

**Strategic Tanker Transport Capability (STTC) Project In-Service Support Virtual Industry  
Engagement Session**

**Letter of Interest (LOI)/Request for Information (RFI)**

**No. W847A-200275/J**

**Amendment 001**

This amendment is raised to:

- A) Provide responses to the questions brought forward in the In-Service Support Virtual Industry Engagement Session held March 15, 2023.
  - B) Publish the slides from the Virtual Industry Engagement Session held March 15, 2023, as an attachment to this amendment.
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**A) Responses to questions brought forward in the long-term In-Service Support Virtual Industry Engagement Session held March 15, 2023.**

**Question = Q** Answers = A

**1. Q: When does Canada plan to have the contractors begin work on the long-term In-Service Support (ISS) project?**

A: It is anticipated that the long-term ISS contract(s) will be awarded in 2025, ahead of first A330 MRTT delivery to Canada.

**2. Q: What are the operating location being considered?**

A: The Royal Canadian Air Force (RCAF) is leading the review of the options analysis for location of the Main Operating Base and a decision is anticipated to be made in summer 2023.

**3. Q: Please clarify Final Request for Proposal (RFP) timing. DND - Winter 2024 (typically Q1 2024); PSPC - Fall 2024. Which is it? If Fall 2024, how can Contract award be in Spring 2025?**

A: The tentative timelines for the RFP process is as follows:

- Draft RFP late 2023
- RFP mid-2024
- Contract(s) award 2025

**4. Q: What about the Initial Support Period? Does it still apply with new schedule?**

A: The Initial Support Period (ISP) is an option within the acquisition contract with Airbus Defence and Space and remains in place as a mitigation strategy in the event the award of the long-term ISS contract gets delayed.

- 5. Q: For IT Infrastructure Management (ITIM) and data exchange, is DND considering a cloud delivered platform for this project?**

A: The Contractor must use DND's system of record to manage materiel. DND's current system of record is a SAP- based Enterprise Resource Planning (ERP) system referred to as Defence Resource Management Information System (DRMIS). DRMIS provides total asset visibility of all Canadian Armed Forces (CAF) materiel, whether it is in use, in stock, or on a repair line. Access to DRMIS is only possible through the Defence Wide Area Network (DWAN). Coordination of DWAN access, DRMIS training, and creation of contractor supply accounts will be coordinated by the Procurement Authority/Supply Manager after contract award.

- 6. Q: Who is the current ISS provider of the CC150?**

A: The current ISS provider is L3Harris MAS Inc.

- 7. Q: Would you be able to share who the current Defence Construction Canada (DCC) program lead is for the infrastructure component of this project? Will a one-on-one meeting be possible with them?**

A: An Advance Procurement Notice for the STTC Project is anticipated to be released Summer 2023 which will provide further information.

- 8. Q: Can you please identify the company that was awarded the interim training contract?**

A: A contract was awarded to AirTanker Services Ltd in December 2022 for the provision of the A330-200 training.

- 9. Q: What support will Canada provide to small and medium businesses to help navigate the ISS-STTC space?**

A: Canada will have Small and Medium-sized Business (SMB) requirements as part of the Industrial and Technological Benefits (ITB) Value Proposition. Specific targets will need to be met by contractors to motivate them to partner with Canadian SMBs. SMBs are encouraged to contact their local Regional Development Agency to get more information and assistance in participating in opportunities associated with the STTC long-term ISS program.

- 10. Q: Do you have more information on the infrastructure component? And who at DCC can we contact for more information?**

A: An Advance Procurement Notice for the STTC Project is anticipated to be released Summer 2023 which will provide further information.

- 11. Q: Is the training solution acquisition (training devices, courseware etc) and sustainment part of the long-term ISS?**

A: Strategic Tanker Transport Capability Fleet (STTCF) specific training devices and courseware will be procured and delivered with training systems acquired through the main STTC acquisition contract. Sustainment of the various training devices, courseware will be a consideration of the Sustainment Business Case Analysis (SBCA) process and included in the long-term In-Service Support scope.

