



RETURN BIDS TO:
RETOURNER LES SOUMISSIONS À:
CAROLE BERTRAND
11 Laurier St. / 11, rue Laurier
Place du Portage , Phase III
8C1
Gatineau
Québec
K1A 0S5

SOLICITATION AMENDMENT
MODIFICATION DE L'INVITATION

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

W8485-17BA03/B 001 replace/remplace
W8485-17BA03/B, posted/ publié 2017-12-21 .

Due to System error / En raison d'une erreur de système.

Vendor/Firm Name and Address

Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution

Military Aircraft / Aéronefs Militaires
11 Laurier St. / 11, rue Laurier
8C1, Place du Portage
Gatineau
Québec
K1A 0S5

Title - Sujet CT-114 Tutor PGS	
Solicitation No. - N° de l'invitation W8485-17BA03/B	Amendment No. - N° modif. 001
Client Reference No. - N° de référence du client W8485-17BA03	Date 2017-12-28
GETS Reference No. - N° de référence de SEAG PW-\$\$BB-237-26605	
File No. - N° de dossier 237bb.W8485-17BA03	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2018-02-06	
Time Zone Fuseau horaire Eastern Standard Time EST	
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Bertrand(237bb), Carole	Buyer Id - Id de l'acheteur 237bb
Telephone No. - N° de téléphone (873) 469-3877 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

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

**J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)
Letter of Interest
N° W8485-17BA03/B 001**

1. Purpose and Nature of the Letter of Interest (LOI)

1.1 Public Services and Procurement Canada (PSPC) is requesting Industry feedback to assist with the formulation and implementation of a Performance-Based Enterprise-Wide Sustainment Program for the J85-CAN-40 Propulsion Group for the CT114 Tutor fleet of aircraft on behalf of the Department of National Defense (DND).

1.2 The J85-CAN-40 Propulsion Group Sustainment (PGS) requirement falls under the Defence Procurement Strategy (DPS) announced in February 2014. The Sustainment Initiative (SI) framework has been developed under the DPS Governance to create more cost-effective and flexible sustainment contracts. Further details concerning the Sustainment Initiative are available on <https://buyandsell.gc.ca/policy-and-guidelines/policy-notifications/PN-118>

1.3 The purpose of this LOI is to solicit relevant input from Industry on Best Practices that could contribute to the Government of Canada (GoC) establishing an enterprise-wide sustainment program for the J85-CAN-40 Propulsion Group that will align and optimize both Canada and Industry's ability to deliver Performance, Value for Money, Flexibility and Economic Benefits.

1.4 The GoC plans to engage Industry through two (2) possible Industry Engagements. Canada will consider the information gathered during the Industry Engagement(s) and decide on a course of action that may include all or some of the Industry feedback.

1.5 The first Industry Engagement will include a plenary Industry Day and One-on-One Sessions to be held in the National Capital Region. Participants will be presented with an overview of the requirement, the proposed process, and the options currently under consideration before providing their feedback. In addition, an overview of the Industrial and Technological Benefits (ITB) Policy and the process to develop the evaluation framework for the Value Proposition, will be presented to Industry. The type of industry feedback being sought for the first Industry Engagement will focus on the following areas of interest:

- The activities required to sustain an Enterprise-Wide Sustainment Program and the optimal division of responsibilities between Government and Industry;
- A performance management framework including a definition of outcomes and high level metrics;
- Considerations associated with any potential tendering process; and
- Approaches to leveraging economic benefits to Canada for Aircraft Maintenance, Repair and Overhaul.

The GoC is seeking Industry feedback for the One-on-One sessions from companies who preferably:

- Are involved in aircraft engine Repair and Overhaul;
- Have or are able to obtain the necessary agreements with the major engine Original Equipment Manufacturer (OEM) or who are OEMs; and
- Do business in the Defence Sector.

1.6 The second possible Industry Engagement will consist of the GoC seeking feedback on the Draft Request for Proposal (RFP) documentation.

1.7 Interested firms are encouraged to review the documents attached to the LOI and provide comments and/or questions, in writing to the PSPC Contact identified herein at Section 5.

1.8 A Fairness Monitor (FM) has been engaged to provide independent assurance that this procurement is conducted in a fair, open and transparent manner.

1.9 Further details concerning the Industry Engagement will be communicated on <https://buyandsell.gc.ca/> as they become available throughout the period of this LOI.

2. Background Information:

2.1 The J85-CAN-40 Propulsion Group powers Canada's CT114 Tutor aircraft. General Electric is the Original Equipment Manufacturer (OEM) of the J85 engine. The J85-CAN-40 Propulsion Group is a variant of the J85 engine that was modified and redesigned to meet Royal Canadian Air Force (RCAF) specifications. The engine was manufactured by Orenda, then a subsidiary of Hawker-Siddeley Canada Ltd, under license from General Electric.

2.2 The End-of-Life of the CT114 Tutor aircraft fleet is currently planned to 2030. The planned Yearly Flying Rate (YFR) to End-of-Life is 3,700 flying hours. (The YFR for an aircraft fleet is subject to change at any time).

2.3 There are presently twenty-five (25) active aircraft in the CT114 Tutor fleet that are supported by forty-five (45) active J85-CAN-40 engines.

3. Security

3.1 There is no security requirement associated with this LOI. Respondents should note that potential follow-on procurement activities will require a Public Works and Government Services Canada (PWGSC) classified clearances at the level of SECRET for applicable staff and facilities.

4. Proposed Scope:

4.1 The GoC is seeking an Enterprise-Wide Sustainment Program for the J85-CAN-40 Propulsion Group with an optimal division of responsibilities between Government and Industry.

4.2 The scope of activities required to sustain the J85-CAN-40 Propulsion Group are:

- Program Management including a Performance Management framework;
- Maintenance Support including First, Second, Third Line and Field Support;
- Engineering Support including Publications and Configuration Management;
- Material Support;
- Training Support;
- Technical Data Package and Publications Management Support;
- Information Management / Technology Support; and
- Management and manning of the Engine Bay/Test Cell.

4.3 The detailed description of the above-mentioned activities can be found in Annex D J85 PGS LOI Supporting Technical Documentation, attached.

4.4 Canada will seek to leverage this procurement through the application of the Industrial and Technological Benefits (ITB) Policy, including a Value Proposition (VP).

4.5 The ITB Policy has four (4) main objectives:

- Support the long-term sustainability and growth of Canada's defence sector;
- Support the growth of prime contractors and suppliers in Canada, including small and medium-sized enterprises in all regions of the country;
- Enhance innovation through Research and Development (R&D) in Canada; and
- Increase the export potential of Canadian-based firms.

4.6 Industry engagement is an important element of Canada's Defence Procurement Strategy and Canada requests Industry's feedback to support the development of the Value Proposition for the J85-CAN-40 Propulsion Group Sustainment (PGS) Program.

5. PSPC Contact:

Any correspondence must be directed, in writing, in either official language of Canada, to the PSPC Contact identified below, via email:

Carole Bertrand
Supply Specialist
Fighters and Trainers Division,
Aerospace Equipment Program Directorate (AEPD),
Land and Aerospace Equipment Procurement and Support Sector (LAEPSS),
Public Services and Procurement Canada (PSPC)

11 Laurier Street, Place du Portage III, 8C1 Gatineau, Quebec K1A 0S5
E-mail: carole.bertrand@tpsgc-pwgsc.gc.ca

Changes to this LOI may occur and will be advertised on the Gouvernement Electronic Tendering System, <https://buyandsell.gc.ca/>. Canada asks Respondents to visit <https://buyandsell.gc.ca/> regularly to check for changes, if any.

6. Requested Information:

6.1 Canada is requesting feedback from Industry on questions summarized in the response template at Annex C – One-on-One Sessions. Respondents are encouraged to provide a response at Annex C even if they are not able to participate at Industry Engagement or in the One-on-One Sessions. Responses are to be provided in writing to the PSPC Contact herein identified at Section 5 on or before January 29, 2018.

7. Industry Interaction:

7.1 The Industry Day is an open forum where Industry representatives will be presented an overview of J85-CAN-40 Propulsion Group Sustainment (PGS) requirement, address the four SI principles:

- Performance – defence equipment that is operationally ready and mission capable;
- Value for Money – the required outcomes are procured at a price commensurate with the market rate for comparable procurements;
- Flexibility – an adaptable and scalable support system that can readily be adjusted to changes in operational requirements and/or operating budgets;
- Economic Benefits – leverage industrial benefits from defence procurements to create jobs and economic growth for companies in Canada.

and for Canada to answer any questions. After the overview, there will be One-on-One Sessions, the purpose of which are to provide interested participants with the opportunity to present any suggestions on a Performance-Based Enterprise-Wide Sustainment Program for the J85-CAN-40 Propulsion Group for the CT114 Tutor fleet of aircraft and recommended leveraging opportunities for economic benefits.

7.2 All questions received prior to Industry Day will be presented and replied to at the plenary Industry Day.

7.3 The Industry Day and One-on-One Sessions will be held from February 5 to 6, 2018 at 455 Boulevard de la Carriere, Gatineau, Quebec.

7.4 These individual sessions will provide another opportunity for both Canada and Industry to interact and discuss the presented material.

7.5 Participants wishing to participate in the Industry Day and/or in a One-on-One Session are requested to complete the forms at Annex A, Appendix 1 – Rules of Engagement Agreement and Annex B – Non-Disclosure Agreement and return them to the PSPC Contact, identified herein at Section 5, on or before January 29, 2018.

7.6 Industry Day presentations made by the Government of Canada, responses to questions and a list of participants in attendance will be published on <https://buyandsell.gc.ca/>.

7.7 Participants will be required to submit any additional feedback to the Industry Engagement, in writing, to the PSPC Contact, identified herein at Section 5, on or before January 29, 2018.

7.8 Non-attendance at the Industry Day or the One-on-One Sessions will not preclude a supplier from bidding on this requirement, should a follow-on solicitation be issued.

7.9 All submitted information, comments and/or questions must be based solely on the documentation herein and Industry should not reference any other past procurement process.

