



<b>REQUEST FOR PROPOSAL NUMBER:</b>	NRCan-5000014243
<b>TITLE:</b>	Impacts of Implementing the Fuel Quality Directive on the Competitiveness of the European Union Refining Sector, European Security of Supply, and Global Greenhouse Gas Emissions
<b>DATE OF SOLICITATION:</b>	14 February 2014 EST
<b>SOLICITATION CLOSING DATE AND TIME:</b>	<b>26 March 2014 at 2:00 P.M. EST</b>
<b>ADDRESS INQUIRIES TO CONTRACTING AUTHORITY:</b>	<b>Leanne Callery</b> Natural Resources Canada Team Leader Fax: (613) 996-1024 <b>Email: <a href="mailto:Leanne.callery@nrcan.gc.ca">Leanne.callery@nrcan.gc.ca</a></b>
<b>SECURITY:</b>	There is no security requirement associated with this solicitation.
<b>SEND PROPOSAL TO:</b>	Natural Resources Canada Bid Receiving Unit, Mailroom 588 Booth street, Room 108 Ottawa, Ontario K1A 0Y7 <b>Attention: <a href="#">Leanne Callery</a></b>
<b>VENDOR/FIRM NAME AND FULL POSTAL ADDRESS (PLEASE PRINT):</b>	
<b>CONTACT/TELEPHONE/FAX/EMAIL ADDRESS:</b>	
<b>NAME AND TITLE OF PERSON AUTHORIZED TO SIGN ON BEHALF OF BIDDER (PLEASE PRINT):</b>	
<b>PROPOSAL TO: NATURAL RESOURCES CANADA</b>	
We hereby offer to sell to Her Majesty the Queen in right of Canada, in accordance with the terms and conditions set out herein, referred to herein or attached hereto and on any attached sheets at the price(s) set out therefore.	
<b>Signature of Person Authorized to Sign on behalf of Vendor/Firm:</b>	
_____ <b>Date</b> _____	



## REQUEST FOR PROPOSAL (RFP)

FOR

**IMPACTS OF IMPLEMENTING THE FUEL QUALITY DIRECTIVE ON THE COMPETITIVENESS OF THE EUROPEAN UNION REFINING SECTOR, EUROPEAN SECURITY OF SUPPLY, AND GLOBAL GREENHOUSE GAS EMISSIONS**

FOR

**NATURAL RESOURCES CANADA (NRCAN)**

A “Request for Proposal” (RFP) is the solicitation document used to seek proposals or bids from suppliers. The term “Bidder”, also called the “Offeror”, refers to the potential supplier submitting a proposal or a bid. **The Bidder submitting a proposal may, however, consist of several firms putting one proposal together as a joint venture. In the case of a joint venture, the combined experience of the firms forming the joint venture will be considered for the purposes of determining the Bidders’ compliance to the Mandatory and Rated Requirements.**

Wherever the words “Proposal” or ‘Bid’ appear in this document”, each shall be taken to mean the same as the other.

The MANDATORY REQUIREMENTS of this RFP are identified specifically with the words “MANDATORY”, “MUST”, “ESSENTIAL”, SHALL”, “WILL”, “IT IS REQUIRED”, AND “REQUIRED”. IF a MANDATORY REQUIREMENT is not complied with, the proposal will be considered NON-RESPONSIVE and will not receive any further consideration. In the context of this RFP, Non-Responsive, Non-Compliant and Non-Valid shall each be taken to mean the same as the other.

**NOTICE TO BIDDERS:** The following documents are enclosed and form part of this bid package:

**RFP #NRCAN-5000014243**, including all Parts, Appendices and Annexes as listed in the Table of Contents below.

The Bidder acknowledges that all of the aforementioned documents were received in its bid package. It is the responsibility of the Bidder to verify the inclusion of all documents, and to obtain copies of any missing items by contacting the Contracting Authority (CA) as identified on Page 1 of this RFP. Failure to obtain any missing document(s) shall not relieve the Bidder from compliance with any obligation imposed by the RFP, nor excuse the Bidder from the guidelines set out therein.



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## PART I: GENERAL INFORMATION

### 1. INTRODUCTION

The bid solicitation is divided into four (4) parts plus Annexes as follows:

**Part 1 General Information:** provides a general description of the requirement;

**Part 2 Bidder Instructions:** provides the instructions, clauses and conditions applicable to the bid solicitation;

**Part 3 Evaluation Procedures and Basis of Selection:** indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, if applicable, and the basis of selection;

**Part 4 Resulting Contract Clauses:** includes the clauses and conditions that will apply to any resulting contract.

The Annexes include the Statement of Work, the Financial Proposal, Technical Evaluation Criteria, and Certifications.

### 2. Summary

By means of this RFP, NRCan is seeking proposals from bidders to examine the impacts of the fuel quality directive (FQD) on the European Union's (EU) energy security of supply, the EU refining sector, and global greenhouse gas (GHG) emissions. It will model three EU supply-demand scenarios: i) in the absence of the FQD (i.e., the base case), ii) under the proposed February 2012 regulation, and iii) under a single average EU default value, where the single default value is built upon actual emissions of every crude oil stream.

Using these scenarios, the study will estimate the impacts of the measure on EU refining margins, and implications for the EU refining sector, more broadly. The study will also forecast the impact of the FQD on global trade patterns of crude oil products and examine the impact of any distortion of global crude oil and products markets on global greenhouse gas emissions.

The period of the contract shall be from contract award until June 2, 2015.

This requirement is subject to the provisions of the North American Free Trade Agreement (NAFTA), the Canada-Chilli Free Trade Agreement (CCFTA), the Canada-Columbia Free Trade Agreement (CCFTA), Canada-Peru Free Trade Agreement (CPFTA) and the Agreement on Internal Trade (AIT).

## PART 2 – BIDDER INSTRUCTIONS

### 1. STANDARD INSTRUCTIONS, CLAUSES AND CONDITIONS

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the *Standard Acquisition Clauses and Conditions Manual* (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) Manual issued by Public Works and Government Services Canada.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

**Standard Instructions - Goods or Services - Competitive Requirements 2003 (2013-06-01)** are incorporated by reference into and form part of the bid solicitation with the modifications to the text below. If there is a conflict between the provisions of 2003 and this document, this document prevails.



- **In the complete text content (except Section 3):** *delete* "Public Works and Government Services Canada" and *insert* "Natural Resources Canada". *Delete* "PWGSC" and *insert* "NRCan".
- **Under Subsection 4 and 5 of Section 1 - Code of Conduct and Certifications:** *delete* in its entirety
- **In section 2:** *delete* "Canadian suppliers are required to" and insert "It is suggested that Canadian suppliers"
- **Under subsection 4 of Section 5 – Submission of Bids:** *delete* "sixty (60) days" and *insert* "ninety (90) days"
- **Under Subsection 1 of Section 8 - Transmission by Facsimile:** *delete* "819-997-9776" and *insert* "613-995-2920"
- **Under Subsection 2 of Section 20:** not applicable.

## 2. SUBMISSION OF BIDS/ BID RECEIVING UNIT ADDRESS

It is the Bidders responsibility to ensure that proposals are delivered to the following location, by the time and date indicated on page 1 of this RFP document:

Natural Resources Canada  
Bid Receiving Unit - Mailroom  
588 Booth Street, Room 108  
Ottawa, Ontario K1A 0Y7  
**Attention: Leanne Callery**

It is requested that the Bidder's name, return address, Request for Proposal Number, and Bid Closing Date appear legibly on the outside of the envelope containing the Bidder's proposal. Failure to do so may result in bids being misdirected. **NRCan will not assume responsibility for proposals directed to any other location.**

The onus is on the Bidder to ensure that the proposal is delivered to the location above. Not complying with the above instructions may result in NRCan's inability to ascertain reception date and/or to consider the bid prior to contract award. Therefore, NRCan reserves the right to reject any proposal not complying with these instructions.

- 2.1 Due to the nature of the bid solicitation, bids transmitted by facsimile or electronic mail to NRCan will not be accepted.

