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Title - Sujet FPT NDUSTRY ENGAGEMENT UPDATE		
Solicitation No. - N° de l'invitation W3471-130001/H		Date 2015-10-28
Client Reference No. - N° de référence du client W3471-130001		GETS Ref. No. - N° de réf. de SEAG PW-\$\$\$NF-006-25437
File No. - N° de dossier 006nf.W3471-130001	CCC No./N° CCC - FMS No./N° VME	
Solicitation Closes - L'invitation prend fin at - à 11:59 PM on - le 2016-02-01		Time Zone Fuseau horaire Eastern Daylight Saving Time EDT
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: Susan MacNeil		Buyer Id - Id de l'acheteur 006nf
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Instructions: See Herein

Instructions: Voir aux présentes

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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

FUTURE PILOT TRAINING (FPT) PROJECT INDUSTRY ENGAGEMENT UPDATE

INTRODUCTION

This Update to Industry continues the discussion regarding Canada's Future Pilot Training (FPT) and follows on from previous engagements:

- a. 24 September 2013 - 2013 Request for Information (RFI) publication;
- b. 4 February 2014 - Industry Engagement Session;
- c. 28 April 2014 - 2nd RFI;
- d. 26-28 May 2014 - 2nd Industry Engagement Session;
- e. 9 February 2015 - Letter of Interest (LOI)/Request for Information (RFI)

The purpose of this document is to provide an update on the status of the Future Pilot Training project, and advise Industry of the requirement to acknowledge, sign, and submit the Rules of Engagement attached at Annex A.

In the last LOI, Canada indicated that a new project, iFPT had been created to address any potential gap in pilot training and that the project team would establish the strategic requirements and identify the business needs in order to start the Options Analysis process. Canada also indicated that a further LOI would be released once the initial scoping work had been completed. This is that LOI.

BACKGROUND:

The Department of National Defence (DND) has an enduring mandate to train pilots. The current training program is conducted under the auspices of two services contracts known as North Atlantic Treaty Organization Flying Training in Canada (NFTC) and Contracted Flying Training and Support (CFTS). These two contracts include classroom instruction, simulator training and flight training.

These contracts also include numerous on-site support services in Moose Jaw, Saskatchewan, and Southport, Manitoba, such as road and runway maintenance, aircraft and other training equipment maintenance, facilities management and maintenance, air traffic control activities, snow and ice clearance and food services among others.

As these contracts are set to expire in 2021 for NFTC and 2027 for CFTS, the FPT Project will award new contract(s) to support the training activities required to provide DND with qualified military pilots.

The proposed contract(s) will provide for some or all of the current services. There is a need to establish a program that trains pilots to fly the next generation of operational aircraft; this program must concurrently capitalize on the use of modern training systems. As a result, the contract(s) will focus on leveraging synthetic training devices to the greatest extent possible, achieving a greater ratio of simulated versus live flight training.

PLANNED FPT MILESTONES:

The FPT Project has established the following schedule, which is considered to be attainable based on current departmental processes and validated against current timelines for similar-type projects.

Milestone Phase	FPT
Options Analysis/ Requirement Definition/ Statement of Work, Value Proposition and Evaluation plan development Industry Engagement	2015 to 2019
Solicitation Process and contractor selection	2019-2020
Treasury Board Approval and Contract Award	2021
Contractor Ramp-Up/Partial FPT operations begin	2021-2023
CFTS type operations end. Full FPT activities are underway	2027

DISCUSSION:

Since FPT anticipates contract award in 2021 and an Initial Operational Capability (IOC) in 2023, a training gap from 2020 to 2023 will develop that must be addressed. This gap occurs as a result of a phase out of NFTC training, which begins in early 2020. This is an unacceptable condition that impacts DND's ability to meet its government-directed mandate to generate airpower and airpower expertise for the Canadian Armed Forces.

Any gap in training would also affect CFTS directly since NFTC would not be able to provide CFTS with students as both programs are intrinsically linked.

Therefore, it is imperative that all training activities currently performed under the NFTC contract be maintained without any interruption in pilot output. Any gap in training is unacceptable.

NEXT STEPS:

Based on the information currently available and on industry feedback received, modifying the NFTC operating period until 2023 will mitigate the risk of a training gap and allow Industry to focus its efforts on developing a long-term solution to meet FPT

Project requirements. A transition-out period would be established. This transition schedule would then be presented to FPT bidders, who would then submit, as part of their proposal, a transition-in plan that lines up with the incumbent's transition-out plan should the preferred FPT solution be based in Moose Jaw.

Further, this approach would also allow Canada to concentrate its efforts on engaging Industry on FPT and preparing the necessary documentation that will ensure success for such a complex endeavour in the specified timeline. Some Industry members have already indicated that concentrating on FPT would be beneficial to them and would ensure that resources are used in an efficient manner.

CONCLUSION:

Canada has reviewed its options to ensure no gap in pilot training occurs before the implementation of a long-term FPT program. As a result of this review, Canada has determined that the best course of action to protect the interests of DND and of Canadians is to modify the operating period within the current NFTC contract to 2023. Any other course of action would delay the award of the FPT contract by up to two years and would not be conducive to an effective use of Canada's and Industry's resources as indicated in feedback received from some Industry members.

