



**RETURN BIDS TO:  
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**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**

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<b>Title - Sujet</b> HCCS IN-SERVICE SUPPORT	
<b>Solicitation No. - N° de l'invitation</b> W8482-168150/B	<b>Amendment No. - N° modif.</b> 028
<b>Client Reference No. - N° de référence du client</b> W8482-168150	<b>Date</b> 2019-02-28
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$FX-008-25939	
<b>File No. - N° de dossier</b> 008fx.W8482-168150	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> <b>on - le 2019-06-28</b>	<b>Time Zone</b> <b>Fuseau horaire</b> Eastern Daylight Saving Time EDT
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<b>Address Enquiries to: - Adresser toutes questions à:</b> Fortin, Marie-Andrée	<b>Buyer Id - Id de l'acheteur</b> 008fx
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**One-on-One Sessions – Questions and Answers**  
**In-Service Support of the *Halifax*-class Combat Systems**  
**Amendment no. 28**

This amendment is raised to answer questions pertaining to the draft Request for Proposal posed by Industry during the One-on-One sessions held in October – November 2018.

Q1 – Can Canada provide a more precise investment plan (budgetary information)?

A1 – The estimated Emergent Work value is approximately \$632M (excluding taxes) over 12 years. However there is no guarantee that any emergent work will be performed under this contract, and that actual work could be much more or much less than any estimates that are given.

Q2 – What are the expected timelines for the release of the final RFP and for contract award?

A2 – The following are the tentative timelines:

- Draft RFP release: March 2019
- Final RFP release: May 2019
- Contract Award: April 2020

Q3 – Will Canada review and change the boundaries, outlined in Annex M IT Security Guide, of the ban on the use of Wi-Fi technologies at the Contractor's facilities?

A3 – Canada will consider reviewing the boundaries of this ban.

Q4 – Will Canada consider applying a normal distribution with regards to Key Performance Indicators?

A4 - Canada expects metrics to evolve over time. The current model is a starting point and Canada will re-evaluate metrics with the Contractor as the contract progresses.

Q5 – Will Canada provide a baseline as to the expected costs, frequency and geographic locations for the anticipated Mobile Repair Parties (MRP)?

A5 – MRPs are expected to be infrequent and will be requested via task authorizations therefore a baseline will not be provided.

Q6 – Will Canada modify the parameters of the period of reference for calculating the Project Manager's required experience, as per the Mandatory Technical Evaluation Criteria #1, in the event that the solicitation process is postponed, as this could impact the level of experience acquired during the reference period?

A6 – Canada is currently reviewing the Technical Evaluation section.

Q7 – Will document ALM-184-001/JS-001 Special Instructions – Repair and Overhaul be provided to industry?

A7 – This document is available from the Contract Authority.

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W8482-168150/B  
N° de réf. du client - Client Ref. No.  
W8482-168150

N° de la modif - Amd. No.  
028  
File No. - N° du dossier  
008fx.W8482-168150

Id de l'acheteur - Buyer ID  
008fx  
N° CCC / CCC No./ N° VME - FMS

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Q8 – Will Consumer Price Index only apply to Labour rates or will it extend to spare parts?

A8 – The Economic Price Adjustment described in the draft RFP will be applied to the Management Fee and the Labour Rates.

Q9 – Does the scope of the work include ship repair? If so, Canada is requested to provide additional information as to the extent of the repairs the contractor will be expected to perform pursuant to the contract. If no ship repair is expected, then insurance clause SACC Manual Clause G5001C should be removed from the RFP.

A9 – Ship repair is not included in the scope of work. However, as the Contractor may be repairing systems while on a ship, the insurance clause requirement will remain in effect.

Q10 – Will Canada provide a defined list of all assets to be insured as part of the contract, the basis of valuation for replacement cost analysis, and guidance as to how loss settlements will be defined, for the purposes of All Risk Property Insurance acquisition?

A10 – Canada is currently reviewing this item and it will be addressed prior to final RFP release.

Q11 – Is there a need for threat analysis with regards to FCA shipping terms?

A11 – No.

Q12 – Will the warehouse be located on or off base?

A12 – The Contractor's warehouse will be located off base.

Q13 – Does Canada require a Kanban solution?

A13 – Canada has not specified a Kanban solution. It is up to the Contractor to determine how they will meet the requirements outlined in the RFP.

Q14 – Will Canada be modifying the Qualities Systems requirements to incorporate ISO 2015?

A14 – No

Q15 – There does not appear to be a market segment of Key Industrial Capabilities highlighted in the draft RFP Industrial and Technological Benefits (ITB) materials, where the original draft materials referenced Defence ISS and Naval Sector ISS, specifically. Can Industry expect that the final RFP will include incentivized areas of activity?

