



December 18, 2020

Document Control Desk  
U.S. Nuclear Regulatory Commission  
Attn: Xiaosong Yin  
One White Flint North  
11555 Rockville Pike  
Rockville, MD 20852

Subj: Audited Financial Statements – Fiscal Year Ending June 30, 2020 and Self-Guarantee Agreement

License numbers: R-2 Breazeale Nuclear Reactor Docket 050-00005

Dear Sir or Madam,

As required in 10 CFR 30.35.(f).(2), the financial test and self-guarantee method of 10 CFR 30 Appendix E will be used. The Pennsylvania State University (the “University”) certifies the following:

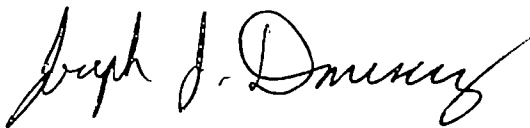
- (i) 10 CFR 30 Appendix E Paragraph II.A.(1) – The University currently holds a rating for its most recent bond issuance of **AA** as issued by Standard and Poor's, and a bond rating of **Aa1** as issued by Moody's, and
- (ii) The University is currently a going concern, and it possessed positive net assets in the amount of \$9,824,280,000 at June 30, 2020. The calculation of the University's net assets at June 30, 2020 was derived from the university's independently audited, year-end financial statements and footnotes for the fiscal year ended June 30, 2020. The University is not required to file a Form 10-K with the Securities and Exchange Commission for the latest fiscal year.
- (iii) 10 CFR 30 Appendix E Paragraph II.C.(1) – Audited financial statements are attached as Attachment A. In addition to the enclosed report, an electronic version may also be found at:  
[https://controller.psu.edu/sites/controller/files/psu\\_2020\\_financial\\_statements\\_-\\_final.pdf](https://controller.psu.edu/sites/controller/files/psu_2020_financial_statements_-_final.pdf)

ADZD  
NRK

Attachment B contains Penn State University's Self-Guarantee Agreement for Financial Assurance for Cost of Decommissioning Activities. Attachment C contains the Independent Accountant's Report on Applying Agreed-Upon Procedures for the year ended June 30, 2020. In addition, Attachment D contains an Affidavit regarding proprietary information.

Please contact Yuanqing Guo at 814-865-6391 or [yxg14@psu.edu](mailto:yxg14@psu.edu) if you have any questions.

Sincerely,



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

Attachment A – Audited financial statements  
Attachment B – Penn State University's self-guarantee agreement  
Attachment C – Independent Accountant's Report on Applying Agreed-Upon Procedures  
Attachment D – Affidavit

cc: Yuanqing Guo, Radiation Safety Officer  
Kenan Ünlü, Director, Radiation Science and Engineering Center  
Jody Murawski, Controllers Office, University Park

**ATTACHMENT A – Penn State University Audited Financial Statements**

Document transmitted contains confidential financial information – withhold under 10 CFR 2.390.  
When separated from enclosures this document is uncontrolled.



**Joseph J. Doncsez**  
Associate Vice President for Finance  
and Corporate Controller

The Pennsylvania State University  
408 Old Main  
University Park, PA 16802-1505

December 18, 2020

## AFFIDAVIT

- (1) I am the Associate Vice President for Finance and Corporate Controller of The Pennsylvania State University (the "University"), and as such, I have been specifically delegated the function of reviewing confidential information sought to be withheld from public disclosure in connection with the University submittals to the Nuclear Regulatory Commission (the "Commission"), and am authorized to apply for its withholding on behalf of the University.
- (2) I am making this Affidavit in conformance with the provisions of 10 CFR Section 2.390 of the Commission's regulations and in conjunction with the University's submission of the Independent Accountant's Report on Applying Agreed-Upon Procedures for the year ended June 30, 2020 related to the University's annual financial test and self-guarantee.
- (3) Pursuant to the provisions of paragraph (b)(4) of Section 2.390 of the Commission's regulations, the following is furnished for consideration by the Commission in determining whether the information sought to be withheld from public disclosure should be withheld.
  - (i) The information sought to be withheld from public disclosure is owned and has been held in confidence by the University.
  - (ii) The information, off-balance sheet exposures disclosed within the Independent Accountant's Report on Applying Agreed-Upon Procedures for the year ended June 30, 2020 sought to be withheld from public disclosure is not available in public sources and is not required to be disclosed by the University for purposes other than as part of the Independent Accountant's Report on Applying Agreed-Upon Procedures for Commission purposes related to Appendix E to 10 CFR Part 30.
  - (iii) The information is being transmitted to the Commission in confidence and, under the provisions of 10 CFR 2.390; it is to be received in confidence by the Commission.

The facts set forth in this Affidavit are true and correct to the best of my knowledge, information, and belief.

Joseph J. Doncsez  
Associate Vice President for Finance  
and Corporate Controller  
The Pennsylvania State University

Transmitted herewith are proprietary versions of documents furnished to the NRC in connection with requirements of Appendix E to 10 CFR Part 30 for Commission review and approval. Non-proprietary versions of the documents are not provided as they essentially would consist of blank pages.