**12. Q: How do you request a one-on-one meeting?**

A: To request a one-on-one meeting please send an email to [tpsgc.pastr-apsttc.pwgsc@tpsgc-pwgsc.gc.ca](mailto:tpsgc.pastr-apsttc.pwgsc@tpsgc-pwgsc.gc.ca), the email from which the Industry Engagement invitation was sent.

**13. Q: Will you be providing a full list of attendees from this call?**

A: No.

**14. Q: Will industry be able to bid on the conversion of the STTC aircraft?**

A: Following the publication of an Invitation to Qualify process in 2021, Airbus Defence and Space SA was selected as the sole qualified supplier for this procurement. The conversion process to the MRTT configuration will be completed by Airbus Defence and Space SA as part of the main acquisition contract.

**15. Q: Will the different packages will have different RFP processes?**

A: Details on the RFP process will become available through continued development of the procurement strategy using the SBCA process and further engagement with industry.

**16. Q: Is there any plan for infrastructure maintenance for the RFP?**

A: Infrastructure will not be part of the long-term ISS RFP. An Advance Procurement Notice for the STTC Project is anticipated to be released Summer 2023 which will provide further information.

**17. Q: What value will past performance have on the evaluation of the proposal scoring pertaining to the ISS for the A330?**

A: Evaluation criteria will be developed during the SBCA process and further engagement with industry.

**18. Q: Is the long-term STTC In-Service Support intended to start with the delivery of STTC aircraft to Canada?**

A: It is anticipated that the long-term ISS contract will be awarded in 2025, ahead of first A330 MRTT delivery to Canada.

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**Attachment 1 to Amendment 001**

Slides from the Virtual Industry Engagement Session held March 15, 2023.


 Government of Canada / Gouvernement du Canada

# Strategic Tanker Transport Capability (STTC) Project



## Projet d'Avion stratégique de transport et de ravitaillement en vol (ASTRV)


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 Government of Canada / Gouvernement du Canada

March 2023

# Virtual Industry Engagement

## Strategic Tanker Transport Capability (STTC) Project – Long-Term In-Service Support (ISS)



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## AGENDA



- Opening Remarks
  - Virtual Session Logistics
  - Objective
  - Questions
  - Fairness Monitor
- Presentations
  - DND
  - PSPC
  - ISED
- Closing Remarks

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## OPENING REMARKS



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## VIRTUAL SESSION LOGISTICS



### Event and Conference Management Group

In the event of technical difficulties please contact the Event and Conference Management Group Support at **(613) 223-6420**.

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## VIRTUAL SESSION LOGISTICS



### Presentation Slides

The Presentation slides contained in this Virtual Industry Engagement Session:

- Are provided for information purposes only;
- May be subject to change(s);
- Will not necessarily result in a procurement process by the Government of Canada; and
- Will be posted on CanadaBuys Tender Opportunities at a future date.

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## VIRTUAL SESSION LOGISTICS



### Questions & Answers

The Questions & Answers provided in this Virtual Industry Engagement Session:

- Will be posted on CanadaBuys Tender Opportunities at a future date.

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## OBJECTIVE



### Purpose

- To inform Industry on Canada's progress in the development of the STTC Long-Term ISS Sustainment Business Case Analysis
- To set the conditions for meaningful one-on-one sessions:
  - Obtain relevant feedback on the contracted services preferred strategy
  - To seek Industry's interest regarding the different proposed Work Packages
  - To seek relevant feedback on the proposed scope of work within the Work Packages

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## QUESTIONS



Questions can be submitted at any time during this Virtual Industry Engagement Session by utilizing Slido.

- Web address for Slido is [www.slido.com](http://www.slido.com)
- The access code for this event is: # 1965274

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## ONE-ON-ONE SESSIONS



- Canada intends to hold one-on-one sessions in April 2023
- If you are interested in participating (and have not already submitted a request for a one-on-one session) you can register as per the posting on CanadaBuys
- The closing date for registration for a one-on-one session is March 24, 2023

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## FAIRNESS MONITOR



To ensure the STTC project is conducted in a fair open and transparent manner the services of BDO Canada LLP have been retained.

