

**OTTAWA LIGHT RAIL TRANSIT COMMISSION / COMMISSION D'ENQUETE SUR
LE RESEAU DE TRAIN LEGER SUR RAIL D'OTTAWA**

**OPENING STATEMENT OF
RIDEAU TRANSIT GROUP ENGINEERING JOINT VENTURE**

1. The Rideau Transit Group Engineering Joint Venture (“RTGEJV”) would like to take this opportunity to thank the Commissioner, Commission Counsel, and the entire Commission for their diligent efforts in investigating this important transit project known as Confederation Line Phase 1 (the “Project”) and the delivery model of P3 projects in our province. The RTGEJV would also like to thank Ottawa’s general public for the input that they have provided to assist the Commission in its investigation.
2. The RTGEJV is a joint venture comprised of SNC-Lavalin Inc. and MMM Group Limited (now WSP Canada Inc.). As a very general statement, the RTGEJV designed the main infrastructure components of the Project but had no involvement in the actual train car design and/or procurement process. At the time of the award of the Project (and today), both SNC-Lavalin and WSP were and are considered national leaders in engineering services in numerous engineering disciplines, which includes rail, transportation, and all engineering fields required for the design of the individual stations. The engineering team included rail and transportation specialists, architects, safety consultants, mechanical, electrical, systems, civil, structural, and geotechnical engineers and many other professionals that were dedicated to delivering a safe, modern, and constructible infrastructure design.
3. The RTGEJV has been happy to be cooperative with the Commission. It has produced voluminous documentation, has made a knowledgeable witness available for interviews as requested. It sought standing to be able to provide constructive input for the hearing.

CONTRACTUAL OVERVIEW RELEVANT TO THE RTGEJV

4. Confederation Line Stage 1 is the result of a P3 project entered into between Infrastructure Ontario (“IO”), the City of Ottawa, and the Rideau Transit Group General Partnership (“RTG”) to design, build, finance, and maintain a Light Rail Transit (“LRT”) line in Ottawa, Ontario. The subject LRT line is comprised of approximately 12.5 kilometres of railway. There are 13 stations on the line, of which 10 are above-ground stations and 3 are below-ground stations (located within Ottawa’s downtown core), which necessitated tunnelling work. The Project also included the construction of a Maintenance and Storage Facility (“MSF”). The City of Ottawa (the “City”) and IO issued the Request for Proposal (“RFP”) on October 27, 2011, inviting bids for Ottawa’s largest infrastructure project.
5. In response, RTG submitted a bid for the Project. RTG engaged Ottawa Light Rail Transit Constructors (“OLRT-C”) to design and build the Project and engaged Rideau Transit Maintenance (“RTM”) to perform the maintenance component.
6. On May 3, 2012, OLRT-C and RTGEJV entered into the Proposal Services Agreement, wherein RTGEJV was subcontracted by OLRT-C to prepare certain preliminary designs in support of a technical response to the RFP.
7. On February 12, 2013, RTG was awarded the Project by The City and IO. On this same date, RTG executed an agreement with OLRT-C (“the Prime Contract”) confirming that OLRT-C would be responsible to design and build the LRT line. On March 15, 2013, OLRT-C entered into the Services Agreement with RTGEJV stipulating that RTGEJV would be responsible for a large portion of the design of the Project, subject to the design exclusions found within the Services Agreement. Further, for the portion of the design that RTGEJV was responsible for producing, those designs were subject to reviews and commentary undertaken by OLRT-C and the City, in addition to scrutiny from additional Third-Party authorities, such as utility and safety inspectors.
8. From the RTGEJV’s perspective, it was involved in three main stages of the Project: (1) a limited role in the bid by providing a preliminary partial design at the bid stage, (2) the design phase of the Project, and (3) the provision of construction support services during the construction phase, for example updating designs during the construction phase to

accommodate factors such as unforeseen site conditions, requested changes from OLRT-C and the City, and requested changes from Third Party inspection authorities amongst others.

9. As a result of the contractual matrix on the Project, RTGEJV was only in contract with OLRT-C to provide the design services stipulated in the Services Agreement. All design/engineering/consultancy services that were not expressly identified in the Services Agreement were outside of RTGEJV's scope of services. RTGEJV did not have a contract with any other participants to this Inquiry.