8 Registration:

8.1 All Participants who wish to participate in the Industry Day and/or One-on-One sessions are required to sign and agree to the Rules of Engagement Agreement (attached as Annex A, Appendix 1) and the Non-Disclosure Agreement (attached as Annex B).

8.2 To register for the LOI Industry Day and/or One-on-One sessions, Participants must fill in the Rules of Engagement Agreement form and list the preferred time slots, as attached at Annex A, Appendix 1 and e-mail the completed attachments to the PSPC Contact, identified herein at Section 5, no later than COB on January 29, 2018. One-on-One Sessions will be scheduled on a first come basis. Participants must identify themselves by their legal name, corporate address, the names of all representatives attending and their respective title as well as their office address, telephone number and e-mail address.

8.3 Only pre-registered individuals will be admitted to the LOI Industry Day and/or One-on-One sessions. There will be no registration at the door. All participants will be required to sign-in upon arrival.

9. Format and Dates:

9.1 The Industry Day plenary session will be held on February 5, 2018 from 8:30 to 12:00.

9.2 The One-On-One sessions will be available for Participants who have registered as described above on February 5, 2018 from 13:00 to 14:30, and from 14:45 to 16:15, and on February 6, 2018, from 8:30 to 10:00, from 10:15 to 11:45, from 13:00 to 14:30, and from 14:45 to 16:15.

10. **Plenary Industry Day Session:**

The outline of the plenary Industry Day Session will be as follows:

a) Public Services and Procurement Canada (PSPC)

1. Agenda Overview;
2. Facility Logistics;
3. Presentation of DND / ISEDC Teams;
4. Procurement Strategy; and
5. Closing Remarks.

b) Department of National Defence (DND)

1. Program Overview; and
2. Technical Requirements;

c) Innovation, Science, and Economic Development Canada (ISEDC)

1. Defence Procurement Strategy (DPS) and Industrial and Technical Benefits (ITB) Policy, including Value Proposition (VP) Overview; and
2. Design process for the Value Proposition.

11. **One-on-One Sessions:**

11.1 Canada will hold One-on-One sessions with interested Industry Participants to listen to recommendations and questions. Upon completion of the One-on-One Sessions, Canada will analyze and summarize Industry's feedback.

11.2 Industry Participants are encouraged to provide written comments and recommendations as per the response template at Annex C – One-on-One Sessions Response Template, on the proposed topics for the One-on-One sessions, as well as any additional topics they may wish to discuss. Respondents should be aware that Canada may not have time to fully review and be prepared to discuss Annex C submissions received after January 29, 2018 during One-on-One sessions.

11.3 Note that the One-on-One Sessions will be held with Industry Participants individually and questions and answers will not be published on <https://buyandsell.gc.ca/>

12. Notes to Interested Industry Participants:

12.1 This LOI is neither a call for tender nor a Request for Proposal (RFP), and no agreement or contract for the procurement of the requirement described herein will be entered into solely as a result of this LOI. The issuance of this LOI is not to be considered in any way as a commitment by Canada or as authority to potential Respondents to undertake any work that could be charged to Canada.

12.2 This LOI is not to be considered as a commitment to issue a subsequent solicitation or award contract(s) for the work described herein.

12.3 Canada does not intend to award a contract on the basis of the notice or otherwise pay for the information solicited. Any and all expenses incurred by the Respondent in pursuing this opportunity, including the provision of information and potential visits, are at the Respondent's sole risk and expense.

12.4 Any discussions on this subject with project staff representing DND, PSPC, ISEDC or any other GoC representative or other personnel involved in project activities, must not be construed as an offer to purchase or as a commitment by DND, PSPC, ISEDC or the GoC.

12.5 Respondents may provide documents / information / data collected as commercial-in-confidence (and if identified as such, will be treated accordingly by Canada). However, Canada reserves the right to use the information to assist them in drafting performance specifications and for budgetary purposes in consultation with both national and international stakeholders. Requirements are subject to change, which may be as a result of information provided in response to this LOI. Participants are advised that any information submitted to Canada in response to this LOI may, or may not, be used by Canada in the development of the potential subsequent RFP. The issuance of this LOI does not create an obligation for Canada to issue a subsequent RFP and does not bind Canada legally or otherwise, to enter into any agreement or to accept or reject any suggestions.

12.6 Respondents are encouraged to clearly identify, in writing, in the information they share with Canada, any information they feel is commercial-in-confidence, proprietary, third party or personal. Please note that Canada may be obligated by law (e.g. in response to a request under the Access to Information and Privacy Act) to disclose proprietary or commercially-sensitive information concerning a Respondent (for more information: <http://laws-lois.justice.gc.ca/eng/acts/a-1/>).

12.7 Respondents are asked to identify, in writing, if their response, or any part of their response, is subject to the Controlled Goods Regulations.

12.8 Participation in this LOI is encouraged, but is not mandatory. There will be no short-listing of potential suppliers for the purposes of undertaking any future work as a

result of this LOI. Similarly, participation in this LOI is not a condition or prerequisite for the participation in any potential subsequent solicitation.

12.9 Respondents will not be reimbursed for any cost incurred by participating in this LOI.

12.10 Media cannot participate in the plenary LOI Industry Day Session and One-on-One Sessions.

12.11 No electronic recordings, audio or visual, will be permitted during the plenary LOI Industry Day and One-on-One Sessions.

13. Attached Documents:

- Annex A – Rules of Engagement
 - Appendix 1 – Rules of Engagement Agreement
 - Appendix 2 – One-on-One Sessions Sign-Up Sheet
- Annex B – Non-Disclosure Agreement
- Annex C – One-on-One Sessions - Response Template
- Annex D – J85 PGS LOI Supporting Technical Documentation

14. Closing date for the Letter of Interest (LOI):

The LOI Industry Engagement and One-on-One Sessions closing date is currently planned for February 5 to 6, 2018.

**J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)
Letter of Interest
N° W8485-17BA03/B 001**

Industry Engagement Process

Annex A – Rules of Engagement

RULES OF ENGAGEMENT:

1. This Industry consultative process will be conducted with the utmost fairness and equity between all Parties. No individual or organization must receive nor be perceived to have received any unusual, preferential or unfair advantage over the others during this consultation.
2. Participation in this industry consultation process requires attendees to sign and return the Rules of Engagement Agreement attached at Annex A, Appendix 1 and the Non-Disclosure Agreement attached at Annex B. By signing Annex A, Appendix 1, Participants agree to abide by the Rules of Engagement (ROE) contained herein. By signing Annex B, Participants agree to abide by the terms set out therein. This Engagement Agreement will apply beginning with the signing of this Engagement Agreement and concluding with the release of the RFP on the Government Electronic Tendering Service (GETS), <https://buyandsell.gc.ca/>
3. The LOI Industry Engagement Process will consist of an Industry Day, One-on-One Sessions, and any other events deemed necessary by Canada.
4. The LOI Industry Day and One-on-One Sessions will be hosted by Canada (including PSPC, DND and ISEDC) and will be attended by potential vendors.
5. A copy of the ROE Agreement must be signed by each individual representative participating in the Industry Day and/or One-on-One Sessions.
6. In order to maximize the benefits of the consultative process, Canada will endeavor to solicit relevant feedback and comments from Participants on various issues raised relating to the definition of requirements and the sourcing process. Any solutions, ideas or issues raised during the One-on-One Sessions will be analyzed for further consideration by Canada. Questions referenced are attached at Annex C – One-on-One Sessions – Response Template.
7. Should Canada have the need for further input from the Participants, follow-on sessions with some or all Participants will be considered.

8. Canada will perform a review of Industry feedback submitted and may incorporate it as it deems appropriate in the development of any subsequent RFP that will be posted on the GETS, <https://buyandsell.gc.ca/>.
9. Canada intends to communicate the content of the plenary LOI Industry Day via <https://buyandsell.gc.ca/>.
10. Questions, clarifications and information of a proprietary nature must be clearly identified as "proprietary" or "Commercial-in-Confidence" by Participants.
11. Canada will not disclose proprietary or commercially sensitive information concerning a Participant to other Participants or third parties, except and only to the extent required by law.
12. Canada intends to communicate the names of all Participants in attendance at the end of the Industry Interaction via <https://buyandsell.gc.ca/>. Should a Participant not want their name communicated, please indicate so in Annex A, Appendix 1 – Rules of Engagement Agreement.
13. Participation in the consultative process is not a condition or prerequisite for the participation in any RFP.

Terms and Conditions:

1. The following terms and conditions apply to the Industry Engagement process. In order to encourage open dialogue and a fair and transparent process, Participants agree to the following:
 - a. Participants must register for the LOI One-on-One Sessions by signing and returning the Rules of Engagement Agreement, no later than January 29, 2018. Participants can indicate their preferred time slot in their request for registration by filling out Annex A, Appendix 1 – Rules of Engagement Agreement. The time slots of the One-on-One Sessions are indicated in Annex A, Appendix 2 – One-on-One Sessions Sign-Up Sheet. A maximum of five (5) Participants per interested firm can sign up to the One-on-One Sessions;
 - b. Registration of Participants must be submitted by e-mail to the PSPC Contact identified herein at Section 5 above;
 - c. During the LOI Industry Day and One-on-One Sessions, Participants are to direct all inquiries and comments only to authorized representatives of Canada, as directed in notices given by Canada;

- d. Canada requires Participants to NOT reveal or discuss any information or documentation to the Media regarding the J85-CAN-40 Propulsion Group Sustainment (PGS) Program during this Industry Consultative process. If Participants receive a question from the Media, Participants are to direct the Media to contact the PSPC Media Relations Office at 819-420-5501 or by e-mail at media@pwgsc-tpsgc.gc.ca;
 - e. Media are not permitted to participate in the industry plenary LOI Industry Day Session or One-on-One Sessions;
 - f. Canada is not obligated to issue any RFP, or to negotiate any contract for the J85-CAN-40 Propulsion Group Sustainment (PGS) Program as a result of this Industry consultative process;
 - g. If Canada does release an RFP, the terms and conditions of the RFP will be at the sole discretion of Canada;
 - h. Canada will not reimburse any person or entity for any cost incurred in participating in this Industry consultation process;
 - i. Participants are encouraged to provide feedback concerning the J85-CAN-40 Propulsion Group Sustainment (PGS) Program and to provide constructive resolutions to the issues in question. All Participants will have equal opportunity to share their ideas and suggestions;
 - j. Participation is not a mandatory requirement. Not participating in this LOI Consultation Process will not preclude a bidder from submitting a proposal(s) on an upcoming competitive procurement process;
 - k. Failure to sign the ROE will prevent Participants from participating in the LOI Industry Day and One-on-One Sessions, and
 - l. It is requested that the contact information (name, phone number, e-mail address) for the company representative be provided with this signed agreement.
2. The terms and conditions outlined above are to be respected by all Participants, in order to ensure a fair consultation process and generate a discussion that will be beneficial to both Canada and Industry. Failure to comply with any of those may result in the company becoming ineligible to continue as a Participant of the J85-CAN-40 Propulsion Group Sustainment (PGS) Program Industry Consultative process.
 3. 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.