## 3. ENQUIRIES - BID SOLICITATION

All enquiries must be submitted in writing to the Contracting Authority no later than five (5) calendar days before the bid closing date. Enquiries received after that time may not be answered.

Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a "proprietary" nature must be clearly marked "proprietary" at each relevant item. Items identified as proprietary will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that the Bidder do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all bidders. Enquiries not submitted in a form that can be distributed to all bidders may not be answered by Canada.

To comply with the [Code of Conduct for Procurement](#), bidders are obliged to alert the contracting authority to any factual errors that they discover in bid solicitations.



#### **4. SECURITY REQUIREMENT**

There is no security associated with this solicitation.

#### **5. BIDDER FINANCIAL CAPABILITY**

The Bidder may be required to provide, prior to contract award, specific information with respect to their legal and financial status, and their technical and financial capability to satisfy the requirements as stipulated in this RFP. If requested, financial information to be provided shall include, but not be limited to, the Bidder's most recent audited financial statements or financial statements certified by the Bidder's chief financial officer. Information requested by NRCan is to be provided by the Bidder as stipulated in the request by the Contracting Authority.

Should the Bidder provide the requested information to Canada in confidence, while indicating that the disclosed information is confidential, Canada will then treat the information in a confidential manner as provided in the Access to Information Act.

In the event that a proposal is found to be non-responsive on the basis that the Bidder is considered not to be financially capable of performing the subject requirements, official notification shall be provided to the Bidder by NRCan.

#### **6. APPLICABLE LAWS**

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the bidders.

#### **7. DISCLOSURE OF INFORMATION**

Any information, data and/or Intellectual Property which is provided in a proposal and is demonstrably proprietary to a Bidder, shall be so identified specifically (by paragraph, table, figure) in the proposal, and Natural Resources Canada will endeavor to protect such proprietary information, data and/or Intellectual Property in accordance with the laws of Canada and its normal policies, regulations and procedures. Any financial data and information provided by Bidders for the purpose of this RFP will be treated as "Commercially Confidential" and kept in confidence by Natural Resources Canada unless expressly stated otherwise in this RFP. Such information will not be disclosed, in whole or in part, except on a need-to-know basis for the specific purpose of proposal evaluation and for the activities related to the process of contract award, as applicable. Unless it is required to do so by law, NRCan will not divulge such data and/or information to any third party.

#### **8. CONFLICT OF INTEREST**

If NRCan determines the successful Bidder to be in a possible conflict of interest situation, the Bidder will be required, prior to entering into a contractual relationship with NRCan, to disclose any and all holdings and activities that could possibly be in a conflict, real or perceivable, with the mandate and objectives of NRCan. In the event that NRCan decides that action is necessary in order to remove such a conflict, the successful Bidder



will be required to take such action (which may include divestiture of certain assets or ceasing to perform certain activities) prior to entering into a contractual relationship with NRCan.

## 9. BASIS FOR CANADA'S OWNERSHIP OF INTELLECTUAL PROPERTY

Natural Resources Canada has determined that any intellectual property rights arising from the performance of the Work under the resulting contract will belong to Canada, on the following grounds:

- to generate knowledge and information for public dissemination

NRCan reserves the right to grant, upon written request, a license to exercise the required Intellectual Property Rights in such Canada-owned information to the successful Contractor.

For reference, the Treasury Board Site is: <http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=13697>

## 10. BID PREPARATION INSTRUCTIONS

Natural Resources Canada encourages the use of recycled paper and two-sided printing. Reduction in the size of documents will contribute to Natural Resources Canada's sustainable development initiatives and reduce waste.

In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process [Policy on Green Procurement](http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html) (<http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>). To assist Canada in reaching its objectives, bidders are encouraged to:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and/or containing minimum 30% recycled content; and
- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.
- 3) use a numbering system that corresponds to the bid solicitation.

In support of the Policy on Green Procurement, it is requested that bidders provide their bid in separately bound sections as follows:

**Section I:** Technical Bid – 3 hard copies and 1 soft copy on CD

**Section II:** Financial Bid - 1 hard copy, under separate cover. Prices related to the current solicitation must appear in the financial bid only and are not to be indicated in any other section of the bid; prices referenced in the financial bid should not be repeated in any other section of the bid.

**Section III:** Certifications – 1 hard copy

No payment shall be made for costs incurred by the Bidder in the preparation and submission of a proposal in response to this RFP.

All fees, associated with the transfer of data or of all documents as may be required by NRCan as part of the solicitation process, are the responsibility of the Bidder. No costs incurred by the Bidder before receipt of a signed contract or specified written authorization from the Contracting Authority can be charged to any resulting contract.

If there is a discrepancy between the wording of the soft copy and the hard copy, the wording of the hard copy will have priority over the wording of the soft copy.



### **10.1 Section I: Technical Bid**

In their technical bid, bidders should demonstrate their understanding of the requirements contained in the bid solicitation and explain how they will meet these requirements. Bidders must demonstrate their capability in a thorough, concise and clear manner for successfully carrying out the work as described in the Annex "A" – Statement of Work".

Bidders must respond to government bid solicitations in an honest, fair and comprehensive manner, accurately reflect their capacity to satisfy the requirements stipulated in the bid or contract documents, and submit bids and enter into contracts only if they will fulfill all obligations of the contract.

The technical bid should address clearly and in sufficient depth the points that are subject to the evaluation criteria against which the bid will be evaluated. Simply repeating the statement contained in the bid solicitation is not sufficient and may result in a loss of points. In order to facilitate the evaluation of the bid, Canada requests that bidders address and present topics in the order of the evaluation criteria under the same headings. To avoid duplication, bidders may refer to different sections of their bids by identifying the specific paragraph and page number where the subject topic has already been addressed.

It is the responsibility of the Bidder to obtain clarification of the requirements contained in the RFP, if necessary, prior to submitting a proposal. The Bidder must provide sufficient details in its proposal to substantiate compliance with what is required; all professional experience must be fully documented and substantiated in the proposal(s).

In the event of a proposal submitted through contractual joint venture, the proposal shall either be signed by all members of the joint venture or a statement shall be provided to the effect that the signatory represents all parties of the joint venture. (All members of the joint venture shall be jointly and severally or solidarily liable for the performance of any resulting contract awarded as a result of a joint venture.)

### **10.2 Page 1 of the RFP Document**

It is mandatory that all bidders sign their submitted proposal. It is requested that all bidders complete, sign and date Page 1 of this RFP (including the name of the submitting organization, the name of the authorized signing person, appropriate addresses, telephone and facsimile numbers and business contact) prior to submitting their proposal. As the signature indicates a clear acceptance of the terms and conditions set out in the RFP, it is the Bidder's responsibility to ensure that the signatory has the authority within its organization to commit the Bidder by making such a contractual offer.

As per article 1 of Part 2, the Bidder hereby agrees, by submitting his/her proposal in response to this RFP, to all the instructions, terms, conditions and clauses detailed herein.

### **10.3 Section II: Financial Bid**

Bidders must submit their financial bid in accordance with Annex "C"- Financial Proposal. The total amount of Goods and Services Tax or Harmonized Sales Tax must be shown separately, if applicable.

All bids are evaluated in Canadian currency. Therefore, for evaluation purposes, the noon rate quoted by the Bank of Canada as being in effect on date of bid closing will be applied as the initial conversion factor for the specified currency.

Canada will pay the exchange rate adjustment amount in Canadian currency using the prevailing noon rate on the date of payment by Canada.

### **10.4 Section III: Certifications**

Bidders must submit the certifications as per Annex "D".



