing the ownership of Tracerco LLC after is included in Exhibit A-2.

1.1.2 Contact Information

Tracerco LLC's contact and telephone number(s) to facilitate communications with respect to the license will be:

Paul Hewitt, President
Tracerco US LLC
4106 New West Road
Pasadena, TX 77507
Telephone: (281) 291-7769
Email: Paul.Hewitt@tracerco.com

Monte Pope
U.S. Licensing and Regulatory Compliance
4106 New West Road
Pasadena, TX 77507
Telephone: (281) 291-7769
Email: Monte.Pope@tracerco.com

and

Joshua Kochale
Radiation Safety Officer
[REDACTED]
Merrillville, IN 46410
Telephone: (219) 945-0400
Email: Josh.Kochale@tracerco.com

Also, for information about this Application, please contact:

Amy Donohue-Babiak, Esq.
Assistant General Counsel
Johnson Matthey Inc.
435 Devon Park Drive, Suite 600
Wayne, PA 19087-1998
Telephone: (610) 971-3084
Email: Amy.Donohue-Babiak@jmus.com

1.1.3 Changes to Management

There are currently no anticipated changes to NRC-licensed activities or to Tracerco's facility in Merrillville, Indiana as a result of the direct change of control. Key personnel and management having direct operational responsibility for, and control of, licensed activities will become employees of Tracerco LLC as part of the Internal Reorganization. There are thus no anticipated changes to key personnel or management.

1.1.4 Technical Qualifications

The personnel who are currently responsible for licensed activities, including the Radiation Safety officer, will become employees of Tracerco LLC as part of the Internal Reorganization. All equipment will be transferred to Tracerco LLC, and all administrative, operational and emergency procedures will be transferred to Tracerco LLC and will not be changed. Thus, there are currently no anticipated changes to personnel, facilities, equipment or procedures for any licensed activities as a result of the change in control. As a result, Tracerco LLC is technically qualified to engage in NRC-licensed activities.

1.2 CHANGES IN PERSONNEL OR DUTIES

Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel and any changes in the training program.

Johnson Matthey will transfer all personnel having direct operational responsibility for, and control of, NRC-licensed material or licensed activities to Tracerco LLC on January 1, 2023. If the NRC grants its consent for the direct transfer of the license before January 1, 2023, there will be no changes in personnel or management having direct operational responsibility for, and control of, NRC-licensed material or licensed activities as a result of the direct change of control. All personnel who are currently listed on the license will remain in their roles and will remain on the license following the Internal Reorganization, and no changes are anticipated to personnel responsible for radiation safety or use of NRC-licensed material or activities.

In the event the NRC does not grant its consent by December 23, 2022 (to take effect January 1, 2023), Johnson Matthey intends to transfer its employees responsible for licensed activities to Tracerco LLC effective January 1, 2023. On or before that date, Johnson Matthey and Tracerco LLC will execute an intercompany services agreement under which those employees transferred to Tracerco LLC will provide services to Johnson Matthey while Johnson Matthey retains ultimate responsibility for, and final decision-making authority with respect to, the licenses, licensed material and licensed activity. If/when the Commission grants approval for the direct transfer of the licenses to Tracerco LLC, the licenses will be transferred and the intercompany services agreement will be terminated.

1.3 CHANGES IN LOCATION, FACILITIES, OR EQUIPMENT

Describe any changes in the location, facilities, equipment, radiation safety program, use, possession, waste management, or other procedures that relate to the licensed program.

There are currently no anticipated changes in the location of the licensed facility in Merrillville, Indiana or to the operational organization, location, facilities, equipment or procedures related to the license because these will all be transferred to Tracerco LLC. There are likewise no changes anticipated in the use, possession, location or storage of the NRC-licensed material as a result of the direct change of control.

1.4 CHANGES IN STATUS OF FACILITIES, EQUIPMENT, AND RADIATION SAFETY PROGRAM

Describe the status of the licensee's facilities, equipment, and radiation safety program, including any known contamination and whether decontamination will occur prior to transfer. Include the status of calibrations, leak tests, area surveys, wipe tests, training, quality control, and related records.