A15 – Innovation, Science and Economic Development Canada (ISED) appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q16 – We noticed in the draft ITB terms and conditions that ISED has moved away from a percentage of contract value when it comes to Research and Development commitments and instead asks for a dollar value – why is that?

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A16 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q17 – Will the final RFP include the Policy 2.0 Pillar on Diversity? Will it be rated or mandatory?

A17 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q18 – We noticed the change in ISEDC's approach to Liquidated Damages (LD) in the draft RFP that was not highlighted during the Industry Engagement Phase in fall 2017. It appears as though the cap on LD has been removed for Value Proposition commitments with contractors liable under all deficiencies on an additive basis – Can you confirm that this in fact means LD can exceed 10% and even 20% of contract value?

A18 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q19 – Will the Value Proposition apply to the entire contract period including the option years or exclusively to the initial 72 month period?

A19 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q20 – Will Canada review the liquidated damages clause and cap the damages at 20% of contract value?

A20 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q21 – Will foreign parts be included in the calculation of the 100% ITB requirement?

A21 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q22 – Will Canada review and expand the definition of "Bidder" to include non-formal partnerships and / or "Teaming Agreements" and consider both the Prime contractor and the subcontractor's experience for evaluation purposes pursuant to subsection 5.4.4 of the RFP?

A22 – Canada is currently reviewing the bid evaluation section.

Q23 – Is Canada willing to review the Bid scoring ratio in order to increase the percentage of the Technical bid (to 70%), in order to reflect the importance given to the experience requirement in the bid solicitation documents?

A23 – The bid scoring ratios will not be changed.

Q24 – Is Canada willing to expand the definition for Mandatory Technical Evaluation Criteria M5, to include experience obtained in acquisitions projects?

A24 – Canada is currently reviewing the Technical Evaluation section.

Q25 – Is Canada willing to review the management fee structure for evaluation purposes in order to avoid cost manipulation by bidders especially in year 6 of the proposal?

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A25 – Canada is reviewing the management fee structure for evaluation purposes.

Q26 – How do bidders know if the work description is related to management work?

A26 – Line items in the PWS that are paid for through the Management Fee commences with “As part of Management Work”. The RFP Basis of Payment provides additional information on what is to be included in the Management Fee.

Q27 – Will the management fee be evaluated differently in year 1 compared to years 2 through 6?

A27 – Canada is reviewing the management fee structure for evaluation purposes.

Q28 – Does Canada expect to implement milestones in the start-up phase?

A28 – No Canada will not be using milestones in the start-up phase.

Q29 – Is Surge work considered part of the management fee?

A29 – As described in the PWS, planning for surge is part of the Management Fee. However, the actual surge work itself is Emergent Work and will be paid via a Task Authorization.

Q30 – How are the Value Proposition targets determined?

A30 – Value Proposition targets are determined through market analysis provided by the ISEDC internal market analytics team and through project specific engagements with industry.

Q31 – What is the contractor's role expected to be with regards to systems?

A31 – Contractors must establish their own relationships with the OEM of the systems.

Q32 – Why is Canada retaining the rights to Foreground IP? Will a license to access background information be made available?

A32 – Canada will retain the Foreground IP and will provide a licence to Background information to the Contractor solely for the purpose of performing the Contract.

Q33 – Why were medians used in the evaluation criteria and basis of selection?

A33 – The use of a median reduces the impact of outliers as opposed to the use of an average. The objective is to receive a better solution.

Q34 – Why did Canada use Economic Price Adjustment (EPA) versus the Consumer Price Index (CPI)? Instead of using a broad index, it should be linked to the Bank of Canada's inflation rate.

A34 – Canada uses economic price adjustment indexes that are more reflective of the products/services they procured. Consumer price index is the price change of goods and services purchased by consumers.

Q35 – What does the definition of contract value include?

A35 – Contract Value includes all costs paid by Canada to the Contractor under the HCCS ISSC.

Q36 – Where will the purchased parts be stored / housed?

A36 – The Contractor will decide where the parts will be stored to optimize the outcomes specified in the PWS.

Q37 – Is Core / Emergent work considered Management work?

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A37 – As defined in Chapter 2.4 of the PWS, work performed by the Contractor will be divided into one of two work categories: Management Work and Emergent Work.

Q38 – Will there be a cure process?

A38 – Yes, as specified in the draft RFP, Canada will use a Phased Bid Compliance Process.

Q39 – What is the bid validity period for this requirement?

A39 – The bid validity period will be specified in the final RFP.

Q40 – Is Canada willing to expand the definition of Corporate experience to include Aerospace and Defence?