## **PART 3 - EVALUATION PROCEDURES AND BASIS OF SELECTION**

### **1. EVALUATION PROCEDURES**

- (a) Bids will be evaluated in accordance with the entire requirement of the bid solicitation including the technical and financial evaluation criteria and in conjunction with Annex "A" - Statement of Work;
- (b) If the Bidder is deemed non-responsive as a result of evaluation, the bid will be set aside and not considered for contract award.
- (c) The proposed successful bidder will be determined in accordance with the contractor selection method stated in this Part.
- (d) All proposals shall be treated as CONFIDENTIAL and will be made available only to those individuals authorized to participate in the evaluation process. All bidders will be subject to the terms of the *Access to Information Act* and to other applicable law or orders of courts or other tribunals having jurisdiction.
- (e) An evaluation team will evaluate the proposals on behalf of NRCAN. While the evaluation team will normally be comprised of representatives of NRCAN, it *may* also include representatives from other Government Departments and Agencies or third party participants as selected by NRCAN.

### **2. RIGHTS OF NRCAN**

NRCAN reserves the right to:

- seek clarification or obtain verification of statements made in a proposal;
- reject any or all proposals received in response to the bid solicitation;
- enter into negotiations with bidders on any or all aspects of their proposal;
- accept any proposal in whole or in part without prior negotiation;
- cancel the bid solicitation at any time;
- reissue the bid solicitation;
- verify any or all information provided by the Bidder with respect to the solicitation including references;
- retain all proposals submitted in response to the solicitation;
- declare a proposal non-responsive if NRCAN determines during the evaluation phase that the Bidder does not have the legal status, the facilities or the technical, financial and/or managerial capabilities to fulfill the requirements stated herein;
- discontinue the evaluation of any proposal which is determined, at any stage of the evaluation process, to be non-responsive.

### **3. BASIS OF SELECTION**

Only those bids that are deemed to be responsive (compliant) will be evaluated under the basis of selection:

#### **Highest Combined Rating of Technical Merit and Price**

The responsive (compliant) Bidder with the highest combined rating of technical merit **(80%)** and price **(20%)** will be recommended for award of a contract. See the following example table below.



<b>Example of 80% Technical Merit and 20% Price Determination</b>			
	<b>Bidder 1</b>	<b>Bidder 2</b>	<b>Bidder 3</b>
<b>Technical Points Achieved by Bidder</b>	88	82	76
<b>Price Quoted by Bidder</b>	\$85,000	\$80,000	\$75,000
<b>CALCULATIONS</b>			
	<b>Technical Points Achieved</b>	<b>Rated Price Points Achieved</b>	<b>Total Points Achieved</b>
<b>Bidder 1</b>	$\frac{88}{88} \times 80 = 80.00$	$\frac{75}{85} \times 20 = 17.65$	97.65
<b>Bidder 2</b>	$\frac{82}{88} \times 80 = 74.55$	$\frac{75}{80} \times 20 = 18.75$	93.30
<b>Bidder 3</b>	$\frac{76}{88} \times 80 = 71.82$	$\frac{75}{75} \times 20 = 20.0$	91.82
* Represents the highest technical score			
** Represents the lowest priced proposal			

**Assumption:** Three responsive (compliant) bids have been received. The maximum technical score that can be obtained is 100 points. The highest technical score and lowest bid price receive full rated percentage and other proposals are pro-rated accordingly.

The winner is the Bidder scoring the highest Total Points as a result of applying the Best Value Calculations to the technical bid and the bid price respectively. Based on the above calculations a contract would be awarded to Bidder 1.

#### 4. SOLE BID – PRICE SUPPORT

In the event that the Bidder's proposal is the sole bid received and is deemed responsive, NRCan may request one or more of the following as acceptable price support:

- a) Current published price list indicating the percentage discount available to the federal government; and/or
- b) Paid invoices for like services sold to other customers; and/or
- c) A price certification statement; and/or
- d) Any other supporting documentation as requested.



## 5. CONTRACT AWARD NOTICE/ BIDDER PROPOSAL EVALUATION DEBRIEFING

A Contract Award Notice (CAN) will be prepared and published on the Government Electronic Tendering Service (GETS) hosted by Public Works and Government Services Canada's website <https://buyandsell.gc.ca/> within seventy-two (72) days after award of any contract. Bidders may request and receive a de-briefing provided that a written request is received by e-mail at [leanne.callery@nrcan.gc.ca](mailto:leanne.callery@nrcan.gc.ca) no later than thirty (30) calendar days from the published date of the CAN.

Bidders are requested to direct any additional questions they may have respecting this competitive bid process to the Contracting Authority detailed herein.

The Office of the Procurement Ombudsman (OPO) was established by the Government of Canada to provide an independent avenue for suppliers to raise complaints regarding the award of contracts under \$25,000 for goods and under \$100,000 for services. You have the option of raising issues or concerns regarding the solicitation, or the award resulting from it, with the OPO by contacting them by telephone at 1-866-734-5169 or by e-mail at [boa.opo@boa.opo.gc.ca](mailto:boa.opo@boa.opo.gc.ca). You can also obtain more information on the OPO services available to you at their website at [www.opo-boa.gc.ca](http://www.opo-boa.gc.ca).

## PART 4 - RESULTING CONTRACT CLAUSES

The following clauses and conditions apply to and form part of any contract resulting from the bid solicitation.

### 1. STATEMENT OF WORK

The Contractor must perform the Work in accordance with the Statement of Work at Annex "A" and the Contractor's technical bid entitled \_\_\_\_\_, dated \_\_\_\_\_. *(To be completed at contract award)*

### 2. PRIORITY OF DOCUMENTS

If there is a discrepancy between the wording of any document that appears on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

- (a) The Articles of Agreement;
- (b) The General Conditions - Higher Complexity – Services 2035 (2013-06-27);
- (c) Intellectual Property;
- (d) The supplemental general conditions identified herein;
- (e) Annex "A", Statement of Work;
- (f) Annex "B", Basis of Payment; *(to be included at contract award)*
- (g) The Contractor's bid dated \_\_\_\_\_ *(insert date of bid)*

### 3. Term of Contract

#### 3.1 Period of the Contract *(select one)*

The period of the Contract is from date of Contract award to 2 June 2015 inclusive.



## 4. Standard Clauses and Conditions

Notwithstanding that they have not been expressly articulated, all clauses and conditions identified in the Contract by number, date and title are applicable and are set out in the [Standard Acquisition Clauses and Conditions Manual](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

### 4.1 General Conditions

**General Conditions - Higher Complexity – Services 2035 (2013-06-27)** apply to and form part of the Contract with the modifications to the text below. If there is a conflict between the provisions of **2035** and this document, this document prevails.

- As applicable, replace references to Public Works and Government Services Canada (PWGSC) with Natural Resources Canada (NRCan).

### 4.2 Insurance

The Contractor is responsible for deciding if insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any insurance acquired or maintained by the Contractor is at its own expense and for its own benefit and protection. It does not release the Contractor from or reduce its liability under the Contract.

### 4.3 Intellectual Property

Natural Resources Canada has determined that any intellectual property rights arising from the performance of the Work under the resulting contract will belong to Canada, on the following grounds:

- to generate knowledge and information for public dissemination

NRCan reserves the right to grant, upon written request, a license to exercise the required Intellectual Property Rights in such Canada-owned information to the successful Contractor.

For reference, the Treasury Board Site is: [http://www.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/contracting/tipaucpca1-eng.asp#\\_Toc490365246](http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/contracting/tipaucpca1-eng.asp#_Toc490365246)

**SACC Manual clause 4007 - Canada to Own Intellectual Property Rights in Foreground Information (2010-08-16).**

### 4.4 Supplemental General Conditions

The following clauses apply to this contract:

#### 4.4.1 Dispute Resolution

##### *Mediation*

If a dispute arising from this contract cannot be settled amicably through negotiation, then the parties agree in good faith to submit the dispute to mediation as administered by the Arbitration and Mediation Institute of Canada Inc. (AMIC). The parties acknowledge receipt of the rules of AMIC. The cost of mediation shall be borne equally by the parties.

