

June 21, 2017

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

SUBJECT: APPROVAL OF ANNUAL CERTIFICATION OF FINANCIAL ASSURANCE FOR  
FISCAL YEAR 2016: PENNSYLVANIA STATE UNIVERSITY (COST ACTIVITY  
CODE LU0172)

Dear Mr. Doncsecz:

By letter dated December 19, 2016, 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 license R-2 (docket 50-005), and Special Nuclear Material (SNM) license SNM-95 (docket 70-113). The submittal is known as the "annual certification" to use the self-guarantee. The documents pertain to Fiscal Year 2016. The review by the U.S. Nuclear Regulatory Commission (NRC) staff documented in the enclosure of this letter pertains to only license SNM-95, not license R-2.

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 university facilities where SNM is used in accordance with license SNM-95. PSU has met the requirements of both 10 CFR Paragraph 70.25(f)(2) and Appendix E, of 10 CFR Part 30.

This letter concludes the action on the review of the annual certification regarding license SNM-95. The assigned Cost Activity Code LU0149 will remain open to review the next annual certification.

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](mailto:Christopher.Ryder@nrc.gov).

Sincerely,

**\RA\**

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:  
Jody Murawski, PSU  
Robert Segura, PSU  
Mark Lindsey, PSU

Enclosure:  
Safety Evaluation Report Input

APPROVAL OF ANNUAL CERTIFICATION OF FINANCIAL ASSURANCE FOR FISCAL YEAR  
2016: PENNSYLVANIA STATE UNIVERSITY (COST ACTIVITY CODE LU0172)

**DATE: 06/21/2017**

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