

(v) *Prior Related Cases, if any:* FMS Case KS-P-AKR, KS-P-AKZ  
 (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 Annex Attached.  
 (viii) *Date Report Delivered to Congress:* January 31, 2017.

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

#### POLICY JUSTIFICATION

##### *Republic of Korea—AIM-9X-2 Sidewinder Missiles*

The Government of the Republic of Korea (ROK) has requested a possible sale of sixty (60) AIM-9X-2 Sidewinder Block II All-up-Round Missiles and six (6) AIM-9X-2 Block II Tactical Guidance Units, containers, spares and missile support, U.S. Government and contractor technical assistance, and other related elements of logistics support. The estimated cost is \$70 million.

This proposed sale contributes to the foreign policy and national security of the United States. The ROK is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring peace and stability in the region. It is vital to U.S. national interests to assist our Korean ally in developing and maintaining a strong and ready self-defense capability. This sale increases the ROK's capability to participate in Pacific regional security operations and improves its national security posture as a key U.S. ally.

The ROK intends to use the AIM-9X-2 Sidewinder Block II missiles to supplement its existing inventory of AIM-9X-2 Block II missiles. The ROK will use the enhanced capability as a deterrent to regional threats and to strengthen its homeland defense. The ROK will have no difficulty absorbing these additional missiles into its armed forces.

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

The principal contractor is Raytheon Missile Systems Company, Tucson, AZ. At this time, there are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the Republic of Korea. However, U.S. Government or contractor personnel in-country visits will be required on a temporary basis in conjunction with program technical oversight and support requirements.

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

Transmittal No. 16-85

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 AIM-9X-2 Block II Sidewinder Missile represents a substantial increase in missile acquisition and kinematics performance over the AIM-9M and replaces the AIM-9X Block I Missile configuration. The missile includes a high off-bore sight seeker, enhanced countermeasures rejection capability, low drag/high angle of attack airframe and the ability to integrate the Helmet Mounted Cueing System. The software algorithms are the most sensitive portion of the AIM-9X-2 missile. The software continues to be modified via a pre-planned production improvement (P3I) program in order to improve its counter-countermeasure capabilities. No software source code or algorithms will be released. The missile is classified as CONFIDENTIAL.

2. The AIM-9X-2 will result in the transfer of sensitive technology and information. The equipment, hardware, and documentation are classified CONFIDENTIAL. The software and operation performance are classified SECRET. The seeker/guidance control section and the target detector are CONFIDENTIAL and contain sensitive state-of-the-art technology. Manuals and technical documentation that are necessary for support operational use and organizational management are classified to SECRET. Performance and operating logic of the counter-measures circuits are classified SECRET. The hardware, software, and data identified

are classified to protect vulnerabilities, design and performance parameters and similar critical information.

3. 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 system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that the recipient country can provide the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.

[FR Doc. 2017-02708 Filed 2-8-17; 8:45 am]

BILLING CODE 5001-06-P

## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal No. 16-83]

#### 36(b)(1) Arms Sales Notification

**AGENCY:** Defense Security Cooperation Agency, Department of Defense.

**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:

Pamela Young, DSCA/SA&E-RAN, (703) 697-9107.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 16-83 with attached Policy Justification and Sensitivity of Technology.

Dated: February 6, 2017.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*



## DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5408

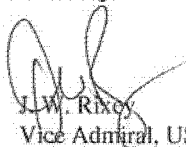
JAN 31 2017

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. 16-83, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the Republic of Korea for defense articles and services estimated to cost \$70 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,

  
J.W. Rixey  
Vice Admiral, USN  
Director

## Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



Transmittal No. 16-83

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:* Republic of Korea

(ii) *Total Estimated Value:*

Major Defense Equipment\* .. \$66 million

Other ..... \$ 4 million

Total ..... \$70 million

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

*Major Defense Equipment (MDE):*  
Eighty-nine (89) AGM-65G-2 Maverick Missiles

*Non-MDE includes:* Missile containers and other related elements of support.

(iv) *Military Department:* Air Force (KS-D-YHF)

(v) *Prior Related Cases, if any:* FMS Case KS-D-YAF—\$22.55M—14 Mar 12

(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 Annex attached.

(viii) *Date Report Delivered to Congress:* January 31, 2017

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

#### POLICY JUSTIFICATION

*Republic of Korea—AGM-65G-2 Maverick Missiles*

The Government of the Republic of Korea (ROK) has requested the potential sale of eighty-nine (89) AGM-65G-2 Maverick missiles, missile containers and other related elements of support. The total estimated program cost is \$70 million.