##### *Arbitration*

If the parties cannot resolve the dispute through mediation within sixty (60) days, the parties agree to submit the dispute to arbitration pursuant to the Commercial Arbitration Act (Canada). The party requesting such arbitration shall do so by written notice to the other party/parties. The cost of the arbitration and fees of the



arbitrator shall be borne equally by the parties. The arbitration shall take place in the city where the contractor carries on business before a single arbitrator to be chosen jointly by the parties. If the parties cannot agree on the choice of arbitrator within thirty (30) days of written notice to submit the dispute to arbitration, each party will choose a representative who will select the arbitrator.

The parties may determine the procedure to be followed by the arbitrator in conducting the proceedings, or may ask the arbitrator to do so. The arbitrator shall issue a written award within thirty (30) days of hearing the parties. The award may be entered in any court having jurisdiction and enforced as a judgment of that court.

#### *Meaning of "Dispute"*

The parties agree that the word "dispute" in this clause refers to a dispute of fact or of law, other than a dispute of public law.

Organizations are encouraged to select from one of the following two options:

Option 1: The parties understand that the Procurement Ombudsman appointed pursuant to Subsection 22.1(1) of the Department of Public Works and Government Services Act will, on request or consent of the parties to participate in an alternative dispute resolution process to resolve any dispute between the parties respecting the interpretation or application of a term and condition of this contract and their consent to bear the cost of such process, provide to the parties a proposal for an alternative dispute resolution process to resolve their dispute. The Office of the Procurement Ombudsman may be contacted by telephone at 1-866-734-5169 or by e-mail at [boa.opo@boa.opo.gc.ca](mailto:boa.opo@boa.opo.gc.ca).

Option 2: Each party hereby:

- a) consents to fully participate in and bear the cost of any dispute resolution process proposed by the Procurement Ombudsman appointed pursuant to Subsection 22.1(1) of the Department of Public Works and Government Services Act to resolve a dispute between the parties respecting the interpretation or application of a term or condition this contract; and
- b) agrees that this provision shall, for purposes of section 23 of the Procurement Ombudsman Regulations, constitute such party's agreement to participate in and bear the cost of such process.

The Office of the Procurement Ombudsman may be contacted by telephone at 1-866-734-5169 or by e-mail at [boa.opo@boa.opo.gc.ca](mailto:boa.opo@boa.opo.gc.ca).

#### **4.4.2 Withholding Tax of 15 Percent**

The Contractor agrees that, pursuant to the provisions of the Income Tax Act, Canada is empowered to withhold an amount of 15% of the price to be paid to the Contractor, if the Contractor is a non-resident Contractor as defined in said Act. This amount will be held on account with respect to any liability for taxes which may be owed to Canada.

#### **4.4.3 Foreign Nationals (Canadian Contractor) *(To be completed at contract award)***

SACC Manual clause A2000C (2006-06-16) Foreign Nationals (Canadian Contractor)

**OR**

#### **4.4.3 Foreign Nationals (Foreign Contractor) *(To be completed at contract award)***

SACC Manual clause A2001C (2006-06-16) Foreign Nationals (Foreign Contractor)

#### **4.4.4 Values and Ethics Code**

In carrying out the Work under the terms and conditions of this Contract, the Contractor shall adhere to the provisions and practices of the Values and Ethics Code for the Public service (2003), namely, but not restricted



to, the provisions pertaining to Respect for Diversity, Human Dignity and People Values. The following link provides the policy reference. [http://www.tbs-sct.gc.ca/pubs\\_pol/hrpubs/tb\\_851/vec-cve-eng.asp](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb_851/vec-cve-eng.asp)

**4.4.5 Closure of Government Offices**

Contractor employees are personnel of the Contractor and are paid by the Contractor on the basis of services rendered. Where Contractor's employees are providing services on government premises pursuant to this contract and the said premises become non-accessible due to evacuation or closure of government offices and consequently no work is being performed as a result of the closure, Canada will not be liable for payment to the Contractor for the period of the closure.

**5. Security Requirement**

There is no security requirement associated with this solicitation.

**6. AUTHORITIES**

**6.1 Contracting Authority**

The Contracting Authority for the Contract is:

**Leanne Callery**  
Procurement Team Leader  
Natural Resources Canada  
615 Booth St.  
Ottawa, ON  
K1A 0E9

**Fax:** (613) 996-1024

**E-mail:** [leanne.callery@nrcan.gc.ca](mailto:leanne.callery@nrcan.gc.ca)

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

**6.2 Project Authority *(To be completed at contract award)***

The Project Authority for the Contract is:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_-\_\_\_\_-\_\_\_\_\_

Facsimile: \_\_\_\_-\_\_\_\_-\_\_\_\_\_

E-mail address: \_\_\_\_\_

The Project Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Project Authority; however, the Project Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.



## 7. PAYMENT

### 7.1 Basis of Payment

#### Firm Price

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a firm price as specified in the contract for a cost of \$ \_\_\_\_\_ (*To be completed at contract award*), Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable.

Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

### 7.2 Method of Payment

Against invoices (including receipts for travel and living, if applicable) submitted as per the milestone schedule identified in Annex "C" and in accordance with the Basis of Payment and certification by the Project Authority that work performance was satisfactory and acceptable.

Payment by Her Majesty, to the contractor, for the work shall be made within thirty (30) days following the delivery and acceptance of all deliverables specified in the contract or the date of receipt of a duly completed invoice, whichever date is the later.

Payment by Canada for the Work will be made following delivery, inspection and acceptance of the Work, and upon presentation of invoices and any other substantiating documentation as Canada requires.

### 7.3 Pre-Authorized Travel and Living Expenses

The Contractor will be paid for pre-authorized reasonable and proper travel and living expenses incurred by personnel directly engaged in the performance of the work, supported by appropriate receipts and calculated in accordance with the then current National Joint Council Directive on Travel and Living Expenses, (website: <http://www.njc-cnm.gc.ca/directive/travel-voyage/index-eng.php>) without allowance thereon for overhead or profit. All payments are subject to government audit. **All travel must have prior authorization of the Project Authority.**

### 7.4 Miscellaneous Expenses

The Contractor will be paid for pre-authorized reasonable and proper miscellaneous expenses supported by appropriate receipts at actual cost without allowance thereon for overhead or profit. **All miscellaneous expenses must have prior authorization of the Project Authority.**

## 8. INVOICING INSTRUCTIONS

Invoices shall be submitted using **one of the following methods:**

E-mail:

[Invoicing@NRCan.gc.ca](mailto:Invoicing@NRCan.gc.ca)

**Note:**

Attach "PDF" file. No other formats will be accepted

OR Fax:

Local NCR region: **613-947-0987**

Toll-free: **1-877-947-0987**

**Note:**

Use highest quality settings available.



Please do not submit invoices using more than one method as this will not expedite payment.

Invoices and all documents relating to a contract must be submitted on the Contractor's own form and shall bear the following reference numbers:

Contract number: *(to be completed at contract award)*

## **9. CERTIFICATIONS**

Compliance with the certifications provided by the Contractor in its bid is a condition of the Contract and subject to verification by Canada during the term of the Contract. If the Contractor does not comply with any certification or it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

## **10. APPLICABLE LAWS**

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

## **11. CONTRACT ADMINISTRATION**

The parties understand that the Procurement Ombudsman appointed pursuant to Subsection 22.1(1) of the Department of Public Works and Government Services Act will review a complaint filed by [the supplier or the contractor or the name of the entity awarded this contract] respecting administration of this contract if the requirements of Subsection 22.2(1) of the Department of Public Works and Government Services Act and Sections 15 and 16 of the Procurement Ombudsman Regulations have been met, and the interpretation and application of the terms and conditions and the scope of the work of this contract are not in dispute. The Office of the Procurement Ombudsman may be contacted by telephone at 1-866-734-5169 or by e-mail at [boa.opo@boa.opo.gc.ca](mailto:boa.opo@boa.opo.gc.ca).



## ANNEX A - STATEMENT OF WORK

### 1.0 TITLE

Impacts of Implementing the Fuel Quality Directive on the Competitiveness of the European Union Refining Sector, European Security of Supply, and Global Greenhouse Gas Emissions.