**J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)
Letter of Interest
N° W8485-17BA03/B 001**

Industry Engagement Process

Annex A, Appendix 1 – Rules of Engagement Agreement

Attendance at the plenary LOI Industry Day and One-on-One Industry Engagement Sessions for the J85-CAN-40 Propulsion Group Sustainment (PGS) Program is open to all interested Participants and is conditional on the formal acceptance of this Industry Rules of Engagement Agreement.

Due to the nature of the LOI Industry Engagement and the information sought by Canada, One-on-One Sessions will be scheduled on a priority basis. Participants interested in attending the One-on-One Sessions are required to identify, in the table below, their preferred choices for the One-on-One Sessions. The available time slots for the One-on-One Sessions are attached at Annex A, Appendix 2 – One-on-One Sessions Sign-Up Sheet.

In addition, should a Participant wish to take part in a One-on-One Session, the Participant must complete and return Annex C – One-on-One Sessions – Response Template and include any additional questions they wish to discuss to the PSPC Contact, identified herein at Section 5 above, on or before January 29, 2018.

A duly authorized officer of the company shall sign this Industry Rules of Engagement Agreement in this regard.

Participants' LOI One-on-One Sessions Preferred Choices		
Choice #:	Identify either Day 1 or Day 2:	Identify Preferred Time:
#1:		
#2:		
#3:		
#4:		

Name of Participant Company (please print):

Language of Preference: English French

List of Company's Participants: Please provide the required information as per table below (up to a maximum of 5 participants per company):

1.	Name and Title of Individual:	
	Telephone Number:	
	E-mail:	
	Signature:	
	Date:	

2.	Name and Title of Individual:	
	Telephone Number:	
	E-mail:	
	Signature:	
	Date:	
3.	Name and Title of Individual:	
	Telephone Number:	
	E-mail:	
	Signature:	
	Date:	
4.	Name and Title of Individual:	
	Telephone Number:	
	E-mail:	
	Signature:	
	Date:	
5.	Name and Title of Individual:	
	Telephone Number:	

	E-mail:	
	Signature:	
	Date:	

Please indicate if the Company's Distribution Coordinates, as per table above, may be shared with other Industry Participants: Yes No

**J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)
Letter of Interest
N° W8485-17BA03/B 001**

Industry Engagement Process

Annex A, Appendix 2 –One-on-One Sessions Sign-Up Sheet

Date: February 5 to 6, 2018

Location of the Plenary Industry Day and One-on-One Session: 455 Boulevard de la Carriere, Gatineau, Quebec.

PSPC	DND	ISED	Fairness Monitor
Tim Babcock, Manager	Lieutenant-Colonel Garth Sindrey CT114 Weapon System Manager (WSM)	Jennifer Naddaf	Peter Woods, Fairness Monitor Specialist
	Major Claude Bougie CT114 Deputy Weapon System Manager (D/WSM)	Meaghan Curran	
	Captain El Mostafa Sekouri Technical Authority (TA)		
	Warrant Officer Jamie Allison Deputy Technical Authority (D/TA)		
	Linda Nguyen CT114 Procurement Manager (PM)		
	Chabha Belabid CT114 Procurement Authority (PA)		
	Mo Luqman Procurement Authority Assistant (PAA)		

J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)

		DAY 1 - LOI ONE-ON-ONE SESSIONS Date: February 5, 2018
12:00 – 12:50	D a y 1	LUNCH BREAK
13:00 – 14:30		1st One-on-One Session
14:30 – 14:45		BREAK
14:45 – 16:15		2nd One-on-One Session
		DAY 2 - LOI ONE-ON-ONE SESSIONS Date: February 6, 2018
08:30 – 10:00	D a y 2	1st One-on-One Session
10:00 – 10:15		BREAK
10:15 – 11:45		2nd One-on-One Session
12:00 – 13:00		LUNCH BREAK
13:00 – 14:30		3rd One-on-One Session
14:30 – 14:45		BREAK
14:45 – 16:15		4th One-on-One Session
08:30 – 12:00		DAY 1 – PLENARY LOI INDUSTRY DAY SESSION

**J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)
Letter of Interest
N° W8485-17BA03/B 001**

Industry Engagement Process

Annex B – Non-Disclosure Agreement

NON-DISCLOSURE AGREEMENT

Each Participant must sign the Non-Disclosure Agreement.

I, _____ (name, please print), recognize that in the course of my work as an employee of

_____ (please print), I may be given access to information by or on behalf of Canada, pursuant to the LOI W8485-17BA03/B 001. For the purposes of this agreement, information includes but is not limited to: any documents, instructions, guidelines, data, material, advice or any other information whether received orally, in printed form, recorded electronically, or otherwise and whether or not labeled as proprietary or sensitive, that is disclosed to a person or that a person becomes aware of during the Letter of Interest process.

I agree that I will not reproduce, copy, use, divulge, release or disclose, in whole or in part, in whatever way or form any information described above to any person other than a person employed by Canada. I undertake to safeguard the same and take all necessary and appropriate measures, including those set out in any written or oral instructions issued by Canada, to prevent the disclosure of or access to such information in contravention of this agreement.

I also acknowledge that any information provided to the Company Participant by or on behalf of Canada must be used solely for the purpose of responding to the LOI and must remain the property of Canada or a third party, as the case may be.

I agree to remain bound by this agreement after the completion of the LOI W8485-17BA03/B 001.

Signature

Title

Date

**J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)
Letter of Interest
Nº W885-17BA03/B 001**

Industry Engagement Process

Annex C – One-on-One Sessions – Response Template

*Note: Header Information to be provided in Company's format

J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)

Industry Engagement
Proposed Discussion Topics
DATE
Company (Company Name) Response

*Note: This template is being provided to assist Canada to prepare for the One-on-One Sessions and to facilitate the consultative process. Your written response to the following proposed discussion topics and questions and additional topics are encouraged but optional.

On this title page, please provide:

Company Information (Company Name, Address, Web address, etc.)
Contact Information (Name, Title, Phone, E-mail Address)
Document Protection Level (Optional)
Header Information in Company's format

Footer Information in Company's format Page X of X

The intent of this document is to present possible topics for discussion to promote open dialogue while working in consultation and collaboration with Industry in identifying how they propose to meet Canada's J85-CAN-40 Propulsion Group Sustainment (PGS)

Program requirements. This collection of topics is by no means exhaustive and Canada encourages participants to bring forward any other key issues that they consider to be relevant.

Consideration of and responses to this document will play an important role in this consultative process by fostering open discussion.

INSTRUCTIONS:

1. This document template is intended to provide guidance to Industry in preparing for the J85-CAN-40 Propulsion Group Sustainment (PGS) Program. One-on-One meetings and their discussion papers. It is not expected that all questions will elicit a response; neither should submissions be constrained by the questions or topics of discussion.
2. Use the written format of your choice, but keep the same section numbering to facilitate Canada's analysis of all responses.
3. The number of pages of your response is not limited. However, it is requested responses not exceed 20 pages single sided standard business format.
4. Written responses are to be provided electronically in MS Word or PDF format.

Section 1: Executive Summary

- 1-1 Describe if you are an Original Equipment Manufacturer (OEM) or a potential supplier/distributor.
- 1-2 Does your company currently have operations in Canada?

Section 2: DND Specific Questions:

- 2-1 Does your Company have the capability to perform Repair and Overhaul and provide Technical Investigation and Engineering Support (TIES) for J85 gas turbine baseline aircraft engines?
- 2.2 Is your company able to obtain the required technical data and a business agreement with General Electric that allows you to perform Repair and Overhaul and provide Technical Investigation and Engineering Support (TIES) for the J85 gas turbine baseline engine?
- 2-3 Is your Company able to obtain the required technical data and business agreements with General Electric that allows you to perform Repair and Overhaul and provide Technical Investigation and Engineering Support (TIES) for the J85-CAN-40 engine variant and components associated with the J85 gas turbine baseline engine?
- 2-4 Are there any commercial and/or regulatory restrictions associated with providing support to Canada in sustainment of its fleet of J85-CAN-40 variant engines?

- 2-5 Does your Company have an established Supply Chain Management (SCM) system in place? If so, provide a brief summary about your experience.
- 2-6 Does your Company have or are able to establish a J85 baseline, parts supply network?
- 2-7 Does your Company have or are able to establish a combined J85 baseline and J85-CAN-40 variant parts supply network?

Section 3: Industrial and Technological Benefits (ITB), including Value Proposition (VP)

3.1 Direct Canadian Content:

- a. Please describe your anticipated level of direct Canadian content related to the performance of this program.

3.2 Defence Sector:

- a. Canada has a strong and diverse Maintenance, Repair and Overhaul (MRO) sector for aerospace. Please describe what investments your company could make in Canada's aerospace maintenance repair and overhaul sector to further support future growth.

3.3 Supplier Development:

- a. What opportunities would your company see for Canadian suppliers?

3.4 Research and Development:

- a. How do you see your company making investments in innovative research and development projects as a result of this program?

3.5 Exports:

- a. How would work in the areas outlined above support exports sales for Canada?

3.6 Other:

- a. Where else do you see strategic opportunities for Canada that could be leveraged as a result of this project in the defence sector or in other economic sectors?
- b. Please provide suggestions and recommendations to support the design of the evaluation framework for the value proposition on the program.