Canada wants to ensure that Industry members are well positioned to provide effective FPT solutions and wants to promote conditions that will allow Industry members to effectively engage with Canada on preparing documentation to be used for bidding purposes.

RESPONSES REQUESTED:

Canada invites Industry to formulate viable and economical options for discussion during the upcoming FPT group session and one-on-one meetings.

Please complete and sign the attached Rules of Engagement, Annex A, and forward to the named Contracting Officer. Please include your brief approach and any related questions regarding the FPT Project.

Dates for the first group session will be announced once Canada receives acknowledgement of the Rules of Engagement from interested parties.

Only members who have signed and submitted the Rules of Engagement will be invited to participate in this Industry Engagement Process. Further communication on FPT will now be done with engaged Industry members.

ANNEXES: ANNEX A - Rules of Engagement

ANNEX A

RULES OF ENGAGEMENT

Terms and Conditions

The following terms and conditions apply to the Industry Engagement Process. In order to encourage open dialogue, Participants agree to the following:

- 1) Participants are expected to discuss their views concerning the Future Pilot Training Project, and to provide positive resolutions to the issues in question. Everyone shall have equal opportunity to share their ideas and suggestions;
- 2) **Given that the engagement process could involve confidential or third-party information, participants will NOT reveal or discuss any information to the MEDIA/NEWSPAPER regarding this requirement during this engagement process. If participants receive a question from the Media, participants are to direct the Media to contact the PWGSC Media Relations Office at 819-956-2315;**
- 3) **Participants are to direct inquiries and comments ONLY to the PWGSC Contracting Authority** or authorized representatives of Canada, as directed in notices given by the Contracting Authority. Any communication to unauthorized representatives of Canada may be subject to full disclosure by Canada on Buy and Sell and may result in your firm being excluded from the Engagement Process. Should bidders be approached verbally or in writing regarding this solicitation by a representative of Canada other than the Contracting Authority, bidders are to abide by the terms of this article by not discussing the solicitation and by advising that representative of the requirements of this article.
- 4) Media outlets are to direct all queries to the PWGSC Media Relations Office;
- 5) Canada is not obligated to issue any RFP, or to negotiate any contract for Future Pilot Training;
- 6) If Canada does release a RFP, the terms and conditions of the RFP shall be subject to Canada's absolute discretion;
- 7) Canada will not reimburse any person or entity for any cost incurred in participating in this Industry Engagement Process;
- 8) Participation in the Engagement Process is not a mandatory requirement. Non participation in this process will not preclude a bidder from submitting a proposal

when the final RFP is released. However a participant must have attended the Engagement Session and accepted the Rules of Engagement in writing to be able to participate in any potential One-on-One meetings.

- 9) Draft documentation (RFP, Evaluation Plan, SOW) will be released to all engaged Participants for comments. The draft documentation will be made available in English only unless specifically requested by a Participant. All final documentation will be fully translated before being issued on Buy and Sell in accordance with Government of Canada policy.
- 10) Failure to agree to and sign the Rules of Engagement will result in the exclusion from participation in the one-on-one meetings and of the review of the draft documentation; and,
- 11) A dispute resolution process to manage impasses throughout this engagement process shall be adhered to as follows. All requests to use the dispute resolution process shall be directed to the Contracting Authority who will make the appropriate arrangements.

Dispute Resolution Process

- 1) By informal discussion and good faith negotiation, each of the parties shall make all reasonable efforts to resolve any dispute, controversy or claim arising out of or in any way connected with this Industry Engagement.
- 2) Any dispute between the Parties of any nature arising out of or in connection with this Industry Engagement shall be resolved by the following process:
 - a. Any such dispute shall first be referred to the Participant's Manager and the PWGSC Manager managing the Industry Engagement. The parties will have 3 Business Days in which to resolve the dispute.
 - b. In the event the representatives of the Parties specified Article 2.a. above are unable to resolve the dispute, it shall be referred to the Participant's Project Director and the PWGSC Senior Director of the Division responsible to manage the Industry Engagement. The parties will have 3 Business Days to resolve the dispute.
 - c. In the event the representatives of the Parties specified in Article 2.b. above are unable to resolve the dispute, it shall be referred to the Participant's Senior Representative responsible for this project and the PWGSC Director General, who will have 3 Business Days to resolve the dispute.
 - d. In the event the representatives of the Parties specified in Article 2.c. above are unable to resolve the dispute, it shall be referred to the Participant's CEO

and the PWGSC Assistant Deputy Minister, Acquisitions Branch who will have 5 Business Days to resolve the dispute.

- e. In the event the representatives of the Parties specified in Article 2.d. above are unable to resolve the dispute, the Contracting Authority shall, within 5 Business Days, render a written decision which shall include a detailed description of the dispute and the reasons supporting the Contracting Authority's decision. The Contracting Authority shall deliver a signed copy thereof to the Participant.

By signing this document, the individual represents that he/she has full authority to bind the company listed below and that the individual and the company agree to be bound by all the terms and conditions contained herein.

Name of Company: _____

Name and Title of Company Individual: _____

Signature: _____ Date: _____

PWGSC Contracting Authority:
Susan MacNeil

Signature: _____ Date: _____

DND Project Authority:

Signature: _____ Date: _____