



# **SEASPAN SHIPYARDS**

## **INDUSTRY DAY & NSS PROGRAM UPDATE**

October 2nd, 2018

When you build ships, you build more than ships.

# PRESENTATION AGENDA

Presenters: Grant Langley, Procurement Lead, OFSV  
James Sykora, Manager, CCG Subcontracts

- |               |   |
|---------------|---|
| 16:00 - 16:05 | Registration  |
| 16:05 – 16:10 | Introduction <ul style="list-style-type: none"><li>• National Shipbuilding Strategy (NSS) Procurement Strategy</li><li>• Industrial Regional Benefits Program Overview</li></ul>  |
| 16:10 – 16:30 | Updates on Vessels being built by Seaspan Shipyards Under the NSS <ul style="list-style-type: none"><li>• Offshore Fisheries Science Vessels (OFSV)</li><li>• Offshore Oceanographic Science Vessel (OOSV)</li><li>• Joint Support Ship (JSS)</li></ul> |
| 16:30 – 16:40 | Becoming a Supplier to Seaspan  |
| 16:40 – 18:00 | Mixer   |



# NSS Procurement Strategy



# NSS Procurement Strategy

- Run a competitive procurement process based on 'best value'
- Promote commonality of design and equipment solutions across the NSS Program:
  - Reduces technical and schedule risk
  - Permits early collection of verifiable vendor furnished information (VFI)
  - Reduces lifecycle costs
- Use 'system integrators' in an Integrated Project Team (IPT) to execute the design and sometimes supply and install (e.g. Thales Canada, Vard Marine, CSC, Alion Canada, Vard Electro Canada, IMECO, Bronswerk, Joiner Systems, Techsol, Hawboldt, L3 MAPPS, etc.)

# NSS Procurement Strategy (cont'd)

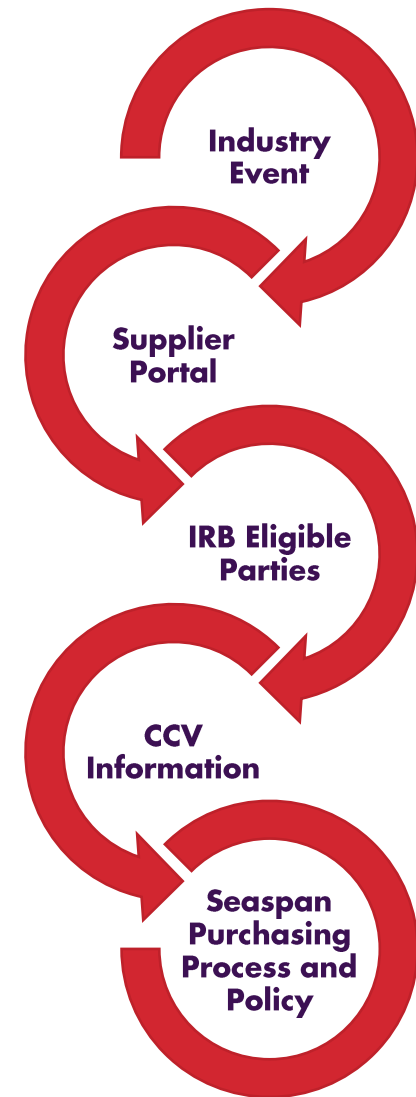
- **Maximize Canadian Content** to grow and sustain the marine industry sector by procuring, as often as possible, from current suppliers provided they are:
  - Technically compliant
  - Price competitive
  - Demonstrate performance once under contract
  - Provide high Canadian content
- Enter into long-term supply and service agreements to leverage favorable pricing and supplier performance.
- Make sure potential suppliers know about upcoming procurement opportunities, know who our existing suppliers and systems integrators are so you can become sub-suppliers to them, and encourage registration on the Seaspan Supplier Portal.