RTGEJV's SCOPE OF SERVICES

10. RTGEJV's scope of services predominantly included completing the design of the Project's infrastructure, being the track and the stations.
11. At the time of the bid, the City had a preliminary design of the track's route and station location, as well as design specifications that were to be followed. Following the award of the Project to RTG and the eventual retainer of RTGEJV by OLRT-C to complete a large portion of the design, RTGEJV's design continued what the City had started in accordance with the specifications that the City provided. These referenced specifications are contained within the Project Agreement.
12. When considering RTGEJV's involvement in the Project, RTGEJV considers it notable for the Commission to be informed of the portions of the project that RTGEJV was **not** responsible for. A non-exhaustive list of notable exclusions from RTGEJV's scope of services are the following:
 - i. Development or oversight of the specifications contained with the Project Agreement.
 - ii. Contract Award. Though RTGEJV supported RTG's bid for the Project by completing preliminary designs to meet the demands of the RFP, the RTGEJV was not involved in the selection process.
 - iii. Oversight and management of the project as a whole.

- iv. Construction, inclusive of the means and methods of construction.
- v. Construction scheduling.
- vi. Financing of the project.
- vii. Maintenance of the system.
- viii. The design, procurement, supply, installation, review, testing, commissioning and or performance of:
 - i. revenue vehicles provided by Alstom;
 - ii. non-revenue vehicles;
 - iii. train control provided by Thales;
 - iv. integration between vehicles and train control systems, including identification and design of interfaces; and
 - v. alternate fire and code strategies involving on board vehicle fire suppression systems.
- ix. Procurement and Quantities, including but not limited to procurement of the vehicles.
- x. Several components of tunnel design for the underground stations.
- xi. Traffic management plans.
- xii. Standard structures, including noise walls.
- xiii. Smoothness testing of pavement.
- xiv. Certain geotechnical investigations.
- xv. Obtaining and managing permits.
- xvi. Systems Integration. RTGEJV provided designs for certain sub-systems, though Integration of the System as a whole was completed by others.

13. The exact scope of RTGEJV's involvement is contained within the Services Agreement, which is one of the contractual documents that RTGEJV has produced to the Commission.

14. When considering RTGEJV’s scope in comparison to the *Terms of Reference* issued by this Honourable Commission, RTGEJV provides the following summary table stating its connection to each of the Commission’s identified mandates as located at paragraph 3 of the Terms of Reference.

Terms of Reference Mandate	RTGEJV Connection to Mandate
<p>3. (a) The decisions and actions that were taken in determining:</p> <p>(i) the procurement approach the City selected for the OLRT1 Project;</p>	<p>The RTGEJV was not involved in the procurement approach taken by the City.</p>
<p>3. (a) The decisions and actions that were taken in determining:</p> <p>(ii) the selection of the Rideau Transit Group ("Concessionaire");</p>	<p>RTGEJV was not involved in the City/IO’s process of selecting RTG. RTG subcontracted the design and construction of the Project to OLRT-C who then subcontracted a large portion of the design to RTGEJV. RTGEJV took its direction from OLRT-C for the purposes of the bid. RTGEJV provided preliminary designs to support the bid.</p>
<p>3. (a) The decisions and actions that were taken in determining:</p> <p>(iii) the award of the alternative financing and procurement ("AFP") contract for the OLRT1 Project to the Concessionaire;</p>	<p>RTGEJV was not involved in this decision.</p>
<p>3. (b) Whether the City-led procurement process had an impact on the technical standards applied for the OLRT1 Project and the design, building, operation, maintenance,</p>	<p>As a subcontractor to the Design-Builder (OLRT-C), RTGEJV was provided with the standards and specifications to be met when completing its designs.</p>