J85 PGS LOI

Annex D –

Supporting Technical Documentation

Table of Contents

1. Background Information	3
1.1 CT-114 Tutor Fleet.....	3
1.2 J85-CAN-40 Engine	4
1.3 Definitions.....	4
2. Sustainment Requirements (High-Level Description)	6
2.1 J85 PGS Enterprise Governance & Management	6
2.2 Transition Requirements	8
2.3 Program Management	10
2.4 Maintenance Support.....	12
2.5 Engineering Support.....	15
2.6 Materiel Support.....	16
2.7 Training Support	26
2.8 Technical Data Package (TDP) and Publications Management.....	26
2.9 IM/IT Support	26
2.10 Resources	28
3. Performance Management (High-Level Description)	31
3.1 Performance Management Guidance	31
3.2 Strategic Performance Measures (SPMs).....	31
3.3 Key Performance Indicators (KPIs)	31
3.4 System Health Indicators (SHIs).....	32

1. Background Information

1.1 CT-114 Tutor Fleet

- 1.1.1 The CT-114 Tutor aircraft was procured in the mid-1960s to train student pilots. Since the year 2000 the CT-114 has been flown in an Air Demonstration role by 431 Squadron's Snowbirds, 15 Wing Moose Jaw; and, in support of flight test programs at the Aerospace Engineering Test Establishment (AETE), 4 Wing Cold Lake.
- 1.1.2 There are presently 25 active aircraft in the CT-114 fleet; 20 at 431 Sqn Moose Jaw and 5 at AETE Cold Lake.
- 1.1.3 In addition to these 25 active aircraft, there are 60 aircraft stored across Canada in various conditions which are used for different purposes to support fleet operations and basic technical training requirements:
 - a. A total of 27 of the 60 stored aircraft, 13 at Aerospace and Telecommunication Engineering Support Squadron (ATESS) at 8 Wing Trenton ATESS are identified as primary aircraft available for reactivation and 14 at Canadian Forces School of Aerospace Technology and Engineering (CFSATE) at 16 Wing Borden have been identified as back-up aircraft) can be reactivated for operations;
 - b. 37 aircraft are used as technical training aids at the Canadian Forces School of Aerospace Technology and Engineering (CFSATE) at 16 Wing Borden;
 - c. Remaining 23 aircraft are in storage at the Aerospace and Telecommunication Engineering Support Squadron (ATESS) at 8 Wing Trenton;
 - d. A total of 23 aircraft at CFSATE are not considered for future re-activation yet;
 - e. Remaining 10 aircraft at ATESS cannot be returned to service and are part of the cannibalization program to aid with fleet sustainment; and
 - f. Some stored aircraft have been progressively reactivated to replace other aircraft reaching the end of their scheduled fatigue life.
- 1.1.4 The End-Of-Life of the CT-114 Tutor aircraft fleet is currently planned to 2030.
- 1.1.5 The planned Yearly Flying Rate (YFR) to end of life is 3,700 flying hours. The YFR for an aircraft fleet is subject to change at any time.

1.2 **J85-CAN-40 Engine**

- 1.2.1 The J85-CAN-40 Propulsion Group powers Canada's CT-114 Tutor aircraft. General Electric is the Original Equipment Manufacturer (OEM) of the J85 engine.
- 1.2.2 The J85-CAN-40 Propulsion Group is a variant of the J85 engine that was modified and redesigned to meet the Royal Canadian Air Force (RCAF) specifications. This was accomplished by Magellan Aerospace Limited, (formerly Orenda Aerospace Corporation, a subsidiary of Hawker-Siddeley Canada Ltd.) through a Technical Assistance Agreement (TAA) and a manufacturing license with General Electric.
- 1.2.3 There are currently 45 active engines supporting the fleet (25 engines installed on aircraft at 431 Squadron and AETE, 20 engines on the ground in the maintenance cycle in various locations across Canada) and an additional 64 engines stored at ATESS.

1.3 **Definitions**

- 1.3.1 **First Line Replaceable Parts (FLRPs).** FLRPs are defined as all parts required to maintain the J85-CAN-40 Propulsion Group. This includes Serviceable and Ready for Installation (RFI) engines, repairables and consumables. These FLRPs will be supplied to Canada by the PGS Contractor via permanent handover points at the Customer Service Window (CSW) in Moose Jaw, at AETE, at ATESS, at CFSATE and temporary handover points as/when required for Mobile Repair Parties (MRP) locations.
- 1.3.2 **Customer Supply Window (CSW).** In Moose Jaw only, a location where RCAF technicians make demands for, or return of, PGS parts. This will be an actual window, with PGS Contractor personnel behind the CSW to provide and receive PGS Inventory. PGS parts come out of the window serviceable and ready for installation, and are returned to the CSW serviceable and unserviceable.
- 1.3.3 **Handover Point.** It is the point at which the care and custody is transferred from the PGS Contractor to Canada at the following locations: permanent for MJ (CSW), AETE, ATESS, CFSATE, and temporary for Mobile Repair Parties (MRP) locations.
- 1.3.4 **Pack-Up Kit (PUK).** Amalgamation of J85-CAN-40 parts used to conduct maintenance at deployed locations. For the Snowbird, during airshow season, a PUK is stored in a transport truck known as the Moose Jaw Mobile Support Vehicle (MSV). Moose Jaw and AETE may transport a PUK using a trailer, a truck, and/or boxes as required.
- 1.3.5 **Transition Inventory.** It is associated with the legacy contractor's output, and DND's inventory at the time of contract award. It is the inventory needed for the duration of the transition to conduct day-to-day operations until the PGS Contractor's production capability has reached steady-state. PG Items necessary to satisfy Work in

Progress (WIP) at the Legacy Contractor come out of the Transition Inventory. Serviceable and Ready for Installation (RFI). Parts produced through WIP by the Legacy Contractor will be added to the Transition Inventory.

- 1.3.6 **Operational Inventory.** It is the inventory necessary to conduct operations at AETE, ATESS and CFSATE. These are pre-positioned parts under the care, control, and custody of DND. The pre-positioned parts are replenished by the PGS Contractor.
- 1.3.7 **PGS Inventory.** It is derived at the time of contract award, and consists of the DND Legacy Inventory minus the Transition Inventory. Its purpose is for the PGS Contractor to set up their internal processes. After reaching steady state (after FOC is achieved and legacy contract expires), it comprises of all the inventory for the J85 PGS, minus the Operational Inventory.
- 1.3.8 **Stocks.** Items owned by the PGS Contractor prior to being sold to Canada.

2. Sustainment Requirements (High-Level Description)

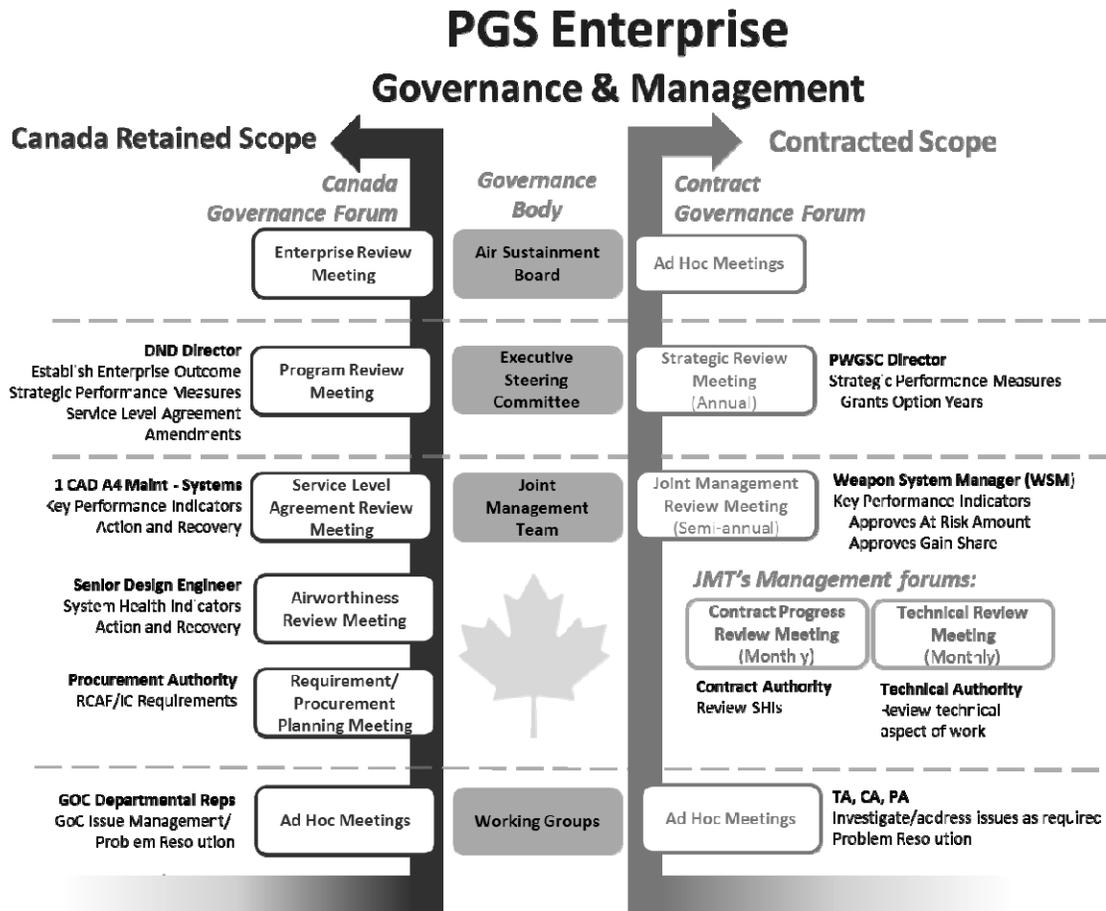
2.1 J85 PGS Enterprise Governance & Management

2.1.1 General

- 2.1.1.1 In order to ensure that the J85 PGS Enterprise elements work in alignment, there is a need for strategic governance and a defined management structure. The governance structure ensures strategic oversight, balance amongst stakeholder interests, and decision-making at the appropriate level.

