

RETURN BIDS TO:
RETOURNER LES SOUMISSIONS À:
Bid Receiving - PWGSC / Réception des
soumissions - TPSGC
11 Laurier St. / 11, rue Laurier
Place du Portage, Phase III
Core 0A1 / Noyau 0A1
Gatineau
Quebec
K1A 0S5
Bid Fax: (819) 997-9776

LETTER OF INTEREST
LETTRE D'INTÉRÊT

Comments - Commentaires

Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution
JOINT SUPPORT SHIP PROJECT(JSS)
4th Floor - 105 Hôtel de Ville Str
4-106
Gatineau
Québec
K1A 0K2

| | |
|---|---|
| Title - Sujet 3RD PARTY ASSIST. / ASSIST. EXPERT | |
| Solicitation No. - N° de l'invitation EN578-132527/A | Date 2012-12-07 |
| Client Reference No. - N° de référence du client 20132527 | GETS Ref. No. - N° de réf. de SEAG PW-\$JSS-007-23397 |
| File No. - N° de dossier 007jss.EN578-132527 | CCC No./N° CCC - FMS No./N° VME |
| Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2013-01-15 | |
| Time Zone Fuseau horaire Eastern Standard Time EST | |
| F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input type="checkbox"/> | |
| Address Enquiries to: - Adresser toutes questions à: Fox, Erin | Buyer Id - Id de l'acheteur 007jss |
| Telephone No. - N° de téléphone (819) 997-7576 () | FAX No. - N° de FAX (819) 997-7310 |
| Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: Specified Herein Précisé dans les présentes | |

Instructions: See Herein

Instructions: Voir aux présentes

| | |
|---|--|
| Delivery Required - Livraison exigée See Herein | Delivery Offered - Livraison proposée |
| Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur | |
| Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur | |
| Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie) | |
| Signature | Date |

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Buyer ID - Id de l'acheteur

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Annex A Information Sought

1. Purpose

The purpose of this Request for Information (RFI) is to request that interested companies provide feedback and recommendations by way of written response to the questions posed herein. The questions posed are regarding a potential solicitation for the provision of Independent Third Party expertise and support to Canada's National Shipbuilding Procurement Strategy (NSPS) project offices.

The objectives of this Request for Information (RFI) are to:

- (a) Provide Industry with general information on the potential scope of work, requirements and provisions of a contract (or other method of supply) for Independent Third Party Expert Assistance;
- (b) Enable Canada to request information and input from Industry regarding the scope of work; and,
- (c) Enable Canada to progress a potential solicitation for this work.

Canada requests Respondents reply to the questions outlined in Annex "A". Respondents are encouraged to provide additional information not specifically requested in Annex "A" regarding other constraints, opportunities, or alternate approaches, etc., which Canada has not identified but which the Respondent feels should be key considerations for any follow-on solicitation.

This RFI is neither a call for tender nor a Request for Proposal (RFP). No agreement or contract will be entered into based on this RFI. The issuance of this RFI is not to be considered in any way a commitment by the Government of Canada, nor as authority to potential Respondents to undertake any work that could be charged to Canada. This RFI is not to be considered as a commitment to issue a subsequent solicitation or award contract(s) for the work described herein.

Although the information collected may be provided as commercial-in-confidence (and, if identified as such, will be treated accordingly by Canada), Canada may use the information to assist in drafting performance specifications (which are subject to change) and for budgetary purposes.

There will be no short-listing of potential suppliers for the purposes of undertaking any future work as a result of this RFI. Similarly, participation in this RFI is not a condition or prerequisite for the participation in any potential subsequent solicitation.

2. Background

Through the National Shipbuilding Procurement Strategy (NSPS), Canada has established long-term strategic sourcing relationships with two Canadian shipyards.

<http://www.tpsgc-pwgsc.gc.ca/app-acq/sam-mps/snacn-nspcs-eng.html>

These shipyards were selected through a national competition to build Canada's large ships: Irving Shipbuilding Inc. for the combat vessels package; and, Vancouver Shipyards Co. for the non-combat vessels package. The combat package includes the Navy's Arctic/Offshore Patrol ships and the Canadian Surface Combatant ships (replacing the current fleet of destroyers and frigates). The non-combatant package includes the Navy's Joint Support Ships and the Canadian Coast Guard's Offshore Science Vessels and new Polar Icebreaker.