### 2.0 BACKGROUND

The European Commission is undertaking a series of policies designed to address climate change. The objective of one of these measures, the Fuel Quality Directive (FQD), is to reduce greenhouse gas (GHG) emissions from transportation fuels. A 2012 draft FQD implementing measure proposed classifying unconventional crude oils as higher GHG intensity “feedstocks”. Under the 2012 draft, oil sands, or “natural bitumen”, were assigned a GHG value 22 percent higher than so called “conventional” crude oils.

The Government of Canada supports the goal of reducing global GHG emissions. However, Canada is opposed to the Commission’s proposed 2012 measure which unfairly differentiates oil sands crude from all other sources of crude oil. Many studies show that the life-cycle emissions intensity of crude oils falls on a continuum, and that some light oils and most heavy oils have emissions which are in the same range or, in some instances, higher than oil sands crude.

In addition to not being applied in a manner proportionate to the GHG intensity of a crude, the FQD also has implications for the global and EU refining industry and security of supply of crude oil and products. With the third largest reserves in the world, Canada is poised to become a major supplier of crude oil to the world. Policies which impede the free flow of global oil supplies could have serious implications for the EU’s access to crude oil from a transparent, reliable and environmentally responsible source.

Should the FQD be implemented in a manner that closes-off a potential source of crude oil, EU refiners will potentially have to import higher cost crude oils and refined products. Were global crude oil and products disrupted in this way, future oil shipments would be diverted from their most efficient routes, raising global GHG emissions. The policy could, therefore, have unintended effects on the competitiveness of the EU refining sector, while also raising GHG emissions globally.

### 3.0 OBJECTIVES

The objective of this study is to examine the impacts of the FQD on the EU’s energy security of supply, the EU refining sector, and global GHG emissions. It will model three EU supply-demand scenarios: i) in the absence of the FQD (i.e., the base case), ii) under the proposed February 2012 regulation, and iii) under a single average EU default value, where the single default value is built upon actual emissions of every crude oil stream.

Using these scenarios, the study will estimate the impacts of the measure on EU refining margins, and implications for the EU refining sector, more broadly. The study will also forecast the impact of the FQD on global trade patterns of crude oil products and examine the impact of any distortion of global crude oil and products markets on global greenhouse gas emissions. General research questions include, but are not limited to:

#### Implications for the EU refining sector:

1. What impact would the FQD have on the competitiveness of the EU refining sector over the medium (2 – 5 years) and long term (5 – 10 years)?
2. Could the risks of additional costs associated with the FQD accelerate EU refinery closures or capacity changes compared to the current IEA forecast?
3. What other implications, if any, would result from any restrictions placed on EU refineries to access to a full-slate of global crudes by the FQD?



#### **Implications for global and regional trade of crude oil and refined product:**

4. What would be the impact of the FQD on global and regional patterns of crude oil and petroleum product trade? To what extent would crude and product “shuffling” occur globally and regionally?
  - a. What would be the impact on European crude oil and product trade?
  - b. Will the use of FQD “default” GHG values create an incentive for EU refiners to source their crude oil supply from domestic EU crude suppliers or any other crude suppliers over others?
  - c. What would be the impact on EU demand for unconventional crude oil in the medium (2 – 5 years) and long term (5 – 10 years)?
  - d. What would be the impact on EU demand for petroleum products derived from unconventional crude oil in the medium (2 – 5 years) and long term (5 – 10 years)?
  - e. What would be the impact on EU demand for fuel derived from Canadian oil sands crude currently exported to the EU via the U.S. Gulf Coast? How will exports of such fuel be affected by the FQD?

#### **Implications for global and regional GHG emissions:**

5. What would be the impact of the FQD on global and European GHG emissions, taking into consideration any impacts the measure may have on global and regional patterns of crude oil and product trade?
6. Will the FQD achieve the EU’s objective (as reflected in Directive 2009/30/EC) of reducing GHG emissions in the EU transportation sector? Or would product shuffling result in higher emissions?

### **4.0 PROJECT REQUIREMENTS**

#### **4.1 Tasks, Deliverables, Milestones and Schedule**

The study must contain quantitative as well as qualitative analysis. It must be written in both English and French. An executive summary not exceeding 10 pages and a PowerPoint presentation highlighting the key findings of the study must also be provided. The analysis should be conducted through global supply-demand analysis, economic modelling, and literature review. All references must be included, with raw data and calculations included in Annexes.

The study will include chapters/units on the following:

#### **Implications for global and regional trade of crude oil and refined product:**

- 1) European crude oil and refined product supply and demand scenario in the medium (2 – 5 years) and long term (5 – 10 years) in the absence of FQD and expected capacity reductions;
- 2) Analysis of i) the proposed February 2012 FQD measure and ii) a single average EU default value, where the single default value is built upon actual emissions of every crude oil stream, and the implications for regional and global trade of crude oil and petroleum products;
  - a) To what extent crude shuffling will occur in response to the FQD?

#### **Implications for the crude oil supply and demand in the EU:**

- 3) Supply and demand scenarios under i) the proposed February 2012 FQD measure and ii) a single average EU default value, where the single default value is built upon actual emissions of every crude oil stream;
  - a) Sources of future crude oil supply and breakdown (conventional and non-conventional); and
  - b) Implications for the cost of crude oil and petroleum products consumed in the EU

#### **Implications for the EU refining sector:**



- 4) Impact on the European refining sector under all scenarios;
  - a) Some discussion on the current state of the EU refining sector in general with Annexes providing a list of European refineries, their locations, refinery configurations, crude demand by type (eg. light, medium and heavy), current crude sources and current product markets;
  - b) Aggregated and regional (eg. Western Europe, Eastern Europe etc.) EU refining margins under different supply/demand scenarios should be considered.
  - c) Implications for the competitiveness of the EU refining sector

**Implications for global and regional security of supply of crude oil and refined products:**

- 5) Implications for the security of supply of crude oil and petroleum products for the EU under all scenarios;

**Implications for global and regional GHG emissions:**

- 6) Impact of the i) the proposed February 2012 FQD measure and ii) a single Eu average default value, where the single default value is built upon actual emissions of every crude oil stream on global greenhouse gas emissions and greenhouse gas emissions in the EU
  - a) Implications of changed trade patterns on GHG emissions.

**Conclusion**

- 7) Concluding remarks.

The contractor must provide an outline of the study for comment one week after the contract is awarded. This must include, at minimum, a detailed outline for each chapter. The contractor will make adjustments based on the comments and provide a revised draft no later than 10 days after comments are received. The contractor will provide another draft study no later than two weeks after receiving comments from the project authority. It must make adjustments based on the comments and provide a final draft by June 2, 2014.



Tasks/Activities	Deliverables	Time Schedule
Develop outline of study	Outline of study	Within 10 days after contract awarded
Develop draft of study	First draft of study	No later than two weeks after comments are received.
Revise draft of study	Second draft of study	No later than two weeks after comments are received.
Revise draft of study	Third draft of study	No later than 10 days after comments are received.
Complete study	Study on the impacts of the FQD on the EU refining industry and security of supply	June 2, 2014
Client Support	Up to three presentations and/or webinars on findings of the study	Up to one year after completion of the study at the discretion of the project authority.

#### 4.2 Reporting Requirements

The Project Steering committee will be a team consisting of representatives from Natural Resources Canada. The contractor must report to the Steering committee according to the time schedule outlined in Section 4.1. Based on drafts of the study, the Project Authority will assess the contractor’s analysis and provide feedback.

#### 4.3 Method and Source of Acceptance

All deliverables rendered under this contract are subject to inspection by the Steering committee. The Steering committee shall have the right to reject any deliverables that are not considered analyzed to their satisfaction, or require their correction before payment will be authorized.

#### 4.4 Specifications and Standards

The deliverables are to be submitted electronically and in the form of a report to the Steering Committee on the dates specified in Section 4.1. The Project Steering Committee will decide whether and how the study will be published.



