Aviation

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Regulation Id: BIS-2011-0042

January 20, 2012

Subject: **Comments on Proposed Revisions to the Export Administration Regulations (EAR): Control of Gas Turbine Engines and Related Items the President Determines Longer Warrant Control Under the United States Munitions List (USML)**

Reference: RIN 0694-AF41

Dear Mr. Christiansen:

The General Electric Company, acting through its GE Aviation business unit (GEA), submits the following comments for the referenced proposed rule. GEA appreciates Administration's effort to address this issue.

SUMMARY COMMENTS:

GEA commends the Administration's efforts on export control reform. GEA concurs that certain gas turbine engines and related components should not be subject to United States Munitions List (USML) and thus their jurisdictional status should be change so that they are subject to the Export Administration Regulations (EAR). Also, GEA agrees with the overall proposed structure for hosting these items under the Commerce Control List. However, GEA recommends several editorial changes for clarity and certain definitional modifications for consistency with the rest of the EAR.

SPECIFIC COMMENTS

15 CFR 740

Supplement 4 to Part 740

(1) GEA recommends the deletion of "except for Military Commercial Derivative Aircraft" from paragraphs (a)(6) and(a)(7). Technology for military commercial derivative aircraft would be caught under 9E003 and not under 9E610. Therefore, this exclusion is unnecessary and confusing as it may imply that these items are subject to this control.

(2) GEA recommends a better bright line to determine which landing gear, "parts", and "components" are subject to paragraph (a)(7). The use of an aircraft weight threshold (i.e. 21000 pounds) is impractical and unclear. Landing gear manufacturers may not always know the weight of the aircraft at the point of export. Therefore, GEA recommends instead for BIS to specifically call out those categories of aircraft excluded from this paragraph. Lastly, GEA recommends the deletion of the repeated ""specially designed" term" listed in this paragraph.

(3) GEA understands the need to preclude items previously considered significant military equipment (SME) under the USML from eligibility under license exception STA. However, the same restrictions imposed on SME items should not be imposed on items that were not considered of substantial military utility or capability when controlled under the USML. Therefore, GEA recommends for BIS to move: (1) low pressure compressor blades, vanes, spools, shrouds, blisks, shafts, disks, and impellers; (2) high pressure compressor blades, vanes, spools, shrouds, blisks, shafts, disks, and impellers; (3) combustors diffusers, domes, chambers and cowlings; and (4) engine monitoring systems from paragraph (b)(2) to paragraph (b)(1).

15 CFR 774

(1) GEA recommends for the phrase 'directly related' used in related controls paragraph under ECCN 6A619, be replaced with the term "required". 'Directly related' is a subjective term that while used in the ITAR, has not been previously used in the EAR. If BIS decides to retain the term, then GEA recommends the inclusion of a definition under the related definitions paragraph.

(2) GEA recommends the definition for hot section components, as defined by ECCN 9A619.c, be consistent with the current USML definition published by the US Department of State in August 14, 2008. This definition has become industry's standard for determining hot section components. Therefore, GEA recommends for this paragraph to read as follows:

> **" c. Hot section components (i.e., combustion chambers and liners; high pressure turbine blades, vanes, disks and related cooled structure; cooled low pressure**

turbine blades, vanes, disks and related cooled structure; cooled augmenters; and cooled nozzles)."

(3) GEA requests the inclusion of a definition for those "engine monitoring systems" subject to ECCN 9A619.d.

(4) In its comments to 76 FR 41958, GEA recommended for pressure sensors, thermocouples, and wire-harnesses be considered parts and components subject to the exclusion of the proposed "specially designed" definition. However, if BIS decides that these items must be listed in the Commerce Control List (CCL), GEA then suggests for these items to be controlled under ECCN 9A619.y. Moreover, GEA believes that speed sensors, actuators, electro-hydraulic servo valves, magnetic plugs, accelerometers, solenoid valves, fuel flow meters, fuel filters, oil filters, air actuated control valves, and fuel actuated control valves should also be subject to ECCN 9A619.y.

(5) GEA would like to note that the "unit" paragraphs for ECCNs 9B619 and 9C619 current do not include a unit of measure as required for licensable commodities by Part 750. Therefore, GEA recommends for these two (2) paragraphs to be amended to list a "$ value" unit of measure.

(6) GEA recommends the insertion of an entry under ECCN 6B619.y for "specially designed" equipment for the "development" or "production" of items subject to ECCN 6A619.y.

(7) GEA recommends the addition of 9D619.y as an item excluded from the National Security (NS) and Regional Stability (RS) reasons for control listed under ECCN 9E619.

(8) GEA appreciates the inclusion of language specifically addressing those items determined to be subject to the EAR under a commodity jurisdiction, but not specifically called out in the CCL. As proposed, the language makes it clear that these items will retain its Department of Commerce jurisdiction.

We appreciate the opportunity to provide comments on this Proposed Rule. If you have any questions or require additional information concerning this submission, please contact the undersigned at at (202) 637-4401 or by email at laura.molinari@ge.com or Kathleen Palma at (202) 637-4206 or by email at kathleen.palma@ge.com.

Sincerely,

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