PGS Enterprise





2.1.2 Structure

2.1.2.1 The structure will be as follows:

- a. Air Sustainment Board (ASB);
- b. Executive Steering Committee (ESC);
- c. Joint Management Team (JMT); and
- d. Working Groups (WGs).

2.1.3 Roles and responsibilities of Canada

2.1.3.1 Canada's roles and responsibilities will be as follows:

- a. Enterprise-level PGS program management and direction;
- b. Requirements definition;
- c. Internal budget/financial execution;
- d. Internal reporting requirements;
- e. Contract management;

- f. Product/service acceptance;
- g. Airworthiness regulations and granting of airworthiness authorities to organizations through the airworthiness acceptance process, and retention of airworthiness authorities not devolved to the PGS Contractor;
- h. Primary Air Vehicle / Avionics / Propulsion Group (PAV/AVS/PGS) contract interface; and
- i. Key Decisions of Significance:
 - 1) Operational Decisions; and
 - 2) Airworthiness Decision.

2.1.4 Roles and responsibilities of PGS Contractor

2.1.4.1 The PGS Contractor's roles and responsibilities will be as follows:

- a. Contract's Terms & Conditions (Ts&Cs);
- b. Performance Work Statement (PWS);
- c. Performance Management Specification (PfMS); and
- d. Basis of Payment (BoP).

2.2 Transition Requirements

2.2.1 Contract Transition and Implementation Plan (CTIP)

2.2.1.1 The CTIP must detail and describe how the PGS Contractor plans to address all of the activities required to move from Contract Start to Basic Operational Capacity, Initial Operational Capacity and to Full Operational Capacity.

2.2.1.2 The plan must demonstrate that the PGS Contractor will be capable of performing all work described in the PWS within the timelines specified in the Transition Milestones Matrix.

2.2.2 Readiness Review Process (RRP)

2.2.2.1 The RRP will consist of:

- a. Contract Kick-Off Meeting;
- b. Readiness Review Meetings (RRMs)
- c. Progress Review Meetings (PRMs); and
- d. Technical review Meetings (TRMs).

2.2.3 Activities/Milestones

2.2.3.1 The activities/milestones will be as follows:

- a. Transition activities will be addressed by one of the following milestones;
- b. Operational Start Date (OSD) – Related to obtaining U.S. Department of State Third Party Transfer (TPT) Approval;

- c. Basic Operating capability (BOC) – Critical & essential support services (30-60 days after OSD);
- d. Initial Operating Capability (IOC) – Initial level of readiness (6-9 months after OSD); and
- e. Full Operating Capability (FOC) – Maximum level of readiness (12-18 months after OSD).

2.2.4 Airworthiness Implementation

2.2.4.1 The accreditations required are:

- a. Accredited Maintenance Organization (AMO),
- b. Accredited Technical Organization (ATO),
- c. Accredited Design Organization (ADO),
- d. Accredited Material Support Organization (AMSO), and
- e. Accredited Manufacturing Support Organization (AMfSO).

2.2.4.2 The implementation will comply with the Directorate Technical Airworthiness and Engineering Support Technical Airworthiness Authority (DTAES TAA) Accreditation/Recognition Process.

2.2.4.3 The key deliverable will be the Airworthiness Management Plan (AMP).

2.2.5 Materiel Support Implementation

2.2.5.1 Canada is responsible for the transportation of all Government Furnished Equipment (GFE), Contract Issue Spares (CIS) and Government Furnished Overhaul Spares (GFOS) from the Supply Depots and from the current PG Contract incumbent's location, if applicable.

2.2.5.2 The PGS Contractor is responsible for receipt and bringing on charge of all GFE, CIS and GFOS from the Supply Depots and from the current J85 R&O contract incumbent's location, if applicable.

2.2.5.3 Until the GFOS has been brought on charge by the PGS Contractor, the latter must account for the GFOS in the PGS Contractor's system of record;

2.2.5.4 The PGS Contractor must conduct an initial inventory rationalization for the current DND-owned PG systems spares inventories. The purpose of the rationalization is to remove spares from inventory that are not required to sustain the fleet until the fleet is withdrawn from service.

2.2.5.5 The PGS Contractor must, for inventory that has been identified as being in excess of that required to meet the fleet's End of Fleet Life and perform the disposal activities.

2.2.6 **Training Support Implementation**

2.2.6.1 The PGS Contractor must facilitate and take part in a one-time Technical Proficiency Working Group with RCAF First and Second Line representatives to refine and align the PGS Contractor Training Support Services to existing DND programs and policies.

2.2.6.2 This Working Group must take place before FOC.

2.3 **Program Management**

2.3.1 **General**

2.3.1.1 Canada retains full responsibility for Program Management within the J85 PGS Enterprise, including coordination of resources and activities across the Enterprise; however, the PGS Contractor will perform internal Program Management over the Contract scope.

2.3.1.2 The J85 PGS PWS gives the PGS Contractor the flexibility to control and execute the Work in order to best meet the performance outcomes, and assigns to the PGS Contractor accountability for the results.

2.3.2 **Governance Forums**

2.3.2.1 The Governance forums will be as follows:

- a. Strategic Review Meetings (SRMs);
- b. Joint Management Review Meetings (JMRRMs); and
- c. Ad Hoc Meetings.

2.3.3 **Monthly Management Forums**

2.3.3.1 The Management forums will be as follows:

- a. Progress Review Meetings (PRMs); and
- b. Technical Review Meetings (TRMs).

2.3.4 **Program Handbook (PHbk)**

2.3.4.1 The Program Handbook (PHbk) describes the PGS Contractor's service delivery strategy across all lines of service.

2.3.4.2 The Program Handbook is meant as a steady-state in-service guidebook to inform Canada personnel, and is divided into the following parts: Program Management, Engineering Support Services, Maintenance Support Services, Material Support Services, Training Support Services, Publications and Technical Data

Management Support Services, Information Management Support Services, and Resources.

2.3.5 **Annual Activity Forecast (AAF)**

2.3.5.1 The AAF is the PGS Contractor's forecast of the financial allocation that will be required to meet the contracted Outcomes for the upcoming Fiscal Year (FY) 1 April to 31 March.

2.3.6 **Long-Term Activity Forecast (LTAF)**

2.3.6.1 The LTAF is an important document for long term planning purposes.

2.3.6.2 The LTAF addresses long-term PGS support until the CT-114 fleet's End-of-Life.

2.3.6.3 The plan is updated by the PGS Contractor on an annual basis to reflect Canada's changing requirements.

2.3.7 **Additional Work Requirement (AWR)**

2.3.7.1 The AWRS are categorized as follows:

- a. Contractor-Initiated AWRs; and
- b. Canada-Initiated AWRs.

2.4 **Maintenance Support**

2.4.1 **General**

2.4.1.1 The approved maintenance program for the J85engine includes all First, Second, and Third Level maintenance activities, both scheduled and unscheduled.

2.4.2 **First Level Maintenance**

2.4.2.1 First Level maintenance is a Canada responsibility, executed by RCAF units. Through the Maintenance Support Services, the PGS Contractor will have a supporting role in improving First Level maintenance troubleshooting and repair proficiency.

2.4.3 **Second Level Maintenance**

2.4.3.1 Second Level maintenance is carried out both at the 15 Wing Engine Bay/Engine Test Cell (Second Line) and at the PGS Contractor's facility (Third Line).

2.4.3.2 Currently, Second Line maintenance is split between on-aircraft and off-aircraft to RCAF technicians and PGS Contractor personnel, respectively. Some overlap of on-aircraft tasks can be performed off-aircraft by removing the engine from the aircraft. When practical and in order to improve technical proficiency, RCAF technicians will attempt to perform the repair on-aircraft. Canada always makes

the decision each time, on a case-to-case basis, whether or not “to drop an engine”.

- 2.4.3.3 The PWS introduces a significant change in the Second Line maintenance concept. In addition to being responsible for the Engine Bay production outputs, the PGS Contractor will also be held accountable for planning/scheduling the workload based on 431 Squadron’s operational requirements in order to meet the desired performance outcomes.
- 2.4.3.4 With the need to improve technical proficiency at First Line, 431 Sqn may rotate RCAF technicians through the Engine Bay and its Engine Test Facility (ETF); however, the responsibility for meeting the agreed production outputs will continue to rest with the PGS Contractor and the signing authorization will be performed by the PGS Contractor personnel.
- 2.4.3.5 The RCAF will maintain command and control over its personnel rotating through the Engine Bay and Engine Test Facility while the PGS Contractor will perform, certify, and release the Second Line maintenance work.
- 2.4.3.6 RCAF technicians will perform the following on-aircraft Second Level maintenance activities:
 - a. Special Inspections;
 - b. Conditional Inspections;
 - c. Fuel and Lubricant Filters;
 - d. Fuel System Mechanical Components;
 - e. Oil System Mechanical Components;
 - f. Front Frame Assembly;
 - g. Compressor Section;
 - h. Main Frame Section (on MRP);
 - i. Power Take-off Section (on MRP);
 - j. Combustion Section (on MRP);
 - k. Turbine Section (on MRP);
 - l. Exhaust Section (on MRP);
 - m. Gearbox Assembly (on MRP); and
 - n. Tail Pipe (on MRP).
- 2.4.3.7 The PGS Contractor will be responsible for performing the following off-aircraft Second Level maintenance at Moose Jaw and/or the PGS Contractor’s facilities:
 - a. Periodic Inspection (PER);
 - b. Out-of-Sequence Inspection (OSI);
 - c. Aircraft Sampling Inspection (ASI);
 - d. Removal of TX’d 1st line removable parts (i.e. Starter/Generator, Compressor, etc.)
 - e. Local Surveys;

- f. Special Inspections;
- g. Conditional Inspections;
- h. Fuel and Lubricant Filters;
- i. Fuel System Mechanical Components;
- j. Oil System Mechanical Components;
- k. Front Frame Assembly;
- l. Compressor Section;
- m. Main Frame Section;
- n. Power Take-off Section;
- o. Combustion Section;
- p. Turbine Section;
- q. Exhaust Section;
- r. Gearbox Assembly; and
- s. Tail Pipe.

2.4.3.8 The PGS Contractor will be responsible to perform the following activities in the Engine test Facility (ETF):

- a. Management/Production/Operations;
- b. Maintenance (including upgrades); and
- c. Calibration.