A40 – Canada is currently reviewing the Technical Evaluation section.

Q41 – Is there a possibility to extend the contract following the end of the last option year?

A41 – This contract has a maximum term of 12 years.

Q42 – There are 2 systems for SG-180 and this does not match Appendix 2 for HCCS EG.

A42 – Canada has corrected this and a new version of Appendix 2 will be released with the final RFP.

Q43 – Is Canada willing to modify the bid scoring grid in order to remove the 'zero score' with regards to bids that fall outside the mean for financial evaluation?

A43 - No.

Q44 – How can Canada ensure fairness in the solicitation process if OEM's are allowed to bid?

A44 – There is no way for Canada to prevent an OEM from bidding if they so choose. The bid evaluation criteria were constructed such that a bidder does not need to obtain information from any OEMs in order to submit a proposal.

Q45 – Can Canada provide a clear definition of the milestones to be achieved in the Start-Up and Close-Out work phases?

A45 – Canada is not setting milestones for the start-up and close-out work phases. The PWS identifies work that needs to be conducted in each phase.

Q46 – Is Canada willing to impose a less rigorous experience requirement for M1, M3, M4 and M5?

A46 – Canada is currently reviewing the Technical Evaluation section.

Q47 – Is Canada willing to reduce the number of word scale ratings from 6 so that the remaining rankings are well defined?

A47 – Canada is looking at the technical word scale ratings.

Q48 – Is Canada willing to abandon the Sub-contractor and Materiel mark-up in favor of adopting a fixed monthly Materiel handling fee?

A48 – No the mark-ups as written will remain in effect.

Q49 – How does Canada propose that the requirement to meet 100% Industrial and Technological Benefits (ITB) Canadian Content Value (CCV) be met by bidders given the difficulty for them to pass flowdown to the OEMs?

A49 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q50 – Are 100% of ITB transactions to be identified at 72 MACA for the full 12 years?

A50 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q51 – Is Canada willing to reduce Limitation of Liability levels in order to mitigate the potential for excessive risk premiums?

A51 – No, the liability level is standardized based on the PSPC commodity grouping and thus won't be changed

Q52 – Will an evaluator be assessing each bidder's proposal on its own merit or in pairs?

A52 – Bids will be evaluated based on their own merit. Pairwise methodology is not being used.

Q53 – Will a "0" or an omitted section on the financial category of a bidder's all-inclusive hourly rate be used in the calculation of the average hourly rate?

A53 – No. It will not be included in the computation of the average.

Q54 – Is Canada considering assigning a not-to-exceed % Canadian Content Value (CCV) requirement in each criteria?

A54 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q55 – Will Canada address the constraints imposed on bidders by the pre-existing HCCS EG material support realities and will the ITB weighting/scoring matrix reflect such a reality?

A55 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement.

Q56 – Will Canada re-insert into the scope of the requirement, the Elisra Equipment? If not, will the Basis of Payment and Value Proposition requirements be adjusted to reflect this reduction in requirement scope?

A56 – The Elisra system will not be in the initial HCCS equipment group list. The Basis of Payment and VP requirements are based on the defined list of equipment.

Q57 – Why has the contract term been reduced from 22 years to 12 years?

A57 – Canada has received feedback that industry prefers shorter contract terms.

Q58 – Is it the intention of the PWS that the ISS Prime contractor manage relationships with all the OEMs listed in Appendix 2 EG Equipment List (Thales, Raytheon, SAAB, Telephonics, BAE, Viasat, Textron) or only with the system OEMs (Thales, Raytheon, SAAB, Telephonics)?

A58 – The HCCS Contractor must establish and manage relationships with any Contractor they feel is necessary in order to provide full support for the HCCS EG. It is up to the Contractor to decide who they need to deal with to ensure that all of the *Work* of the PWS is completed.

Q59 – Will the R&O activities extend to full level 3 activities or be limited to Repair By Replacement (RBR)?

A59 – The PWS states that the Contractor is responsible for level 3 activities and thus the Contractor must provide level 3 support.

Q60 – Can Canada provide the security clearance level required per equipment? Is there a possibility to ease the security requirements or tailor them for items requiring greater degrees of security?

A60 – The security requirements are being reviewed by Canada.

Q61 – Will Canada provide information relating to past performance of each OEM in delivering support to their EG?

A61 – No.

Q62 – Do each of the equipment groups currently meet its HCCS design intent?

A62 – The PWS no longer refers to design intent. As outlined in Section 2.1 of the PWS, the Contractor must ensure the HCCS EG complies with the Canadian configuration of the HCCS EG as specified in the product configuration documentation constituting the HCCS EG Product Baseline. The initial product baseline will be provided by Canada after Contract Award.