The direct transfer of control will have no anticipated effect on NRC-licensed facilities, equipment, or the radiation safety program. All licensed activities, including all leak tests, physical inventories and ventilation measurements, will continue on an ongoing basis without interruption. All surveillance items and records will continue to be maintained in their existing state and in accordance with applicable requirements. All calibrations, leak tests, area surveys and wipe tests are current under the applicable radiation safety program. There are currently no anticipated changes to the training or quality control programs as they relate to Tracerco LLC's licensed activities, and all related records will be transferred to Tracerco LLC.

1.5 DECOMMISSIONING FUNDING

If current decommissioning funding plans ("DFP") will be changed as a result of the transfer, the revised DFP should be submitted. If other financial assurance documents will be changed as the result of the transfer, confirm that all financial assurance instruments associated with the license will be held in the transferee's name before the license is transferred, and as required by

regulation, the licensee must, within 30 days, submit financial instruments reflecting such changes.

The Internal Reorganization will not affect Tracerco LLC's compliance with requirements for financial assurance for decommissioning. Currently, Johnson Matthey provides decommissioning assurance in the form of an Irrevocable Standby Letter of Credit of which the NRC is the beneficiary. This Letter of Credit will be transferred to Tracerco LLC and a replacement Letter of Credit in the identical amount will be provided to the NRC, with an effective date of January 1, 2023. As a result, there will be no material change to the decommissioning financial assurance as a result of the Internal Reorganization.

1.6 DECOMMISSIONING FUNDING RECORDS

Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to the NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and or removable contamination, including methods and sensitivity.

The Internal Reorganization is currently not anticipated to have any material effect on decommissioning records. The Internal Reorganization is currently not anticipated to involve the physical relocation of any records, and all records for the safe and effective decommissioning will remain in their current location and will be transferred to Tracerco LLC. On the closing date, the status of the licensed facilities, including but not limited to the status of decontamination and decommissioning activities, will be identical to their status before the closing date.

1.7 TRANSFEROR AND TRANSFeree AGREE TO TRANSFERRING CONTROL

Confirm that both the transferor and transferee agree to transferring control of the license material and activity, and the conditions of transfer, and that the transferee has been made aware of any open inspection items and its responsibility for possible resulting enforcement actions.

The enclosed Exhibit B is a letter from Tracerco LLC to the NRC (“Commitment Letter”). In it, Tracerco LLC confirms that it agrees to the direct change of control and that it has been made aware of any NRC inspection findings. Through the Internal Reorganization, Tracerco LLC will be responsible for any possible resulting enforcement actions.

1.8 TRANSFeree’S COMMITMENT TO ABIDE BY ALL CONSTRAINTS, CONDITIONS, REQUIREMENTS, AND COMMITMENTS

Confirm that the transferee will abide by all constraints, conditions, requirements, representations, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.

The direct change of control from a business unit of Johnson Matthey to Tracerco LLC, a wholly-owned subsidiary of Johnson Matthey, will create a new licensee. In the Commitment Letter enclosed as Exhibit B, Tracerco LLC confirms and agrees that Tracerco LLC, as the holder of the license, will continue to abide by all commitments contained in the license. In addition, upon implementing the Internal Reorganization, Tracerco LLC agrees to abide by all commitments made before the direct change of control.

1.9 FINANCIAL QUALIFICATIONS

The transferee, in the case of fuel cycle facilities, shall provide documentation showing that it is financially qualified to conduct normal operations. The


information can be in the form of income statements and balance sheet forecasts.

Tracerco LLC is financially qualified to engage in NRC-licensed activities. That said, the facility in Indiana is not a fuel cycle facility, and as such, Tracerco LLC need not provide documentation showing its financial qualifications.

AFFIRMATION

I, Karil Black Wollitz, do hereby declare under penalty of perjury that: (1) I am the Vice President and Treasurer of Johnson Matthey Inc., (2) I am duly authorized to execute and file this certification on behalf of Johnson Matthey Inc., and (3) the statements set forth in the attached Application for Consent to Direct Change of Control are true and correct to the best of my information, knowledge and belief.

JOHNSON MATTHEY INC.


By: 
Karil Black Wollitz,
Vice President & Treasurer

Date: 25 october 2022

AFFIRMATION

I, Paul Hewitt, do hereby declare under penalty of perjury that: (1) I am the President of Tracerco US LLC, (2) I am duly authorized to execute and file this certification on behalf of Tracerco US LLC, and (3) the statements set forth in the attached Application for Consent to Direct Change of Control are true and correct to the best of my information, knowledge and belief.