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## INTRODUCTION OF PRESENTERS



**René Bourassa** - Project Manager  
Department of National Defence (DND)

**Sébastien Prévost** - Procurement Director  
Public Services and Procurement Canada (PSPC)

**Alex Bramm** - Project Manager  
Innovation, Science and Economic Development (ISED) Canada

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# Strategic Tanker Transport Capability (STTC) Sustainment Enterprise

René Bourassa, Project Manager  
Department of National Defence (DND)



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## OVERVIEW



- Strategic Background
- Operational Background
- Capability Requirements
- Project Scope
- Sustainment Business Case Analysis
- Contracted Services Groupings
- Sustainment Enterprise Work Packages
- Contracted Services Strategies
- Canada's Preferred Sustainment Strategy
- Schedule & Key Milestones

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## STRATEGIC BACKGROUND



### Strong, Secure, Engaged: Canada's Defence Policy

Recapitalize Next Generation  
Strategic Air-to-Air Tanker-  
Transport Capability

### NORAD Modernization:

Launch and sustain a strong  
military presence across the  
country, including in Canada's  
North, through investments in  
new infrastructure and  
support capabilities.



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## OPERATIONAL BACKGROUND



- CC150 Acquired in 1993/1994
- Loss of CC137 Air-to-Air Capability in 1997
- Cargo Capability Enhancement
- Executive Suite Modification
- Strategic Air-to-Air Capability
- Aging Fleet



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## CAPABILITY REQUIREMENTS



- Global Responsiveness
- Adaptability
- Tanker Capacity
- Airlift Capacity
- Tanker Interoperability
- Survivability
- Training
- Infrastructure
- Readiness posture



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## PROJECT SCOPE



Replace the existing CC-150 Polaris capability with the following:

- STTC Aircraft;
- Supporting Infrastructure;
- Training Capability; and
- Sustainment Enterprise.

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## PROJECT SCOPE



### Supporting Infrastructure:

- Main Operating Base (MOB) – Location is under review
  - Infrastructure requirements will be further developed
  - Advanced Procurement Notice for supporting Infrastructure
    - Hangar facility
    - Potential upgrades to supporting infrastructure
  - Statement of Requirements for Infrastructure /Business Case Analysis – DND in collaboration with Defence Construction Canada (DCC)



### Training Capability:

- Develop a training solution able to support STTC missions.
  - Initial and recurrent training for operator and support personnel (i.e. Aircrew and Cabin Crew)
  - Maximize commonality between training devices and aircraft systems

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## SUSTAINMENT BUSINESS CASE ANALYSIS (SBCA)



### The SBCA will:

- Produce a tailored in-service support solution for STTC;
- Maximize value for Canada by optimizing the four sustainment principles:
  - Equipment Performance
  - Value for money
  - Flexibility
  - Economic benefits

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## CONTRACTED SERVICES GROUPINGS

**Purpose**

- To determine the optimized SE construct by identifying how the contracted scope of work will be “bundled”

**Factors**

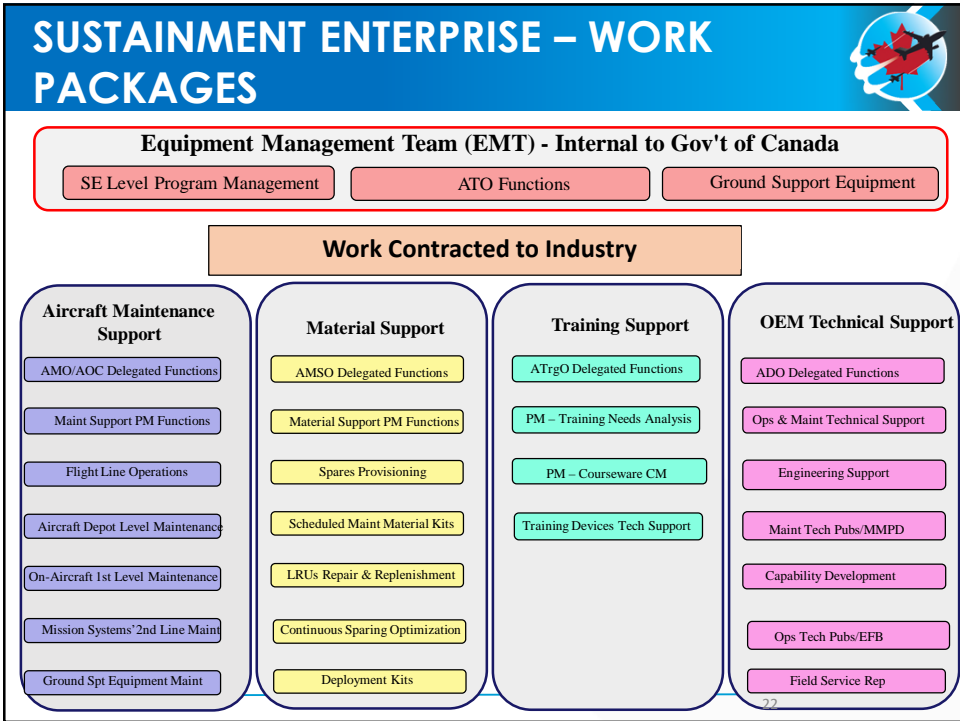
- Lessons Learned / Best Practices
- Steady-State Management (positioning for the next 30 yrs)

