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LETTER OF INTEREST

LETTRE D'INTÉRÊT

Comments - Commentaires

Title - Sujet Eastern Canada Ferry Services	
Solicitation No. - N° de l'invitation T8010-160045/A	Date 2017-05-04
Client Reference No. - N° de référence du client T8010-160045	GETS Ref. No. - N° de réf. de SEAG PW-\$\$MB-004-26312
File No. - N° de dossier 004mb.T8010-160045	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2017-07-31	
Time Zone Fuseau horaire Eastern Daylight Saving Time EDT	
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Laliberté, Lucie	Buyer Id - Id de l'acheteur 004mb
Telephone No. - N° de téléphone (819) 939-7935 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: DEPARTMENT OF TRANSPORT PLACE DE VILLE, TOWER C 330 SPARKS ST., 19TH FLOOR AIR & MARINE PROGRAMS (AHP) OTTAWA Ontario K1A0N5 Canada	

Instructions: See Herein

Instructions: Voir aux présentes

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105 Hotel de Ville

Gatineau

Quebec

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REQUEST FOR INFORMATION

EASTERN CANADA FERRY SERVICES PROJECT Transport Canada

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SECTION 1 – RFI PROCESS INSTRUCTIONS

1. Objective

- a) Transport Canada (TC) with the assistance of Public Services and Procurement Canada (PSPC) intends to seek Industry feedback on a potential approach to deliver the Eastern Canada Ferry Services, which includes ferry service between: Saint John, New Brunswick (NB) and Digby, Nova Scotia (NS); Wood Islands, Prince Edward Island (PEI) and Caribou, NS; and Îles-de-la-Madeleine, Quebec (QC) and Souris, PEI.
- b) The Government of Canada (GC) is seeking feedback regarding the delivery of the services provided under long-term contract(s) with operator-supplied vessels could be used to provide the services, including potential contract(s) costs. The GC's objectives for moving to a new approach for the Eastern Canada Ferry Services include: providing long-term certainty and sustainability to communities through a high quality service with newer and better vessels while supporting the regional Atlantic and Quebec economies.
- c) The GC also seeks feedback that will help it assess potential industrial and broader economic benefits of the potential approach to Canada, including vessel maintenance, repairs and capital work to be carried out in Canada in support of the Buy-in-Canada Shipbuilding Policy.
- d) The GC is also seeking feedback on the potential opportunities for Aboriginal socio-economic development, including Aboriginal Business Development; Aboriginal Employment; Aboriginal Training and Skills Development; and other economic measures.

2. Background

- a) Under the current Ferry Services Contribution Program (the Program), TC provides support to private operators for three inter-provincial ferry services in Eastern Canada: Saint John, NB / Digby, NS; Wood Islands, PEI / Caribou, NS; and Îles-de-la-Madeleine, QC / Souris, PEI (collectively referred to as the Eastern Canada Ferry Services).
- b) In support of these services, TC leases four vessels and six terminals to the private operators. As owner of these assets, TC is responsible for managing and funding capital projects that increase the assets' capacity, capability, efficiency and/or useful life. Information on TC's vessels and terminals is provided in Annex B and Annex C, respectively.
- c) Operators are responsible for: operating and crewing the vessels; setting the schedule of crossings; overhead cost allocation; maintaining and repairing the vessels; maintaining the vessels to class; and, arranging for dry docks. The operators also manage and operate the ferry terminal facilities.

- d) Operators work with the GC to ensure the vessels comply with all applicable legislation and regulations for the safe and secure operation and have the appropriate documents, certificates, records and reports.
- e) Over the past decade, the GC has spent approximately \$390 million to support the Eastern Canada Ferry Services, including contributions to cover operating deficits, terminal and vessel maintenance, as well as capital investments in the terminals and vessels.
- f) The GC is looking to modernize the delivery of the program by exploring the feasibility of an approach under which operators would supply the ferry vessels used to deliver the services. The approach is expected to promote safety, reliability and efficiency through high quality service.

3. Nature of the consultation

- a) This RFI is an initial step of the Industry consultation. The purpose of the RFI is to engage Industry to seek feedback, on solutions, pricing, and comments and recommendations on the proposed requirements.
- b) This RFI is neither a call for tender nor a Request for Proposal (RFP). No agreement or contract(s) will be entered into based on this RFI. The issuance of this RFI is not to be considered in any way a commitment by the GC, nor as authority to potential Respondents to undertake any work that could be charged to GC. This RFI is not to be considered as a commitment to issue a subsequent solicitation or award contract(s) for the requirements described herein.

4. Consultation Process

The RFI, which forms part of the Consultation Process, will consist of three (3) stages:

1. Stage 1 – Industry Day and/or by WebEx:

- i. On June 2, 2017, an Industry Day will be held in Gatineau, Quebec. Potential Respondents that are interested in being present during the Industry Day are requested to send an e-mail confirmation to the Contracting Authority at Lucie.Laliberte@pwgsc-tps.gc.ca. Additional information on the specifics of the Industry Day will be released to all interested suppliers. Registration is due on or before May 30, 2017.
- ii. Site visits may be organized following the Industry Day. Additional information will be provided in an amendment to the RFI at a later date.
- iii. Registration will be required, as per to Article 6 below.

- iv. Suppliers that are not able to attend the Industry Day meeting in person may request participation through a web conferencing service via WebEx. Suppliers that have shown preference in attending the Industry Day via WebEx will subsequently be provided with an e-mail providing specific instructions. Registration is due on or before May 30, 2017. Only those registered will be able to log in.
- v. Initial responses:
 - i. Initial responses to the RFI are required for Respondents to participate in Stage 2 of this RFI. The initial response from the Industry is to be provided on or before June 19, 2017 by e-mail to the Project Contracting Authority (see at Article 8 herein).

2. Stage 2 – One-on-One Meetings with Industry – tentatively from July 10 to 21, 2017

- i. The purpose of the One-on-One meetings between Canada and individual potential Respondents is to discuss the initial response of the subject Respondent.
- ii. Depending on Industry requests and suppliers' preferences, Canada may consider holding the One-on-One sessions in various locations across Canada.
- iii. Respondents will be provided with the opportunity to modify their responses throughout this period.
- iv. Please contact the Contracting Authority by email on or before June 30, 2017 to schedule a meeting with Canada.

3. Stage 3 – Final responses to the RFI

- i. The RFI responses must be submitted on or before July 31, 2017, 14h00 EST to:
 - Lucie Laliberté
 - Contracting Authority
 - Eastern Canada Ferry Services Project
 - Public Services and Procurement Canada
 - 105 Hotel de Ville
 - Gatineau, Quebec K1A 0S5
 - Tel: 819-939-7935

- ii. Respondents who did not participate in Stage 1 or 2 of the RFI may still submit a response to the RFI.

Throughout Stages 1 and 2, the GC will post questions and answers received from Industry on the site BuyandSell. Question sources will remain anonymous. Please note that Canada reserves the right to modify the wording of questions to make it simpler, generic and will be able to share it with any potential Respondents.