TRACERCO US LLC

By: 
Paul Hewitt, President

The signature block includes a blue DocuSign signature line with the text "DocuSigned by:" above the signature "Paul Hewitt". Below the signature is a long horizontal line and the text "E4A7F686E14846A...".

Date: 24 october 2022

**APPLICATION FOR CONSENT TO DIRECT CHANGE OF CONTROL
WITH RESPECT TO LICENSE NO. 07-28386-01 AND 07-35288-01E**

INDEX TO EXHIBITS

EXHIBIT NO.	DESCRIPTION
A- 1 and 2	Johnson Matthey Simplified Organization Chart Before and After the Internal Reorganization
B	Letter from Tracerco US LLC Confirming that Tracerco US LLC Will Abide by all License Commitments

EXHIBIT A-1

**JOHNSON MATTHEY INC. SIMPLIFIED ORGANIZATION CHART
BEFORE THE INTERNAL REORGANIZATION**

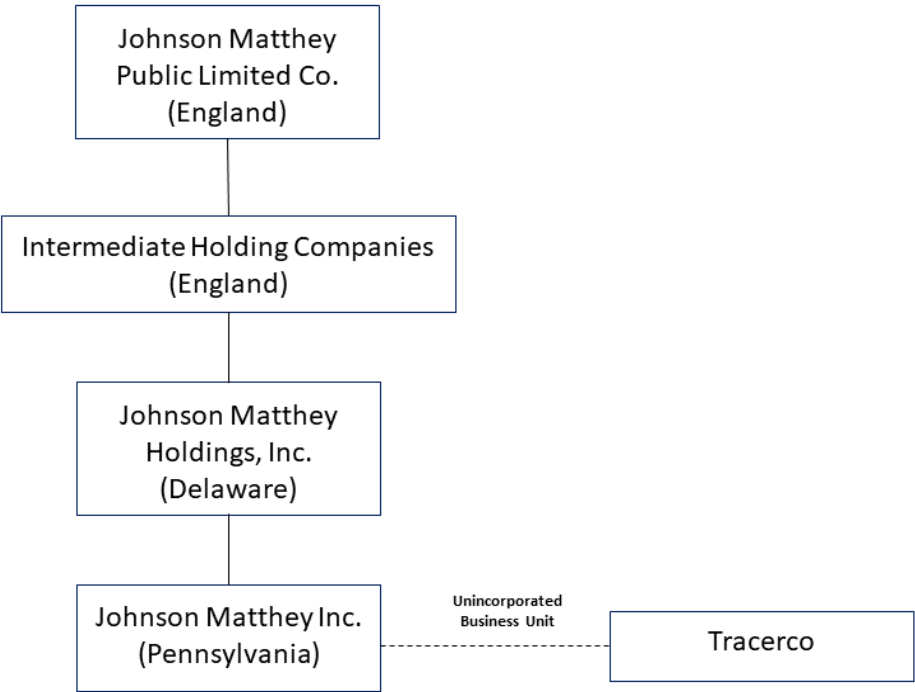


EXHIBIT A-2

**JOHNSON MATTHEY INC. SIMPLIFIED ORGANIZATION CHART
AFTER THE INTERNAL REORGANIZATION**

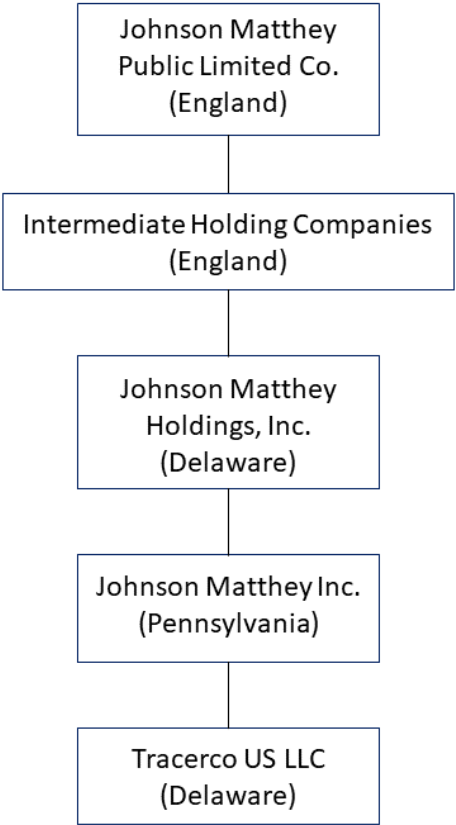


EXHIBIT B

**LETTER FROM TRACERCO US LLC CONFIRMING THAT
TRACERCO US LLC WILL ABIDE BY COMMITMENTS**



October 25, 2022

Jason M. Kelly, MPH
Health Physicist
U.S. Nuclear Regulatory Commission, Region III
Nuclear Materials Licensing Branch
2443 Warrenville Rd., Suite 210
Lisle, IL 60532-4352

Re: Application for Consent to Direct Change of Control with Respect to License Nos. 07-28386-01 and 07-35288-01E, and Amendment of Licenses to Reflect New Licensee

Dear Mr. Kelly:

This letter is to support the Application for Consent to Direct Change of Control with Respect to License Nos. 07-28386-01 and 07-35288-01E filed with U.S. Nuclear Regulatory Commission ("Application"). The need for the requested NRC consent arises from the direct change of control of the licenses and transfer of all licensed material and activities from an unincorporated business unit of Johnson Matthey Inc. to Tracerco US LLC ("Tracerco LLC"), which is a wholly-owned subsidiary of Johnson Matthey Inc., as part of an Internal Reorganization.

In support of the Application and the request for NRC consent to the direct change of control as it relates to License Nos. 07-28386-01 and 07-35288-01E, Tracerco LLC hereby makes the following statements and representations:

1. I am the President of Tracerco LLC and am authorized to file this letter with the NRC on behalf of Tracerco LLC.
2. After implementing the Internal Reorganization, Tracerco LLC will become the licensee and possess all licensed material and be responsible for all licensed activities authorized by the license.