**Emphasis**

- Performance: Mission-Ready Aircraft (Accountability, Effectiveness, Relevant Incentives)
- Value for Money: Efficiency (Smart Buyer, Relevant Incentives)

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# CONTRACTED SERVICES STRATEGIES

## Strategy #1

One ISS Contract with a Prime Contractor



## Strategy #2

One ISS Contract with a Thin Prime that competes WPs on Canada's behalf



## Strategy #3

Multiple ISS Contracts aligned with main WPs (i.e. 3+ contracts)



\* Each contract is with a company that has the designated Work Package as their core competency.

# PREFERRED SUSTAINMENT STRATEGY

## Strategy #3: Multiple Contracts

- Contract #1 – Aircraft Maintenance Support
- Contract #2 – Material Support Contract
- Contract #3 – Training Support Contract
- Contract #4 – OEM Technical Support Contract with ADS

Note: Foreign Military Sales equipment is anticipated to be common to other RCAF Fleets.



 <b>SCHEDULE – KEY MILESTONES</b>	
Completed Milestones	Actual Date
Project Approval and Expenditure Authority (Definition)	December 2020
Invitation to Qualify: Single Qualified Supplier, Airbus Defence & Space SA with Airbus A330 MRTT	1 April 2021
Develop Aircraft Acquisition Requirements & Contract	April 2021 to January 2023
Upcoming Milestones	Estimated Date
Contract Award – Main Acquisition	Summer 2023
Request for Proposal – Long-Term In-Service Support	Winter 2024
Contract Award – Long-Term In-Service Support	Spring 2025
Initial Operational Capability (IOC)	2028/29
Full Operational Capability (FOC)	2030/31
Project Close Out	2030/31

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**Procurement Process  
Long-Term In-Service  
Support (ISS)**

Sébastien Prévost, Procurement Director  
Public Services and Procurement Canada



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## DEFENCE PROCUREMENT IN CANADA

<p style="text-align: center;"><b>CAPABILITY</b></p> <p style="text-align: center;"></p> <p style="text-align: center;"><b>Department of National Defence</b></p> <p>Determines Canada's technical requirements and specifications for the platform or service being procured</p>	<p style="text-align: center;"><b>ECONOMIC BENEFITS</b></p> <p style="text-align: center;"></p> <p style="text-align: center;"><b>Innovation, Science and Economic Development (ISED)</b></p> <p>Determines Canada's requirements for economic benefits to create jobs and economic growth in Canada, through the <i>Industrial and Technological Benefits Policy</i></p>	<p style="text-align: center;"><b>CONTRACTING</b></p> <p style="text-align: center;"></p> <p style="text-align: center;"><b>Public Services and Procurement Canada</b></p> <p>Is the contracting authority and is responsible to manage the contract, determines value for money and is accountable for the procurement process</p>
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## NATIONAL SECURITY AND APPLICABLE POLICIES

- A National Security Exception (NSE) has been invoked.
- The Industrial and Technological Benefits (ITB) Policy including Value Proposition (VP) is applicable to the STTC Project.
- Canada is exploring the inclusion of an Aboriginal Participation Component (APC) as part of the STTC Project.
- The STTC Project is subject to the Controlled Goods Program (CGP).

