



Report of Independent Accountants

To the Board of Trustees of
Massachusetts Institute of Technology:

We have performed the procedures included in the Consolidated NMAA Decommissioning Guidance – Financial Assurance, Recordkeeping, and Timeliness (NUREG-1757, Volume 3, Revision 1, Appendix A) and enumerated below, which were agreed to by management of Massachusetts Institute of Technology ("the Institute"), solely to assist you in evaluating the Institute's compliance with the Nuclear Regulatory Commission's financial assurance regulations, 10 CFR Part 70 and 72 with respect to NRC MIT licenses SNM-986 and R-37. Management is responsible for the Institute's compliance with those regulations. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings performed in relation to the CFO's Letter dated September 30, 2014 are as follows:

1. We confirmed that the total tangible net worth in the CFO's Letter agrees with total net assets contained in the Institute's financial statements for the year ended June 30, 2014, which we have audited in accordance with auditing standards generally accepted in the United States of America and have issued our report thereon dated September 12, 2014. A tie-out of the financial statements to the CFO's Letter is shown in the accompanying schedule to this report.
2. We inquired of management as to the existence of any reconciling items between the CFO's Letter and the audited financial statements noting that there are none;
3. We mathematically checked the totals in the accompanying schedule and recomputed the current cost estimates of decommissioning for each facility listed per the CFO's Letter.
4. We compared the bond ratings in the CFO's Letter to the information obtained from external, publically available source as follows:

| Rating per the CFO's Letter | Rating per External Source | External Source |
|-----------------------------|----------------------------|--|
| AAA | AAA | www.standardandpoors.com |

5. A requirement in 10 CFR 30 App E II.C.(1) is the accountant must evaluate the licensee's off-balance sheet transactions and provide an opinion on whether those transactions could materially adversely affect the licensee's ability to pay for decommissioning costs. However, the guidelines established by the American Institute of Certified Public Accountants (AICPA) prohibit an accountant from rendering an opinion of the type required by the regulation cited above. As a



result, we have inquired of management as to the existence of any off-balance sheet arrangements. Management provided us with a schedule of all known off-balance sheet arrangements totaling \$2,460,013,000 as of June 30, 2014. We recalculated the total figure of off-balance sheet arrangements for mathematical accuracy. We also confirmed that the total of the all known off-balance sheet arrangements included in the schedule provided by management is less than the tangible net worth reported in the CFO's Letter.

No exceptions were noted.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the regulations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and the Board of Trustees of Massachusetts Institute of Technology and the Nuclear Regulatory Commission, and is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

September 30, 2014



**Schedule for Reconciling Amounts Contained in
Chief Financial Officer's
Letter with Amounts in Financial Statements**

**Massachusetts Institute of Technology
Year Ended June 30, 2014**

| | Per Financial Statements | Reconciling Items | Per CFO's Letter |
|--|-------------------------------------|------------------------------|-----------------------------|
| Total net worth | 16,315,492 | | |
| Less: Cost in excess of value of tangible assets acquired | - | | |
| | 16,315,492 | | |
| Tangible net worth (plus decommissioning costs) | | | 16,315,492 |