# What are Industrial Regional Benefits?

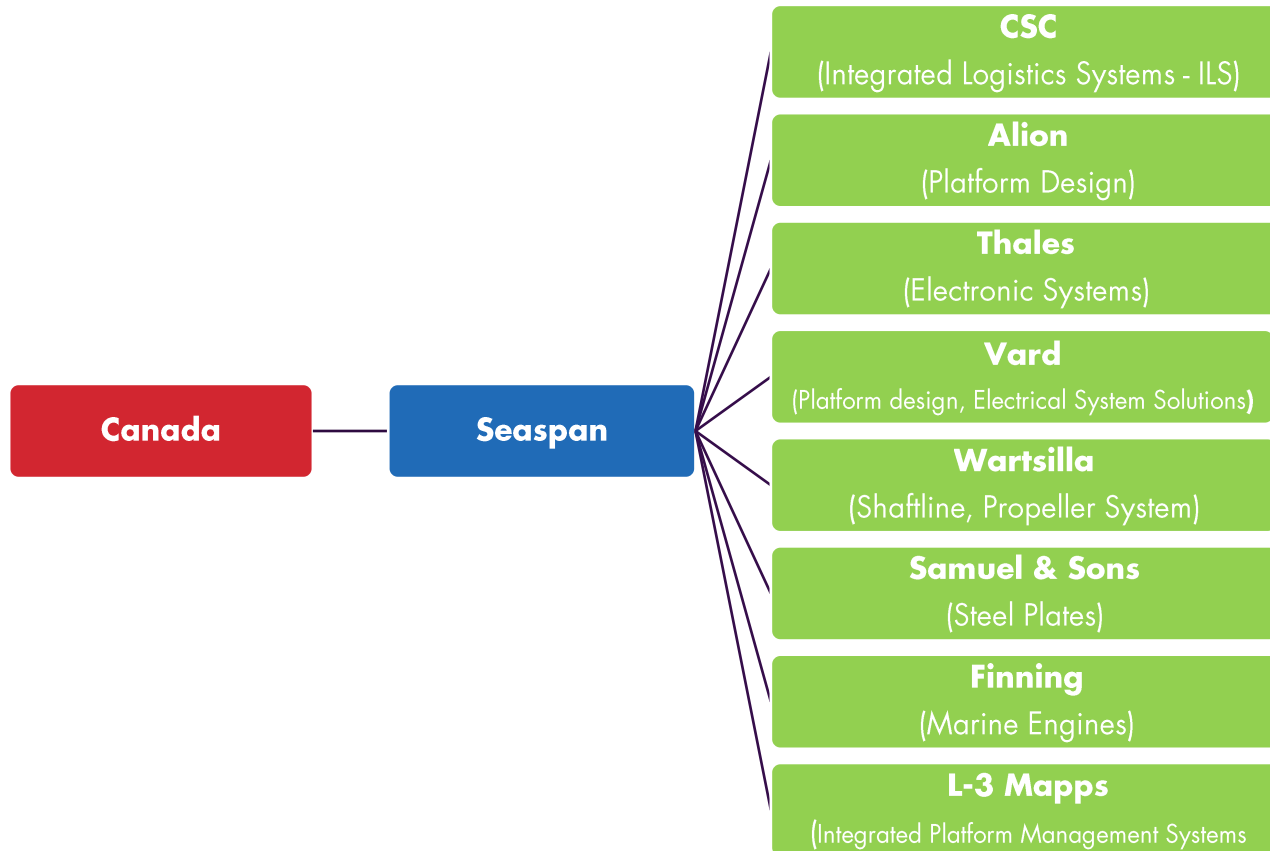
- Canada's Industrial and Regional Benefits (IRB) Policy ensures that Canadian industry **benefits** from Government defence and security procurement. The IRB Policy requires companies to undertake business activities in Canada **valued at minimum 100 percent of the value of the defence or security contract** they have been awarded by the Government of Canada. The IRB obligation is a **contractual commitment** and part of the **overall** government procurement contract. IRB policies are a common part of global defence and security procurements and are practiced in one form or another in **48** countries around the world.
- The IRB Policy was transformed into the Industrial Technological Benefits (**ITB**) Policy in 2014. However, Seaspan's current projects and programs are **governed by the IRB policy**.

