



Joseph J. Doncsecz
Associate Vice President for Finance and Corporate Controller

The Pennsylvania State University
408 Old Main
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November 16, 2012

Christopher Ryder
Licensing Project Manager
U.S. Nuclear Regulatory Commission
Fuel Cycle Safety and Safeguards
Fuel Manufacturing Branch
Washington, DC 20555-0001
Mail Stop EBB 2 C40M

Re: **Audited Financial Statements – Year Ending June 30, 2012**

License numbers: R-2 Breazeale Nuclear Reactor, Docket 050-0005
SNM-95 Docket 70-13

Dear Mr. Ryder,

Attached is The Pennsylvania State University's Audited Financial Statements for last fiscal year. An electronic version can be found at <http://www.controller.psu.edu/Divisions/ControllersOffice/reports.html>. To show compliance with the financial tests of 10CFR30 Appendix A, The Pennsylvania State University certifies that PSU has:

- (i) A current rating for its most recent bond issuance of AA as issued by Standard and Poor's and a bond rating of Aa2 as issued by Moody's,
- (ii) Tangible net worth each at least six times the current decommissioning cost estimates for all uses of radioactive material,
- (iii) Tangible net worth of at least \$10 million, and
- (iv) Assets located in the United States amounting to at least 90 percent of the total assets or at least six times the current decommissioning cost estimates for the total of all facilities.

Also attached is PSU's Self-Guarantee Agreement for Financial Assurance for Cost of Decommissioning Activities.

Thank you.

Please contact Eric Boeldt at 814-865-6391 or ejb6@psu.edu if you have any questions.

Joseph J. Doncsecz
Associate Vice President for Finance and Corporate Controller

Attachment

cc: Eric Boeldt, Radiation Safety Officer
Mark Trump, Associate Director, Radiation Science and Engineering Center