

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

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

No. W847A-200275/K

Amendment 001

This amendment is raised to:

- A) Publish the slides from the Virtual Industry Engagement Session held December 13, 2023.
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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

December 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
 - PSPC
 - DND
 - ISED
- Question and Answer
- 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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Objective



Purpose

- To inform industry regarding Canada's updated procurement strategy for the long-term In-Service Support (ISS) for the CC330 Husky fleet

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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
- The access code for this event is: #2923810

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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



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

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

George Tsagaroulis - Project Manager
Innovation, Science and Economic Development (ISED)
Canada

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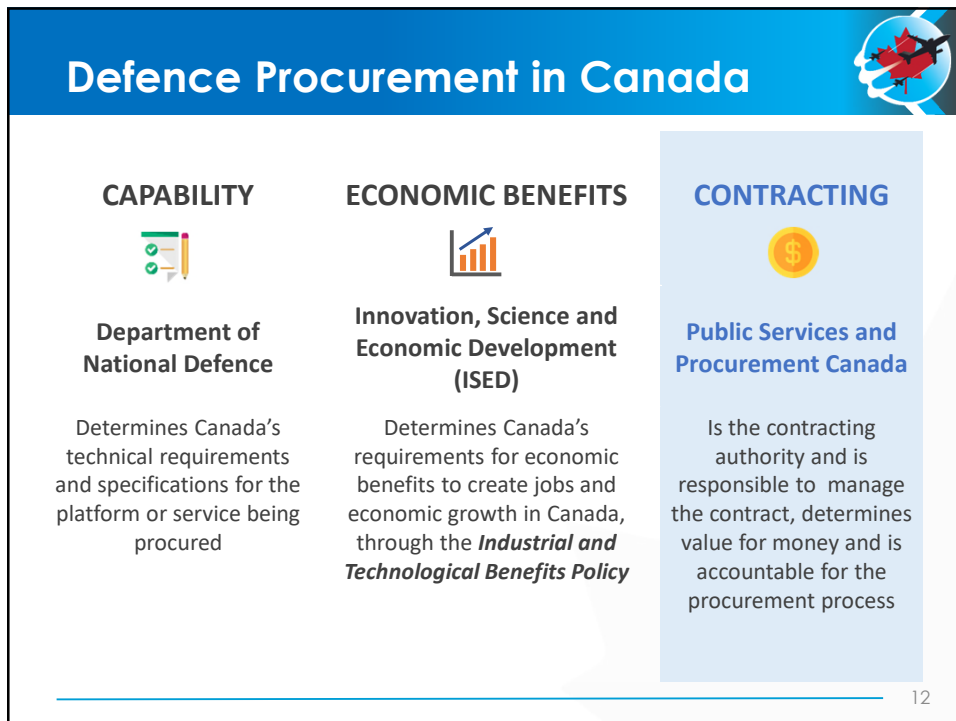
Procurement Process Long-Term In-Service Support (ISS)




Sébastien Prévost, Procurement Director
Public Services and Procurement Canada



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Defence Procurement in Canada



CAPABILITY	ECONOMIC BENEFITS	CONTRACTING
 Department of National Defence	 Innovation, Science and Economic Development (ISED)	 Public Services and Procurement Canada
<p>Determines Canada's technical requirements and specifications for the platform or service being procured</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>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 has been invoked for the STTC project.
- The Industrial and Technological Benefits (ITB) Policy including Value Proposition is applicable to the STTC project.
- Canada is exploring the inclusion of an Aboriginal Participation Component as part of the STTC project.
- The STTC project is subject to the Controlled Goods Program.

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Progress Update – Main Acquisition



- On April 1, 2021, the result of an Invitation to Qualify was published with Airbus Defence and Space as the sole qualified supplier.
- Canada awarded a Contract to Airbus Defence and Space on June 19, 2023 for the acquisition of a fleet of nine aircraft – four new A330-MRTT aircraft and the conversion of five used aircraft.

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Progress Update – Early Implementation



- Aircraft
 - A total of five used aircraft have been procured.
 - The first used aircraft arrived in Canada on August 31, 2023, and is currently in operation by the RCAF.
- Sustainment
 - The current ISS contractor of the CC150 fleet is providing 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



- Previous engagement session (March 2023):
 - Contracted Services Groupings: optimize the sustainment enterprise to achieve required performance and value for money
 - Work scope divided into four major work packages:
 - Maintenance support
 - Materiel support
 - Training support
 - Original Equipment Manufacturer (OEM) support

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Procurement Process – Sustainment Enterprise (Update)



- Current focus on two work packages:
 - Maintenance support
 - Materiel support

- Competitive Invitation to Qualify (ITQ)
 - Required as an export license will be needed for bidders to access technical publications
 - Some restrictions around the export license – controlled goods

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Procurement Process – Sustainment Enterprise (Update)



- Competitive – 3 phase procurement process
 - Phase 1: ITQ
 - Phase 2: Export license, initial security and Review and Refinement of Requirements (RRR) – includes draft Request for Proposal
 - Phase 3: RFP