Q63 – At what stage is each EG in its respective system life cycle? Are they in early years of operation/maintenance or is a technology refresh needed to maintain design intent?

A63 – System level technology refresh is not within the scope of the HCCS ISSC. The Contractor must manage the obsolescence of the HCCS EG as described in the PWS.

Q64 – What is the current performance level for each OEM against KPIs 1 through 6?

A64 – Canada is not currently measuring the metrics that have been proposed in the PRS.

Q65 – If an EG is not performing, what scope is there to recommend an alternative solution? Is the ISS Prime contractor locked into making these six EGs perform?

A65 – As per the PWS, the Contractor is expected to ensure the HCCS EG complies with the Canadian configuration of the HCCS EG as specified in the product configuration documentation constituting the HCCS EG Product Baseline.

Q66 – Will storage space be provided?

A66 – No, the Contractor must establish warehouse facilities for the HCCS EG material. A separate Task Authorization will be issued for this requirement.

Q67 – Will Canada provide performance data?

A67 – Where possible and necessary, Canada expects to provide performance data after contract award.

Q68 – What are the expectations / procedures regarding DRIMS?

A68 – It is unlikely that Contractors will be given full access to DRIMS. Information will likely have to be channeled through DND with the required collaborative environment that is established by the Contractor.

Q69 – Does Canada have any objections to using an electronic collaborative environment such as SharePoint?

A69 – No

Q70 – Clarification is requested with regards to the following: Section 2, Mandatory Requirements, Mandatories 4a and 4b have the same total identified transaction percentage reported although for differing time periods (not less than 60%) of the contract Value measured in CCV, for both 12 and 36 months after



contract award). Note: Bidder's Instructions identify 30% at the 12-month period. Canada is requested to reconcile these figures across all ITB-VP Documentation.

A70 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement

Q71 – Canada is requested to revisit the following reference: Section 3, Minimum Assessment Values, sections 3.2.2 and 3.2.3 both refer to Transaction eligibility criteria in section 3.3.1. Section 3.3.1 is absent from the draft ITB-VP Evaluation document.

A71 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q72 – Considering that the HCCS ISS Contract will start around the year 2020, could Canada please explain how the HCCS EG will be supported between 2032 and 2041?

A72 – Canada will establish a new contract once the HCCS Contract expires.

Q73 – What will be the “contractual/industrial” link between the Contractor and the Combat Systems Integration (CSI)?

A73 – A Technical Assistance Agreement (TAA) or a Non-Disclosure Agreement (NDA) may be required between the HCCS ISSC Contractor and the CSI ISSC Contractor to allow the exchange of information. DND will coordinate and raise a tasking with the CSI ISSC Contractor to perform any work that is required.

Q74 – Who will be in charge to test the software changes? The CSI?

A74 – The CSI ISSC Contractor is responsible for the testing of any software/hardware changes delivered to DND for integration with the Combat Management System (CMS) 330.

Q75 – How can industry be sure that the CSI will provide support and the means for the performance of the Contractor's obligation if there is no contractual link between industry and the CSI?

A75 – CSI support required by the Contractor will be provided by Canada through Canada's CSI ISSC contract.

Q76 – Where will these tests take place?

A76 – Integration testing could take place at the facilities of the CSI ISSC Contractor, Canada's Combat System Training Centre (CSTC) or during a Sea Trial.

Q77 – What will be the relationship between the Fleet Maintenance Facilities (FMF) and the contractor and who will provide the plans and schedules?

A77 – The Contractor must establish a relationship with FMF and the Contractor must develop plans and schedules for the HCCS EG which align with FMF, and the Navy's fleet plan that will be provided by Canada. Further information is provided in the PWS in the Roles and Responsibilities section.

Q78 – What will be the scope of FMF's level three work?

A78 – The Contractor is responsible for and must conduct level three work. If the Contractor chooses to have FMF conduct level three work they must negotiate that with FMF and the DND PM.

Q79 – Could Canada please confirm that Management Work covers Project Management Team + Annual Operating Plan (AOP) / Maintenance Plan implementation?

A79 – Line items in the PWS that are paid for through the Management Fee commences with “As part of Management Work”. The RFP Basis of Payment/Annex C provides additional information on what is to be included in the Management Fee.

Q80 – Could Canada confirm that Emergent Work covers Unforeseen / extra works (out of the AOP/Maintenance Plan scope) which is not part of the quotation?

A80 – Emergent Work covers Unforeseen / extra work.

Q81 – Could Canada please clarify who will form part of the Integrated Project Management Team (IPMT), how it will be organized, who will be the chair and where the team will be located? Is this IPMT the same as the Canada Industry Integrated Project team?