This proposed sale contributes to the foreign policy and national security of the United States. The ROK is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring peace and stability in the region. It is vital to U.S. national interests to assist our Korean ally in developing and maintaining a strong and ready self-defense capability. This sale increases the ROK's capability to participate in Pacific regional security operations and improves its national security posture as a key U.S. ally.

The proposed sale will improve the ROK's capability to meet current and future threats. The ROK will use the enhanced capability as a deterrent to regional threats and to strengthen its homeland defense. The ROK, which already has AGM-65G missiles in its inventory, will have no difficulty absorbing these additional missiles.

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

The principal contractor is Raytheon, Tucson, AZ. At this time, there are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the Republic of Korea.

There is no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 16-83

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 AGM-65G-2 Maverick is an air-to-ground close air support missile

with a lock on before launch day or night capability. The G model has an imaging infrared (IIR) guidance system. The infrared Maverick G can track heat generated by a target and provides the pilot a pictorial display of the target during darkness and hazy or inclement weather. The warhead on the Maverick G is a heavyweight penetrator warhead. Maverick hardware is UNCLASSIFIED. Performance and operating logic of the countermeasures circuits are SECRET. Overall system classification is SECRET.

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 or equivalent systems which might reduce weapon effectiveness or be used in the development of a system with similar or advanced capabilities.

3. This sale is necessary to further the U.S. foreign policy and national security objectives outlined in the Policy Justification. Moreover, the benefits derived from this sale, as outlined in the Policy Justification, outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.

[FR Doc. 2017-02704 Filed 2-8-17; 8:45 am]

BILLING CODE 5001-06-P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. CP17-9-000]

#### ANR Pipeline Company; Notice of Schedule for Environmental Review of the Wisconsin South Expansion Project

On November 3, 2016, ANR Pipeline Company (ANR), filed an application in Docket No. CP17-9-000 requesting a Certificate of Public Convenience and Necessity pursuant to Section 7(c) and 7(b) of the Natural Gas Act to modify five existing facilities on ANR's Pipeline System. The proposed project is known as the Wisconsin South Expansion Project (Project), and consists of modifying and abandoning facilities in Illinois and Wisconsin to enable ANR to expand delivery by 230,950 dekatherms per day (Dth/d) into the Northern Illinois and Wisconsin market areas.

On November 16, 2016, the Federal Energy Regulatory Commission (Commission or FERC) issued its Notice

of Application for the Project. Among other things, that notice alerted agencies issuing federal authorizations of the requirement to complete all necessary reviews and to reach a final decision on a request for a federal authorization within 90 days of the date of issuance of the Commission staff's Environmental Assessment (EA) for the Project. This instant notice identifies the FERC staff's planned schedule for the completion of the EA for the Project.

#### Schedule for Environmental Review

Issuance of EA: April 27, 2017

90-day Federal Authorization Decision

Deadline: July 26, 2017

If a schedule change becomes necessary, additional notice will be provided so that the relevant agencies are kept informed of the Project's progress.

#### Project Description

The Project would add an additional capacity of 230,950 Dth/d on ANR's system and consist of the modification of the following facilities: Install one new 6,130-horsepower (HP) Solar Centaur 50 compressor unit at the existing Sandwich Compressor Station in Kendall County, Illinois; increase capacity of the existing Hampshire Meter Station in Kane County, Illinois from the current 304,475 Dth/d to approximately 507,458 Dth/d; replace the existing 0.54-mile-long Line 332 Lateral located in Kane County, Illinois; increase capacity of the existing Tiffany East Meter Station in Rock County, Wisconsin from the current 119,760 Dth/d to approximately 240,535 Dth/d; and re-stage an existing Saturn 10 turbine compressor unit at the Kewaskum Compressor Station in Sheboygan County, Wisconsin.

#### Background

On November 29, 2016, the Commission issued a *Notice of Intent to Prepare an Environmental Assessment for the Proposed Wisconsin South Expansion Project and Request for Comments on Environmental Issues* (NOI). The NOI was sent to affected landowners; federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; other interested parties; and local libraries and newspapers. In response to the NOI, the Commission received three comments from citizens supporting the Project. We also received comments from the Miami Tribe of Oklahoma and the Illinois Historic Preservation Agency, indicating that they do not object to the Project. Finally, we received a comment letter from the U.S.