## 5.0 NRCan's Obligations

The Steering Committee will provide comments on the deliverables to the contractor on the following dates.

<b>Deliverable</b>	<b>Time Schedule</b>
Comments on outline of study	Within 5 days of receiving the outline.
Comments on first draft of study	Within 7 days of receiving the first draft.
Comments on second draft of study	Within 7 days of receiving the second draft.
Comments on third draft of study	Within 7 days of receiving the third draft.

The contractor will have access to a representative for the Project Authority to answer questions and provide comments on deliverables.

### 5.1 Location of Work, Work Site and Delivery Point

The study is expected to be completed at the contractor's facilities. Some travel might be required, including to present the findings of this study to various groups in Canada and in Europe.

All travel costs will require approval by the project authority and will be in addition to the cost of the contract. A contract amendment will be issued for any required travel and living costs, approved by the project authority

### 5.2 Language of Work

The study must be completed in English and French.



## ANNEX B – TECHNICAL EVALUATION CRITERIA

### B1 MANDATORY TECHNICAL CRITERIA

The Mandatory Criteria listed below will be evaluated on a simple pass/fail basis. Proposals which fail to meet the mandatory criteria will be deemed non-responsive.

Bidders are advised to address each criterion in sufficient depth to permit a complete requisite analysis and assessment by the evaluation team. Proposals failing to adequately respond to the mandatory criteria may be excluded from further considerations. The technical proposal should address each of the criteria in the order in which they appear.

Bidders are advised that only listing experience without providing any supporting data to describe responsibilities, duties and relevance to the criteria will not be considered demonstrated for the purpose of this evaluation.

The Bidder should provide complete details as to where, when (month and year) and how (through which activities/ responsibilities) the stated qualifications/experience were obtained. Experience gained during formal education shall not be considered work experience. All criteria for work experience shall be obtained in a legitimate work environment as opposed to an educational setting. Co-op terms are considered work experience provided they are related to the required services.

Bidders are also advised that the month(s) of experience listed for a project whose time frame overlaps that of another referenced project will only be counted once. For example: project one time frame is July 2001 to December 2001; project two time frame is October 2001 to January 2002; the total months of experience for these two project references is seven (7) months.

Criterion ID	Mandatory Criteria	Proposal Page #	Pass/Fail
M1	<p>To demonstrate their past capability, the Bidder must provide at least one previous executive summary or abstract of a study they have completed within the last 5 years for each of the following categories:</p> <ol style="list-style-type: none"> <li>1. Analyzing factors affecting the competitiveness of the European Union (EU) and/or global refining sector, including economic modeling; and</li> <li>2. Analyzing EU and/or global trends in the trade of crude oil and refined products.</li> <li>3. Analyzing results associated with different crude oil pathways (from both conventional and non-conventional sources) in a Well-to-Wheel Life Cycle Assessment of Greenhouse Gas emissions</li> </ol> <p><b><i>NRCan reserves the right to verify the accuracy and veracity of each of the Bidders' cited studies.</i></b></p>		



Criterion ID	Mandatory Criteria	Proposal Page #	Pass/Fail
M2	<p>The Bidder must describe the approach they will use to undertake the project in order to achieve each of the objectives and requirements as outlined in Annex A – Statement of Work.</p> <ul style="list-style-type: none"><li>• The Bidder must provide a detailed outline showing their proposed approach clearly identifying how they will achieve the objectives and provide the deliverables within the identified timeframes.</li><li>• The plan must include a work breakdown demonstrating allocation of sufficient resources to address the projects objectives within the identified timeframes.</li><li>• The work breakdown must clearly identify the project leader and their role in accomplishing the work.</li></ul>		



Criterion ID	Mandatory Criteria	Proposal Page #	Pass/Fail
M3	<p>The Bidder must propose a Project Leader. The bidder must demonstrate that the proposed Project Leader has at least five (5) years of experience in project management.</p> <p>The Bidder must demonstrate that at least one resource has at least three (3) years' experience in analyzing the competitiveness of the EU and/or global refining sector.</p> <p>The Bidder must demonstrate that at least one resource has at least three (3) years' experience in analysing trends in EU and/or global trade of crude oil and refined products.</p> <p>The Bidder must demonstrate that at least one resource has at least three (3) years' experience in analysing greenhouse gases from the oil sector, with emphasis on crude oil production and transport, as well as refineries.</p> <p>In order to enable evaluation of resources, a Bidder must include within their proposal a detailed curriculum vitae (CV) for each proposed resource named in their proposal. CVs must include the following:</p> <ol style="list-style-type: none"> <li>1. educational and professional designation attainments, and all other academic credentials for each proposed resource;</li> <li>2. a detailed description of the proposed resource's work experience (indicated in years/months) in the area of refinery competitiveness and security of supply and/or global trade of crude oil and refined products;</li> <li>3. the number of months of previous work experience during the past three (3) years in the area of refinery competitiveness and security of supply and/or global trade of crude oil and refined products; and,</li> <li>4. a detailed description of the proposed resource's work experience (indicated in years/months) in analyzing greenhouse gases from the oil sector.</li> <li>5. a detailed description of the project leader's work experience (indicated in years/months) in the provision of project management.</li> </ol>		

**B2 POINT RATED TECHNICAL CRITERIA**

The criteria contained herein will be used by NRCAN to evaluate each proposal that has met all of the mandatory criteria. Bidders are advised to address these criteria in the following order and in sufficient depth in their proposals to enable a thorough assessment. NRCAN's assessment will be based solely on the information contained within the proposal. NRCAN may confirm information or seek clarification from bidders.

Proposals must achieve the stated minimum points required for each rated criterion to be assessed as responsive under the point rated technical criteria section; proposals not meeting the minimum required points will be deemed non-responsive.

Only those proposals which are responsive (compliant) with all of the mandatory criteria and then achieve (or



exceed) the stated minimum points required for the point rated technical criteria section (which is equivalent to 60% of the total points available) will be further considered for award of a contract. Proposals not meeting the minimum points required will be deemed non-responsive.

Item	Rated Requirements	Points Breakdown	Max Points	Demonstrated Compliance, cross reference to Resume
R1	<p>The examples provided in M1 will be evaluated based on the following elements:</p> <ul style="list-style-type: none"> <li>• Show EU and/or global experience.</li> <li>• Clear and concise executive summaries</li> <li>• Demonstrated ability to draw out policy recommendations from complex technical issues</li> <li>• Defining the methodology used for the analysis.</li> <li>• Identifying data and reference sources.</li> <li>• Showing calculations and walking through the analysis</li> </ul>	<p>Using the two examples provided, assign:</p> <ul style="list-style-type: none"> <li>• Up to 6 points for studies which show EU experience.</li> <li>• Up to 2 points for studies which show global experience.</li> <li>• Up to 2 points for clear and concise executive summaries</li> <li>• Up to 2 points for the demonstrated ability to draw out policy recommendations from complex technical issues</li> <li>• Up to 1 points for defining the methodology used for the analysis.</li> <li>• Up to 1 points for identifying data and reference sources.</li> <li>• Up to 1 points for showing calculations and walking through the analysis</li> </ul>	15	
R2	<p>The approach and work plan provided as per M2 will be evaluated based on the following elements:</p> <ul style="list-style-type: none"> <li>• The impacts of EU demand for crude oil and expected capacity reductions in the absence of the Fuel Quality Directive (FQD), supply-demand scenarios under the proposed regulation, impacts on the aggregated EU refining margin, and broader implications for the EU refining sector.</li> <li>• The risks of additional costs associated with the FQD on accelerating closures or capacity changes at refineries as compared to the current International Energy Agency (IEA) forecast.</li> <li>• The implications of restricting EU access to a full slate of global crudes and whether the FQD could accelerate the EU's</li> </ul>	<p>Up to 20 points for the quality of the approach described for determining the competitiveness of the EU and global refining sector:</p> <ul style="list-style-type: none"> <li>• The level of sophistication of the global supply model described.</li> <li>• The credibility and accuracy of the data used as inputs to the model.</li> <li>• Transparency of the model and its results.</li> <li>• Accessibility to the model and its data.</li> <li>• Clearly identifying assumptions required to perform the work.</li> </ul> <p>Up to 20 points for describing in detail the approach for determining EU and global trends in the trade of crude oil and refined products:</p> <ul style="list-style-type: none"> <li>• Clearly articulated and quality of the methodology described to assess the implications of restricting EU access to a full slate of global crudes</li> <li>• Quality of approach in assessing the impact of the FQD measure</li> </ul>	70	