A81 - The IPMT is not mentioned in the RFP. There is an Integrated Equipment Management Team (IEMT) which consist of DND staff supporting the HCCS EG. The Contractor must support the IEMT. The IEMT reports to the Equipment Group Program Manager (EGPM). The IEMT is not the same as the CI-IPT. As stated in section 3.4 of the PWS, the CI-IPT Core Membership will include the Contractor PM and HCCS PM. Full membership will be established by the core group to include representatives from the OEMs and authorized representatives of the OEMs and Canadian entities that are working with *Halifax*-class ISS.

Q82 – Could Canada please explain the reasoning behind the requirement to enable DND to consult and communicate directly with the HCCS EG OEMs?

A82 – In order to expedite the resolution of urgent, high priority technical issues, Canada wants to have an ability to consult directly with the HCCS EG OEMs.

Q83 – Please confirm what will be the role and responsibilities of the CSI and its interface with the contractor.

A83 – CSI support required by the Contractor will be provided by Canada through Canada's CSI ISSC contract.

Q84 – Who will be tasked with and responsible for the “Installation” portion of the work? Please clarify the workshare with FMF.

A84 – Installation of equipment on the ship is currently performed by FMF. The Contractor will be responsible for planning and scheduling this work in conjunction with FMF plans and schedules via the Technical Authority.

Q85 – Could Canada please confirm that the following activities are part of Emergent Work: Requests for Emergency Repair services, On-site Inspections and Surveys, In-Theatre support to deployed HMC Ships.

A85 – Yes, these items are emergent work.

Q86 – With regards to the procurement of materiel, does “Materiel” include tools, spare parts and consumables?

A86 – Yes

Q87 – Who will be in charge of the global HCCS EG ISS Supply chain?

A87 – The Contractor is responsible for establishing the Supply chain between itself and its suppliers. Shipping terms are described in Part 7, Section 4, of the RFP.

Q88 – Is it possible to obtain the DND data exchange format/protocol/template as soon as possible to evaluate the impact on the contractor's data management process?

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A88 – The data exchange format/protocol/template to be used will be discussed after Contract Award.

Q89 – Could Canada please provide a description of the Collaborative Environment (CE) main characteristics?

A89 – The CE must meet the requirements specified in Chapter 7.3 of the PWS. Canada believes that a Sharepoint environment would be one such example that would meet the requirements.

Q90 – Is it possible to obtain a list of the Special Tools and Test Equipment (STTE)?

A90 – The STTE will be provided to the Prime Contractor after Contract Award.

Q91 – With regards to Canadian Content Value (CCV) could Canada please define the “Contract Value”?

A91 – ISED appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement

Q92 – Will Canada accept proposals based on either a Contractor-Owned Contractor-Operated (COCO) or Government Owned Contractor-Operated (GOCO) model? If not, please specify which model bidders are to use.

A92 – This contract is based on a Government Owned Contractor-Operated (GOCO) model.

Q93 - Does the definition of Bidder's Team extend beyond the scope currently envisaged in Standard Acquisitions Clauses and Conditions (SACC) Manual and include the bidder and its tier 1 subcontractors.

A93 – Canada is reviewing the definition of the Bidder's team.

Q94 – Can Canada confirm if the reference contract, to be provided in order to meet the mandatory requirement M5, must come from the Bidder or the Bidder's Team?

A94 – Canada is investigating this in conjunction with the definition of the Bidder's team.

Q95 – As part of the work to be provided under the HCCS ISS contract can Canada confirm that it expects the following:

- a) Canada will maintain its existing Equipment Group (EG) Repair & Overhaul (R&O) arrangements in place during the HCCS ISS program start-up phase?

A95 a) – Yes, Canada will maintain its existing contracts during the start-up phase.

- b) The contractor is to put in place and manage the necessary arrangements with service providers (i.e. the OEMs) to enable the EG R&O activities?

A95 b) – Yes, the Contractor must establish their own arrangements with their own service providers in order to be able to conduct the *Work* specified in the PWS.

- c) Canada will terminate its existing EG R&O arrangements with suppliers as soon as the HCCS ISS contractor has completed the program start-up phase?

A95 c) – As soon as the Contractor has demonstrated to Canada successful implementation of the Steady-State processes and procedures, Canada will terminate its existing contracts according to the terms and conditions of those contract. Any work currently underway within these contracts will be completed under these contracts.

Q96 – Can Canada elaborate on the materiel management process in order for industry to have a better understanding of it? Following DND approval to purchase spares, will the contractor proceed via a task authorization (DND 626) with DND funds?

A96 – The Contractor must provide spares purchase recommendations to Canada. Canada will review the recommendations and issue a task authorization for the Contractor to proceed with the purchase.

