AUG 1 a 1975

The Regents of the University of California Docket No 50-142 School of Engineering Los Angeles, California 90024

Attention: Russel O'Neil

Dean of Engineering

Gentlemen:

This letter refers to the inspection of your activities authorized under NRC License No. R-71 conducted by M. D. Schuster of this office on July 29-30, 1976. It also refers to the discussion of our inspection findings held by the inspector with Mr. N. Ostrander and members of his stuff on July 30, 1976.

The inspection included examination of activities related to physical protection against industrial sabotage in accordance with applicable requirements of Title 10, Code of Federal Regulations, Part 73, "Physical Protection of Plants and Materials," your Security Plan, and license conditions pertaining to physical protection. Within these areas, the inspection consisted of selective examinations of procedures and records, interviews with facility personnel and observations by the inspector.

Based on the results of this inspection, it appears that one of your ctivities was not conducted in full compliance with NRC requirements as set forth in the Notice of Violation, enclosed herewith as Appendix A. The item of noncompliance is categorized into the level as described in our correspondence to you dated December 31, 1974.

This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office within 20 days of your receipt of this notice, a written statement of explanation in reply. including: (1) steps which have been or will be taken by you to correct the violation, and the results achieved; (2) steps which will be taken to avoid further violations; and (3) the date when full compliance with be achieved.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of findings of your control and accounting procedures for safeguarding special

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nuclear materials and your facility security procedures are exempt from disclosure; therefore, the enclosure to this letter, the inspection report, and your response to the item listed in the enclosure to this letter will not be placed in the Public Document Room and will receive limited distribution.

Should you have any questions concerning this letter, we will be glad to discuss them with your

Sincenaly, Signed By Vincent N. Riscolo

V. N. Rizzolo, Chief Safeguards Branch

Enclosures:

A. Notice of Violation

B. IE Inspection Report No. 50-142/76-01

cc w/enclosures:

H. V. Brown, Environment, Health and Safety Officer