- iii. Please note that at Canada's discretion, potential follow-up session(s) may also take place.
 - iv. Following the completion of the RFI process and a review of all feedback provided by Respondents, a decision will be made with regard to moving forward with an RFP.
- d) Although the information collected may be provided as commercial-in-confidence (and, if identified as such, will be treated accordingly by Canada), Canada may use the information for budgetary and planning purposes as well as to assist in developing options and drafting approval documents.
 - e) Respondents are encouraged to identify, in the information they share with Canada, any information that they feel is proprietary or confidential. Canada will handle the responses in accordance with the *Access to Information Act*. Canada will not disclose proprietary or commercially sensitive information concerning Respondents or third parties, except and only to the extent required by law and as set out in this RFI. For more information, please see <http://laws-lois.justice.gc.ca/eng/acts/a-1/>.
 - f) Respondents are asked to identify if their response, or any part of their response, is subject to the *Controlled Goods Regulations*.
 - g) Participation in this RFI 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 RFI. Similarly, participation in this RFI is not a condition or prerequisite for the participation in any potential subsequent solicitation.
 - h) Respondents will not be reimbursed for any cost incurred for participating in this RFI. Responses to this RFI will not be returned to Respondents.
 - i) Responses will not be formally evaluated. However, the responses received may be used by Canada to develop or modify their approach in addressing potential future requirements. Canada may, at its discretion, review all responses received by the RFI closing date. Canada may, at its discretion, review responses and or engage with Industry after the RFI closing date.

- j) A review team composed of representatives from TC, Innovation, Science and Economic Development Canada (ISED), PSPC, Indigenous and Northern Affairs Canada, the Atlantic Canada Opportunities Agency, and the Economic Development Agency of Canada for the Regions of Quebec will review the responses. Canada reserves the right to hire any independent consultant, or use any GC resources that it considers necessary to review any response. Not all members of the review team will necessarily review all responses.
- k) A Fairness Monitor will also be engaged to ensure that the process is open, fair and transparent to all Industry participants. Canada may seek additional guidance and advice from independent third parties.

5. Information requested

- a) Industry is requested to respond to the questions in Sections 2– 9 for Canada’s consideration during the consultation process. Initial feedback on these questions is requested on or before June 19, 2017 prior to the One-on-One meetings with Industry, with final responses due on the closing date of the RFI.
- b) Respondents are asked to respond to these questions in the context of the materiel presented and/or provide requested information. It is requested that Respondents use the format provided in Annex F. Respondents may also provide any other information they feel will assist Canada in determining options on the way forward.

6. Registration

Industry representatives that wish to participate in the upcoming Industry Day and subsequent One-on-One Industry Meetings are requested to register by contacting the PSPC Contracting Authority, identified herein. Participants must identify themselves by their legal name, corporate address, and the names of representatives attending by their respective title as well as their office address, telephone number and e-mail address.

Registration is required as per Article 4 – Consultation Process.

To participate in Industry Day, the One-on-One Meetings or to review the final draft RFP, Industry must sign and agree to the Industry Rules of Engagement and Dispute Resolution Process (Annex A).

Please note that:

- a. Although Industry may register as many representatives as required, no more than five (5) representatives may attend at any given time due to space limitation.
- b. All Respondents will be required to sign-in upon arrival to the venue.

7. Tentative Agenda for Industry Day

- a. Administrative Points
- b. Rules of Engagement
- c. Consultation Process
- d. Operational Requirements Overview
- e. Buy-in-Canada Policy
- f. Aboriginal Participation Component
- g. Break
- h. Questions
- i. Next Steps

8. PSPC Contracting Authority

Lucie Laliberté
Contracting Authority
Eastern Canada Ferry Services Project
Public Services and Procurement Canada (PSPC)
E-mail: lucie.laliberte@pwgsc-tps qc.gc.ca
Tel. No. : 819-939-7935

All enquiries, feedback and communications with Canada regarding this RFI request are to be directed in writing only to the PSPC Eastern Canada Ferry Services Project Contracting Authority. Any clarification or information received by other GC officials will not be reviewed or considered.

9. Annexes

The following documents provide background and context to assist Canada and Industry to discuss at the Industry day and to facilitate the consultation process:

ANNEX A – RULES OF ENGAGEMENT
ANNEX B – VESSEL SPECIFICATIONS
ANNEX C – TERMINAL INFORMATION
ANNEX D – ABORIGINAL BUSINESS CAPACITY AND ELIGIBILITY CRITERIA
ANNEX E – RELEVANT LEGISLATION AND POLICIES
ANNEX F – FORMAT/TEMPLATE FOR RESPONDENTS TO PROVIDE RESPONSE

SECTION 2 – PROPOSED REQUIREMENTS

Through the Eastern Canada Ferry Service, the GC supports three ferry services that operate in Atlantic Canada and Eastern Quebec: (i) the Saint John / Digby route operates on a year round basis and service is provided by the *MV Fundy Rose*; (ii) the Wood Islands / Caribou route operates for eight months of the year, from May to December, and service is provided by two vessels – the *MV Confederation* and the *MV Holiday Island*; and (iii) the Îles-de-la-Madeleine / Souris route operates year round and the *MV Madeleine* is used to provide service. During winter, an ice-class vessel is chartered to provide service on this ferry route.

The purpose of this RFI is to seek Industry feedback on an approach to delivering the Eastern Canada Ferry Services based on long-term contract(s) with operators, who would be responsible for supplying ferry vessels.

GC is seeking feedback on the following specific issues, including:

- market interest, how the approach could be structured to make it more attractive to Industry and how quickly Industry could start providing the services;
- vessel availability;
- service levels;
- appropriate operator management structure;
- consideration in operating all three services;
- customer service;
- industrial benefits, broader economic benefits to Canada and Aboriginal opportunities; and
- the estimated total costs of the contract(s), including key costing assumptions.

Sections 3 to 9 of this document provide information on how GC envisions key elements of the potential approach. The questions are not meant to limit Industry's proposals but are rather framed to allow GC to better understand what is possible, in what timeframe, at what cost and under which considerations. The responses to the questions are not considered a pre-qualification.

1. Questions for Respondents

In addition to the technical questions included in Sections 3 to 9, GC is also seeking general information on the following.

a. financial information, including:

- i. Rough Order of Magnitude cost for the provision of the service(s) (in \$CAD);
- ii. the main cost-drivers associated with the potential approach;
- iii. the pricing methodology that was used;
- iv. preferred basis of payment (i.e. fixed annual cost plus variable cost of operation, task based on a range of services and usage, etc.);

- v. alternative approaches that would optimize costs; and
- vi. any other financial data that you deem relevant.

b. information on the following considerations:

- i. risks associated with the potential approach and mitigation strategies;
- ii. issues that could affect Industry's ability to bid or to provide the service(s); and
- iii. any other issues not discussed in this document and should be considered (e.g., liabilities, security, environmental issues, berthing requirements, controlled goods, performance indicators, and other issues).

SECTION 3 – MARKET INTEREST AND COMMERCIAL CAPABILITY

GC is exploring the merits of entering into long-term contract(s) with one or multiple operators for the delivery of the Eastern Canada Ferry Services. The objectives for the new approach for the delivery of the ferry services are to provide long-term certainty and sustainability to communities through a high quality service with newer and better vessels while supporting the regional Atlantic and Quebec economies.

GC is contemplating a long-term contract(s) (i.e. up to 20 years) which could consist of the following possible elements: (i) a transition period where operators could use the Government's vessels; and (ii) a longer period where the operators would supply their own vessels to deliver the services.