Q97 – Will Canada facilitate adding the ISSC contractor to the existing TAA agreements and to accreditations and manufacturing license agreements?

A97 – The Contractor must obtain all necessary licenses and agreements to support the HCCS EG. If there are any TAA agreements necessary, this will be considered if and when it arises.

Q98 – Can Canada provide the rationale behind its decision to evaluate the following Value Proposition Pillars using different mechanisms:

- a) Defence sector and skills development and training: sum of bidder's value proposition points (VPP);
- b) Supplier development and R&D; Bidder's VP points prorated against highest bidder's VP points for the pillar;
- c) Value Proposition Evaluation plan reference 4.2

A98 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q99 – Can Canada provide the rationale behind its requirement to limit eligibility of supplier development commitments and transactions to activities occurring outside of bidder and eligible parties facilities?

A99 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q100 – Can Canada provide the rationale for the use of two distinct references for contract values for the purposes of evaluating Value proposition commitments and transactions?

A100 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q101 – With regards to the Point Rated Technical Evaluation Criteria, may bidders provide the appropriate all-encompassing 13 rated criteria experience reference descriptions in response to Table 3 with a page limit applied?

A101 – Canada will consider the possibility of increasing the page count limit for some of the Point Rated Technical Evaluation Criteria.

Q102 – In the PWS, under the technical data update section, there is a new requirement that technical data must be converted to be compliant with SD1000D. Can Canada please confirm that this work is emergent work?

A102 – Yes, this will be an emergent task.

Q103 – In the PWS, under the technical data translation requirements section, there is a new requirement for the contractor to translate data into Canada's official languages as and when requested. Can Canada confirm that this work is emergent work?

A103 – Yes, this will be an emergent task.

Q104 – Does Canada have a preferred commercial relationship between the ISS Prime contractor and the OEM?

A104 – It is up to the Contractor to establish whatever relationships they require to fully support the HCCS EG.

Q105 – Has Canada obtained commitment from the OEMs that they will cooperate fully with the ISS Prime contractor?

A105 – Industry has told Canada that they will sort themselves out appropriately after contract award.

Q106 – What are the current terms and conditions between Canada and the OEMs?

A106 – It is up to the Contractor to establish whatever relationships they require to fully support the HCCS EG. Canada will not disclose the terms and conditions with its existing contractors as that is proprietary information.

Q107 - While we understand that replacement of EGs is not within the scope of this contract, would the analysis and recommendations to do so be considered as part of the contract?

A107 – There could be an emergent task issued to the Contractor to conduct this type of analysis and provide recommendations.

Q108 - Will Canada please provide a copy of Canadian Forces Packaging Specification D-LM-008-036/SF-000?

A108– Yes, Canada will provide this document with the RFP.

Q109 - Will Canada insert clarifying language that any Cost Submission will only apply to Cost Reimbursable type work as detailed within the “Remarks” for SACC Clause number C0307C?

A109 – Canada will not modify the Cost Submission clause.

Q110 - Should the Contractor use Procedure D-01-100-214/SF-000 as listed in PWS 5.9.3.1 to address situations where the contractor finds out during supply management, repair or maintenance activities that a down component, repairable part(s), or higher-level system(s), are not yet catalogued and an NSN number has not been assigned? Will Canada treat any delays related to the assignment process for NSN as an excusable delay thereby granting relief for any performance impacts or is the Contractor able to make updates in DRMIS for parts / systems that do not have an assigned NSN?

A110 – Yes and Yes

Q111 - What process will be used to determine MRC for R&O activities? Since ALM-184-001/JS-001 Special Instructions requires that Maximum Repair Costs (MRC) values be assigned does Canada plan to issue out an initial DND 626 Task to value the various system Bills of Materials (BOM) to set the per part MRC or does Canada expect to use its historical pricing as maintained within DRMIS as the unit price from which a percentage based MRC will be established?

A111 – Canada will discuss this requirement with the Contractor after Contract Award.

Q112 - Should the Contractor refer to the Priority of Documents at Articles of Agreement (AoA) paragraph 7.19 thereby setting D-LM-008-036/SF-000 (AoA para. 7.51.1) as the document to be used in all case for Packaging?

A112 – D-LM-008-036/SF-000 is part of the Articles of Agreement in Section 7.19 and takes precedence over all the subsequent documents listed in Section 7.19.

Q113 - Will Canada insert clarifying language that any "Time and Contract Price Verification" as detailed at Part 7 paragraph 7.40, will only apply to the labour hours applicable under Cost Reimbursable type work (Emergent Tasks) as explained within the "Remarks" for this SACC Clause number C0710C?