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## PROGRESS UPDATE – MAIN ACQUISITION



- On December 17, 2020, Canada launched an open and transparent competition via a draft Invitation to Qualify.
- On February 12, 2021, an Invitation to Qualify was published.
- The entire evaluation of the responses was completed under the supervision of a Fairness Monitor.
- On April 1, 2021, the result of the Invitation to Qualify was published with Airbus Defence and Space (ADS) SA of Madrid, Spain as the sole qualified supplier.
- Canada continues to work with ADS to finalize the purchase A330-MRTT aircraft.

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## PROGRESS UPDATE – EARLY IMPLEMENTATION



### Aircraft

On June 13, 2022, Canada finalized a contract for the procurement of two Airbus A330-200 aircraft, with delivery anticipated in 2023.

### Sustainment

The current ISS provider of the CC150 fleet will deliver interim ISS services for the used A330-200 aircraft.

### Training

A contract for the initial Aircrew training has been awarded for the operation of the used A330-200 aircraft.

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## PROCUREMENT PROCESS – SUSTAINMENT ENTERPRISE



### Long-Term ISS

- STTC Sustainment Enterprise
  - Competitive
  - Estimated Requirement – Various work packages that cover maintenance support, material support, engineering support and training support
  - Request for Proposal (tentative timelines)
    - Draft late 2023
    - Release fall 2024
  - Contract award – Potentially as early as 2025

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## Introduction to the Industrial and Technological Benefits (ITB) Policy

Alex Bramm, Project Manager

Innovation, Science and Economic Development (ISED)  
Canada



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## OBJECTIVES



- The Government of Canada is consulting with industry to obtain information on economic leveraging opportunities for the STTC In-Service Support (ISS) project.
- Input provided during industry engagement will be used to develop a Value Proposition framework for the STTC ISS.

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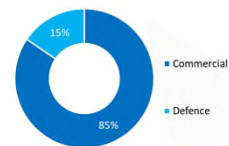
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## CANADIAN AEROSPACE & MRO



- Canada's Aerospace and Defence industries **create or maintain 200,000 and 78,000 jobs, respectively**, spanning the five Canadian regions and contributed over \$24 Billion to GDP in 2021
- **The Maintenance, Repair and Overhaul (MRO) aerospace sector** is a significant part of the overall aerospace and defence market in Canada.
- Of the over \$24 Billion GDP contribution of Canada's Aerospace industry, **Aerospace MRO** contributed roughly \$7.6 Billion and was comprised of roughly 68,000 jobs, in 2021. This includes both MRO industry economic impact as well as indirect and induced economic impact.

Canadian Aerospace Segments



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## THE INDUSTRIAL AND TECHNOLOGICAL BENEFITS (ITB) POLICY

Requires companies awarded defence procurement contracts to undertake business activity in Canada equal to the value of the contract

**General aspects of the Policy include:**

- **Market driven;** Work in **target industrial areas** identified through analysis and industry engagement
- Includes plans for regional distribution of **work across Canada**
- Investments in **small and medium-sized businesses** from across Canada
- Recognizes **incremental** business activity

**WHEN DOES IT APPLY?**

- The ITB Policy applies on all eligible defence and Canadian Coast Guard procurements over \$100 million or to procurements to which the National Security Exception is invoked
- Eligible defence procurements valued between \$20-100 million are reviewed for the possible application of the ITB Policy

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## STTC: ITB APPROACH

- Ensure a **Canadian in-country solution** for sustainment activities.
- **Stimulate innovation and research and development** in areas such as Aerospace Systems and Components, Defence Systems Integration and other KIC's.
- **Encourage supplier development** by seeking commitments with Canadian suppliers and a mandatory level of work with small and medium sized business (SMB), while **generating export opportunities**.
- **Motivate development of a skilled workforce** critical to meeting the needs of related KIC industries in Canada.

