

July 5, 2016

Mr. Joseph J. Doncsecz
Associate Vice President for Finance
and Corporate Controller
Pennsylvania State University
408 Old Main
University Park, PA 16802-1505

SUBJECT: ANNUAL CERTIFICATION OF FINANCIAL ASSURANCE FOR FISCAL YEAR
2015: PENNSYLVANIA STATE UNIVERSITY (COST ACTIVITY CODE: LU0149)

Dear Mr. Doncsecz:

In a letter dated December 22, 2015, Pennsylvania State University (PSU) submitted documents to demonstrate continued eligibility to use the self-guarantee for financial assurance of decommissioning both the Breazeale Nuclear Reactor (Docket No.: 050-0005) and special nuclear material (SNM) (Docket No.: 70-113). The documents pertain to Fiscal Year 2015. The review by the U.S. Nuclear Regulatory Commission (NRC) staff is documented in Enclosure 1 of this letter. The review documented as such pertains to only SNM license SNM-95, not license 050-0005.

Facilities licensed under Title 10 of the *Code of Federal Regulations* (10 CFR) Part 70 are required to establish adequate financial assurance for decommissioning pursuant to 10 CFR Section 70.25, "Financial Assurance and Recordkeeping for Decommissioning." Part 30 of 10 CFR, Appendix E, states the criteria relating to use of financial tests and self-guarantee to provide reasonable assurance of funds for decommissioning by nonprofit colleges, universities, and hospitals.

The NRC staff has determined that PSU has demonstrated their continued eligibility to use the self-guarantee for decommissioning SNM that is authorized under license SNM-95. PSU has met the requirements of both 10 CFR 70.25(f)(2) and Appendix E, of 10 CFR Part 30.

This letter both concludes the action on the review of the annual certification regarding license SNM-95 and closes the assigned Cost Activity Code: LU0149.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC web site at: <http://www.nrc.gov/reading-rm/adams.html> (The Public Electronic Reading Room).

J. Doncsecz

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If you have any questions regarding this matter, please contact me at (301) 415-8729, or via e-mail at: Christopher.Ryder@nrc.gov.

Sincerely,

/RA MDiaz for/

Robert K. Johnson, Chief
Fuel Manufacturing Branch
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-113
License No.: SNM-95

cc:
Jeffrey Leavey, PSU
Mark Trump, PSU
Jody Murawski, PSU

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