Over the coming years, Canada will need to negotiate and manage several contracts under NSPS: ancillary contracts for understanding the ship design, engineering contracts for maturing the ship design, and build contracts for building and delivering the ships. In anticipation of these contracts, Canada has identified key areas where the support of an Independent Third Party Expert would help ensure that Canada achieves the most equitable, effective, and robust contracts possible, which contain acceptable levels of risk and provide value for money. Key areas identified include benchmarking of industry norms, shipbuilding expertise, and complex negotiation support. The knowledge and expertise provided by PWGSC and the Independent Third Party Expert would not overlap. Rather, the Third Party's contributions would supplement PWGSC's knowledge and expertise in these areas.

The services of up to two Independent Third Parties may be desirable: one for each vessels package. This strategy would allow Canada to have the Third Party assist with complex negotiation strategy development and liaison between project offices working with the same shipyard.

3. Potential Work Scope and Constraints

A long-term contract (or other method of supply) for the work described above may be entered into with each of two Independent Third Parties for approximately three years with option year periods totaling up to an additional 15 years of work (or, for the duration of NSPS). This would not be full-time work. Rather, the service would be called-up via a task or similar function on an as-and-when needed basis. The work conducted under individual tasks would involve the provision of the expertise and services described above, however the implementation of this work could vary. The work could include: reviews, advice, validation, attendance at meetings, in-depth analysis, liaison between project offices, etc.

An Independent Third Party contracted for this requirement would likely be provided access to commercial-in-confidence information. As such, successful bidders in a potential follow-on procurement would be required to sign a Non-Disclosure Agreement prior to entering into any contract.

In order to be considered "independent", the Third Party must be at "arms-length" to the shipyard to which it is assigned. There must not be any real or perceived conflict of interest. As such, any employee, advisor, consultant, contractor, contractor's affiliate or subcontractor, or other entity in connection with NSPS project work may not be considered "independent".

In order to ensure the independence and ongoing integrity of the validation and advice provided to Canada, an Independent Third Party contracted for this work would need to be and remain independent from the shipyard to which it is assigned (i.e.: the Independent Third Party could

not also provide services to the shipyard, as it would create a potential conflict of interest). As such, non-eligibility clausings would be included in any follow-on solicitation.

Various levels of Security clearance (e.g.: Secret, Protected B), and Controlled Goods registration could be required.

Note that the only provider of legal services and advice to Canada is the Department of Justice of the Government of Canada. As such, the Independent Third Party Expert Assistance will not include any form of legal services or advice.

4. Legislation, Trade Agreements, and Government Policies

The following is indicative of some of the legislation, trade agreements and government policies that could impact any follow-on solicitations:

(a) Agreement on Internal Trade (AIT), North American Free Trade Agreement (NAFTA), and World Trade Organization - Agreement on Government Procurement (WTO-AGP): may apply to any follow-on solicitations;

(b) Defence Production Act: may apply to any follow-on solicitations;

(c) Industrial and Regional Benefits (IRBs): IRBs may apply to any follow-on solicitations;

(d) Controlled Goods Program (CGP): the CGP may apply to any follow-on solicitations;

(e) Federal Contractors Program for Employment Equity (FCP-EE): the FCP-EE will apply to any follow-on solicitations; and,

(f) Comprehensive Land Claim Agreements (CLCAs): CLCAs may apply to any follow-on solicitations.

5. Schedule

In providing responses, the following schedule should be utilized as a baseline:

(a) RFI: December 2012 ~ January 2013

(b) Potential Solicitation (RFP/RFSA): February ~ March 2013

(c) Potential Contract award: March ~ April 2013

6. Notes to Interested Respondents

Respondents responding to this RFI should identify any submitted information that is to be considered as either commercial-in-confidence or proprietary, or if the response is subject to the Controlled Goods Regulations.

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Interested Respondents may submit their responses to the PWGSC Contracting Authority, identified paragraph 8, below, preferably via email.

A point of contact for the Respondent should be included in the package.

Changes to this RFI may occur and will be advertised on the Government Electronic Tendering System (MERX). Canada asks Respondents to visit MERX regularly to check for changes, if any.