- Phase 1 – ITQ
 - One ITQ for both work packages – Respondents can qualify for a single work package or both work packages
 - Mandatory criteria
 - Results in list of qualified suppliers

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Procurement Process – Sustainment Enterprise (Update)



- Phase 2 – Export License, Initial Security and RRR
 - The process for the export license, initial security and the RRR phase will run concurrently
 - Export License
 - An export license is required for access to the technical publications associated with the aircraft
 - Access to these publications is required to permit Bidders to provide a complete response to the RFP
 - To be granted an export license companies will be required to be registered in the Controlled Goods Program or be exempt

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Procurement Process – Sustainment Enterprise (Update)



- Phase 2 – Initial Security
 - After qualification potential Bidders will be required to complete a Contract Security Program Application for Registration form (Canadian firms) or contact the International Security Directorate (foreign based firms), done at this stage as security clearances can take some time to be granted
- Phase 2 – Review and Refinement of Requirements
 - Objective is to obtain feedback on Canada's requirement
 - A draft RFP will be shared with the qualified suppliers
 - Canada will consider feedback provided

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Procurement Process – Sustainment Enterprise (Update)



- Phase 3 – RFP
 - Release of final RFP to only those suppliers that remain qualified at this stage
 - Qualified suppliers will be able to bid on the work package for which they qualify and both if so qualified
 - One RFP for both the Maintenance support and the Materiel support, resulting in two Contracts

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Anticipated Procurement Timeline



- ITQ release – January 2024
- ITQ closing – March 2024
- Qualified suppliers listed – March/April 2024
- Draft RFP – Spring 2024
- RFP release – Summer 2024
- Contracts awarded – 2025

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Strategic Tanker Transport Capability (STTC) Sustainment Enterprise

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



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Strategic Background

- The STTC project addresses initiative #47 of Strong, Secure, Engaged (SSE) – Recapitalize next generation strategic air-to-air tanker-transport capability, with contributions to #111 NORAD Modernization via Additional AAR.
- Scope of the STTC project includes:
 - Aircraft acquisition – A330 Multi-Role Tanker Transport (CC330)
 - Sustainment – In-Service Support (ISS) and Integrated Logistic Support
 - Infrastructure – Main Operating Base (East and West) and select northern AAR forward operating location(s)

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Strategic Background



- The CC330 Husky will replace the CC150 Polaris and serve as the RCAF's multi-role airlift platform for Air-to-Air Refueling (AAR) and transport:
 - In the AAR role it will provide four Lines of Tasking (LoT)
 - In the transport role it will provide one LoT



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Schedule – Key Milestones



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
Main Acquisition Contract Awarded	19 June 2023
Release of Advanced Procurement Notice for MOB-East	Late Nov 2023
Upcoming Milestones	Estimated Date
Invitation To Qualify (ITQ) – Long-term In-Service Support	January 2024
Request for Proposal (RFP) – Long-term In-Service Support	Summer 2024
Contract Award – Long-Term In-Service Support	2025
First MRTT Configured Aircraft - Arrival	2027
Initial Operational Capability (IOC)	2028/29
Full Operational Capability (FOC)	2032/33

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Preferred Sustainment Strategy



Multiple Contracts

- Maintenance support (Competed)
- Material support (Competed)
- Training support (TBD)
- OEM support with Airbus Defence and Space

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Maintenance Support



- **Maintenance support:**
 - Line maintenance services (i.e. First, Second, Third Line Maintenance)
 - Deployed support
 - Engineering support: special inspections, non-standard repairs, etc.
- **Line Maintenance**, includes servicing, inspections, aircraft configuration management and snag recovery of aircraft.
- **First Line Maintenance**, scheduled maintenance and associated corrective maintenance performed at the organizational level.
- **Second Line Maintenance**, intermediate level maintenance.
- **Third Line Maintenance**, depot level maintenance.

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Materiel Support



Materiel support includes the following:

- Repair and overhaul;
- Managing warranty work;
- Logistics support analysis;
- Managing obsolescence;
- Materiel contingency planning;
- Inventory rationalization;
- Facilitating Disposal efforts;
- Packaging/Handling/Storage/Transportation;
- Warranty Management;
- Warehousing;
- Etc.

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ITQ Evaluation Criteria – Maintenance Support



- **Aim:**
 - Qualify suppliers for Maintenance support.
- **Requirement:**
 - Suppliers must:
 - Be an Approved/Acceptable Maintenance Organization (AMO) for any Large Transport Aircraft (e.g. EASA CS-25, FAA Part 25, TCAC Chapter 525); and
 - Have experience providing First, Second or Third line maintenance services for Large Transport Aircraft (e.g. EASA CS-25, FAA Part 25, TCAC Chapter 525)
- **Evidence Required:**
 - Approved Maintenance Organization (AMO) certificate for any Large Transport Aircraft Aircraft (e.g. EASA CS-25, FAA Part 25, TCAC Chapter 525); and
 - Copy of supplier's Airworthiness Process Manual (e.g. Maintenance Process Manual)

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ITQ Evaluation Criteria – Materiel Support