Item	Rated Requirements	Points Breakdown	Max Points	Demonstrated Compliance, cross reference to Resume
	<p>reliance on imported crude oil and refined products.</p> <ul style="list-style-type: none"> <li>• The impact of the FQD measure on global (and EU) trade patterns of crude oil and petroleum products.</li> <li>• Supply/demand scenarios under the proposed new regulations;               <ul style="list-style-type: none"> <li>❖ Impact on crude supply (conventional and non-conventional) and security of supply,</li> </ul> </li> <li>• Impact on the aggregated, regional (e.g. Western Europe, Eastern Europe etc.) and country specific European refining margins in the different scenarios should be considered.</li> <li>• Describing in detail the approach for determining the impact of crude shuffling on global greenhouse gas emissions as a result of the FQD measure.</li> <li>• Showing how resources will be broken down to achieve the projects objectives within the identified timeframes.</li> <li>• Describing the internal quality controls used (verification of calculations, internal document reviews, interim and final products to be delivered as part of the study, etc...)</li> <li>• Describing details about the level of post product support and dissemination that will be provided after the completion of the study.</li> </ul>	<p>on global (and EU) trade patterns of crude oil and petroleum products.</p> <ul style="list-style-type: none"> <li>• Quality of approach in developing supply/demand scenarios under the proposed new regulations;               <ul style="list-style-type: none"> <li>❖ Impact on crude supply (conventional and non-conventional) and security of supply,</li> <li>❖ Demand outlook under different biofuel blending levels, hybrid/electric vehicle penetration levels, etc.; and,</li> </ul> </li> <li>• Quality of the approach to assessing the impact on the aggregated, regional (e.g. Western Europe, Eastern Europe etc.) and country specific European refining margins in the different scenarios.</li> </ul> <p>Up to 10 points for describing in detail the approach for determining the impact of crude shuffling on global greenhouse gas emissions as a result of the FQD measure, including a description of the GHG data underpinning various models.</p> <p>Up to 10 points for showing how resources will be broken down to achieve the projects objectives within the identified timeframes.</p> <p>Up to 5 points for describing the internal quality controls used (verification of calculations, internal document reviews, interim and final products to be delivered as part of the study, etc...)</p> <p>Up to 5 points for describing details about the level of post product support and dissemination that will be provided after the completion of the study.</p>		



Item	Rated Requirements	Points Breakdown	Max Points	Demonstrated Compliance, cross reference to Resume
R3	<p>The curriculum vitae (CV) for each proposed resource named in the proposal will be evaluated based on the following:</p> <p>For the project leader:</p> <ul style="list-style-type: none"> <li>0.5 points for each year of project management experience in excess of 5 years (to a maximum of 3 points)</li> <li>0.5 points for each year of experience in analyzing factors that affect the competitiveness of the refining sector and security of supply issues and/or trends in global trade of crude oil and refined products in excess of 3 years (to a maximum of 3 points).</li> </ul> <p>For each resource experienced in analyzing factors that affect the competitiveness of the refining sector and security of supply issues for refineries, assign 0.5 points for every year in excess of 3 years (to a maximum of 3 additional points for all resources).</p> <p>For each resource experienced in analyzing trends in global trade of crude oil and refined products, assign 0.5 points for every year in excess of 3 years (to a maximum of 3 additional points for all resources).</p> <p>For each resource experienced in analyzing greenhouse gases from the oil sector, with emphasis on crude oil production and transport, as well as refineries, assign 0.5 points for every year in excess of 3 years (to a maximum of 3 additional points for all resources).</p>	<p>For the project leader:</p> <ul style="list-style-type: none"> <li>0.5 points for each year of project management experience in excess of 5 years (to a maximum of 3 points)</li> <li>0.5 points for each year of experience in analyzing factors that affect the competitiveness of the refining sector and/or trends in global trade of crude oil and refined products in excess of 3 years (to a maximum of 3 points).</li> </ul> <p>For each resource experienced in analyzing factors that affect the competitiveness of the refining sector, assign 0.5 points for every year in excess of 3 years (to a maximum of 3 additional points for all resources).</p> <p>For each resource experienced in analyzing trends in global trade of crude oil and refined products, assign 0.5 points for every year in excess of 3 years (to a maximum of 3 additional points for all resources).</p> <p>For each resource experienced in analyzing greenhouse gases from the oil sector, with emphasis on crude oil production and transport, as well as refineries, assign 0.5 points for every year in excess of 3 years (to a maximum of 3 additional points for all resources).</p>	15	
<b>Total Points Available:</b>			<b>100</b>	
<b>Total Points Needed to be Considered Compliant (60%):</b>			<b>60</b>	



## ANNEX C – FINANCIAL PROPOSAL

### C1 TAXES AS RELATED TO BIDS RECEIVED

For Canadian-based bidders, prices/rates, as applicable, are requested to be firm (in Canadian funds) with Canadian customs duties and excise taxes as applicable **included**, and Goods and Services Tax (GST) or Harmonized Sales Tax (HST) as applicable, **excluded**;

For foreign-based bidders, prices/rates, as applicable, are requested to be firm (in Canadian funds) and **exclude** Canadian customs duties, excise taxes and GST or HST, as applicable. Canadian customs duties and excise taxes payable by the consignee will be added, for evaluation purposes only, to the prices submitted by foreign-based bidders. If the prices submitted in the financial proposal are not in Canadian Funds the exchange rate in effect on the date of bid closing will be applied for evaluation purposes only.

### C2 FUNDING LIMITATION

NRCan has allocated a maximum of **\$180,000** in funding for this requirement, **inclusive of a) the Price to perform the Work which includes the provision of Client Support, and b) Miscellaneous Expenses that may be required**; Goods and Services Tax (GST) or Harmonized Sales Tax (HST) is extra to the Funding Limitation.

**NRCan reserves the right to deem any bids received in excess of this maximum funding as non-responsive and they will not be evaluated.**

### C3 PRICING DETAILS TO BE PROVIDED IN FINANCIAL PROPOSAL

The Bidder hereby offers to NRCan, as requested by the Minister, to furnish all necessary expertise, supervision, materials, equipment and other items necessary to performing the work as described in the statement of work of this Request for Proposal and in accordance with the terms and conditions of the Request for Proposal, to the satisfaction of the Minister, or his or her authorized representative, for the following price(s).

Bidders must provide financial details as requested in this Annex. Proposals which do not contain pricing details as requested below shall be considered incomplete and non-responsive.

#### C3.1 Milestone Payments

**Bidder tendered all inclusive firm price to perform the work is \$\_\_\_\_\_ in Canadian funds, GST/HST excluded. The firm price tendered will be payable in milestone payments.**

**The Bidder will complete the milestone schedule below by providing its proposed firm milestone amounts for the work, based on the percentages provided:**

Milestone #	Description of Milestone	Milestone Firm Price (GST/HST excluded)
1	Complete Study – 95% of the total price for the work following delivery and acceptance by the Project Authority	\$
2	Client Support – 5% of the total price for the work following delivery and acceptance by the Project Authority	\$
	<b>Total Firm Price</b>	<b>\$</b>



**Pre-Authorized Travel and Living Expenses** - The Contractor will be paid for pre-authorized reasonable and proper travel and living expenses incurred by personnel directly engaged in the performance of the work, supported by appropriate receipts and calculated in accordance with the then current National Joint Council Directive on Travel and Living Expenses, (website: <http://www.njc-cnm.gc.ca/directive/travel-voyage/index-eng.php>) without allowance thereon for overhead or profit. All payments are subject to government audit. **All travel must have prior authorization of the Project Authority.**

**Miscellaneous Expenses** -The Contractor will be paid for pre-authorized reasonable and proper miscellaneous expenses supported by appropriate receipts at actual cost without allowance thereon for overhead or profit. All miscellaneous expenses must have prior authorization of the Project Authority.



