

Audit of Zero-Emission Buses

Tendering Process for 40-Foot Electric Buses



Office of the
Auditor General
City of Ottawa



? Why we did this audit

The City of Ottawa's Zero Emission Bus (ZEB) Program plans to phase in 450 ZEBs by 2027 and to have a fully electric bus fleet by 2036. Subsequent to the introduction of four (4) pilot electric buses, the Program intended to move forward with procurement by issuing a Request for Proposal (RFP) for 40-foot ZEBs which was the focus of this audit. This represents the second audit report related to the ZEB implementation.

Q What we found

The City's draft RFP considered insights from the pilot project. The City also managed risk by including a clause that indicated the procurement would be contingent upon the City receiving funding from Infrastructure Canada and Canada Infrastructure Bank.

While we are not concluding on the effectiveness of the overall procurement strategy and we understand that the procurement approach was selected to allow for flexibility and innovation by proponents, the audit noted the following risks relative to the draft RFP:

- There was limited ability to assess superior technical capabilities of proponents beyond the baseline technical requirements.
- Some of the RFP requirements were not measurable to facilitate an objective evaluation.

- Minimal guidance was provided on how proponents were to demonstrate compliance with the requirements of the RFP.
- Specific battery and propulsion system warranty requirements and thresholds were lower than expected when compared to other municipalities, and no costing analysis was performed to support these requirements.

The City planned to mitigate some of these risks by extending meetings to proponents where they could have bilateral discussions to provide feedback on their initial design or request clarification on the RFP.



Outcome

Following a review of the results of the audit, the City of Ottawa and OC Transpo decided not to release the RFP and is planning to enter into a partnership procurement arrangement with the Toronto Transit Commission for battery-electric buses. The change in procurement strategy will address many of the risks outlined in the audit report.

For more details on this report please visit our [website](#).

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