2.4.3.9 The PGS Contractor must provide Mobile Repair Party (MRP) services when authorized by a DND 626 Task Authorization form.

2.4.4 **Third Level Maintenance**

2.4.4.1 Third Level Maintenance is the PGS Contractor's responsibility and includes the following activities:

- a. Repair and Overhaul (R&O) of the J85 engine and associated components;
- b. Manufacturing; and
- c. Short-term engine storage and preservation.

2.4.5 **Support Equipment**

2.4.5.1 The PGS Contractor shall be responsible for performing maintenance on the parts listed in Appendix 1 (To be provided with the solicitation document) that are used at Third Line facilities.

2.4.5.2 The PGS Contractor shall be responsible for monitoring and coordinating the required maintenance activities to ensure availability and serviceability of the PGS parts and used at Second Line facilities.

2.4.6 **Manufacturing**

2.4.6.1 The PGS Contractor must manufacture J85 PGS parts when local manufacture is called for in accordance with Canadian Forces Technical Orders (CFTOs) or approved drawings.

2.4.6.2 The PGS Contractor must manufacture tooling and support equipment when called for in accordance with CFTOs or approved drawings.

2.5 **Engineering Support**

2.5.1 **General**

2.5.1.1 To enable optimization of the J85 PGS Contract performance outcomes, the PGS Contractor will be responsible for the Continuing Airworthiness activities required to support the J85 engine. The PGS Contractor will be required to seek acceptance from the Technical Airworthiness Authority (TAA) for the scope and depth of airworthiness authority necessary to execute its comprehensive Engineering Support Services. This will include most functions traditionally associated with an ATO.

2.5.1.2 Responsibility for Continuing Airworthiness provides a framework for the PGS Contractor to identify the need for changes to the maintenance program; prepare and approve the technical data in accordance with approved airworthiness processes to support changes deemed necessary, and implement those changes through publication amendments.

2.5.2 **Continuing Airworthiness**

2.5.2.1 Continuing Airworthiness will comply with the Technical Airworthiness Manual, Part 3. Further amplification will be provided on following functions:

- a. Conduct & Maintenance of Maintenance;
- b. Design Change Certification;
- c. Configuration Management; and
- d. Product Usage Monitoring.

2.5.2.2 The Airworthiness-related functions to be retained by Canada will also be provided.

2.5.3 **Technical Investigation & Engineering Support (TIES)**

2.5.3.1 TIES activities include:

- a. Technical Investigation (TI);
- b. Engineering Support (ES); and
- c. Support to Flight Safety Investigations.

2.5.4 **Technical Support**

2.5.4.1 The PGS Contractor must provide timely and accurate systems expertise to the TA, field maintenance personnel and other applicable agencies including:

- a. Liaison Engineering;
- b. Attendance at meetings, conferences, and symposiums as requested by the TA to provide technical support; and
- c. Accompanying and participating in visits by WSM staff to the MOBs or other locations as required by Canada in support of PG systems sustainment.

2.5.5 **DND Engine Structural Integrity Management Plan (ESIMP) Support**

2.5.5.1 The PGS Contractor must support the implementation of the ESIMP Program as governed by the Technical Airworthiness Manual (TAM).

2.6 **Materiel Support**

2.6.1 **General**

2.6.1.1 The PGS Contractor will be responsible for the provision of parts to First, Second and Third Lines. The PGS Contractor will establish a Customer Supply Window (CSW) at Moose Jaw and pre-position PGS parts at AETE, ATESS and CFSATE in order to manage the issue and return of parts to meet RCAF requirements. The PGS Contractor will be responsible for the procurement of new or replacement spares, thereby effecting a transition of the materiel supply support from Contract Issue Spares (CIS) to Contractor Furnished Materiel (CFM).

2.6.1.2 The PGS Contractor will assume the Life Cycle Management (LCM) responsibilities for all PG systems parts and support equipment. In addition to the planning, forecasting, and management of the current consumable and repairable inventory. The Materiel Support Services include materiel management distribution, shipping, transportation, storage, warehousing and disposal while maintaining compliance with Total Asset Visibility requirements.

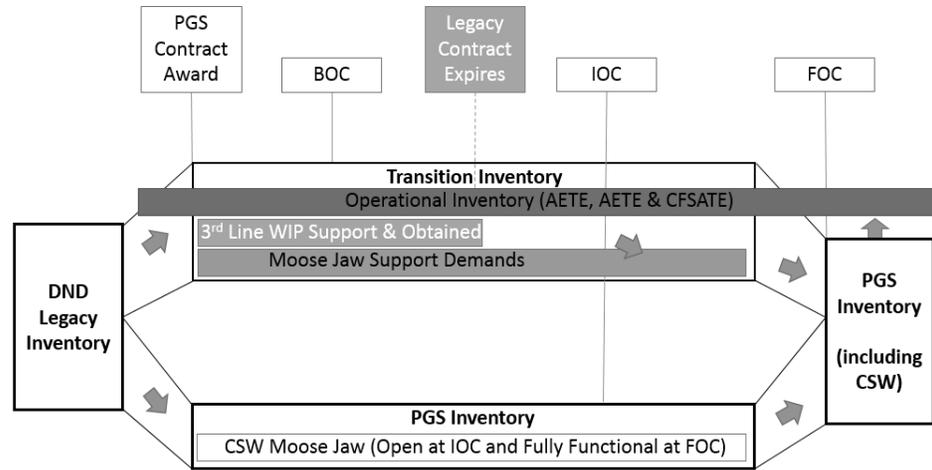
2.6.2 **Inventory Management**

2.6.2.1 Care, control and custody of the J85 PG inventories will comprise of all NATO Stock Numbers (NSNs) in a specific Technical Authority code (TAC) and Supply Manager code, this includes parts, special tooling and test equipment.

2.6.2.2 The PGS Contractor must accommodate the J85 baseline and J85-CAN-40 parts for the CT-114 inventories (Consumables, Repairables, GFOS, CFM, CIS, Repairable Reserves, and Quarantined parts) in secured and segregated storage areas from non-PG parts.

2.6.2.3 The PGS Contractor must perform and manage materiel inspection, packaging, handling and preservation requirements, including the special requirements for air shipment and dangerous goods in accordance with A-LM-184-001/JS-001 for all Canada-owned materiel in its custody.

2.6.3 Concept



2.6.4 Ownership and Custody

- 2.6.4.1 The ownership of CFM rests with the PGS Contractor until it is physically transferred at one of the handover points upon which ownership transfers to Canada.
- 2.6.4.2 Permanent handover points are located at MJ CSW, AETE, ATESS, CFSATE, and temporary for Mobile Repair Parties (MRP) locations.
- 2.6.4.3 Temporary handover points will be identified to the PGS Contractor for MRPs via a tasking.
- 2.6.4.4 Canada will retain ownership of all Canada-owned materiel transferred to the PGS Contractor.
- 2.6.4.5 The care and custody of serviceable and unserviceable parts are transferred back and forth as required at handover points between the PGS Contractor and Canada at the following locations: MJ (CSW), AETE, ATESS, CFSATE and Mobile Repair Parties (MRP).
- 2.6.4.6 The exchange of custody must result in a transaction in the Electronic Record Keeping System.

2.6.5 Customer Supply Window (CSW) and Handover points

- 2.6.5.1 The PGS Contractor will supply requested parts to DND at the CSW. Once accepted by DND they will become the care and custody of DND.

- 2.6.5.2 Canada will establish operational inventory at AETE, ATESS, and CFSATE. The PGS Contractor will supply and resupply as required.
- 2.6.5.3 The PGS Contractor must issue Canada-owned inventory first.
- 2.6.5.4 At Moose Jaw, the CSW should be co-located with the Engine Bay and Sqn Supply Section. At this time, there appears to be sufficient space (office and storage) available. Should space not be available for co-location, then other locations on base may be proposed by DND. A final determination will be made before Contract Award;
- 2.6.5.5 The CSW will be open during RCAF day shift working hours for standard queries, including occasional night shifts when required. The PGS Contractor will be responsible to provide CSW support after normal working hours, on call only for unforeseen requirement. Night shifts will be required for RCAF personnel on occasion; and
- 2.6.5.6 All repairable PGS parts (vice consumables) will be provided as a one-for-one exchange, where DND must return an unserviceable item in order to demand a serviceable item with the exception of support for:
 - a. Troubleshooting where the item(s) will be returned to the CSW no later than 21 days;
 - b. For Snowbirds Airshow:
 - i. No later than 60 days, before beginning of the airshow season, a demand to fill the PUK is sent to the PGS Contractor (at the CSW);
 - ii. In MJ, the PGS Contractor will be requested to replace unserviceable parts for the MSV and/or PUK as required; and
 - iii. No later than 21 days, following the end of the season;
 - c. For MJ / AETE deployments:
 - i. In AETE, the PUK will be provided as required from the operational inventory at deployed locations;
 - ii. No later than 30 days, before a deployment, a demand to fill the PUK is sent to the PGS Contractor (at the CSW); and
 - iii. No later than 21 days, following return from deployment or end of season; and
 - d. For MRPs:

- i. As soon as the RCAF identifies a requirement for a PUK, a demand to fill the PUK is sent to the PGS Contractor (at the CSW) IAW a tasking;
- ii. The temporary handover point will at the MRP location; and
- iii. No later than 21 days, following return from deployment.

2.6.6 **Cataloguing**

- 2.6.6.1 When a stock code is required, the PGS Contractor must initiate the process to catalogue parts using the Material Identification (MI) Requestor in order to support the issuance of materiel. The PGS Contractor must maintain existing data, such as stock codes and kits on DND's inventory systems.
- 2.6.6.2 The PGS Contractor must perform cataloguing activities, including inputting and maintaining spares data in DND's system of record.

