



U.S. Department
of Transportation

**Federal Aviation
Administration**

800 Independence Ave., S.W.
Washington, D.C. 20591

September 27, 2010

Exemption No. 10079A
Regulatory Docket No. FAA-2009-0772

Mr. Dana Lakeman
Regulatory Compliance Leader
GE Aviation
General Electric Company
One Neumann Way, MD N-149
Cincinnati, Ohio 45215

Dear Mr. Lakeman:

This letter is to inform you that we have amended Exemption No. 10079. It explains the basis for our decision and describes its effect.

The Basis for Our Decision

The Federal Aviation Administration (FAA) is amending Exemption No. 10079, for General Electric Company (GE). That exemption from §§ 21.151 and 21.153 of Title 14, Code of Federal Regulations (CFR) allows amendments to GE's production limitation record (PLR) to permit the manufacture and installation of certain parts which are not part of the type-certificated products listed on GE's PLR.

The FAA has reconsidered the conditions and limitations of Exemption No. 10079 and has made the following revisions.

We have determined a need to add four new conditions. Condition 11 adds new requirements for certain information to be included in block 13 of FAA Form 8130-3, Authorized Release Certificate. Condition 12 extends the relief provided by this exemption to Engine Alliance engines, when they are manufactured under GE's quality system and completed under GE's production certificate. Condition 13 adds a requirement to update procedures for dispositioning discrepancies with interface components (IC) through the Materials Review Board (MRB) process, and Condition 14 requires updates to certain GE manuals in accordance with the relief provided by this exemption.

These new conditions were added to enhance the ability of an operator to determine whether the IC was installed during or after engine manufacture. They also clarify that the provisions of this exemption only apply to engines manufactured under GE's production certificate. Additionally, the new conditions provide a means to ensure that discrepancies with IC are properly dispositioned. The new conditions also ensure that GE's manuals are adequately revised to reflect the relief provided by the exemption.

Additionally, Condition 9 has been changed to require a determination that the installation of any IC during engine manufacture under the provisions of this exemption must provide a level of safety that is *equivalent* to that achieved by installation of the IC after engine manufacture. Previously, the condition required a determination that the level of safety be *greater* than that achieved by installation of the IC after engine manufacture.

Our Decision

The FAA has determined the justification for the issuance of Exemption No. 10079, as amended, remains valid and is in the public interest. Therefore, under the authority provided by 49 U.S.C. §§ 40113 and 44701, which the FAA Administrator has delegated to me, I have amended Exemption No. 10079.

The Effect of Our Decision

The termination date of Exemption No. 10079, as amended, is extended to September 30, 2012, unless sooner superseded or rescinded. All conditions and limitations of Exemption 10079, as amended, are stated below.

Conditions and Limitations

1. GE may manufacture interface components (IC, which includes single articles or kits) that are part of a product type certificated under Parts 23, 25, 27 and 29, and install those components during production on GE engines under GE's production certificate PC108. The design data for the IC must be licensed to GE and the IC to be installed must be identified on the GE PLR.
2. IC added to the GE PLR is limited to airframe components specified in condition No. 1. The relief provided by this exemption is limited to the manufacture of IC that is to be installed on GE engines during engine production. IC manufactured and installed under the provisions of this exemption may only leave the GE quality system assembled to the engine. IC manufactured by GE under the relief granted in this exemption may not be shipped as spare parts or in any other format.
3. To exercise the privileges of this exemption, GE must apply to the manager of its FAA managing office using FAA Form 8110-12, Application for Type Certificate, Production Certificate, or Supplemental Type Certificate, requesting amendment of

GE's PLR for the manufacture and installation of IC. The data licensed to GE must be a complete data package and include design and installation drawings. That data must be made available to GE and the FAA upon request.

4. IC listed on GE's PLR is limited to IC manufactured by GE for installation on an engine being manufactured under GE's production certificate. The design data must be licensed from the holder of a U.S. type certificate (including an FAA-validated type certificate) for the aircraft on which the GE engine is to be installed.
5. The application by GE to its FAA managing office to amend its PLR must contain the following information:
 - a. A comprehensive description of the scope of the proposed manufacturing and installation activity for the IC on each affected engine model under the provisions of this exemption.
 - b. A specific description of the IC to be installed on each affected GE engine model, including the part number. Kits combining IC should define the individual IC included in the kit.
 - c. The licensing agreement between GE and the holder of the type certificate that specifically identifies the IC to be installed.
 - d. A description of the documentation to be maintained by GE identifying the IC by its associated type certificate, GE's supplier of the IC (if applicable), and the GE product on which the IC is installed.
6. The holder of type design data identifying the IC installed on the GE product under this exemption retains all the continuing airworthiness responsibilities for the IC. GE is responsible for all issues related to quality, manufacturing, and installation of the IC by GE. The GE quality manual must include a description of how those responsibilities will be separated, identified, and fulfilled by GE and the holder of the type certificate identifying the IC.
7. When exercising the privileges of this exemption, the IC may only be installed under the provisions of GE's production certificate.
8. GE must have procedures and processes in place to ensure the engine, notwithstanding the installed IC, conforms to its approved type design, the IC conforms to its approved type design data, and the GE product with the installed IC is in a condition for safe operation.
9. Prior to manufacturing and installing IC on an engine under the provisions of this exemption, GE must receive confirmation from its FAA certificate managing office that the FAA Transport Airplane Directorate and the FAA Engine and Propeller Directorate have determined that any component GE intends to manufacture and install under the provisions of this exemption is an IC and that installing the IC during

engine manufacture provides a level of safety that is equivalent to that achieved by installation of the IC after engine manufacture.

10. GE must amend its quality manual to indicate that any FAA airworthiness approval documentation issued for an engine containing IC manufactured and installed under the provisions of this exemption must specify that the IC was installed on the product under a licensing agreement.
11. Prior to the issuance of any FAA Form 8130-3 for a GE engine manufactured under the GE quality system and containing IC manufactured and installed under the provisions of this exemption, GE must specify in block 13 of the form that:
 - a. the IC was installed on the engine during manufacture in accordance with Exemption No. 10079, as amended
 - b. the IC manufactured and installed under the exemption conforms to its type design, and
 - c. the engine, excluding the IC installed, conforms to its type design.
12. The privileges of this exemption are extended to Engine Alliance engines when the engines are manufactured under GE's quality system and completed as a product under GE's production certificate. This exemption does not apply when GE is manufacturing components of an Engine Alliance product and the engine is completed under a separate production certificate.
13. Before exercising the privileges of this exemption, GE must have procedures for dispositioning discrepancies with the IC through the MRB process (GE has no authority to amend the type design of IC; all changes to the type design must be made by the design approval holder, i.e., through MRB action).
14. GE's manuals relevant to the exempted activity, such as maintenance/operation manuals, and parts catalogs, must be revised to reflect the exempted activity.

This letter must be attached to, and is a part of, Exemption No. 10079.

Sincerely,

/s/

K.C. Yanamura

Acting Director, Aircraft Certification Service