Although the specific approach to the structuring of the contract(s) remains to be determined, GC has contemplated a number of options. However, Canada is open to receiving any feedback, solutions, and recommendations from Industry. Options that have been considered include:

- i. A transition period of up to three years where operators could use GC-owned vessels followed by a 15-year contract where operators would be required to supply their own vessels. GC envisions that operator-supplied vessels would be no more than 10 years old at the start of the 15-year contract;
- ii. Operators supplying their own vessels from the start of the contract, which could include purchasing the *MV Fundy Rose* to deliver the service; and
- iii. Other potential options with a combination of Government owned/contractor owned vessels.

For any period of the contract(s) where the Government's vessels are used, GC would ensure that its legal obligations as the authorized representative under the *Canada Shipping Act, 2001*, and its associated regulations, are met. As such, GC would establish mechanisms to oversee the operator to help demonstrate and ensure that the department is meeting its obligations as vessel owner. Key reporting requirements would be established for operators to ensure quality service, high operating standards and robust maintenance of the vessels. GC would be responsible for vessel capital¹ projects during the transition and operators would be responsible for crewing, operating and maintaining the vessels.

Operators would provide Canadian-flagged and Canadian-crewed vessels for the period where they supplied their own vessels to deliver the services. Operators would be required to ensure ongoing compliance with all legislation and regulations covering crewing, safety, security,

¹ A capital project is a project specifically intended to acquire or improve a capital asset. Capital assets consist of tangible and intangible assets, purchased or constructed, having useful lives extending beyond one year, that are intended to be used on a continuing basis for delivery of program objectives where risks and benefits of ownership clearly rest with the Department. A capital expenditure represents an outlay of \$10,000 or more to better a capital asset. It is distinct from operating expenditures, which do not create a durable asset.

maintenance and operations, including arranging for the appropriate insurance. Operators would also recruit and employ qualified crew and officers to safely and effectively carry out all aspects of vessel operations and maintenance.

Operators would be responsible for all vessel maintenance and capital work, including dry docks, to maintain the vessels as per Canadian laws, regulations, Classification Society rules, and mutually agreed upon standards. The operator would also be responsible for stores and supplies (including bunker). During mandatory service periods, such as biennial vessel dry docks, operators would have to determine the most acceptable period of having reduced or no service, or in the case of the Îles-de-la-Madeleine/Souris route, identify a replacement vessel to be used during scheduled maintenance.

Reporting requirements would include key performance indicators for reliability of service, health and safety, operational and technical performance and customer experience. Depending on the final key performance indicators to be implemented, incentives and disincentives would also be established.

GC would continue to own the terminals that are used to support the ferry services, including making capital¹ investments such as modifications to accommodate new vessels. The terminals would be leased to the operators for a nominal value and the operators would be required to maintain them.

The GC is contemplating a competitive procurement process to award any contract(s). GC is seeking Industry feedback into a potential approach to ensure a safe, secure, efficient, reliable and quality ferry services.

Questions

1. Would your company be interested in bidding on this contract(s)? What conditions could make it more attractive?
2. How quickly could you start providing the services?
3. Is an up to 20-year contract(s) appropriate? If not, what is a more appropriate length of contract(s)?
4. How do you envision the transition to a contract(s) taking place? What are the risks associated with the transition?
5. With regard to measurable performance indicators, which are the most important to consider? How could the indicators be measured? GC is seeking feedback on both service oriented indicators and shipping/commercial key performance indicators.

6. How could performance indicators be used as a basis for incentives? What activities should be the subject of incentives?
7. How might your company work with third-party suppliers to market the services?
8. What additional elements or options should the Government consider?

SECTION 4 – AVAILABILITY OF VESSELS

The GC owns four vessels that are currently used to deliver the three ferry services: (i) the *MV Holiday Island* and *MV Confederation* are used on the Wood Islands, PEI / Caribou, NS route; (ii) the *MV Fundy Rose* is used on the Saint John, NB / Digby, NS route; and (iii) the *MV Madeleine* is used on the Îles-de-la-Madeleine, QC / Souris, PEI route (general information on the four vessels is provided in Annex B). The *MV Madeleine* is not an ice-class vessel and cannot be used in the winter. During the winter months, an ice-strengthened vessel is chartered to provide this service.

It is Canada's assumption that operators may not be in a position to supply their own vessels at the start of the contract(s). As such, the GC is proposing that operators' could use the Government's vessels for a transition period of up to the first three years of the contract. After this period, operators would be required to supply their own vessels to deliver the services.

However, there are a number of options that could be proposed by Industry with regard to supplying their own vessels:

- i. an operator could supply its own vessels either at the start of the contract(s) or at any time during the transition period;
- ii. an operator could supply a new vessel that it has built; or
- iii. an operator could charter one or more vessels for the duration of the 15-year contract(s). Any vessels to be chartered would ideally be 10 years old at the start of the contract(s) and they would need to be Canadian-flagged. However, an operator could charter one vessel for the duration of the contract(s) or could charter multiple vessels over the 15-year period. In the event that more than one vessel is expected to be chartered, it is envisioned that the GC would pay for a maximum of two terminal modifications over the 15-year period.

Operators would have the option of purchasing the Government's *MV Fundy Rose*, which was built in 2000 and has approximately 15-20 years of service remaining. This vessel can be used with the Government's terminal infrastructure on the Saint John / Digby route without changes. In view of the age of the *MV Holiday Island*, the *MV Madeleine*, and the *MV Confederation*, these vessels would not be made available for use for the 15-year period of the contract(s).

Operators would be required to provide the appropriate sized vessel to ensure that traffic demand is met for the duration of the contract(s). Crewing would be required to meet minimum crewing requirements to operate and maintain the vessels according to the relevant statutes.

Questions

1. Please provide your views on using the GC's vessels? What additional information would be required for you to determine whether to use the GC-owned vessels?

2. Would you prefer to bring your own vessels from the start of the contract(s)?
3. Would a transition period of up to 3 years where operators could use existing GC-owned vessels be sufficient? Please elaborate on why or why not.
4. Are there ferry-type vessels available for charter or purchase that would be suitable for the three routes? The proposed solution for the Îles-de-la-Madeleine / Souris ferry route must take into account that an ice-class vessel is required from January to March.
5. The Îles-de-la-Madeleine / Souris ferry service operates year round and provides a critical link to the island for both passengers and goods. What option(s) exist to ensure a continuous service when the vessel undergoes a mandatory dry dock or when it is not available due to maintenance?
6. Are there vessels no more than 10 years of age available? Should GC consider a higher age limit for vessels and would this make it easier to find suitable vessels?
7. Would you be interested in purchasing the *MV Fundy Rose*?
8. Would you consider procuring new vessels to provide service on any of the three routes? How long would it take you to have a suitable vessel constructed?
9. What additional elements or options should the Government consider?