2.6.7 **Contractor's Acceptance and Transfer of DND Inventory to Contractor's Facility**

- 2.6.7.1 This is a key requirement of the Transition Phase.
- 2.6.7.2 It serves as an Inventory Rationalization considering that the PGS Contractor will also perform the validation of DND's inventory that is transferred to them.
- 2.6.7.3 It involves coordination with National Defence Quality Assurance Representative (NDQAR) and other organisations to transfer parts, assess their condition; and review and accept the PGS Contractor's assessment.
- 2.6.7.4 The PGS Contractor will propose their approach to accepting and transferring DND's inventory. Canada will evaluate and determine acceptability.
- 2.6.7.5 The shelving and other supplies will have to be considered. Currently, they are under the Supply Code Account (SCA) of a given military person on base.
- 2.6.7.6 DND will identify specific requirements (constraints, limitations, etc.) that need to be passed on to Industry, if any:
 - a. Canada will provide a list of all inventory to be transferred to the PGS Contractor. This includes GFE, and a transitional PGS Inventory for the PGS Contractor to set up their operations; and
 - b. There are quantity 64 J85 engines stored at ATESS, Trenton.
- 2.6.7.7 Items will be stored in separate Defence Resources Management Information System (DRMIS) Locations at the PGS Contractor's facility (serviceable, unserviceable, RMA). QAR will audit inventory to maintain control. Traceability must be maintained through DRMIS. The PGS Contractor will input work orders for R&O work.

2.6.8 **PGS Inventory at Contract Award**

- 2.6.8.1 The PGS Inventory at Contract Award includes:

- a. Consumables;
- b. Repairables;
- c. Repairable Reserves;
- d. GFOS (Advance Accountable spares);
- e. CIS;
- f. CFM; and
- g. Quarantined parts;

2.6.8.2 **Item categories.** The PGS Contractor will be responsible for complete care, custody and replenishment of parts required to support the J85 PGS contract, i.e. special tools, compressors, engine cans, etc. as follows:

- a. **PGS unique parts.** The parts are managed under a PGS Technical Authority (TA) and Supply Manager (SM) code. Equipment Registration Number (ERN) for non J85 systems will be removed; and
- b. **Common parts.** The parts are managed under non-PGS TA and SM codes. ERN for J85 will be referenced to keep visibility of any inventory that are usable on the J85.

2.6.8.3 **For parts with more users than only the J85 PGS (common parts).** The proportion of the total amount of parts in the depots (or other storage) must be determined as a function of the typical portion allocated to J85 usage:

- a. Permission must be granted from lead TA if not within the J85 cell;
- b. A new Supply manager (the PGS Contractor) would be added to the system, and would be given the J85 portion of these parts; and
- c. DND will retain a portion of the initial inventory to support the legacy contact and operations until the transition period is completed. The remaining inventory will be transferred to the PGS contractor.

2.6.8.4 Canada reserves the right to take back some amount for any reason, e.g., additional requirements for Work-In-Progress (WIP), insufficient transition inventory, transition period drags on beyond forecasted period.

2.6.9 **CIS, GFOS Inventory Rationalization, Optimization**

2.6.9.1 The PGS Contractor must rationalize all PGS inventory and provide a detailed report, including findings and recommendations, to National Defence Headquarters (NDHQ) through NDQAR for review and acceptance.

2.6.9.2 The PGS Contractor must provide an optimized plan resulting from the report, including how they will maintain an adequate quantity of CIS, GFOS, either through increase or decrease of the quantities and how to ensure depletion of DND-owned material first vs CFM.

2.6.10 **Spares Procurement**

2.6.10.1 The PGS Contractor is responsible for their vendor selection and the procurement PGS inventory.

2.6.10.2 The PGS Contractor must only procure approved airworthy parts that fulfill the TAA requirements of the Technical Airworthiness Manual (Part 5, Chapter 2).

2.6.11 Transportation, Canada and International (Cross border movement; customs)

2.6.11.1 The PGS Contractor is responsible for transportation when in custody of PGS parts, excluding PUK parts:

- a. **Across Canada.** The PGS Contractor is responsible for transportation between the handover points and to their sub-contractors; and
- b. **International.** The PGS Contractor is responsible for transportation and customs brokerage documentation of parts cross-border and customs to the handover points (MRP) and their sub-Contractor facilities.

2.6.11.2 Once DND draws parts from a handover point, DND will be responsible for the transportation to the required location (squadron or deployed location, within or outside of Canada, including cross-border and customs) (e.g., transportation of RFI engines received at the handover point at MJ will remain the responsibility of DND Central Material Traffic Terminal (CMTT)).

2.6.11.3 Ready for Installation (RFI) engines must be issued on R&I stands through a handover point for Moose Jaw only.

2.6.11.4 For Operational Inventory RFI engines must be issued in cans and DND will be responsible to re-assemble them.

2.6.11.5 R&I stands are not designed for long-distance transportation and not acceptable for transportation to the handover points. The only DND internal deviation is the engine on R&I stands in the MSV PUK, specific MRP requirements and between MJ and AETE. On a case-by-case basis, and subject to DND approval.

2.6.12 Usage/Shelf life

2.6.12.1 The PGS Contractor is responsible for ensuring:

- a. Repairable parts get recurring inspections and preservation are done as required; and
- b. Management of simple shelf life (ex: consumables).

2.6.13 Obsolescence

2.6.13.1 The PGS Contractor is responsible for the implementation and management of obsolescence plans for in-scope PG parts.

2.6.13.2 The PGS Contractor must develop strategies to address obsolescence of PGS parts to ensure that the performance of contracted outcomes is not affected and to ensure compliance with continuing airworthiness requirements.

2.6.13.3 The PGS Contractor is responsible to develop disposal plans for obsolete parts (See Disposal Conditions below).

2.6.14 **Pack-Up Kit**

2.6.14.1 The RCAF is responsible to identify the parts, quantities necessary for the PUKs, and the transportation once received at one of the permanent handover points.

2.6.14.2 The PGS Contractor is responsible to provide the identified parts at one of the permanent handover points.

2.6.14.3 RCAF will return the PUKs to a permanent handover point, no later than 21 days after arrival to the MOB or the remote locations.

2.6.14.4 The Snowbird PGS Pack-Up-Kit (PUK):

- a. This PUK is located in a transport truck known as the Mobile Support Vehicle (MSV). It travels to show locations with the Snowbirds and is managed by Central Material Traffic Terminal (CMTT) and the parts in the PUK are visible in a DRMIS SCA;
- b. The MSV is on the road during the airshow season, and returns to Moose Jaw as required to be replenished. It contains PAV, AVS and PG parts. At the end of the airshow season, the MSV is returned, and stays on base at Moose Jaw; and
- c. The unused PGS parts in the PUK will be returned to the CSW at the end of the airshow season. These parts will be returned to PGS Inventory after the PGS Contractor completes an inspection.

2.6.14.5 The AETE PUK and its contents is built up as and when required and on a case-by-case basis.

2.6.15 **Corporate Systems**

2.6.15.1 In order to ensure Total Asset Visibility of DND-owned PG parts while in the care, control and custody of the PGS Contractor, the latter must have access to and record transactions in DND's system of record.

2.6.15.2 The PGS Contractor must comply with the requirements for data fidelity, accuracy and visibility as per the Supply Administration Manual A-LM-007-100/AG-001.

2.6.15.3 Canada will assign a Supply Manager (SM) code Contractor Repair Parts Account (CRPA), Repairable Materiel Account (RMA) and, or a Regional Repairable Materiel Account (RRMA) to the PGS Contractor.

2.6.16 Stocktaking

- 2.6.16.1 The PGS Contractor must initiate and complete a stocktaking of Canada-owned PGS parts in accordance with A-LM-184-001/JS-001. Canada retains the right to request a stocktaking at any time.
- 2.6.16.2 At the beginning and end of transition the PGS Contractor will complete stocktaking of Canada-owned PGS parts holdings and provide reports to Canada.
- 2.6.16.3 After close-out of the legacy contract and all Canada-owned PGS parts have been transferred to the PGS Contractor, the PGS Contractor will complete stocktaking of PGS parts holdings and provide reports to Canada.

2.6.17 Disposal

- 2.6.17.1 The PGS Contractor will perform disposal activities in accordance with A-LM-184-001/JS-001.
- 2.6.17.2 The PGS Contractor will make recommendation with regard to disposal. DND will review and make changes as deemed necessary and accept the Disposal Plan.
- 2.6.17.3 DND will approve the completion of disposal as per the plan.

2.6.18 Operational Inventory

- 2.6.18.1 Canada will provide an Operational Inventory list to the PGS Contractor.
- 2.6.18.2 The PGS Contractor will be responsible to review and suggest improvements to the list.
- 2.6.18.3 The PGS Contractor will be responsible to replenish the Operational Inventory.
- 2.6.18.4 Maintaining the level of Operational Inventory will be the metric by which availability is measured (As per the levels in DRMIS).
- 2.6.18.5 The Minimum and Maximum (Min/Max) quantities of items will be agreed to by DND and the PGS Contractor.
- 2.6.18.6 In the event of a demand for a part in the Operational Inventory, if the part is unavailable at that location, the demand is still considered a valid demand for the Demand Satisfaction metric and will be filled, or not, by the CSW.

2.6.19 Engine Storage and Preservation

- 2.6.19.1 The PGS Contractor will be responsible for storing and preserving the engines under their care, control and custody.

2.7 **Training Support**

2.7.1 **General**

2.7.1.1 Formal training of RCAF technicians is a Canada responsibility and is under the responsibility of 2 Canadian Air Division (2 Cdn Air Div).

2.7.2 **First Line Technical Proficiency**

2.7.2.1 Troubleshooting assistance to 431 Sqn technicians.

2.7.3 **Second Line Technical Proficiency**

2.7.3.1 RCAF technicians at 431 Sqn require the necessary experience and qualifications to perform on-aircraft Second Level maintenance while at the MOB and on deployments.

2.7.3.2 The RCAF is considering the option of re-instating the rotation of RCAF personnel through the Engine Bay/Test Cell in Moose Jaw.

2.7.4 **IM/IT Training Requirements**

2.7.4.1 The PGS Contractor must provide user training and user manuals to Canada personnel on IM/IT applications that are provided and/or supported by the PGS Contractor in both English and French.

2.7.4.2 Training must be provided for new users, and for existing users where enhancements are implemented that affect the use of the application and/or data in English and/or French, as required.

2.7.4.3 The PGS Contractor must provide user training and user manuals for new tools, techniques, methods, or equipment introduced by the PGS Contractor in both English and French.