A113 – No clarifying language will be provided. Please refer to SACC Manual clause C0710C.

Q114 - Will Canada amend the subject language to remove the restrictive language governing acceptable substitutions of named individuals in the project team?

A114 – This is a standard clause and it will not be changed.

Q115- Will Canada please provide a copy of Canadian Forces Technical Order (CFTO) C-02-005-011/AM-000, Mobile Repair Parties Manned by Contractor Personnel?

A115 – Yes. Canada will provide this document with the RFP.

Q116 - Will cross-referencing between different criteria sections be allowed, and if so, instructions for how to cross reference must be provided in the RFP. E.g., does cross referencing impact page count limitations?

A116 – Each technical criteria must be answered independently. Cross-referencing across sections is not acceptable and will not be considered by the evaluators.

Q117 - What will be Canada's position should a Subcontractor reject the flow down of its desired IP clauses?

A117 – It is the Contractor's contractual obligation to Canada to obtain these licences on these terms.

Q118 - Does Canada wish to carve out specific IP rights for "Hardware Maintenance Services" as listed at paragraph 7.12.3.1 (d) SACC 4001(25)(10)? If so we recommend adding clarifying language since SACC 4007 currently would take precedent for the contract.

A118 – Canada appreciate the feedback and will take it under consideration.

Q119 - What is the approved anti-malware software?

A119 – After Contract Award, the Contractor must propose a recommended software for Canada to consider and approve.

Q120 - What are the approved computer Operating Systems?

A120 – After Contract Award, the Contractor must propose a recommended operating system for Canada to consider and approve.

Q121 - What are the approved anti-virus applications?

A121 – After Contract Award, the Contractor must propose a recommended software for Canada to consider and approve.

Q122 - Is the anti-malware requirement in 2.1.1 included in 'allowed' applications on the Air Gap workstation?

A122 – Yes

Q123 - What TEMPEST level hardware is required?

A123 – Document producing, storing and processing up to SECRET is required.

Q124 - Can Virtual Servers be used?

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A124 – Canada is investigating whether or not virtual TEMPEST computers can be used in place of TEMPEST computers on-site at the contractor's premises. This information will be provided prior to final RFP release.

Q125 - Will the S1000D Issue 4.1 suffice?

A125 – The PWS specifies S1000D 4.2.

Q126 - What is a 'data exchange environment'?

A126 – The collaborative environment is a data exchange environment. An example could be a Sharepoint collaborative environment.

Q127 - What is the Electronic Information Environment (EIE) process?

A127 – The EIE process is the process by which the Contractor will transfer data in/out of DRMIS. As an example, it might include the format of the .csv file the Contractor must provide to update maintenance data in DRMIS.

Q128 - What is the process to validate the updates?

A128 – The Contractor must establish its own process to validate updates to DRMIS data.

Q129 - Due to our corporate security policies, we are unable to provide 'full access' to our Collaborative Environment. Does DND simply require remote access to the Program Files and Technical Data Packages (TDP) located within the Contractor's CE?

A129 – The Contractor must provide remote access to the complete set of files related to HCCS.

Q130 - What is the difference in responsibility between the EMT and CI-IPT (Sect 3.4)? Does one sit above the other in a governance construct? The EMT is not included in the Relationship Management Section of the PWS. Sect 3.4 infers that the CI-IPT is the preeminent working body for HCCS ISSC, but Sect 2.2.3.5.2 suggests the CI-IPT falls under the WPC contractual arrangements. Can Canada please provide clarification?

A130 – The EMT is the DND team supporting the specific HCCS EG systems. The CI-IPT sits above the EMT in that its members include other contractors supporting the *Halifax*-class such as the Design Agent Contractor, the Work Period Contractor and the CSI ISS Contractor.

Q131 - Should section 2.2.3.5.2 more appropriately refer to the HCCS Integrated Equipment Management Team?

A131 – The PWS is correct as written. Please see A131 for clarification.

Q132 - 3.9.1 As part of Management Work, commencing at Contract Award, the Contractor must collect performance data to support the performance management of the Work. Should this sentence refer to Start-Up?

A132 – The PWS is correct as written. Start-up commences at Contract Award. Performance data must be collected during all phases of the contract.

Q133 – Please define 'basic' cybersafe best practices?

A133 – Measurable implementation of CyberSafety that tailors cybersecurity and systemic safety to assets in order to enable and encourage risk-based asset management as a systemic outcome. In this context basic practices require that any activity or process, ability or capability, or state whereby

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information and operational systems and the information contained therein are protected from and/or defended against damage, unauthorized use or modification, or exploitation.

Q134 - As part of the RFP will Canada provide the expected number of Docking Work Periods (DWPs) to occur in the first 6 years to support estimation of appropriate Management Fee?