## ANNEX D - CERTIFICATIONS

Bidders must provide the required certifications to be awarded a contract. Canada will declare a bid non-responsive if the required certifications are not completed and submitted as requested.

Compliance with the certifications bidders provide to Canada is subject to verification by Canada during the bid evaluation period (before award of a contract) and after award of a contract. The Contracting Authority will have the right to ask for additional information to verify bidders' compliance with the certifications before award of a contract. The bid will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Contracting Authority for additional information will also render the bid non-responsive.

### Certifications Precedent to Contract Award

The certifications listed below should be completed and submitted with the bid but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid non-responsive.

#### 1. Federal Contractors Program – Certification

2.

#### **Federal Contractors Program for Employment Equity - over \$25,000 and below \$200,000**

Suppliers who are subject to the Federal Contractors Program (FCP) and have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive federal government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

The Bidder, or, if the Bidder is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Bidder or the member of the joint venture

- (a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, and/or temporary employees having worked 12 weeks or more in Canada;
- (b) ( ) is not subject to the FCP, being a regulated employer under the [Employment Equity Act](#), S.C. 1995, c. 44;
- (c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full-time or part-time permanent employees, and/or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC, having not bid on requirements of \$200,000 or more;
- (d) ( ) has not been declared an ineligible contractor by HRSDC, and has a valid certificate number as follows: \_\_\_\_\_.

Further information on the [FCP](#) is available on the HRSDC Web site.



\_\_\_\_\_  
Signature of Authorized Company Official

\_\_\_\_\_  
Date

**OR**

**Federal Contractors Program for Employment Equity - \$200,000 or more**

1. The Federal Contractors Program for Employment Equity (FCP-EE) requires that some suppliers bidding for federal government contracts, valued at \$200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to contract award. If the Bidder is subject to the FCP-EE, evidence of its commitment must be provided before the award of the Contract.

Suppliers who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2. If the Bidder does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Bidder must fax (819-953-8768) a copy of the signed form [LAB 1168](#), Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.
3. The Bidder, or, if the Bidder is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Bidder or the member of the joint venture

- (a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, and/or temporary employees having worked 12 weeks or more in Canada;
- (b) ( ) is not subject to the FCP, being a regulated employer under the [Employment Equity Act](#), S.C. 1995, c. 44;
- (c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full-time or part-time permanent employees, and/or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of \$200,000 or more), in which case a duly signed certificate of commitment is attached;
- (d) ( ) is subject to the FCP, and has a valid certificate number as follows: \_\_\_\_\_ (e.g. has not been declared an ineligible contractor by HRSDC.)

Further information on the [FCP](#) is available on the HRSDC Web site.

\_\_\_\_\_  
Signature of Authorized Company Official

\_\_\_\_\_  
Date



### 3. Former Public Servant Certification

Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny and reflect fairness in spending public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, bidders must provide the information required below.

#### Definitions

For the purposes of this clause,

"Former public servant" means a former member of a department as defined in the *Financial Administration Act*, R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police and includes:

- (a) An individual;
- (b) An individual who has incorporated;
- (c) A partnership made up of former public servants; or
- (d) Sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"Lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the Public Service.

"pension" means, in the context of the fee abatement formula, a pension or annual allowance paid under the *Public Service Superannuation Act* (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the *Supplementary Retirement Benefits Act*, R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the *Canadian Forces Superannuation Act*, R.S., 1985, c. C-17, the *Defence Services Pension Continuation Act*, 1970, c. D-3, the *Royal Canadian Mounted Police Pension Continuation Act*, 1970, c. R-10, and the *Royal Canadian Mounted Police Superannuation Act*, R.S., 1985, c. R-11, the *Members of Parliament Retiring Allowances Act*, R.S., 1985, c. M-5, and that portion of pension payable to the *Canada Pension Plan Act*, R.S., 1985, c. C-8.

#### Former Public Servant (FPS) in Receipt of a Pension

Is the Bidder a FPS in receipt of a pension as defined above? YES ( ) NO ( )

If so, the Bidder must provide the following information:

- (a) Name of former public servant;
- (b) Date of termination of employment or retirement from the Public Service.

By providing this information, Bidders agree that the successful Bidder's status, with respect to being a former public servant in receipt of a pension, will be reported on departmental websites as part of the published proactive disclosure reports in accordance with [Contracting Policy Notice: 2012-2](#) and the [Guidelines on the Proactive Disclosure of Contracts](#).

#### Work Force Reduction Program

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of a work force reduction program? YES ( ) NO ( )



If so, the Bidder must provide the following information:

- (a) Name of former public servant;
(b) Conditions of the lump sum payment incentive;
(c) Date of termination of employment;
(d) Amount of lump sum payment;
(e) Rate of pay on which lump sum payment is based;
(f) Period of lump sum payment including start date, end date and number of weeks;
(g) Number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

For all contracts awarded during the lump sum payment period, the total amount of fee that may be paid to a FPS who received a lump sum payment is \$5,000, including the Goods and Services Tax or Harmonized Sales Tax.

Certification

By submitting a bid, the Bidder certifies that the information submitted by the Bidder in response to the above requirements is accurate and complete.

4. STATUS AND AVAILABILITY OF RESOURCES

The Bidder certifies that, should it be awarded a contract as a result of the bid solicitation, every individual proposed in its bid will be available to perform the Work as required by Canada's representatives and at the time specified in the bid solicitation or agreed to with Canada's representatives. If for reasons beyond its control, the Bidder is unable to provide the services of an individual named in its bid, the Bidder may propose a substitute with similar qualifications and experience. The Bidder must advise the Contracting Authority of the reason for the substitution and provide the name, qualifications and experience of the proposed replacement. For the purposes of this clause, only the following reasons will be considered as beyond the control of the Bidder: death, sickness, maternity and parental leave, retirement, resignation, dismissal for cause or termination of an agreement for default.

If the Bidder has proposed any individual who is not an employee of the Bidder, the Bidder certifies that it has the permission from that individual to propose his/her services in relation to the Work to be performed and to submit his/her résumé to Canada. The Bidder must, upon request from the Contracting Authority, provide a written confirmation, signed by the individual, of the permission given to the Bidder and of his/her availability. Failure to comply with the request may result in the bid being declared non-responsive.

Signature of Authorized Company Official

Date

5. EDUCATION AND EXPERIENCE

The Bidder certifies that all the information provided in the résumés and supporting material submitted with its bid, particularly the information pertaining to education, achievements, experience and work history, has been verified by the Bidder to be true and accurate. Furthermore, the Bidder warrants that every individual proposed by the Bidder for the requirement is capable of performing the Work described in the resulting contract.

Signature of Authorized Company Official

Date

6. CONTRACTUAL CAPACITY AND JOINT VENTURE CONTRACTUAL CAPACITY



The Bidder shall have the legal capacity to contract. If the Bidder is a sole proprietorship, a partnership or a corporate body, the Bidder shall provide a statement indicating the laws under which it is registered or incorporated together with the registered or corporate name and place of business.

Joint Venture - a joint venture is an association of two or more parties who temporarily combine their money, property, knowledge, or other resources in a joint business enterprise. There are two types of joint ventures, the incorporated joint venture and the contractual joint venture, i.e., formed through a contractual agreement between the parties. The following information should be provided with the proposal: type of joint venture (incorporated or contractual), the names and addresses of the members of the joint venture.

If a Contract is awarded to a contractual joint venture all members of the joint venture shall be jointly and severally or solidarily liable for the performance of the contract.

### **Certification**

By submitting a bid, the Bidder certifies that the information submitted by the Bidder in response to the above requirements is accurate and complete.