

REQUEST FOR ADDITIONAL INFORMATION

PENNSYLVANIA STATE UNIVERSITY

ANNUAL CERTIFICATION OF FINANCIAL ASSURANCE, NOVEMBER 16, 2013

RAI 1: Provide required language from the self-guarantee agreement (Title 10 of the Code of Federal Regulations Part 30, Appendix E; NUREG-1757, Volume 3, Rev. 1, Appendix A)

Title 10 of the *Code of Federal Regulations* (10 CFR) Part 30, Appendix E(g) requires the guarantor to agree that "if the guarantor admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors, or any proceeding is instituted by or against the guarantor seeking to adjudicate it as bankrupt or insolvent, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for guarantor or for any substantial part of its property, or the guarantor takes any action to authorize or effect any of the actions stated in this paragraph, then the Commission may: (1) [d]eclare that the financial assurance guaranteed by the self-guarantee agreement is immediately due...(2) [e]xercise any and all of its other rights under applicable law." NUREG-1757, Volume 3, Appendix A.9.12(19)-(21) provides recommended language for licensees to use.

The licensee's self-guarantee submittal omits the language required per the regulation 10 CFR Part 30, Appendix E. Provide the required language using NUREG-1757, Volume 3, Appendix A's recommended language.

RAI 2: Provide a Standby Trust Agreement for the Self-Guarantee. (NUREG-1757, Vol. 3, Rev. 1)

The new decommissioning rule per 76 Fed. Reg. 35512, 35515 (Jun. 17, 2011) (to be codified in Parts 20, 30, 40, 50, 70, and 72) "...addresses the potential vulnerability of the parent company guarantee and the self-guarantee as the financial mechanism for providing decommissioning funding assurance...." The rule "...requires all reactor and materials licensees who use these guarantee mechanisms to establish a standby trust fund to receive the guaranteed financial assurance amount should that amount become immediately due and payable."

Provide NRC with a standby trust agreement. Guidance on standby trust agreements may be found in Section A.17 of NUREG-1757, Volume 3.

Enclosure