# IRB Programs Overview

- Seaspan currently has IRB obligations under the **NSS** projects at Vancouver Shipyards (VSY), **FELEX** and **VISSC** projects at Victoria Shipyards (VSL) with an average achievement rate of **100%**;
- Seaspan IRB function oversees IRB programs at the corporate level with system and processes in place to ensure the success of Canada's IRB policy.
- Industrial and Regional Benefits requirements are incorporated in the Model Contract Pack.
- Depends on the supply scope, you may be required to: 1) accept Canada's IRB terms and conditions flow down and all the reporting duties, or 2) provide your Canadian Content Value information.



# IRB Eligible Parties







# OVERVIEW

## NSS



# NSS NON-COMBAT

PROUD TO BE CANADA'S NON-COMBAT SHIPBUILDER

**\$1B+**

In economic opportunities associated with OOSV and JSS

**\$24M**

In work awarded to First Nations' owned or joint venture companies

**100**

Apprentices across Seaspan learning from skilled trades

**\$600M**

In committed Subcontracts to Canadian companies

**500**

Canadian partners and suppliers



# **PROGRAM OVERVIEW**

## **OFFSHORE FISHERIES SCIENCE VESSEL (OFSV)**

# 1<sup>ST</sup> LARGE VESSEL DESIGNED AND BUILT UNDER NSS







**1<sup>ST</sup>**

large vessel designed  
and built in Canada  
under NSS

**92%**

goods and services  
sourced through  
Canadian suppliers

- OFSV 1 is nearing completion in Victoria
- OFSV 2 is in the final outfitting stage
- OFSV 3 is in the structural consolidation stage
- Development of CCG Crew Training underway



**OFSV: RE-ESTABLISHING  
CANADA'S SHIPBUILDING  
INDUSTRY**

# PROCUREMENT OPPORTUNITIES

Long Lead Items for the OFSV Program have been procured.

## Examples of Long Lead Item Equipment

Anchor Handling Equipment	Distribution Panels / Motor Control
Bow Thruster / Propulsion Systems	Electrical Switchboards
Boat & Handling Equipment	Fire Extinguishing (FM200) System
Closure Systems (Incl. Shipline Door)	Refrigeration Equipment (Incl. Science Freezers)
Diesel Generators	Trawl Deck Machinery Equipment

The following “Field Run” components are still required, and will need to be purchased during the remaining Build phase of the Program.

## Examples of Field Run Materials

Tie Downs / Guide Rails / Powder coated Steel Comp.	Steel Flanges/Elbows, ¾” – 2”, SCH 40
Instrumentation & Gauges	Steel Pipe, Grade B, SMLS, 2” – 6”, SCH 40/80
Fire Detection Conduit Boxes	Quick Closing Valves