SECTION 5 – SERVICE LEVELS

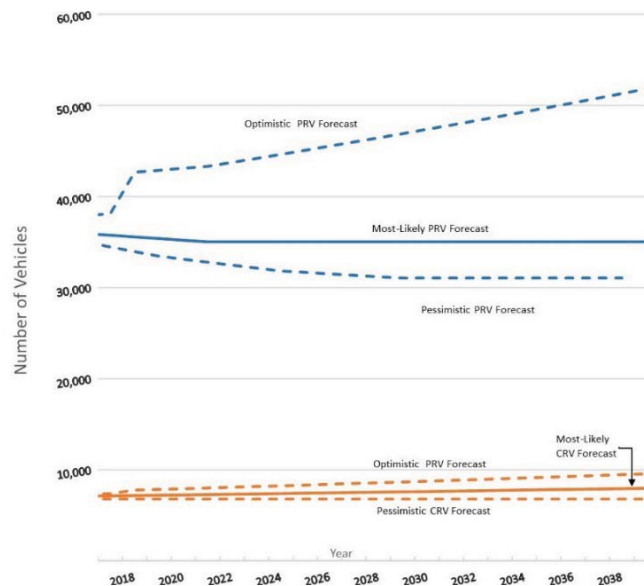
The ferry routes provide service to pedestrians, passenger vehicles and commercial traffic. Operators collect and retain fare revenue and, historically, fares have increased on an annual basis generally consistent with inflation.

Ferry traffic on all routes is expected to remain at its current levels for the foreseeable future and the traffic forecast to 2039 for each route is provided below.

The crossing between Saint John and Digby is approximately 38 nautical miles and currently takes approximately 2 hours and 30 minutes to complete. The service runs year round. During the peak summer season (July and August) it makes 14 round-trip sailings per week. Late November to late January is also peak season for moving fish products from south-west Nova Scotia to the United States. During the 12 month period from April 1, 2015 to March 31, 2016, the ferry service made 536 round-trip sailings.

With regard to traffic, walk-on passenger traffic is forecasted to be in the range of 109,000 per year until 2039 (the most optimistic forecast is 144,000 per year and the most pessimistic forecast is 96,000 per year). With regard to Commercial Related Vehicle (CRV) and Passenger Related Vehicle (PRV) traffic, the most likely, most optimistic and least optimistic scenarios are shown in figure 1.

Figure 1: PRV and CRV Traffic Forecast for the Saint John / Digby Route

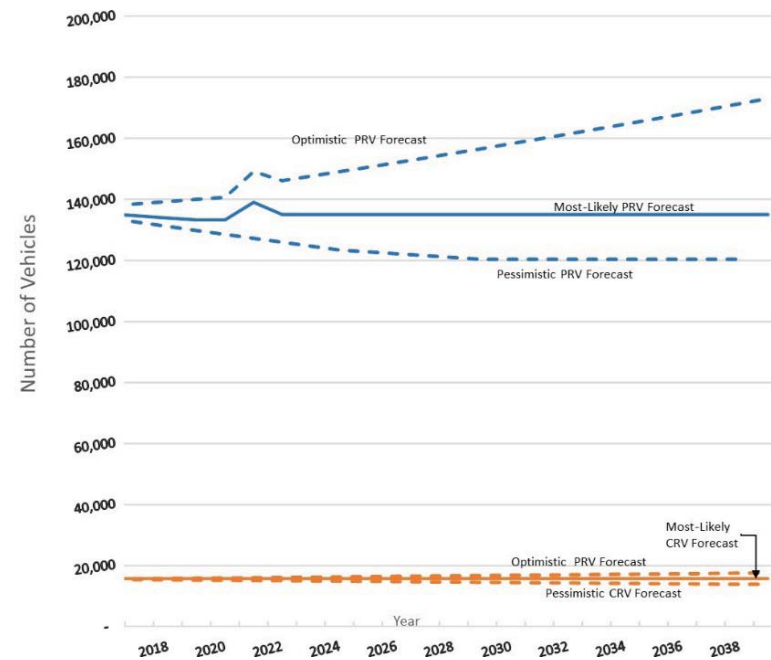


The crossing between Wood Islands, PEI, and Caribou, NS, is approximately 12 nautical miles and currently takes approximately 75 minutes to complete. The service operates for eight months of the year, from May to December. During peak tourist season (mid-June to mid-September) the service operates with two vessels – the *MV Confederation* and the *MV Holiday Island* and makes 9 daily round-trip sailings. During peak season the vessels make 63 round-

trip sailings per week. During the 8-month period of operation in 2015 the ferry service made 1,408 round-trip sailings.

With regard to traffic, walk-on passenger traffic is forecasted to be in the range of 360,000 per year until 2039 (the most optimistic forecast is 405,000 per year and the most pessimistic forecast is 320,000 per year). With regard to CRV and PRV traffic, the most likely, most optimistic and least optimistic scenarios are shown in figure 2.

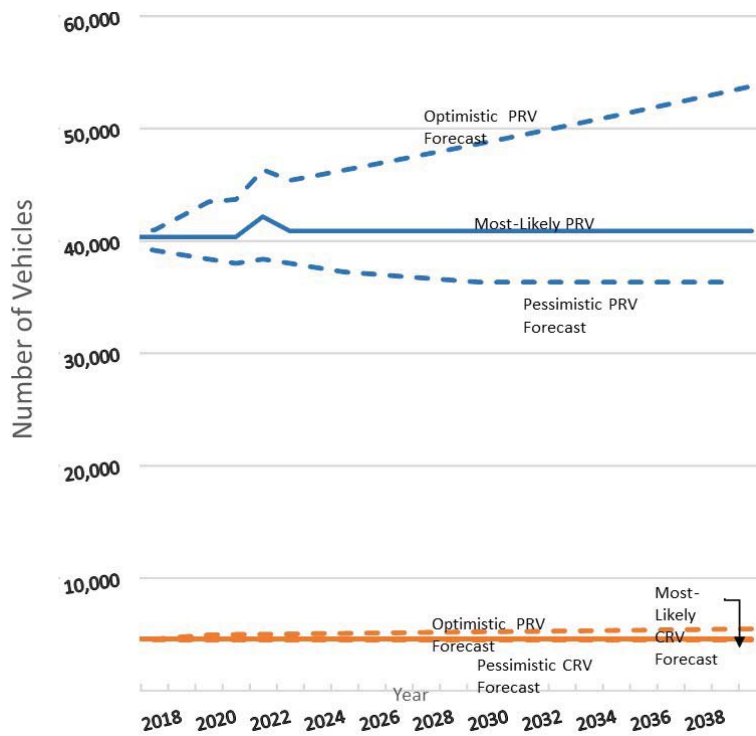
Figure 2: PRV and CRV Traffic Forecast for the Wood Island / Caribou Route



The crossing between Îles de-la-Madeleine, QC, and Souris, PEI, is approximately 79 nautical miles and currently takes 5 hours to complete. The Îles-de-la-Madeleine / Souris ferry service operates year round. During peak season (mid-July to September) there are 11 round-trip sailings per week. During the 12 month period from April 01, 2015 to March 31, 2016 the service made 303 round-trip sailings.

With regard to traffic, walk-on passenger traffic is forecasted to be in the range of 107,000 per year until 2039 (the most optimistic forecast is 125,000 per year and the most pessimistic forecast is 95,000 per year). With regard to CRV and PRV traffic, the most likely, most optimistic and least optimistic scenarios are shown in figure 3.

Figure 3: PRV and CRV Traffic Forecast for the Îles-de-la-Madeleine / Souris Route



Questions

1. How would you propose to meet peak season demand for a given service? How would you propose to meet demand during the rest of the operating season for a given service?
2. What fare structure would you propose over the full length of the long-term contract?
3. What efficiencies would you propose relative to the current services?
4. Should the services be provided with similar sized vessels or would you recommend alternative sizes and speeds based on the traffic forecasts?
5. What additional elements or options should the Government consider?