**ITB VP Pillars**

- WORK IN THE CANADIAN DEFENCE INDUSTRY
- CANADIAN SUPPLIER DEVELOPMENT
- RESEARCH AND DEVELOPMENT
- EXPORTS
- SKILLS DEVELOPMENT AND TRAINING

**POTENTIAL KEY INDUSTRIAL CAPABILITIES**

- Aerospace Systems and Components
- Defence Systems Integration
- In-Service Support
- Training and Simulation
- Clean Technologies
- Under consideration following STTC ISS Engagement 1 (3 Oct 2022):**
- Cyber Resilience
- Artificial Intelligence
- Advanced Materials
- EO/IR Systems
- Remotely Piloted Systems and Autonomous Systems

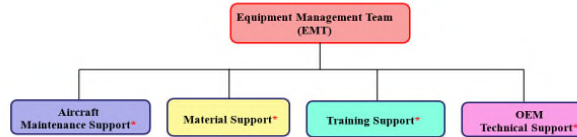
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## PROPOSED STRATEGIES AND ECONOMIC BENEFITS



### STRATEGY #3 – Current preferred option



\* Each contract is with a company that has the designated Work Package as their core competency.

### QUESTIONS FOR INDUSTRY:

- What is within the realm of possible for Canadian industry for these lines of tasking?
- Given the three services groupings strategies, which one would maximize Canadian content and why?
- Given the identified work packages, what IP and technical data access does Canada require?
- If Strategy 3 is selected, which VP Pillars should be leveraged under each contracts? Which KICs should be emphasized?
- What skills or capabilities does your workforce need to support your company's growth? Does your organization have any skills and training opportunities that could include indigenous or underrepresented groups under the proposed services groupings?
- What opportunities exist for the development or deployment of Clean Technologies under the LTISS procurement? How might your organization meet such a requirement?
- Other Canadian industrial consideration input?

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## NEXT STEPS



- Canada will **develop the Value Proposition approach** through further analysis and **industry engagement**.
- Phase 2 of the SBCA will explore options to leverage economic benefits through the ITB Policy, including Value Proposition, and tailored to Contracted Services Grouping recommendations
- We encourage you to participate in the upcoming one-on-ones to assist in developing our VP approach.
- Going forward, Canada will present industry with a proposed VP evaluation framework and seek additional input/feedback.

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## HOW TO GET INVOLVED ITB POLICY TIPS



### Know the VP and where you fit

This is the road-map for potential opportunities for Canadian industry and stakeholders. **Go to the ITB Website to understand the policy and process**

[www.Canada.ca/itb](http://www.Canada.ca/itb)



**Talk to your Regional Development Agency (RDA) representative** and engage with **Global Affairs Canada's Trade Commissioner Service**



### Connect with Potential Suppliers & Research Organizations

Gather additional intelligence and make contacts through trade associations, industry days, conferences and trade shows, including through CADSI and AIAC

<https://www.defenceandsecurity.ca/>  
<http://aiac.ca/>

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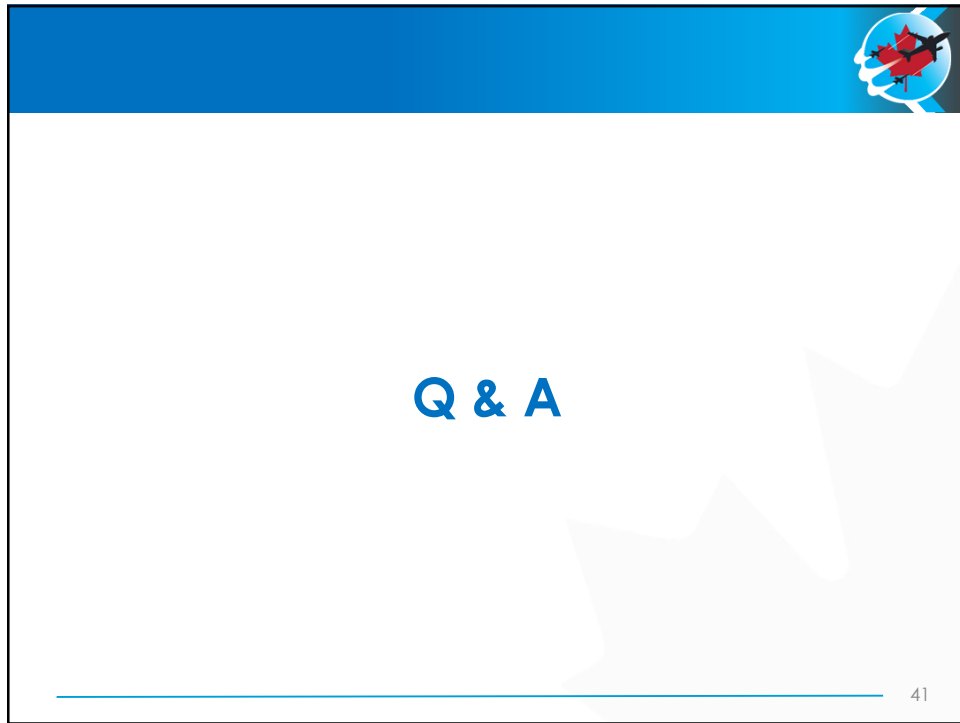