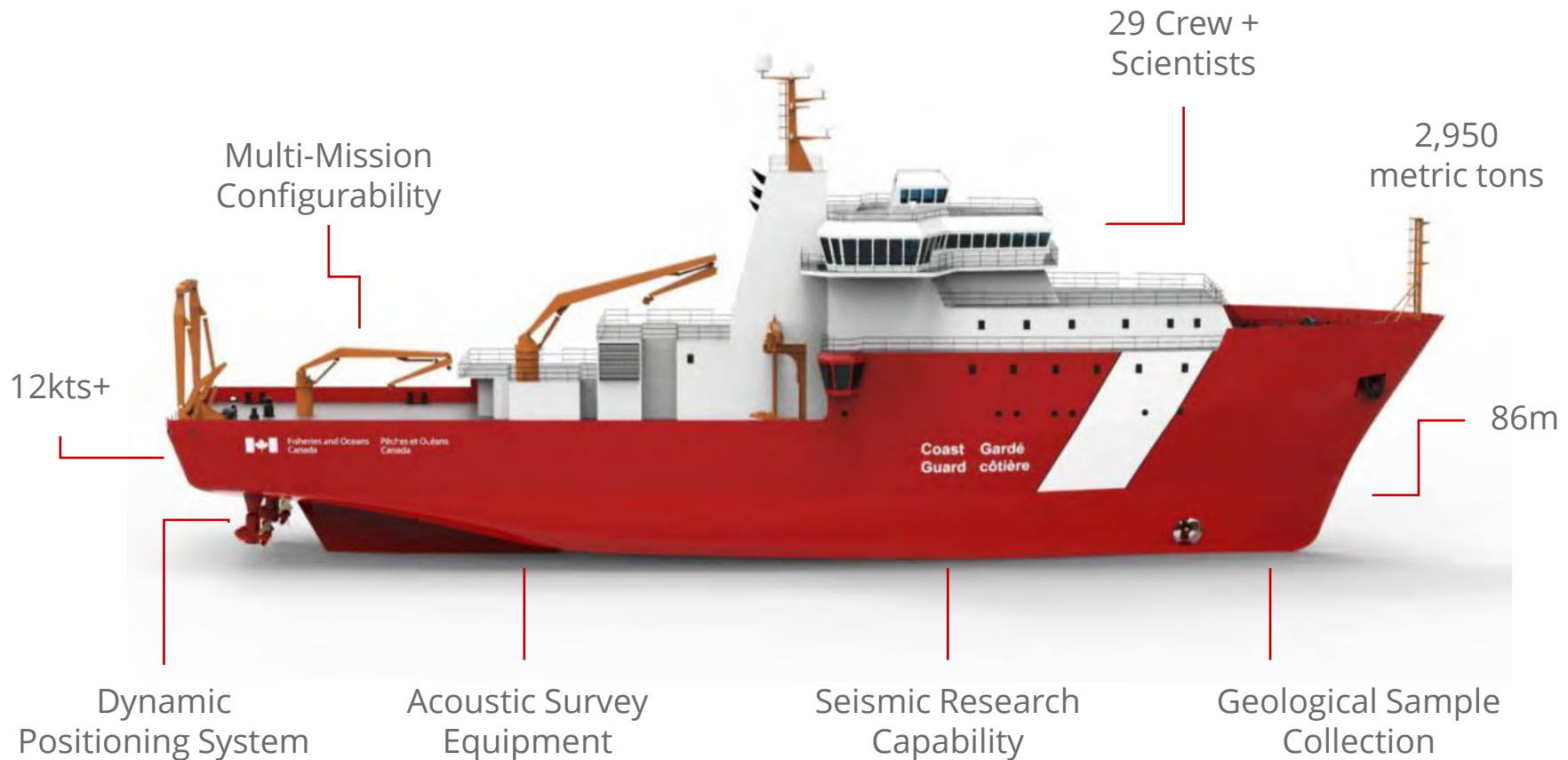


# PROGRAM OVERVIEW

## OFFSHORE OCEANOGRAPHIC SCIENCE VESSEL (OOSV)

# CANADA'S MOST MODERN SCIENCE RESEARCH VESSEL

00SV





# PROCUREMENT STATUS

## SUMMARY

- 45 Long Lead Items (“LLI”) to be sourced;
- 28 RFP’s issued to the market;
- A further 17 RFP’s scheduled;
- 9 supply contracts awarded to date.