SECTION 6 – OPERATOR MANAGEMENT STRUCTURE

GC envisions that potential suppliers would have experience operating a similar ferry service or a large shipping service with sufficient shore based capabilities to properly manage and maintain the vessels.

GC proposes that, as a minimum, the following positions/responsibilities would be necessary to appropriately oversee the services under the potential approach:

- Chief Executive Officer;
- Chief Financial Officer;
- Senior executives for: (i) safety and maritime operations; (ii) technical management and procurement; (iii) customer care, communications and marketing; and (iv) Human Resources and training; and
- A designated person ashore, as defined by the International Maritime Organisation (IMO)'s International Safety Management (ISM) Code, that would ensure the safe operation of each ship and provide a link between the Company and those on board.

In addition, operators would be required to have specific technical experts to run each vessel.

Under the potential approach, GC envisions that a Safety Management System (SMS) certified as fully compliant with the IMO's ISM Code would be part of the contract(s).

Questions

1. What type of management structure should be implemented to oversee the operation of the ferry services?
2. What senior executive competencies and skills set are required to operate the services?
3. What type of training would be appropriate for different categories of staff?
4. What level of financial resources or collateral would be required for an operator of these ferry services to have?
5. What type of liability and insurance would you propose?
6. Should companies be ISO: 9001 certified to operate the service? Please provide supporting rationale if you agree or disagree.
7. What additional elements or options should the Government consider?

SECTION 7 – CONSIDERATIONS IN OPERATING ALL THREE SERVICES

GC envisions that there would be no restriction on whether one operator could operate more than one of the three ferry routes. As such, the GC is seeking feedback on the potential for operators to submit proposals to operate up to all three ferry routes and whether there would be any efficiencies associated with such an approach.

Questions

1. What is the feasibility of operators submitting proposals to operate more than one of the ferry services? Please address the advantages and disadvantages of such an approach.
2. If a Request for Proposal was released, would you be interested in bidding to operate more than one ferry service?
3. What type of cost reductions and efficiencies could be expected if multiple ferry services were provided by the same supplier? For example, would there be additional savings with regard to management, vessel support and procurement of stores and bunker, and would there be additional savings with regard to a reservation system?
4. What additional elements or options should the Government consider?

SECTION 8 – CUSTOMER SERVICE AND SATISFACTION

GC envisions that the operators would be expected to provide a positive customer service experience for users, including tourists, local and commercial users before, during and after a ticket purchase that would include the following:

- establishing a mandatory reservation system for all passenger and commercial vehicles for each ferry service;
- establishing a system to track traffic and forecast demand;
- purchasing and serving food products, including drinks, on the vessels as part of the service;
- offering amenities such as high-speed wireless internet, television, etc.;
- providing service on all routes in both official languages;
- establishing a complaint system to deal with customer complaints; and
- undertaking an annual customer satisfaction survey based on Key Performance Indicators.

Questions

1. What processes would be established to ensure a high level of customer service, including reliability and predictability as well as a positive experience for passengers and commercial users?
2. What type of amenities would be appropriate for each of the ferry routes?
3. What type of reservation system should be used? Are call-centres still necessary?
4. What Key Performance Indicators should be included to assess customer satisfaction?
5. What additional elements or options should the Government consider?

SECTION 9 – INDUSTRIAL BENEFITS, BROADER ECONOMIC BENEFITS TO CANADA AND ABORIGINAL OPPORTUNITIES

The Buy-in-Canada Shipbuilding Policy states that “The Government will continue to procure, repair, and refit vessels in Canada subject to operational requirements and a competitive domestic marketplace”. This longstanding policy is a significant support measure Canada uses to generate economic activity and sustain domestic shipbuilding, ship repair and broader marine industry capabilities.

Canada wishes to ensure that its investments in shipbuilding and industrial marine-related goods and services generate marine industrial benefits to Canada. Under the Buy-in-Canada Shipbuilding Policy, interested firms are requested to consider industrial benefits to the Canadian shipbuilding and industrial marine industry to meet the policy’s objectives.

Under the potential approach, all maintenance, repairs, capital work and dry docks would be carried out in Canada.

More details on the Shipbuilding and Industrial Marine Policy Framework can be found on the Shipbuilding and Industrial Marine website by following this link:
http://www.ic.gc.ca/eic/site/sim-cnmi.nsf/eng/h_uv00053.html

GC is also seeking information on the potential broader economic benefits of a long-term contract(s) model for the local and regional communities, including employment opportunities for employment equity groups under a new service delivery model. It also would like to create meaningful relationships and beneficial partnerships with Aboriginal groups. The GC is seeking information on the potential opportunities for Aboriginal peoples, communities and businesses as part of the potential approach (refer to Annex D for information on Aboriginal Business Capacity).

Questions

1. Please define the potential economic and industrial benefits to Canada of the potential approach, including repairs, ongoing maintenance over the life of the vessel, refit, overhaul and dry docks.
2. Please explain how the amount of business activity to be undertaken in Canada can be maximized.
3. Please provide information on the potential local and regional employment impacts associated with the potential approach, including employment opportunities for employment equity groups, including women, persons with disabilities, and members of visible minorities.

4. Please explain what you would see as potential Aboriginal business development and employment.
5. What additional elements or options should the Government consider?

ANNEX A – RULES OF ENGAGEMENT

1. An overriding principle of the Industry consultation is that it be conducted with the utmost of fairness and equity between all parties. No individual or organization should receive nor be perceived to have received any unusual or unfair advantage during this consultation.
2. To be considered as a Respondent in this Consultation Process, all Industry representatives must review and sign this document. By signing this document, which is legally binding, Respondents agree to abide by the Rules of Engagement (ROE) contained herein. These will apply to all Respondents following the signature of this document and will remain in effect until the release of the final Request for Proposal(s) (RFP(s)) on the BuyandSell Website (<https://buyandsell.gc.ca/procurement-data/tenders>). All of Canada's documentation provided throughout this Industry consultation process will be provided to all Respondents.
3. The Request for Information (RFI) which form part of the Consultation Process will consist of three (3) stages:

- a. **Stage 1:** Industry Day - Web-Ex teleconference. The Industry Day is being held on June 2, 2017 in Gatineau, Quebec.

Following the Industry Day, Respondents will provide initial responses/comments to the questions listed in Sections 2 to 9 of the RFI. Please note that initial responses to the questions are required for Respondents to participate in Stage 2. The responses have to be submitted on or before June 19, 2017 prior to the One-on-One meetings with Industry.

- b. **Stage 2:** One-on-One Meetings with Industry: The purpose of the One-on-One meetings between Canada and individual Respondents is to go over the initial response of the subject Respondent.

The One-on-One meetings tentatively will be held from July 10 to 21, 2017 inclusive.

Depending on Industry request and suppliers' preferences, Canada may consider holding the One-on-One meetings in various locations across Canada.

- c. **Stage 3:** The RFI final responses to the RFI must be submitted on or before the date indicated in the RFI.

Respondents who did not participate in Stages 1 or 2 of the RFI may still submit a response to the RFI.

Please note that at Canada's discretion, potential follow-up session(s) may also take place.

4. In order to maximize the benefits of the Consultation Process, Canada will endeavor to solicit comments from Respondents on various topics raised.