- **Aim:**
 - Qualify Materiel support suppliers
- **Requirement:**
 - **Suppliers must:**
 - Possess 7-years' experience out of the last 10-years delivering aircraft Materiel support; and
 - Possess experience managing complex aeronautical parts and assemblies (e.g. engines, APUs, landing gear, rudders, flaps, thrust reversers, etc.)
- **Evidence Required:**
 - Records and description of the supplier's experience managing aeronautical parts including complex assemblies (e.g. engines, APUs, landing gear, rudders, flaps, thrust reversers, etc.)
 - References from companies or governments for which services were rendered including contact information

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Infrastructure Update



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Infrastructure



Government Furnished Facilities (GFF):

- Set-up/Ramp-up:
 - No hangars
 - Minimal warehousing
 - Steady State Operations:
 - MOB-E: Two bay hangar
 - One maintenance bay - capable of up to "C" Level Checks (Excluding 6 year/12 year checks)
 - One readiness posture bay
 - MOB-W: 1 bay hangar
 - One readiness posture bay
- Note: Limited corrective maintenance capacity**
- Forward Operating Locations (FOL): TBD

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Infrastructure Upcoming Work - Milestones



Timeline	Activity
Late Nov 2023	Release of Advanced Procurement Notice for MOB-East
Spring 2024	MOB-E: Commence Design by Tender for Modified Design Builder (MDB) Note: In-house design has already commenced for airfield modifications.
Summer / Fall 2024	MOB-W Basing Decision & FOL Basing and Scoping Decision <ul style="list-style-type: none"> • MOB-W basing to analyse non-custodial site only
Winter 2025	Treasury Board Expenditure Authority for Infrastructure Implementation.
Winter 2026	MOB-W: Commence Tender for Design
Spring 2026	MOB-E: Commence Construction Note: Airfield modifications construction is anticipated to commence Winter 2025.
Winter 2028	FOL: Commence Design
Spring 2028	MOB-W: Commence Construction
Winter 2030	FOL: Commence Construction

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Introduction to the Industrial and Technological Benefits (ITB) Policy

George Tsagaroulis, Project Officer
Innovation, Science and Economic Development (ISED)
Canada



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Sustainment Enterprise – ITB Policy



- The Industrial and Technological Benefits (ITB) Policy, including Value Proposition (VP), applies to the STTC Project
- By responding to the ITQ, respondents acknowledge that the ITB Policy, including VP, will apply to any subsequent procurement process
- ISED will develop a distinct VP strategy for each of the four LTISS Work Packages. During the Review and Refinement stage of Phase 2, Canada will present industry with a proposed VP evaluation framework and seek additional input/feedback.
- ISED will continue to refine the VP approaches based on market analysis and results of industry engagement

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Q & A

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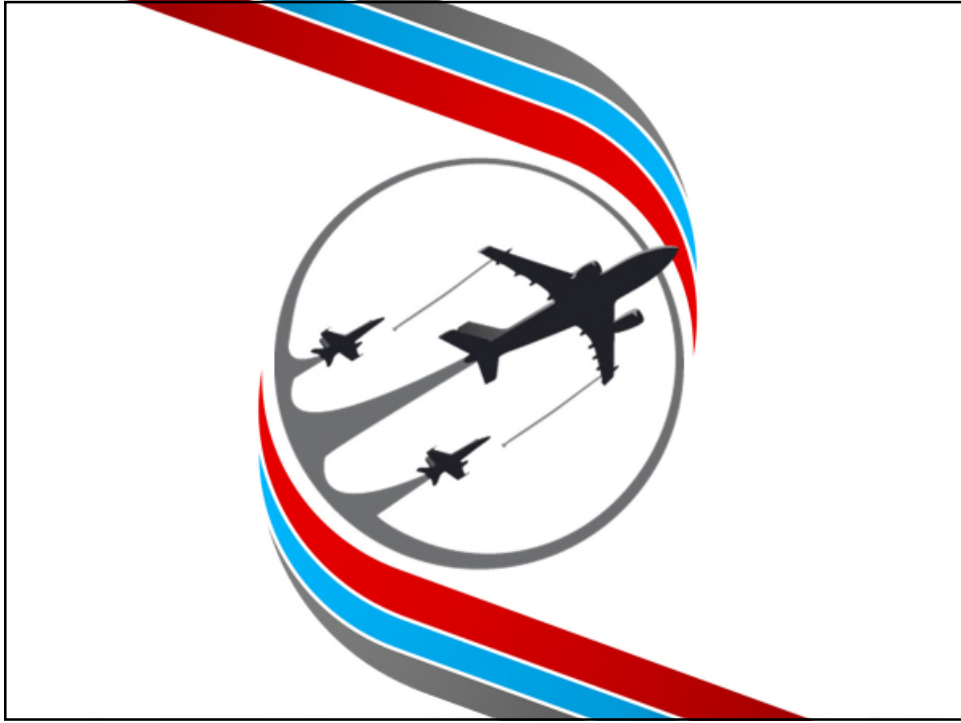
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CLOSING REMARKS

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