## OPPORTUNITIES

- Majority of Electrical packages remaining  
(Transformers, Lighting, Rectifiers & Deck Heating)

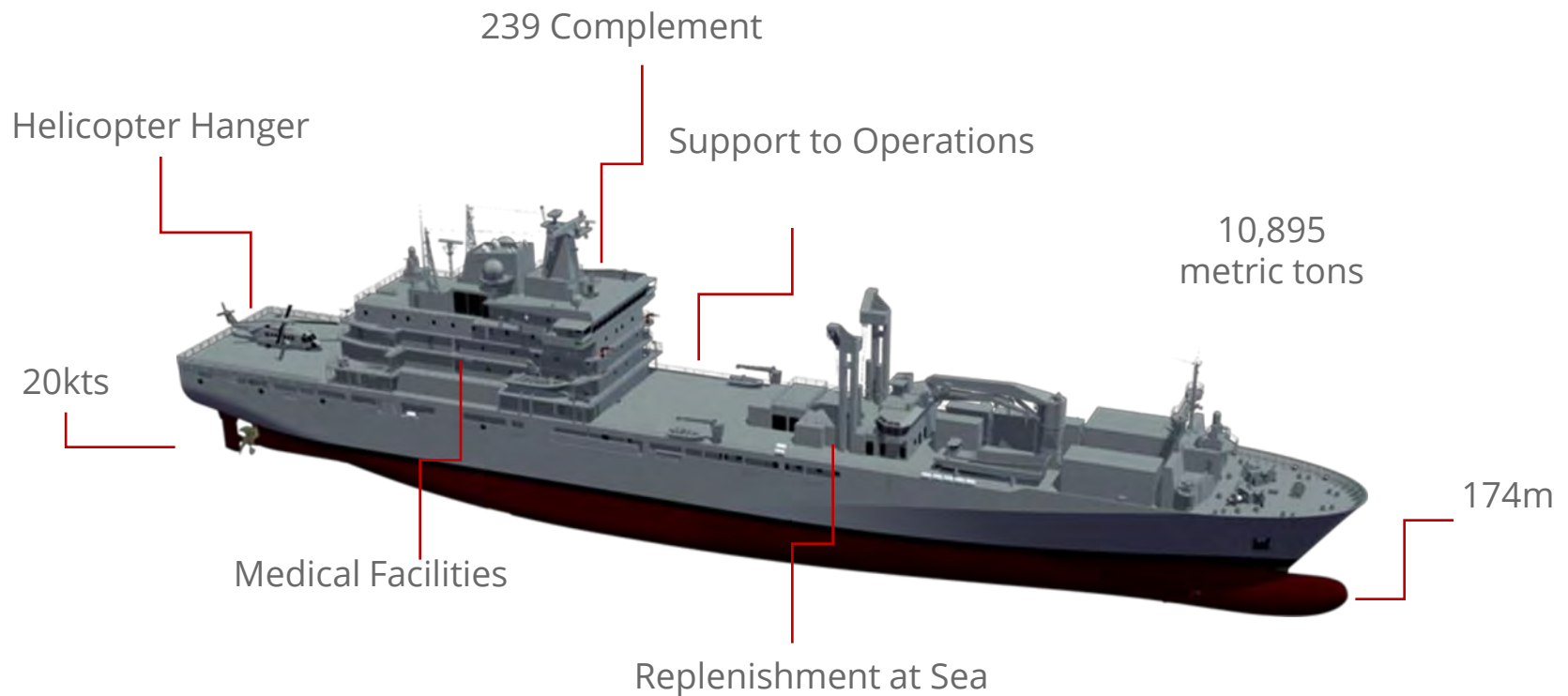


# **PROGRAM OVERVIEW**

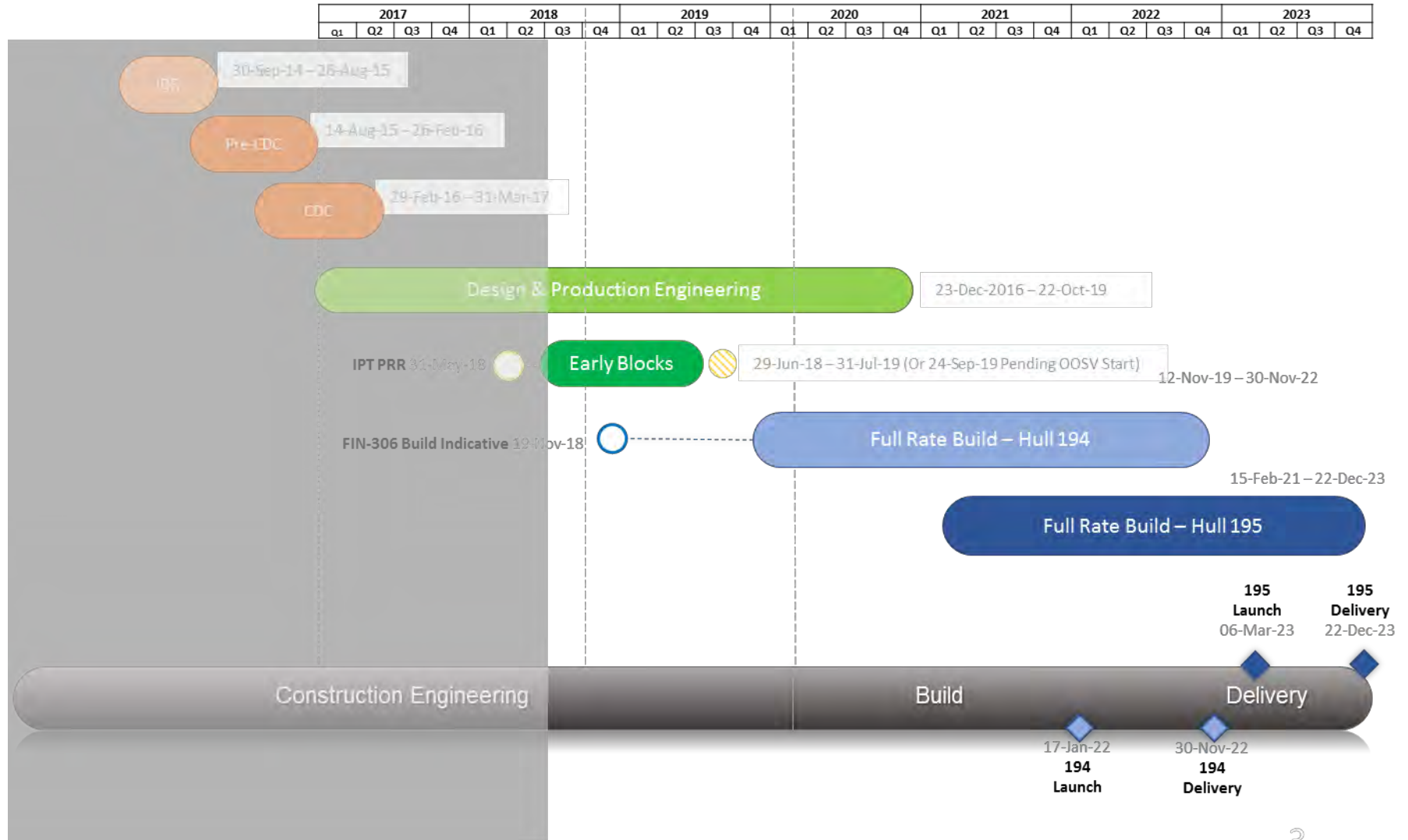
## **JOINT SUPPORT SHIP (JSS)**

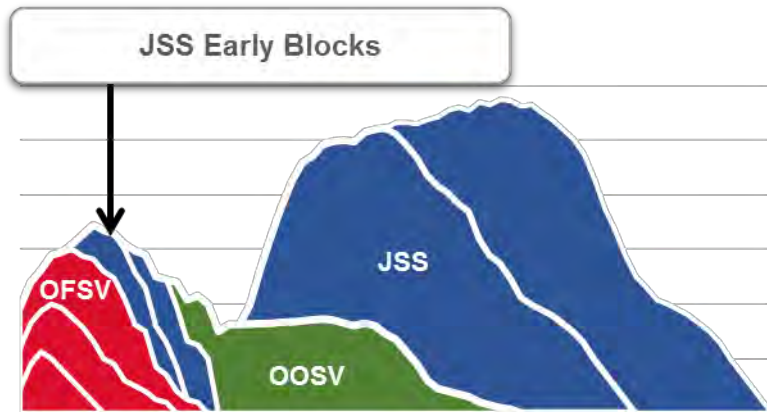
# DELIVERING THE ROYAL CANADIAN NAVY TWO MULTI-ROLE AUXILLARY VESSELS

JSS

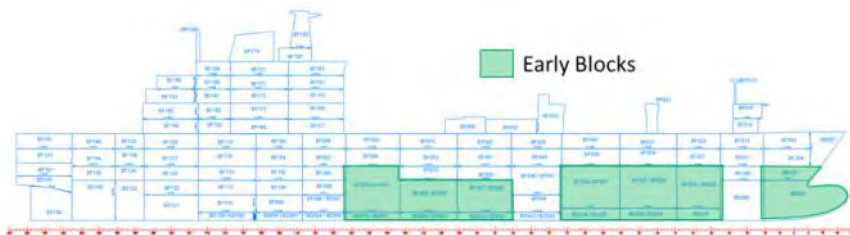


# READY FOR JSS: STARTING CONSTRUCTION AND MATURING DESIGN





- EBB scope consists of 52 Blocks across 2 Ships
- Maintains our core production capability and mitigates a gap in the production workforce.
- Navy has ships in service earlier than planned.
- Great opportunity to pilot new processes and practices to ensure quality before full-rate construction