5. Any suggestions, ideas or issues brought to Canada's attention during the One-on-One sessions will be reviewed by Canada for further consideration and might be raised in potential follow-up session(s).
6. Although the information collected may be provided as commercial-in-confidence, Canada may use the information for budgetary and planning purposes as well as assist in developing options and drafting approval documents.
7. Respondents are encouraged to identify, in the information they share with Canada, any information that they feel is proprietary or confidential. Canada will handle the responses in accordance with the *Access to Information Act*. Canada will not disclose proprietary or commercially sensitive information concerning Respondents or third parties, except and only to the extent required by law and as set out in this RFI. For more information, please see <http://laws-lois.justice.gc.ca/eng/acts/a-1/>.
8. A draft Request for Proposal(s) (RFP(s)) may be made available to Respondents for a final review before the official RFP is published on the BuyandSell website.

TERMS AND CONDITIONS

9. The following terms and conditions apply to the Consultation Process. In order to encourage open dialogue, Respondents agree to the following:
 - a. Respondents are expected to discuss their views concerning the Eastern Canada Ferry Services Project and to provide positive resolutions to the issues in question. Everyone shall have an opportunity to share their ideas and suggestions;
 - b. Canada requires Respondents to NOT reveal or discuss any information to the Media regarding the Eastern Canada Ferry Services Project during this consultation process. If Respondents receive a question from the Media, Respondents are to direct the Media to PSPC Media Relations at 819-420-5501 with a copy to the Contracting Officer;
 - c. Respondents are to direct inquiries and comments relating to the Eastern Canada Ferry Services solicitation and its issues only to the Contracting Officer where it will be given consideration;
 - d. Canada is not obligated to issue any RFP, and/or to negotiate any contract(s) for the Eastern Canada Ferry Services Project;
 - e. If Canada does release an RFP, the terms and conditions of the RFP will be subject to Canada's absolute discretion;
 - f. Canada will not reimburse any person or entity for any cost incurred in participating in this Industry Consultation Process;
 - g. Draft RFP(s) may be released to all Respondents for comments;
 - h. Failure to agree to and sign the Rules of Engagement will result in the exclusion from participation in the Consultation Process, including but not limited to Industry Consultation Sessions, One-on-One meetings and potential Follow-up meetings.

For greater clarity, agreement with the Rules of Engagement means compliance with the Rules of Engagement; and,

- i. A dispute resolution process to manage impasses throughout this consultation process must be adhered to as follows: all requests to use the dispute resolution process shall be directed to the Contracting Officer who will make the appropriate arrangements.
10. The terms and conditions outlined above are to be respected by all Respondents, 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 Consultation Process.

DISPUTE RESOLUTION PROCESS

11. By informal discussion and good faith negotiation, each of the parties must make all reasonable efforts to resolve any dispute, controversy or claim arising out of or in any way connected with this Consultation Process.
12. Any dispute between the Parties of any nature arising out of or in connection with this Consultation Process must be resolved by the following process:
- a. Any such dispute must first be referred to the Participant's Manager and the Contracting Officer managing the Consultation Process. The parties will have 3 Business Days in which to resolve the dispute.
 - b. In the event the representatives of the Parties specified in Article 12.a. above are unable to resolve the dispute, it must be referred to the Participant's Project Director and the PSPC Director of the Division responsible to manage the Consultation Process. The parties will have 3 Business Days to resolve the dispute.
 - c. In the event the representatives of the Parties specified in Article 12.b. above are unable to resolve the dispute, it must be referred to the Participant's Senior Representative responsible for this project and the PSPC Director General, who will have 3 Business Days to resolve the dispute.
 - d. In the event the representatives of the Parties specified in Article 12.c. above are unable to resolve the dispute, it must be referred to the Participant's CEO and the PSPC Assistant Deputy Minister, Acquisitions Branch who will have 5 Business Days to resolve the dispute.
 - e. The Contracting Officer must within 5 Business Days communicate in writing the final decision which must include a detailed description of the dispute and the reasons supporting the decision. The Contracting Officer must deliver a signed copy thereof to the Participant.
13. 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.

EASTERN CANADA FERRY SERVICES PROJECT

Solicitation No: T8010-160045

RULES OF ENGAGEMENT

Name of Company: _____

Name of individual: _____

Signature: _____

Date: _____

Public Services and Procurement Canada, Contracting Authority:

Signature: _____

Date: _____

Transport Canada, Eastern Canada Ferry Services Project Manager:

Signature: _____

Date: _____

Innovation, Science and Economic Development Canada, Eastern Canada Ferry Services
Project Manager:

Signature: _____

Date: _____

Indigenous & Northern Affairs Canada Project Manager:

Signature: _____

Date: _____

ANNEX B – VESSEL SPECIFICATIONS

MV Fundy Rose

Built: 2000
Length: 123.8 m (LOA)
Breath: 18.9 m
Maximum speed: 24 knots
Max. passenger capacity: 774
Max. vehicle capacity: 100
Class Society: DNV-GL
Draft: 5.1 m
GRT: 10,193
Power: 16,561 kw

MV Confederation

Built: 1992
Length: 114.2 m (LOA)
Breath: 18.55 m
Maximum speed: 18 knots
Max. passenger capacity: 600
Max. vehicle capacity: 220
Class Society: Lloyd's
Draft: 4.44 m
GRT: 8,060
Power: 5,700 kw

MV Holiday Island

Built: 1971
Length: 97.85 m (LOA)
Breath: 20.43 m
Maximum speed: 14 knots
Max. passenger capacity: 486
Max. vehicle capacity: 155
Class Society: Lloyd's
Draft: 5.03 m
GRT: 3,037
Power: 5,332 kw

MV Madeleine

Built 1981
Length: 122.05 m (LOA)
Breath: 18.81 m
Maximum speed: 20 knots
Max. passenger capacity: 750
Max. vehicle capacity: 208
Class Society: Lloyd's
Draft: 5 m
GRT: 9,700
Power: 13,240 kw

ANNEX C – TERMINAL INFORMATION

(i) Saint John, New Brunswick

The Saint John ferry terminal, located near Saint John, New Brunswick, provides transportation for passenger cars, trucks, commercial and other highway vehicles as well as bicycles and pedestrians between New Brunswick and Nova Scotia. There is a terminal building, operations building, mechanics garage, large paved marshalling yard and several other storage type buildings. This terminal is currently configured for the *MV Fundy Rose*.

The wharf at the terminal was constructed in 1969 and consists of a series of steel pile-work dolphins with reinforced concrete caps. The dolphins are connected by precast concrete girders supporting a concrete deck. The steel pipe piles were driven in a vertical and batter configuration. Wave protection is provided by a steel sheet pile sheathing wall on the south side of the structure. The wharf (berth) is approximately 165m in length by 6m wide and uses a hydraulic steel ramp to load and unload vehicles. The fender system is comprised of driven timber piles along the face of the wharf that act as bumper pads for the stern of the ferry vessel when it comes to rest against the vehicle loading ramp.

(ii) Digby, Nova Scotia

The Digby ferry terminal provide transportation for passenger cars, trucks, commercial and other highway vehicles as well as bicycles and pedestrians between New Brunswick and Nova Scotia. The wharf was constructed between 1969 and 1970 and the terminal building was rebuilt in the last 20 years. This terminal is currently configured for the *MV Fundy Rose*.