<p>repair and rehabilitation of the OLRT1 Project;</p>	
<p>3. (c) Whether the AFP contract between the City and the Concessionaire ("Concession Agreement") was adequate to ensure that the design, building, operation, maintenance, repair, and rehabilitation of the OLRT1 Project was carried out in accordance with all applicable laws and industry standards, including performance and safety;</p>	<p>RTGEJV had no role in the development or oversight of the AFP contract.</p>
<p>3. (d) Whether the Concessionaire and its subcontractors did carry out the design, building, operation, maintenance, repair and rehabilitation of the OLRT1 Project in accordance with applicable laws and industry standards;</p>	<p>Insofar as RTGEJV's involvement in the Project is concerned, the RTGEJV strived to, and is of the view that it did, meet all applicable standards and laws in the execution of its services. RTGEJV's designs were subject to OLRT-C, City, and local authority scrutiny throughout the Project prior to the Project being accepted by the City and being opened for public use.</p>
<p>3 (e) Whether the City's oversight of the Concession Agreement and the OLRT1 Project, including its audit, evaluation, inspection and monitoring of the OLRT1 Project, was adequate to ensure compliance with the Concession Agreement and any applicable laws and industry standards. The above includes an inquiry into the decisions that led to the declaration that the OLRT1 Project had reached substantial completion</p>	<p>Given that the City was not a direct client to RTGEJV, the vast majority of communications between RTGEJV and the City were through OLRT-C.</p>

and any associated testing carried out to support such declaration.	
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15. While the RTGEJV designed a large portion of the track and stations, its involvement in the structure of how the Project would be tendered and managed, the mechanisms in place for awarding the project, project oversight, and the operation and maintenance of the vehicles were all components of the Project in which RTGEJV was not involved.

16. Similar to all large infrastructure projects, manageable issues and setbacks were expected and addressed throughout the course of the Project. However, the RTGEJV submits that it completed its scope of work in accordance with its contractual obligations, the prevailing standards of its profession, and all laws applicable to it. Further, it is submitted that RTGEJV's provision of engineering services did not cause or contribute to the maintenance issues, breakdowns, or the derailments which are the primary subject matters of this Inquiry.

17. The Commission may hear evidence as to which party or parties had a role to play in Systems Integration. Systems Integration is a complex component of designing, building, and maintaining an LRT system such as Confederation Line. A very rudimentary conceptualization of what Systems Integration entails is that it involves ensuring that all components (a.k.a. sub-systems) of the overall system coordinate and operate in harmony with one another. This includes, but is not limited to, a host of different communications systems, safety measures, train controls and train operations. While there may have been some initial misunderstanding between RTGEJV and OLRT-C as to relative responsibilities for completing project-wide Systems Integration, at the end of the day RTGEJV believes there to be no dispute that those parties, and third party specialists that were retained to complete the endeavor, had completed the task.

18. In looking to the Project Agreement, which is the contract containing the specifications and parameters for designing and building Confederation Line, it has a definitions section. Though a definition for "Systems Integration" is not provided, it does have definitions for "System" and "Integration". At section 1.634, the Project Agreement says that "system" means:

the light rail rapid transit system to be Designed, Constructed, supplied, tested, commissioned and Maintained by Project Co in accordance with this Project Agreement, being the Fixed Facilities, the Vehicles and the E&M, but, for greater certainty, including without limitation:

(a) all Infrastructure;

(b) all site services, utilities, roadways and parking areas required to support such Infrastructure;

(c) all supporting systems and improvements; and

(d) all other works, improvements, and demolitions to occur on the Lands or the Site,

in each case required to meet the Output Specifications and the requirements under the Permits, Licences and Approvals and whether or not in the course of construction, installation or completion.

19. In then looking at the definition of “Integration”, the Project Agreement at 1.338 defines it as:

... the Design, Construction, testing and commissioning of all elements of the System, in part and as a whole, including the Fixed Facilities, the Vehicles, the MSF, and the E&M, such that all components of the System function together as one coherent system, notwithstanding the creation of the System as separate components, in accordance with the Output Specifications and otherwise as required in accordance with this Project Agreement, and “Integrated” shall have a corresponding meaning.

20. Insofar as RTGEJV’s role was concerned, it completed the designs of multiple sub-systems which were to be left with interfacing capabilities for the overall systems integrator to utilize in integrating the entire system, which, as noted, would include the trains themselves. After all of the systems are coordinated and constructed, they undergo testing and commissioning.

CONCLUDING REMARKS

21. RTGEJV is pleased to remain a Full Participant in this inquiry and will continue to assist the Commission in its investigations.

22. RTGEJV thanks the Commission for the time and effort devoted to this Inquiry.

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