Overview of Non-Competitive Contracts required to support the City's Ferry Operations

Fleet Services Division

General Government Committee April 8, 2026

TORONTO

Overview | Non-competitive agreements for the City's Ferry Operations

Objective: This presentation provides an overview of the four separate non-competitive agreements required to support the City of Toronto's Ferry Operations. This includes the existing fleet, two new electric ferries, and the associated shoreside electrical charging infrastructure. These agreements will ensure the City's ferry fleet will remain safe, compliant and operational.

The Proposed non-competitive agreements are with:

Vendor	Type	Description	Rationale
Bureau Veritas	Classification society	• A global classification and certification organization that inspects ships, offshore structures & marine equipment – *specifically for the City's new electric ferries*	• Continuity with the existing Classification Society for each vessel. (Industry Best Practice) • Switching Classification Societies could introduce significant operational and regulatory risks.
Lloyd's Register	Classification society	• A global maritime classification society that provides technical assurance, compliance verification and risk management for ships and offshore assets – *specifically for the City's existing ferries*	
Ontario Shipyards	Maintenance and Repair Facility	• A Canadian shipbuilding & ship-repair company that maintains and repairs vessels, including the ability to provide dry-docking services	• Compatibility, this is the only shipyard in Ontario capable of accommodating the new electric ferry vessels due to their breadth and weight.
Aspin Kemp & Associates Inc. o/a AKA Energy Systems	Electric Ferry Charging Infrastructure (Shore & Vessel)	• A Canadian engineering and technology company that designs civil and electrical infrastructure charging operations, especially for marine services.	• Exclusive Rights • Original Equipment Manufacturer (OEM) warranty and non-warranty maintenance, diagnostics, repair, training and parts.

Role, Requirements & Application to City Ferries | Lloyd's Register & Bureau Veritas

What are Classification Societies?

- Classification societies are independent, internationally recognized organizations authorized to:
  - Establish technical standards for vessel design, construction, and maintenance
  - Inspect vessels and marine systems throughout their lifecycle
  - Verify compliance with international and Canadian maritime safety regulations
- In Canada, Transport Canada delegates statutory inspection and certification authority to approved classification societies through the Delegated Statutory Inspection Program (DSIP).
- These organizations are designated as Recognized Organizations (ROs) under the Canada Shipping Act, 2001 and may issue Canadian Maritime Documents (CMDs) on behalf of the Minister of Transport.

Why Classification Societies Are Required for the City

Regulatory Compliance

- All City of Toronto ferries must comply with the Canada Shipping Act, 2001 and applicable regulations.
- Classification societies perform mandatory statutory inspections and certification required to legally operate vessels.

Risk Management & Safety Assurance

- Independent technical oversight ensures vessels remain safe, seaworthy, and compliant throughout their service life.
- Transport Canada and the Transportation Safety Board of Canada have identified gaps in vessel certification and records as increased safety and compliance risks.

Industry Best Practice

- Best practice supports maintaining the same classification society for each vessel to preserve continuity of records, inspection history, and technical knowledge.
- A City-retained consulting firm recommended maintaining existing classification societies to reduce operational and regulatory risk.

Application to the City's Ferry Fleet

Existing Ferries – Lloyd's Register

- Provides classification, statutory inspections, and technical assurance for the City's existing fleet.
- Has supported the City for approximately 10 years, including: Maintenance oversight, Staff training, Submission of required documentation to Transport Canada to maintain CMDs

New Electric Ferries – Bureau Veritas

- Selected during the electric ferry procurement process.
- Provides: Technical support and certification for new vessel technology, Staff training, Ongoing compliance support and documentation for Transport Canada
- Maintaining vessel-specific classification societies is mandatory for regulatory compliance, reduces operational risk, and aligns with industry best practice, ensuring the City's ferry fleet remains safe, certified, and operational.