The marine structures found at the terminal is exclusively concrete caissons that were constructed during the original terminal development in 1970. The ferry dock structure consists of a total of 10 concrete caissons. The hydraulic steel vehicle loading ramp is supported on caissons 1 and 5 with caissons 2 to 3 running marginally over the length of the loading ramp forming the eastern limit of the service area. Caisson 5 also contains the lift tower and fender units for stern unloading operations. Caissons 6 to 9 form the main berthing face running marginally along the shoreline and support the main terminal buildings. Caisson 10 is a detached mooring dolphin structure with a catwalk spanning the 24 metre gap between caisson 9 & 10. The wharf (berth) measures approximately 140m in length.

(iii) Wood Islands, Prince Edward Island

Located on the eastern end of Prince Edward Island, the Wood Islands Ferry Terminal provides ferry transportation for passenger cars, trucks, commercial and other highway vehicles as well as bicycles and pedestrians between Prince Edward Island and Nova Scotia.

There are two berths in Wood Islands for the *MV Confederation* and *MV Holiday Island*. The *MV Holiday Island* berth was constructed in 1970 and consists of two steel sheet pile dolphins and a

steel sheet pile wall section, the wharf measures approximately 100m in length by 8m wide and uses an upper and lower steel hydraulic ramp for load and unload vehicles and pedestrians. The upper ramp has a maximum service load of 3.5 metric tonnes, the lower ramp has a maximum service load of 62.5 metric tonnes. The *MV Confederation* berth was constructed in 1997 and consists a steel sheet pile dolphin and a steel sheet pile wall section, the wharf measures approximately 120m in length by 10m wide and uses steel hydraulic ramp for load and unload vehicles and pedestrians. The ramp has a maximum service load of 62.5 metric tonnes per lane.

(iv) Caribou, Nova Scotia

The Caribou ferry terminal is located at the end of Nova Scotia Highway No.106 in Caribou, in Pictou County, Nova Scotia. The terminal provides ferry transportation for passengers, trucks, commercial and other highway vehicles, as well as bicycles and pedestrians, between Nova Scotia and Prince Edward Island. There is a terminal building, operations building, sewer treatment plant and a large paved marshalling yard.

There are two berths in Caribou for the *MV Confederation* and *MV Holiday Island*. The *MV Holiday Island* berth was constructed in 1970 and consists of three concrete caissons and a steel sheet pile wall section. The wharf measures approximately 105m in length by 9m wide and uses an upper and lower steel hydraulic ramp for load and unload vehicles and pedestrians. The upper ramp has a maximum service load of 3.5 metric tonnes, the lower ramp has a maximum service load of 62.5 metric tonnes. The *MV Confederation* berth was constructed in 1997 and consists of seven steel sheet pile cells and a steel sheet pile wall section. The wharf measures approximately 120m in length by 11m wide and uses steel hydraulic ramp for load and unload vehicles and pedestrians. The ramp has a maximum service load of 62.5 metric tonnes per lane.

(v) Souris, Prince Edward Island

The Souris ferry terminal, located in Souris, provides ferry transportation for passenger cars, trucks, commercial and other highway vehicles, as well as bicycles and pedestrians, between Prince Edward Island and Quebec. This terminal is used by the *MV Madeleine*.

The wharf at the Souris Ferry Terminal was constructed in 1998 and consists of an outer turning dolphin, three breasting dolphins, a mooring dolphin and an inner trestle-support dolphin. These structures are supported on 61 steel pipe piles with reinforced cast-in-place concrete pile caps joined by steel trestle members topped with a concrete deck. The wharf measures approximately 135m in length by 5m wide and uses a hydraulic steel ramp to load and unload vehicles.

(vi) Cap-aux-Meules, Quebec

The Îles-de-la-Madeleine terminal located in Cap-aux-Meules, provides ferry transportation for passengers, trucks, commercial vehicles and other road vehicles, as well as bicycles and pedestrians, between Cap-aux-Meules and Souris. There is a large parking lot adjacent to the harbor. The wharf was built in 1998 to accommodate larger vessels and is currently used by the *MV Madeleine*. There is another platform that is used by a Coopérative de Transport Maritime et Aérien (CTMA) cargo ship.

The marine facility is reinforced concrete on circular steel piles. The station is 132 metres long and has a width of 5.6 metres. There is a hydraulic steel ramp that is used for unloading cars and trucks, which has a capacity of 62.5 tonnes.

ANNEX D – ABORIGINAL BUSINESS CAPACITY AND ELIGIBILITY CRITERIA

1. **Aboriginal Business Capacity**

Respondents are encouraged to engage Aboriginal businesses and communities regarding the potential for meaningful relationships and beneficial partnerships with Aboriginal peoples.

Early engagement can benefit all concerned by: enhancing relationships; ensuring a common understanding of the project requirements; determining Aboriginal business capacity for the procurement of goods and services; and identifying skills and training gaps for employment of Aboriginal peoples.

To identify Aboriginal business capacity, Respondents can review the list of Aboriginal businesses registered in the Aboriginal Business Directory (ABD). The ABD is a search engine available to Industry and the federal procurement community for identifying Aboriginal business suppliers. It is housed within Industry Canada's Canadian Companies Capabilities database <http://www.ic.gc.ca/app/ccc/srch/cccSrch.do?lang=eng&prtl=1&sbprtl=&tagid=248>.

In addition to the ABD, Respondents can refer to other Aboriginal Business Directories <http://www.aadnc-aandc.gc.ca/eng/1100100033057/1100100033058>

The Aboriginal Financial Institutions may also help in identifying Aboriginal business capacity <https://www.aadnc-aandc.gc.ca/eng/1100100033216/1100100033220>.

2. **Aboriginal Eligibility Criteria as defined by the Procurement Strategy for Aboriginal Businesses**

1. Aboriginal person, defined as:

- a) A Status or Non-Status Indian, Metis or Inuit person who is a Canadian citizen and resident in Canada.
 - i) Registered under the Indian Act; or
 - ii) Included on a Band List pursuant to the Indian Act; or
 - iii) A member of an affiliate of the Métis National Council or the Congress of Aboriginal Peoples; or
 - iv) Enrolled under a comprehensive land claims agreement; or
 - v) A member of an Aboriginal group with a comprehensive land claim that has been accepted by the Government of Canada; or
 - vi) Acknowledged by an established Aboriginal community in Canada as having Aboriginal ancestry.

b) Aboriginal Business, defined as:

- i) A sole proprietorship, limited company, co-operative, partnership, or not-for-profit organization, which has:
 - a) a minimum of 51 per cent ownership and control by Aboriginal persons, and
 - b) when the Aboriginal business has six or more full-time employees, at least 33 per cent of the full-time employees are Aboriginal persons.

OR

- ii) A joint venture or consortium in which Aboriginal businesses and/or non-Aboriginal businesses partner must have at least 51 percent ownership and control by the

Aboriginal business. All joint ventures or consortiums also require that Aboriginal content is at least 33 per cent of the total value of the work to be performed.