2.8 **Technical Data Package (TDP) and Publications Management**

2.8.1 In conjunction with its engineering support responsibilities, the PGS Contractor will be required to maintain and update the J85 engine technical data, as well as maintain all publications relevant to the PG systems approved maintenance program.

2.9 **IM/IT Support**

2.9.1 Canada currently uses fleet-specific IM/IT systems that have been developed and implemented over the years. Some of these systems are deemed mandatory and operationally critical, and their continuous support and maintenance is the PGS Contractor's responsibility. Beyond the mandatory systems, the PGS Contractor may use IM/IT solutions that best meet the Contract outcomes.

2.9.2 **Electronic Information Exchange System (EIES)**

- 2.9.2.1 The PGS Contractor must develop, maintain and support a secure EIES accessible for Canada users.
- 2.9.2.2 The EIES must provide access to program management, performance and PGS information, data and functions to complement the existing Canada-provided IT systems.
- 2.9.2.3 Specifically, the EIES must provide:
 - a. Access to all contract deliverables;
 - b. Access to all documentation and data produced in support of the Contract;
 - c. Visibility into the mandated performance indicators (SPMs, KPIs, and SHIs) in accordance with the schedules and definitions provided in the relevant CDRLs; and
 - d. Access to historical PG systems deliverables and data, will be provided by Canada at the solicitation phase for bid purposes and at Contract Award to the PGS Contractor, not already contained in the Canada-provided Information Technology (IT) systems and to be uploaded in the EIES for reference and update.
- 2.9.2.4 The EIES must incorporate, the following features of a document management system:
 - a. Version control;
 - b. Access control to authorized users; and
 - c. Capability for Canada to upload files.
- 2.9.2.5 The PGS Contractor must provide access to the EIES through a single interface accessible from any computer connected to the Defence Wide Area Network (DWAN).
- 2.9.2.6 The PGS Contractor must provide an off-site disaster recovery system with a 24-hour back-up of all EIES data.

2.9.3 **Canada-Provided IT Systems**

- 2.9.3.1 The mandatory systems are:
 - a. Defence Wide Area Network (DWAN);
 - b. Defence Resource Management Information System (DRMIS)
 - c. Flight Safety Information System (FSIS);
 - d. Unsatisfactory Condition Report (UCR) Database;
 - e. Canadian Government Cataloguing System (CGCS); and
 - f. Automated Data for Aircraft Maintenance (ADAM).

2.10 Resources

2.10.1 Personnel

- 2.10.1.1 The PGS Contractor must establish its personnel resources to execute the Support Services defined in the PWS and to meet the performance outcomes defined in the PfMS.
- 2.10.1.2 Unless otherwise specified, Canada will not mandate nor direct the PGS Contractor to allocate or retain personnel or resources to support the Work.
- 2.10.1.3 The PGS Contractor must undertake all necessary recruitment, training, security clearance preparation and other human resources functions to ensure its personnel have the required skills, experience and qualifications to fulfill the Support Services requirements in this PWS.
- 2.10.1.4 The following services must be provided by the PGS Contractor personnel responsive to the TA, and embedded with the WSM in the National Capital Region (NCR):
- a. Contractor Services Delivery Coordination;
 - b. PGS Systems Liaison Engineering; and
 - c. Materiel Support Implementation (for the transition period only);
- 2.10.1.5 The following functions must be provided by the PGS Contractor personnel embedded at 15 Wing Moose Jaw:
- a. Second Line off-aircraft maintenance production coordination, maintenance support, and, as required, production augmentation;
 - b. First Line maintenance support;
 - c. Field support for PGS Contractor-maintained IM/IT systems; and
 - d. Customer Supply Window interface with Canada personnel.
- 2.10.1.6 PGS Contractor personnel involved in performing airworthiness-related tasks must be authorized by the PGS Contractor Senior Maintenance Manager, Senior Design Engineer or equivalent as defined in the TAA-approved Contractor airworthiness process manuals.
- 2.10.1.7 The PGS Contractor must provide Liaison Engineering services responsive to the TA. Liaison Engineering is defined as the provision of technical advice beyond what can be provided by a simple review of the applicable CFTOs. The technical advice must be based on relevant prior hands-on maintenance, maintenance supervision, or engineering support experience.
- 2.10.1.8 Although Life Cycle Materiel Management functions have traditionally resided within the WSM organization in the NCR, the PGS Contractor is not required to

appoint dedicated Life Cycle Materiel Managers, nor co-locate the individuals performing those functions with the WSM in the NCR. Rather, the PGS Contractor is free to structure the Materiel Management services detailed in this PWS and associated references as it sees fit, including the Materiel Customer Support services.

- 2.10.1.9 PGS Contractor personnel assigned to work in Canada's facilities shall conform to the administrative and security regulations of the establishment to which they are assigned, and be available on-site during normal working hours.
- 2.10.1.10 The PGS Contractor must make accessible a responsive point of contact during off-hours with the ability to reach back to the appropriate PGS Contractor support services personnel in case of urgent operational need. The PGS Contractor's point of contact must be able to coordinate provision of requested support services covering the scope of the PWS on a 24/7 basis, 365 days/year.
- 2.10.1.11 The PGS Contractor must provide qualified personnel with the necessary skills and qualifications. If one of the PGS Contractor's personnel is replaced, then the replacement personnel may receive access to DND-specific training courses but the PGS Contractor will have to absorb the costs, if applicable. The enrolment of PGS Contractor personnel into the training course will require prior written approval by the TA and all associated costs must be absorbed by the PGS Contractor.
- 2.10.1.12 For DND-generated changes to training requirements, the training will be provided by DND at no cost to the PGS Contractor. Training may also be provided on DND-unique systems that have been recently implemented or changed.

2.10.2 **MOB Facilities**

- 2.10.2.1 Via the establishment of a Service Level Agreement (SLA) between DGAEPM, 1 Canadian Air Division (1 Cdn Air Div) and Canadian Forces Real Property (CFRP), Canada will secure office and storage space for Contractor personnel at 15 Wing Moose Jaw. Canada will furnish the offices, and provide Canadian Switchboard Network (CSN) telephones and DWAN access.
- 2.10.2.2 The PGS Contractor personnel assigned to Second Line maintenance functions must share the existing Canada facilities and equipment with Canada personnel.
- 2.10.2.3 The Second Line Maintenance Facilities at Moose Jaw will be fully described in the Draft Request for Proposal (RFP).

2.10.3 **WSM Facilities**

- 2.10.3.1 Canada will provide office space for Contractor personnel embedded with the WSM in the NCR at 455 Boulevard de la Carrière in Gatineau (Québec).

2.10.3.2 Canada will furnish the office space, and provide telephone (CSN), and DWAN access.

3. Performance Management (High-Level Description)

3.1 Performance Management Guidance

- 3.1.1 The Performance Management Specification (PfMS) is the critical component of any Performance Based Contract in that it ties together the Basis of Payment (BoP) and the Performance Work Statement (PWS) to ensure the Canadian Government receives contracted performance while delivering ongoing Value for Money.
- 3.1.2 This PfMS establishes the system for planning, monitoring, assessing and driving improvement into the contracted portion of the sustainment Enterprise.
- 3.1.3 The PfMS therefore forms a part of the Enterprise Performance Management system and, in the end, is the key to delivering the outcomes required by the Royal Canadian Air Force (RCAF) and Canada.

3.2 Strategic Performance Measures (SPMs)

- 3.2.1 The SPMs are categorized as the highest level of measures and are used to assess Contractor performance against the most strategic outcomes, the results of which are used to operationalize the Rolling Wave contract model, thus determining the eligibility of the PGS Contractor to an additional option year in the contract.
- 3.2.2 When the contract period is equal to or greater to the remaining service life, different Remedies and Rewards are assigned against the SPMs.
- 3.2.3 The SPMs cover Availability and Reliability through SPM-1; Affordability through SPM-2; Behaviour through SPM-3; Industrial and Technological Benefits (ITBs) through SPM-4.

3.3 Key Performance Indicators (KPIs)

- 3.3.1 The performance measures that evaluate the extent to which the PGS Contractor has achieved the important or key outcomes are called KPIs.
- 3.3.2 The determination of 'Key' is based on the impact the measures have on two important contributors to RCAF Readiness: the availability of spares and the reliability of the PG system.
- 3.3.3 The KPIs cover Affordability, Availability and Reliability. The KPIs being applied to the PGS Contractor are Demand Satisfaction Rate (DSR) through KPI-1; Mean Time between Mission Aborts (MTBMA) through KPI-2; and Cost Savings – Gain Share through KPI-3.

3.4 **System Health Indicators (SHIs)**

- 3.4.1 The SHIs have been selected to provide the tools that will be required to monitor the health of the sustainment system and provide lead indicators to issues that, if not corrected, could result in degradation of the higher level outcomes.
- 3.4.2 The SHIs constitute the suite of metrics that will be monitored for negative trends and cautionary indications.
- 3.4.3 There are no Rewards and Remedies beyond any directed recovery actions associated with the SHIs. The intent is to provide the Joint Management Team with a set of metrics that could, depending on the environment, be highlighted and reviewed as the principle basis of the management forums to drive analysis and recovery activity.

**J85-CAN-40 PROPULSION GROUP SUSTAINMENT (PGS)
Letter of Interest
N° W8485-17BA03/B 001**

The purpose of this posting is to advise industry that due to a systems error, Solicitation W8485-17BA03/B, posted on 2017-12-21 contained information unrelated to the CT-114 Tutor PGS requirement.

The document is replace by Solicitation W8485-17BA0/3 amendment 001 dated 2017-12-28.

**MAINTIEN EN PUISSANCE POUR LE GROUPE DE PROPULSION (GP) J85-CAN-40
Lettre d'intérêt
N° W8485-17BA03/B 001**

Le but de cette publication est d'informer l'industrie qu'en raison d'une erreur de système, la sollicitation W8485-17BA03/B, publié le 2017-12-21, contenait des informations sans liens avec l'exigence CT-114 Tutor GP.

Le document est remplacé par la Sollicitation W8485-17BA03/B amendement 001 datée du 2017-12-28.