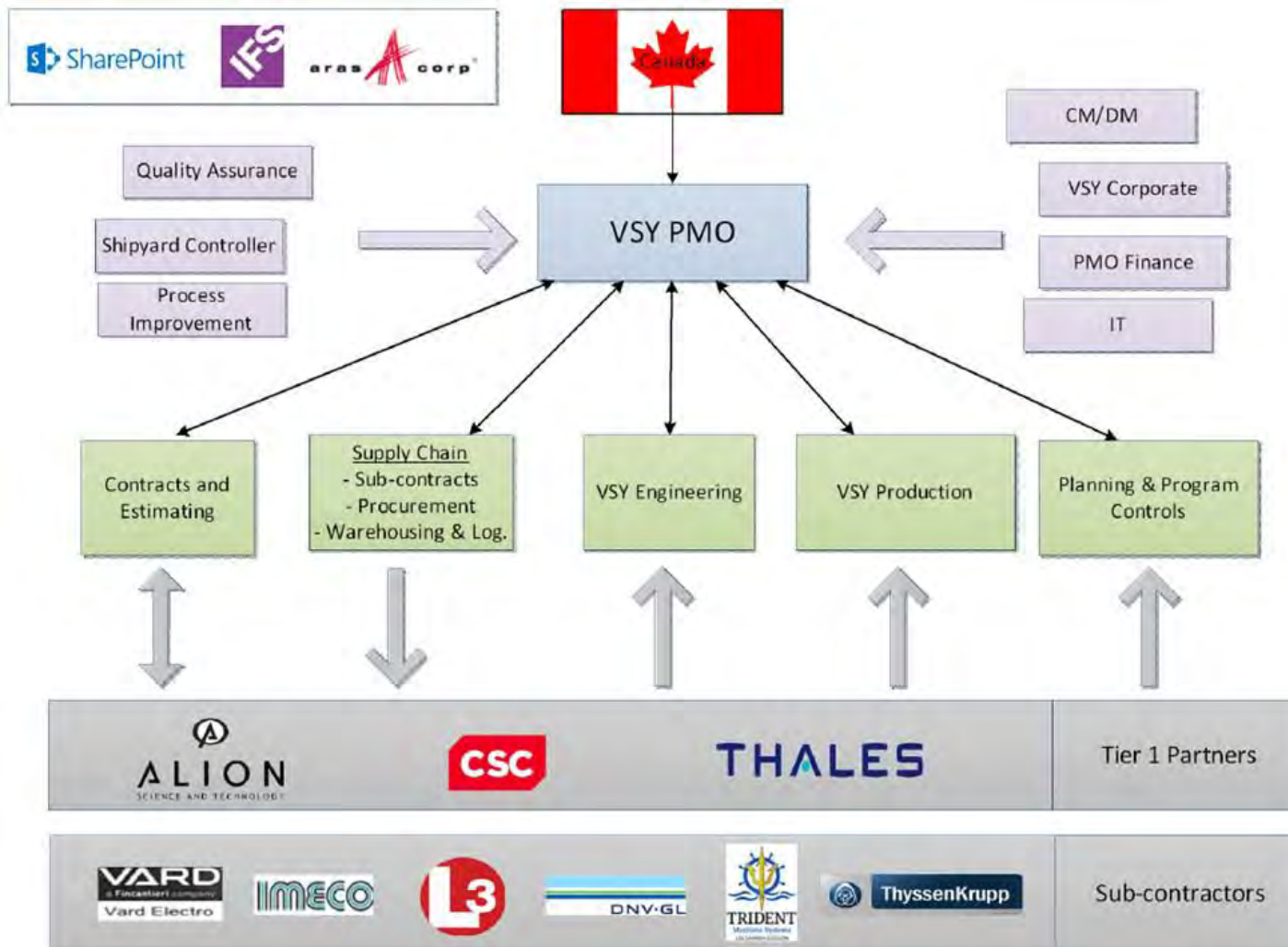


**EBB: OPPORTUNITY TO  
IMPROVE JSS SCHEDULE &  
MITIGATE PRODUCTION GAP**



# SUBCONTRACT STATUS

# KEY STAKEHOLDERS



## EXAMPLE OF JSS LONG LEAD ITEMS AND MATERIALS

Long Lead Items	
Diesel Engines	Miscellaneous System Pumps
Propulsion Shafting and Propeller	Reduction Gears
Replenishment at Sea and Sea Rescue Equipment	Overhead Cranes
Bow Thruster	Lifts and Elevators
Rudder and Steering Gear System	Compressors
Diesel Generators	Fuel Oil Purifier
Anchor Windlass	Waste Management System
Reverse Osmosis Desalination Plant	Command and Control systems
MAFO doors, Aircraft Hangar doors	Visual Landing Aids
Ballast Water Treatment System	Propulsion Gear Boxes
Consumables and Shop Supplies	Helicopter Support Systems
Fire Suppression Systems	Machinery and Auxiliary Equipment (Filters and oil separators)
Doors and Hatches	Mooring winches



**GET ONBOARD!**

**BECOMING A PARTNER TO  
SEASPAN!**



# SUPPLIER REQUIREMENTS

The screenshot displays the Seaspn Supplier Portal interface. At the top, the URL <https://supplier.seaspn.com/> is shown. The navigation bar includes links for Dashboard, Profile, Help, and Logout. The main heading is "Welcome to Seaspn Supplier Portal". Below this, a paragraph explains the registration process: "If you are interested in becoming a Seaspn supplier, we encourage you to register on our portal where you can provide us with important information about your company. Registering does not guarantee that your company will become a supplier for Seaspn, however, by registering, you alert Seaspn buyers of your interest and provide them with information to help them determine whether your company is appropriate for consideration." Another paragraph states: "After you have registered, you can re-access the registration portal at any time to update your profile. It is the suppliers' responsibility to keep their registration profile, certification and documentation current."

On the left, there is a "Please Login" section with the text: "If you already have an account use that username and password to access the site, from any location without VPN." It includes input fields for "Username or Email Address" and "Password", a "Login" button, and a link for "Forgot your username and password?".

On the right, there is a "Don't have an account yet?" section with the text: "Companies can now register in the Seaspn supplier and contractor database." It features a "Continue to Registration" button and a note: "Should you experience difficulty throughout the registration process, please contact us at [supplychain@seaspn.com](mailto:supplychain@seaspn.com)."

## *Four Sections:*

- Base Information
- QMS
- H&S
- Environmental