ANNEX E – RELEVANT LEGISLATION AND POLICIES

Canada Shipping Act, 2001 and associated regulations: Principal legislation governing safety in marine transportation and recreational boating, as well as protection of the marine environment. <http://laws-lois.justice.gc.ca/eng/acts/c-10.15/>

Marine Transportation Security Act and associated regulations: Legislative framework for the security of the marine transportation system in Canada. It applies to vessels and marine facilities in Canada, Canadian vessels outside of Canada and marine installations and structures. <http://laws-lois.justice.gc.ca/eng/acts/M-0.8/>

Maritime Occupational Health and Safety Regulations, enacted under the Canada Labour Code: Regulations to provide shipboard personnel the same level of protection as shore based personnel. <http://laws-lois.justice.gc.ca/eng/regulations/sor-2010-120/index.html>

Canadian Environmental Protection Act and associated regulations: Preventing pollution and protecting the environment and human health. <http://laws-lois.justice.gc.ca/eng/acts/c-15.31/>

Canadian Transportation Accident Investigation and Safety Board Act and associated regulations: Legal framework that governs the activities of the Transportation Safety Board (TSB). The associated regulation prescribes mandatory reporting of marine occurrences. <http://laws-lois.justice.gc.ca/eng/acts/C-23.4/>

Marine Insurance Act and associated regulations: Statutes governing contracts of marine insurance in Canada. <http://laws-lois.justice.gc.ca/eng/acts/M-0.6/>

Marine Liability Act and associated regulations: Principal legislation dealing with the liability of ship-owners and ship operators in relation to passengers, cargo, pollution and property damage. Its intent is to set limits of liability and establish uniformity by balancing the interests of ship-owners and other parties. <http://laws-lois.justice.gc.ca/eng/acts/M-0.7/>

Transportation of Dangerous Goods Act and associated regulations: Focuses on the prevention of incidents when dangerous goods are imported, handled, offered for transport and transported and provides for the response capability of the Canadian Government in the event of a security incident involving dangerous goods. <http://laws-lois.justice.gc.ca/eng/acts/T-19.01/>

Classification Society: A Classification Society is an independent externally audited body that provides classification and statutory services and assistance to the maritime industry and regulatory bodies with regard to maritime safety and pollution prevention.

Shipbuilding and Industrial Marine Policy Framework: Can be found on the Shipbuilding and Industrial Marine website by following this link: http://www.ic.gc.ca/eic/site/sim-cnmi.nsf/eng/h_uv00053.html

Procurement Strategy for Aboriginal Business: Aims to increase federal contracting opportunities and to gain access to the overall federal procurement process for Aboriginal businesses. <http://www.aadnc-aandc.gc.ca/eng/1100100032802/1100100032803>

ANNEX F – FORMAT/TEMPLATE FOR RESPONDENTS TO PROVIDE RESPONSES

TITLE OF PROPOSED SOLUTION:	
Technical Questions	
Section 3- Market Interest and Commercial Capability	
Would your company be interested in bidding on this contract(s)? What conditions could make it more attractive?	
How quickly could you start providing the services?	
Is an up to 20-year contract(s) appropriate? If not, what is a more appropriate length of contract(s)?	
How do you envision the transition to a contract(s) taking place? What are the risks associated with the transition?	
With regard to measurable performance indicators, which are the most important to consider? How could the indicators be measured? GC is seeking feedback on both service oriented indicators and shipping/commercial key performance indicators.	
How could performance indicators be used as a basis for incentives? What activities should be the subject of incentives?	
How might your company work with third-party suppliers to market the services?	
What additional elements or options should the Government consider?	
Section 4 – Availability of Vessels	
Please provide your views on using the GC's vessels? What additional information would be required for you to determine whether to use the GC-owned vessels?	
Would you prefer to bring your own vessels from the start of the contract(s)?	
Would a transition period of up to 3 years where operators could use existing GC-owned vessels be sufficient? Please elaborate on why or why not.	
Are there ferry-type vessels available for charter or purchase that would be suitable for the three routes? The proposed solution for the Îles-de-la-Madeleine / Souris ferry route must take into account that an ice-class vessel is required from January to March.	

The Îles-de-la-Madeleine / Souris ferry service operates year round and provides a critical link to the island for both passengers and goods. What option(s) exist to ensure a continuous service when the vessel undergoes a mandatory dry dock or when it is not available due to maintenance?	
Are there vessels no more than 10 years of age available? Should GC consider a higher age limit for vessels and would this make it easier to find suitable vessels?	
Would you be interested in purchasing the <i>MV Fundy Rose</i> ?	
Would you consider procuring new vessels to provide service on any of the three routes? How long would it take you to have a suitable vessel constructed?	
What additional elements or options should the Government consider?	
Section 5 - Service Levels	
How would you propose to meet peak season demand for a given service? How would you propose to meet demand during the rest of the operating season for a given service?	
What fare structure would you propose over the full length of the long-term contract?	
What efficiencies would you propose relative to the current services?	
Should the services be provided with similar sized vessels or would you recommend alternative sizes and speeds based on the traffic forecasts?	
What additional elements or options should the Government consider?	
Section 6 – Operator Management Structure	
What type of management structure should be implemented to oversee the operation of the ferry services?	
What senior executive competencies and skills set are required to operate the services?	
What type of training would be appropriate for different categories of staff?	
What level of financial resources or collateral would be required for an operator of these ferry services to have?	
What type of liability and insurance would you propose?	
Should companies be ISO: 9001 certified to operate the service? Please provide supporting rationale if you agree or disagree.	

What additional elements or options should the Government consider?	
Section 7 – Considerations in operating all three services	
What is the feasibility of operators submitting proposals to operate more than one of the ferry services? Please address the advantages and disadvantages of such an approach.	
If a Request for Proposal was released, would you be interested in bidding to operate more than one ferry service?	
What type of cost reductions and efficiencies could be expected if multiple ferry services were provided by the same supplier? For example, would there be additional savings with regard to management, vessel support and procurement of stores and bunker, and would there be additional savings with regard to a reservation system?	
What additional elements or options should the Government consider?	
Section 8 – Customer Service and Satisfaction	
What processes would be established to ensure a high level of customer service, including reliability and predictability as well as a positive experience for passengers and commercial users?	
What type of amenities would be appropriate for each of the ferry routes?	
What type of reservation system should be used? Are call-centres still necessary?	
What Key Performance Indicators should be included to assess customer satisfaction?	
What additional elements or options should the Government consider?	
Section 9 - Industrial Benefits, Broader Economic Benefits to Canada and Aboriginal Opportunities	
Please define the potential economic and industrial benefits to Canada of the potential approach, including repairs, ongoing maintenance over the life of the vessel, refit, overhaul and dry docks.	
Please explain how the amount of business activity to be undertaken in Canada can be maximized.	
Please provide information on the potential local and regional employment impacts associated with the potential approach, including employment opportunities for	

employment equity groups, including women, persons with disabilities, and members of visible minorities.	
Please explain what you would see as potential Aboriginal business development and employment.	
What additional elements or options should the Government consider?	
Financial Details	
What is the expected Rough Order Magnitude (ROM) cost for the provision of the service(s) (in \$CAD)?	
What are the main cost-drivers associated with the potential approach?	
Describe the pricing methodology that was used.	
What is the preferred basis of payment (i.e. fixed annual cost plus variable cost of operation, task based on a range of services and usage, etc.)?	
What alternative approaches could be used that would optimize costs?	
Please include any other financial data that you deem relevant.	
Other Information	
What are the risks associated with the potential approach and mitigation strategies?	
What issues could affect Industry's ability to bid or to provide the service(s)?	
Are there any other issues not discussed in this document and should be considered?	