3. All personnel that have direct operational responsibility for, and control of, licensed activities will be transferred to Tracerco LLC. There are currently no planned changes in personnel who are listed on the license or referred to in the supporting documentation as a result of the Internal Reorganization.



There are currently no planned changes in personnel responsible for radiation safety or use of licensed material in the license possessed by Tracerco LLC as a result of the Internal Reorganization. To the extent that changes are made in the future, Tracerco LLC will comply with NRC requirements and submit a license amendment or notification as needed.

4. Tracerco LLC is a wholly-owned subsidiary of Johnson Matthey and does not currently plan to make changes to the operational organization, location, facilities, equipment or procedures related to the licenses. There are currently no planned changes in the use, possession, location, or storage of the licensed material as a result of the direct change of control. To the extent that changes are made in the future, Tracerco LLC will comply with NRC license requirements and submit a license amendment or notification as needed.
5. Tracerco LLC will continue to abide by all constraints, license conditions, requirements, representations, and commitments identified in and attributed to Johnson Matthey in its existing licenses.
6. Johnson Matthey joins the request that the NRC provide its consent to the direct transfer of control to Tracerco LLC as it relates to the materials license listed in the Application, with such consent to be effective as of the implementation date of the Internal Reorganization.

Tracerco LLC would be pleased to respond to any further questions that the NRC may have with regard to this letter.

I declare under penalty of perjury that the foregoing is true and correct.

Very truly yours,

DocuSigned by:
Paul Hewitt
E4A7F665E11846A...

Paul Hewitt, President

Martha Pavon

From: Jason Kelly
Sent: Tuesday, October 25, 2022 11:44 AM
To: Tammy Tomczak
Cc: Sandy Pavon; Martha Pavon
Subject: FW: RE: Application for Consent to Change of Control (Licenses #07-28386-01 and #07-35288-01E)
Attachments: Application for Consent to Change of Control.Tracerco.NRC.pdf; Form 665 (Application for Consent to Direct Change of Control [Public Version] - 10-25-2022).pdf

Tammy,

Attached is a public version of the Application for Consent to Change of Control for Materials License No. 07-28386-01 (Tracerco), Docket No. 030-31174, which the license forwarded to me today.
I have also attached a Form 665 and request immediate release to allow for posting to the public website for comment.

Jason M Kelly, MPH
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