



REED COLLEGE

REACTOR FACILITY

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Woodstock Boulevard

Portland, Oregon

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May 25, 2010

ATTN: Document Control Desk
U S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Docket: 50-288
License No: R-112
Subject: RAI TAC NO. ME1583

Attached is the corrected Self Guarantee Letter required by the subject RAI dated December 10, 2009. The response and attachments do not contain any sensitive information.

Please contact us if you have any questions. Thank you.

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

Executed on 5-25-10

Stephen G. Frantz
Director, Reed Research Reactor.

A020
NRR



REED COLLEGE

Financial Assurance for Cost of Decommissioning Activities Self-Guarantee Agreement

3203 Southeast
Woodstock Boulevard
Portland, Oregon
97202-8199

Guarantee made by Reed College, a nonprofit college, organized under the laws of the State of Oregon, herein referred to as "guarantor," to the U. S. Nuclear Regulatory Commission, on behalf of the college as licensee.

telephone
503/771-1112

Recitals

1. The guarantor has full authority and capacity to enter into this self-guarantee by the bylaws of the Trustees of Reed College.
2. This self-guarantee is being issued to comply with regulations issued by NRC, an agency of the U. S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974. NRC has promulgated regulations in Title 10, Chapter I of the *Code of Federal Regulations*, Part 50, which require that a holder of, or an applicant for, a materials license issued pursuant to 10 CFR Part 50 provide assurance that funds will be available when needed for required decommissioning activities.
3. The self-guarantee is issued to provide financial assurance for decommissioning activities for the licenses and facilities shown.

License # and Docket #	License Description	Estimate based on year 1992 dollars	Certified Amounts of 2010 Cost Estimates (3% per year increase)
R-112 50-288	Research and test reactor and related facilities located at Reed College, Portland, OR 97202	\$500,00	\$829,412
		Subtotal	\$829,412
	25% contingency fund		\$207,353
	Total Estimated Costs:		\$1,036,764

4. The guarantor meets or exceeds the following financial test criteria for a nonprofit College that issues bonds. Specifically, the most recent rating as of 2009 for the college was AA-/A-1+ by Standard and Poor's and Aa2/VMIG1 by Moody's Investors Service, and agrees to comply with all notification requirements as specified in 10 CFR Part 50, and Appendix A to 10 CFR Part 30.
5. The guarantor does not have a parent company holding majority control of its voting stock.
6. Decommissioning activities as used below refer to the activities required by 10 CFR Part 50 for decommissioning of the facilities identified above.
7. Pursuant to the guarantor's authority to enter into this guarantee, the guarantor guarantees to the NRC that the guarantor shall:
 - (a) carry out the required decommissioning activities, as required by the licenses listed above.
8. The guarantor agrees to submit revised financial statements, financial test data annually within 90 days of the completion of our fiscal year-end audit.
9. The guarantor agrees that if, at the end of any fiscal year before termination of this self-guarantee, it fails to meet the self-guarantee financial test criteria, it shall send within 90 days of the end of the fiscal

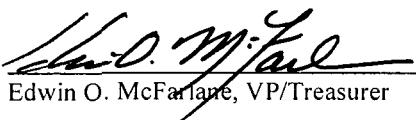
year, by certified mail, notice to the NRC that it intends to provide alternative financial assurance as specified in 10 CFR Part 30. Within 120 days after the end of the fiscal year, the guarantor shall establish such financial assurance.

- 10 The guarantor agrees that if it determines, at any time other than as described in Recital 9, that it no longer meets the self-guarantee financial test criteria or it is disallowed from continuing as a self-guarantor, it shall establish alternative financial assurance as specified in 10 CFR Parts 50 within 30 days.
- 11 The guarantor, as well as its successors and assigns, agrees to remain bound jointly and severally under this guarantee notwithstanding any or all of the following: amendment or modification of the license or NRC-approved decommissioning funding plan for that facility, the extension or reduction of the time of performance of required activities, or any other modification or alteration of an obligation of the licensee pursuant to 10 CFR Parts 50.
- 12 The guarantor agrees that it shall be liable for all litigation costs incurred by the NRC in any successful effort to enforce the agreement against the guarantor.
- 13 The guarantor agrees to remain bound under this self-guarantee for as long as it, as licensee, must comply with the applicable financial assurance requirements of 10 CFR Part 50, for the previously listed facilities, except that the guarantor may cancel this self-guarantee by sending notice by certified mail to the NRC, such cancellation to become effective not before an alternative financial assurance mechanism has been put in place by the guarantor.
- 14 The guarantor agrees that if it, as licensee, fails to provide alternative financial assurance as specified in 10 CFR Part 50 and obtain written approval of such assurance from the NRC within 90 days after a notice of cancellation by the guarantor is received by the NRC from the guarantor, the guarantor shall make full payment under the self-guarantee.
- 15 The guarantor expressly waives notice of acceptance of this self-guarantee by the NRC. The guarantor also expressly waives notice of amendments or modifications of the decommissioning requirements.
- 16 If the guarantor files financial reports with the U. S. Securities and Exchange Commission, then it shall promptly submit them to its independent auditor and to the NRC during each year in which this self-guarantee is in effect.
- 17 The guarantor agrees that if, at any time before termination of this self-guarantee, its most recent bond issuance ceases to be rated in the category of "A" or above by either Standard & Poor's or Moody's, it shall provide notice in writing of such fact to NRC within 20 days after publication of the change by the rating service.

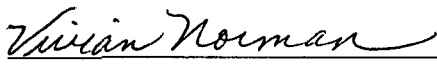
I hereby certify that this self-guarantee is true and correct to the best of my knowledge.

Effective date: 5-25-10

Reed College
By:


Edwin O. McFarlane, VP/Treasurer

State of Oregon, County of Multnomah
Signed before me this 19th day of May, 2010.


Vivian Norman, Notary Public – State of Oregon