# BREAK

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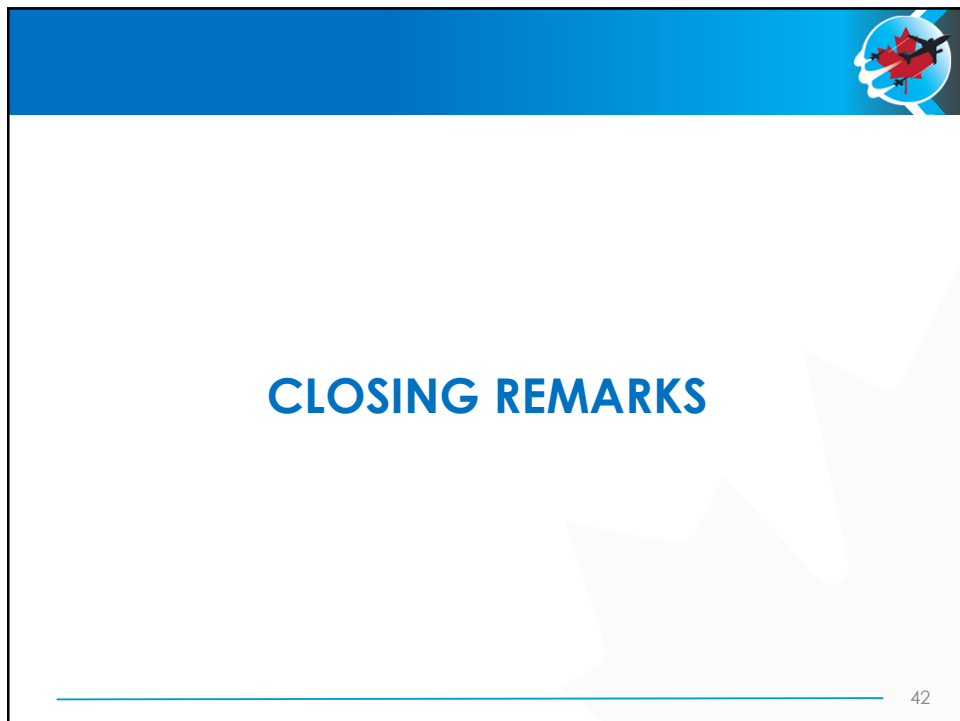
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A presentation slide with a blue header bar at the top right containing a logo of a red maple leaf with a black airplane flying over it. The main content area is white with a faint, light gray background graphic of a stylized mountain range. The text "Q & A" is centered in a bold, blue, sans-serif font. A thin blue horizontal line is positioned near the bottom of the slide, with the number "41" at its right end.

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A presentation slide with a blue header bar at the top right containing a logo of a red maple leaf with a black airplane flying over it. The main content area is white with a faint, light gray background graphic of a stylized mountain range. The text "CLOSING REMARKS" is centered in a bold, blue, sans-serif font. A thin blue horizontal line is positioned near the bottom of the slide, with the number "42" at its right end.

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