

DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal No. 15-70]

36(b)(1) Arms Sales Notification**AGENCY:** Department of Defense, Defense Security Cooperation Agency.**ACTION:** Notice.**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.**FOR FURTHER INFORMATION CONTACT:** Chandelle K. Parker, DSCA/LMO, (703) 697-9027.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 15-70 with attached Policy Justification and Sensitivity of Technology.

Dated: June 27, 2016.

Aaron Siegel,*Alternate OSD Federal Register Liaison Officer, Department of Defense.***DEFENSE SECURITY COOPERATION AGENCY**201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-6406

MAY 11 2016

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 15-70, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Egypt for defense articles and services estimated to cost \$143 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "J. W. Rixey".

J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 15-70

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

- (i) *Prospective Purchaser:* Egypt
- (ii) *Total Estimated Value:*

Major Defense Equipment * ..	\$116 million
Other	\$ 27 million
<hr/>	
Total	\$143 million

(iii) *Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:*

Major Defense Equipment (MDE) includes:

- Twenty (20) UGM-84L Harpoon Block II Encapsulated Missiles
- Two (2) Encapsulated Harpoon Certification Training Vehicles (EHCTV)

Non-MDE items also included are containers, spare and repair parts, support and test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor representative technical assistance, engineering and logistics support services, and other related elements of logistics support.

(iv) *Military Department:* Navy (XX-P-LFW)

(v) *Prior Related Cases, if any:*

- FMS case ABW-\$48M-12 Nov 97
- FMS case ABZ-\$68M-27 Mar 98
- FMS Case CAN-\$107M-22 Jan 03

(vi) *Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:* None

(vii) *Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:* See Attached Annex

(viii) *Date Report Delivered to Congress:* 11 May 2016

*as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Egypt—UGM-84L Harpoon Block II Encapsulated Missiles

The Government of Egypt has requested a possible sale of:

Major Defense Equipment (MDE) includes:

- Twenty (20) UGM-84L Harpoon Block II Encapsulated Missiles
- Two (2) Encapsulated Harpoon Certification Training Vehicles (EHCTV)

Non-MDE items also included are containers, spare and repair parts, support and test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor representative technical

assistance, engineering and logistics support services, and other related elements of logistics support.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a strategic partner that has been and continues to be an important force for political stability and economic progress in the Middle East.

The proposed sale of these submarine-launched missiles will support the Egyptian Navy's Type 209 submarines, increasing its anti-surface warfare and maritime security capabilities. Egypt already possesses Harpoon Block II missiles and will have no difficulty absorbing these additional weapons.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be The Boeing Company in St. Louis, Missouri. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require annual trips to Egypt involving U.S. Government and contractor representatives for technical reviews, support, and oversight for approximately five years.

There will be no adverse impact on United States defense readiness as a result of this proposed sale.

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Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

Annex Item

No. vii

(vii) *Sensitivity of Technology:*

1. The UGM-84L Harpoon Block II Encapsulated missile system is classified CONFIDENTIAL. The Harpoon missile is a conventional tactical weapon system currently in service in the U.S. Navy and in 29 other foreign nations. It provides day, night, and adverse weather, stand-off capability and is an effective Anti-Surface Warfare missile. The UGM-84L incorporates components, software, and technical design information that are considered sensitive. The following components of the proposed sale are classified CONFIDENTIAL:

- a. The Radar Seeker
- b. The Global Positioning System/ Inertial Navigation System (GPS/INS)
- c. Operational Flight Program Software
- d. Missile operational characteristics and performance data

These elements are essential to the ability of the Harpoon missile to

selectively engage hostile targets under a wide range of operations, tactical, and environmental conditions.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities. All defense articles and services listed in this transmittal have been authorized for release and export to Egypt.

[FR Doc. 2016-15515 Filed 6-29-16; 8:45 am]

BILLING CODE 5001-06-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. EL16-76-000]

Transource Wisconsin, LLC; Notice of Institution of Section 206 Proceeding and Refund Effective Date

On June 23, 2016, the Commission issued an order in Docket No. EL16-76-000, pursuant to section 206 of the Federal Power Act (FPA), 16 U.S.C. 824e (2012), instituting an investigation into whether the formula rate protocols of Transource Wisconsin, LLC may be unjust, unreasonable, unduly discriminatory or preferential. *Transource Wisconsin, LLC*, 155 FERC ¶ 61,302 (2016).

The refund effective date in Docket No. EL16-76-000, established pursuant to section 206(b) of the FPA, will be the date of publication of this notice in the **Federal Register**.

Dated: June 24, 2016.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

[FR Doc. 2016-15559 Filed 6-29-16; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER16-1434-000]

ISO New England Inc., New England Power Pool Participants Committee; Notice of Designation of Commission Staff as Non-Decisional

June 24, 2016.

With respect to the proceeding pending before the Commission in the above-captioned docket, the staff identified below from the Office of