

DATE: 2019-04-01

PROJECT TITLE: Maritime Helicopter Project (MHP)

PROJECT OBJECTIVE:

PROJECT PHASE: Implementation

The Maritime Helicopter Project involves the delivery of 28 state-of-the-art, combat-capable CH-148 Cyclone helicopters, associated logistical and in-service support, spare parts, as well as modifications to the Halifax-class ships and construction of a new training facility equipped with a full training suite of flight, mission and maintenance simulators.

PROCUREMENT STRATEGY

Competitive Solicitation of Interest and Qualification followed by a Request for Proposal.

ACHIEVEMENTS

- November 2008: CH148 first flight.
- 18 June 2014: Contract Amendment 004 signed, which defined and implemented a blocking strategy for helicopter delivery.
- June 2015: Six Block 1 aircraft delivered.
- December 2015: Two Capability Release (CR) 1.1 aircraft delivered.
- 24 August 2017: The CH148 Cyclone Release To Service was issued by the Commander of the Royal Canadian Air Force.
- January 2018: The 15th and last aircraft in the Block 1 configuration was delivered to Canada.
- April to June 2018: Six Block 2 helicopters were accepted.
- 7 June 2018: Initial Operational Capability achieved.
- 8 August 2018: Patricia Bay commenced flight operations.
- January 2019: the eighth Block 2 helicopter was accepted, bringing the total number of Canada's Cyclone helicopters to 16.
- February 2019: Two east and west coast based Cyclones embarked on RCN ships for a 6-month concurrent deployments.
- February 2019: The ninth Block 2 helicopter was accepted, bringing the total number of Canada's Cyclone helicopters to 17.

KEY MILESTONES

Project Milestone	Approved	Re-baseline/Actual	Notes/Comments
Project Approval (Definition)		2003-06-18	Initial Operational Capability (IOC) and Full Operational Capability (FOC) were not included in the Maritime Helicopter Project's original approval submission. Subsequently the Royal Canadian Air Force defined IOC and FOC.
Request for Proposal Release		2003-12-17	
Project Approval (Implementation)		2004-11-22	
Contract Award		2004-11-23	
Schedule / Contract Rebaseline		2014-06-18	
First Delivery Block 1	June 2015	2015-06-19	
First Delivery Block 2	March 2018	2018-04-03	
Initial Operational Capability	N/A	2018-06-07	
Final Delivery Block 2		Dec 2021	
Effective Project Closeout	2022	2022	
Full Operational Capability	N/A	2025	

FINANCIALS

VALUE (BY MILLIONS)

Acquisition (including Project Management Costs, Infrastructure, Contracts and Contingency)	\$ 3,174.0
Major In-Service Support Contract (over years)	
Estimated Life Expectancy (25 years)	

INDUSTRY ENGAGEMENT ACTIVITIES

Industry engagement was conducted prior to the Request For Proposal being published in December 2003.



SOCIO-ECONOMIC BENEFITS

The Industrial and Regional Benefits (IRB) Policy was applied to the Acquisition and In-Service Support contracts. Total IRB obligation for Acquisition is \$2.04B, \$2.04B completed to date. Total IRB In-Service Support is \$2.7B, \$1.7B completed to date and \$850M in progress.

* Values are updated annually. DND received last update: 2018-05.

POINTS TO NOTE

ISSUE/RISK ASSESSMENT

Area	Previous	Current	Issue/Risk Summary
Scope	Green	Green	Block 2 delivery remains on track.
Schedule vs Re-baseline	Green	Green	
Budget (Definition)			
Budget (Implementation)	Green	Green	
Human Resources	Green	Yellow	
Other			

TIMELINE

Project Approval (Definition)	Project Approval (Implementation)	...	...	...	Contract Amendment	1st Delivery Block 1	...	...	Initial Operational Capability	...	...	Final Delivery	Effective Project Closeout	...	Full Operational Capability
▼	▼	▼	***	***	▼	▼	***	▼	▼	***	***	▼	▼	***	▼
2003	2004		2006		2014	2015	2016	2017	2018	2019	2020	2021	2022		2025
***	▲	***	▲	***	***	***	***	▲	▲	▲	***	***	***	***	***
	Contract award		Revised Project Approval (implementation)					15th Delivery Block 1	1st Delivery Block 2	1st Delivery CR 2.1 kit					