Role, Requirements & Application to City Ferries | Ontario Shipyards

What is Ontario Shipyards?	Why Ontario Shipyards is Required for the City	Application to the City's Ferry Fleet
• A Canadian shipbuilding and ship repair provider with full maintenance, repair, and dry docking capability for lake class vessels. • Authorized warranty repair provider for the City's new electric ferries, ensuring continuity with the builder's specifications. • Facilities on the Great Lakes (e.g., Hamilton, St. Catharines, Thunder Bay) provide regional access and scheduling flexibility.	**Regulatory & Safety Compliance** ○ Dry-dockings, hull inspections, and class/flag surveys require a **suitable dry dock** and qualified yard support. **Capability Constraint** ○ Due to the size and weight of the new electric ferries, Ontario Shipyards Inc. is the only Canadian facility on Lake Ontario capable of accommodating them. The City's current dry dock service provider has confirmed in writing that it cannot accommodate the new vessels. **Warranty Continuity** ○ OEM-aligned warranty work on the new ferries helps control lifecycle cost and protect asset value.	**New Electric Ferries** • Dry-docking, scheduled and corrective maintenance, and warranty repairs routed to Ontario Shipyards. **Fleet Readiness** • Ensures timely yard access for statutory surveys, coating/steel work, warranty and non-warranty repairs, and emergent fixes.

Role, Requirements & Application to City Ferries | AKA Energy Systems

What is AKA Energy Systems?	Why AKA Energy Systems is Required for the City	Application to the City's Ferry Fleet
• A Canadian engineering and technology firm specializing in **marine electrical, power, and propulsion systems**. • Original designer and integrator of the **electric ferry charging and onboard electrical systems**. • Provides **OEM-certified technical support**, system maintenance, and staff training for electric ferry infrastructure.	**Specialized Technical Expertise** • The shore and vessel electrical systems are **custom-designed, proprietary systems** requiring OEM-certified knowledge to maintain safely and effectively. **Safety and Regulatory Compliance** • Electrical charging infrastructure must meet operational, safety, and regulatory requirements for high-voltage marine systems. **System Integrity and Warranty Protection** • Use of the original system designer protects equipment warranties, reduces failure risk, and ensures compatibility across shore and vessel systems. **Operational Continuity** • Retaining the system integrator minimizes downtime, troubleshooting delays, and service interruptions related to charging or propulsion issues.	**Shore Electrical System (SES)** • Design, maintenance, and support for transformers, switchgear, and power distribution connecting the grid to ferry charging infrastructure. **Automatic Shore Charging System (ASCS)** • Automated connection between vessel and shore power to enable fast, safe, and reliable charging at the dock. **Vessel Electrical System (VES)** • Onboard electrical systems that manage power flow between charging equipment, batteries, and vessel power management systems. **Ongoing Support Services** • Preventive and corrective maintenance • System diagnostics, repairs, and replacement parts • Technical training for City staff on system operation and safety procedures

Financial Summary

All agreements will be structured as follows: one (1) initial year with up to four (4) optional renewal years, providing cost certainty and flexibility.

Lloyd's Register (existing ferries)

- Total potential cost over five years: $1.6M

Initial Year	$312,393
Option Year 1	$306,892
Option Year 2	$316,099
Option Year 3	$325,581
Option Year 4	$335,349
Total	**$1,596,314**

Bureau Veritas (new electric ferries)

- Total potential cost over five years: $1.0M

Initial Year	$191,716
Option Year 1	$197,467
Option Year 2	$203,391
Option Year 3	$209,493
Option Year 4	$215,778
Total	**$1,017,845**

Ontario Shipyards (new electric ferries)

- Total potential cost over five years: $8.8M

Initial Year	$1,495,465
Option Year 1	$5,153,064
Option Year 2	$695,891
Option Year 3	$716,769
Option Year 4	$738,272
Total	**$8,799,461**

AKA Energy Systems (new electric ferries)

- Total potential cost over five years: $6.1M

Initial Year	$2,060,714
Option Year 1	$958,408
Option Year 2	$987,161
Option Year 3	$1,016,776
Option Year 4	$1,047,278
Total	**$6,070,337**

Questions?