7. Closing Date

Responses to this RFI are to be submitted to the PWGSC Contracting Authority identified below, on or before 15 January 2013.

8. PWGSC Contracting Authority

Erin Fox
A/Supply Team Leader
Marine Sector
105 Hotel de Ville Street, 4th floor, 4-100
Gatineau, PQ K1A 0S5
Tel: 819-997-7576
Fax: 819-997-7310
E-mail address: erin.fox@pwgsc-tpsgc.gc.ca

Annex "A" **Information Sought**

Industry is requested to provide responses to the topics and questions below:

Topic 1: Method of Supply

Canada is considering the following options for the Independent Third Party Expert Support:

- A 3-year task-based contract with each of two Independent Third Parties (one for each vessels package) with established terms and conditions including option year periods totaling up to an additional 15 years of work; or,
- A 3-year Supply Arrangement with each of two Independent Third Parties (one for each vessels package) with established terms and conditions including option year periods totaling up to an additional 15 years of work.

Please reply to the following questions in terms of the type of contracting vehicle used, the number of Independent Third Parties contracted to perform the work (one for each vessels package or one for both packages), and the potential length of the contract or supply arrangement:

- (a) Which option would your company / organization recommend that Canada use, and why?
- (b) What are the benefits and risks of contracting with two companies versus just one?
- (c) Are there other alternatives not identified?
- (d) What would be the pros and cons of each of the alternatives suggested by your company / organization?

Topic 2: Scope of Work and Expertise

Canada would be looking for support in the following areas:

- Shipyard operations and risks, specifically:
 - Industry norms, processes and best practices;
 - Labour market capacity, resource constraints and wage rates;
 - Quality requirements and expectations;
 - Standardized approaches and expectations regarding achievement of Canada's requirements; and
 - Standard or common frameworks for Limitation of Liability, warranty, insurance and Intellectual Property.
- Shipbuilding costing, specifically:
 - Review and/or development of cost models;
 - Validation of level of effort and pricing for design and production of similar vessels; and
 - Standard commodity prices, fluctuations and drivers.
- Complex shipbuilding contract development, specifically:
 - Developing proactive and reactive strategies; and
 - Profiling tendencies and norms.

Please provide feedback regarding the work described.

- (a) Are there companies / organizations that encompass all such expertise 'in-house'?
- (b) What expertise must the company / organization have 'in-house' to conduct such work?
- (c) Could some of this work be subcontracted and, if so, what work could be subcontracted (knowing the constraints described in section 3 of this RFI would have to be flowed-down to any subcontractors)?
- (d) Are there any other areas of expertise not identified above which the Respondent would recommend to assist Canada in the upcoming shipbuilding projects?
- (e) What type of experience, education, certification, and/or other qualifications does the Respondent recommend a company / organization or individual would be required to have in order to be qualified to conduct this work?

Topic 3: Constraints

The scope of work described herein is subject to several constraints, including but not limited to the assurance of the Third Party's independence from the shipyards, and securing access for the Third Party to commercial-in-confidence information. (Please refer to section 3 of this RFI for additional information regarding these and other constraints.)

Please provide feedback regarding the constraints described in Section 3 of this RFI:

- (a) Are there other constraints, which may have been overlooked? (For example, does the Respondent have any thoughts on Limitation of Liability?)
- (b) Given the relative small community with the required expertise, would the constraints severely restrict the potential sources of supply for this service?
- (c) Are there other ways to safeguard the integrity of the Third Party service and avoid potential conflict of interest without imposing the measures described at section 3 of this RFI?
- (d) Does the Respondent have any concerns with the constraints identified? [Whether identified in this RFI or identified in response to question (a) of this topic.]

Topic 4: Rough Order of Magnitude (ROM) Pricing and Basis of Payment (BOP)

- (a) If a contract or supply arrangement for such work were solicited in 2013, what would be the ROM per diem rates proposed by industry?
- (b) What potential annual changes in the ROM rates would industry estimate over future years?
- (c) Is there a BOP structure the Respondent would recommend for such work (knowing the work would not be consistent; rather, that it would be called-up on an as-and-when needed basis), and why?

(Note: ROM pricing information would be used for budgeting purposes only.)