A134 – Typically there are two DWPs per year for the *Halifax*-class.

Q135 - What is a DWP special instruction? This statement is ambiguous, which will lead to Bidder's each judging and pricing what is required.

A135 – A special instruction could be any specific requirements related to HCCS EG work being conducted during a DWP. For example there may be a special instruction on how to lift a radar platform from the dockyard to the mast.

Q136 - Should logging/recording problems be Management Work?

A136 – No.

Q137 - Will Canada provide Appendix 3 with the final RFP?

A137 – Appendix 3 will be provided after Contract Award.

Q138 – Should section 4.1.4.1 read 60 or 72 months?

A138 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits for the HCCS procurement

Q139 – Why does Canada request a breakdown of the markup into profit and G&A and overhead since the evaluation is based on the sum of these sub-components? These values are considered commercially sensitive.

A139 – The breakdown of overhead and profit will facilitate negotiation of future requirements such as scope changes and negotiation of prices for the options years based on PSPC Contract Cost Principles. This information is only provided to PSPC and remains confidential.

Q140 - Will Canada consider the merits of extending the achievement period beyond the completion of contract by a period of 2 years to enable ITB commitments to be fulfilled and the obligations associated with annual ITB reporting processes to be fully satisfied?

A140 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q141 – Canada indicated that the contractor must achieve the Value Proposition commitments within 72 months from the effective date of the contract. In consideration of the question pertaining to achievement period extension, has Canada considered the fact that "investment framework" transactions undertaken with SMB's require a timeline of not less than five years to complete for offset crediting purposes?

A141 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q142 – There does seem to be some confusion between clause 3.1.2 and 18.4.2. Understanding that the HCCS ISS contract is expected to extend beyond six years with one year option years up to twelve years, is Canada going to withhold assessment of any value proposition liquidated damages until the end of the achievement period, noting that the contractor has until the end of the achievement period to fulfill its obligations under the article 3.1.2?



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A142 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q143 – Given the short timeline of six years to fulfill VP commitments, will Canada recognize indirect transactions from other commercial sectors as part of the value proposition, and not limit indirect transactions to only the defense sector?

A143 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q144 – Please clarify clause 3.1.5.3 of the RFP. This clause as written assumes the contractor will already have knowledge of the extended contract value, beyond the initial six years well in advance of 54 months following the effective date of contract in order to be able to present 100% of contract value in identified transactions.

A144 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q145 – The section titled “Justification of VP classification above” reads “Yes” or “No”. Please explain how the contractor is to address this section.

A145 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q146 – Will Canada consider including in the rated elements of the value proposition, those indirect transactions and / or commitments brought forward by bidders that are within other commercial sectors in Canada, thereby recognizing their value for generating economic benefits for Canada resulting from this defense procurement?

A146 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q147 – Will Canada consider the considerable financial investments being made by bidder's corporations to expand their Canadian operations, thereby generating more high value defence and other commercial sector jobs, which in turn create associated economic benefits for Canada, as being eligible supplier development transactions, particularly because those Canadian operations are a significant part of the corporation's global value / supply chain?

A147 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q148 – In clause 4.8 Canada states that “commitments or transactions in its proposal valued at more than 100 percent of the contract price” will earn no additional points in the rated evaluation. However, in clause 4.9, Canada states that “the sum of the value proposition activities, measured in CCV, contained within the identified transactions that is greater than the commitments identified within appendix B – rated criteria certificate ... the ITB authority will accept the greater sum as the bidder's final commitment. The bidder will then be evaluated on this sum in accordance with article 4 (or typo?) of the evaluation plan. Please clarify as these clauses appear to be in conflict with each other.

A148 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q149 – Can Canada please advise as to the correct Specific Terms and Conditions Commitment column (article 3.1.1 should read 4.1.1)?

N° de l'invitation - Solicitation No.  
W8482-168150/B  
N° de réf. du client - Client Ref. No.  
W8482-168150

N° de la modif - Amd. No.  
028  
File No. - N° du dossier  
008fx.W8482-168150

Id de l'acheteur - Buyer ID  
008fx  
N° CCC / CCC No./ N° VME - FMS

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A149 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q150 – Can Canada please review the ITB terms and conditions article 18.4 and 18.5 and advise if the cross references stated from article 19.4 should in fact read 18.4?

A150 – ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

Q151 – Can Canada please confirm that the total Liquidated Damages to be paid by the contractor is limited to 10% of the contract value?

A151 - ISEDC appreciates the feedback from industry and we are subsequently considering several options for leveraging economic benefits from the HCCS procurement.

**All other terms and conditions remain the same.**