

SCHEDULE 15

PAYMENT ADJUSTMENTS SUMMARY

Attached as Appendix A is a summary of the Payment Adjustments set out in Schedule 18 (Technical Requirements). The Payment Adjustments are subject to annual indexing for inflation in the manner and at the times set out in Schedule 10 (Index Factor).

APPENDIX A

PAYMENT ADJUSTMENT SUMMARY

Section Reference	Subject	Payment Adjustment
2.2.3.4	Quality Management System - External Audits	If a deficiency or deficiencies identified by the external audit have not been corrected within the specified time, a Payment Adjustment of \$2,000/week or any partial week for the first four weeks and \$5,000/week or any partial week thereafter shall apply until such deficiency or deficiencies are corrected.
2.2.5.1	Annual Quality Management System Report	If Project Co fails to provide an Annual Quality Management System Report to the City in accordance with Section 2.2.5, a Payment Adjustment of \$200 will be assessed for each day or part thereof until the complete report is submitted.
2.3.1	Environmental Management System	If Project Co fails to obtain independent accreditation of the Environmental Management System to ISO 14001 within 18 months of Substantial Completion, a Payment Adjustment of \$200 will be assessed for each day or part thereof until accreditation is obtained.
2.4.4.1.1	Permitting and Approval Plan - Permitting Progress and Compliance Reporting	If Project Co fails to submit a monthly permitting progress report in the form set out in the Permitting and Approval Plan, a Payment Adjustment of \$200 per day will be assessed for each day or part thereof until Project Co submits the monthly permitting report in the proper form.
2.5.2.1	O&M Plan For Existing Facilities	If Project Co fails to follow the procedures, programs or SOPs set out in the O&M Plan for Existing Facilities, a Payment Adjustment of \$500 per event or day will be assessed until the deficiency or deficiencies are corrected.
2.6.4.1	Commissioning and Startup Plan	If Project Co fails to submit and have reviewed by the City an updated Commissioning and Startup Plan at least 30 days prior to the scheduled date of startup, operations, commissioning and process performance testing as set out in Project Co's Construction Schedule, a Payment

Section Reference	Subject	Payment Adjustment
		Adjustment of \$2,000/week or any partial week shall apply until the updated Commissioning and Startup Plan is submitted.
2.6.6.1	Construction Period Interface Plan	<p>If Project Co fails to submit an updated Construction Period Interface Plan to the City in accordance with Section 2.6.6.1, a Payment Adjustment of \$500 will be assessed for each day or part thereof until the updated Construction Period Interface Plan is submitted.</p> <p>If Project Co fails to follow the Construction Period Interface Plan a Payment Adjustment of \$5,000/event or day will be assessed until the deficiency or deficiencies are corrected.</p> <p>If the subject activity exceeds one day duration then the Payment Adjustment shall be applied separately on each and every day until the deficiency or deficiencies are corrected.</p>
3.9.4.1.1	As-Built Drawings	If Project Co fails to submit the As-Built Drawings within 9 months of Substantial Completion, a Payment Adjustment of \$500 per day will be assessed for each day or part thereof until Project Co submits the As-Built Drawings in the proper form.
4.5.13	Existing Facilities Performance Failure	<p>Project Co shall be assessed (a) a Payment Adjustment of \$50,000 upon occurrence, (b) a Payment Adjustment of \$50,000 every 24 hours thereafter and (c) a Payment Adjustment of \$2,500 for every hour that the Existing Facilities fail to receive flows up to an instantaneous peak flow of 265 ML/d from the City or End-User sewer pipe connections until the uninhibited receipt of Raw Wastewater is restored, unless authorized by the City in accordance with Section 3.8.7.</p> <p>If Project Co violates or contravenes any of the requirements of the Permits and Approvals, Project Co shall be subject to a Payment Adjustment in the amount set forth in Table 4.5.13 below.</p> <div data-bbox="667 1295 1906 1349" style="border: 1px solid black; padding: 5px;"> <p>Table 4.5.13 Existing Facilities Performance Failure Payment Adjustments</p> </div>

Section Reference	Subject	Payment Adjustment		
		Non-compliance Event	Monitoring Period	Payment Adjustments for Non-compliance
		Any violation of any term or condition of any Permits and Approvals other than the Effluent Standards	Per non-compliance event	\$500
		Up to and including June 30, 2015, any violation of any term or condition of the Effluent Standards or bypasses to the receiving environment	Per non-compliance parameter per month	\$5,000
		From and including July 1, 2015, any violation of any term or condition of the Effluent Standards or bypasses to the receiving environment	Per non-compliance parameter per month	\$10,000
		<ul style="list-style-type: none"> • Except where otherwise noted, all Payment Adjustments for non-compliance are per occurrence parameter and are additive; • Up to and including June 30, 2015, a violation of the Total Phosphorus parameter in the Effluent Standards will incur one Payment Adjustment of \$5,000 per six-month period; 		

Section Reference	Subject	Payment Adjustment
		<ul style="list-style-type: none"> • From and including July 1, 2015, a violation of the Total Phosphorus parameter in the Effluent Standards will incur one Payment Adjustment of \$10,000 per six-month period; • Multiple violations in a month for a parameter in the Effluent Standards that is not a monthly arithmetic mean, a monthly geometric mean or a six-monthly mean will incur a maximum of one Payment Adjustment per parameter per month; and • The Payment Adjustments stated above do not include any fines or penalties that may be assessed by any applicable Governmental Authority.
5.5.1	Operating Period Plans	If the Operating Period Plans are not updated by Project Co and kept in good standing, and any required amendments and updates are not submitted to the City within the time periods stipulated in Section 5.5, a Payment Adjustment of \$1,000 per month or any partial month for each revised Operating Period Plan, including As-Built Drawings, will be assessed until the revised documents are submitted to the City.
5.5.2.1	O&M Manuals	If the updated summary of the O&M Manuals including As-Built Drawings are not submitted with the Annual Asset Management Report, a Payment Adjustment of \$2,500 will be assessed per week or any partial week for each outstanding O&M Manual revision, including As-Built Drawings requiring revision, until the revised documents are submitted to the City.
5.6.1	O&M Requirements Performance Failure	<p>Project Co shall be assessed (a) a Payment Adjustment of \$50,000 upon occurrence, (b) a Payment Adjustment of \$50,000 every 24 hours thereafter and (c) a Payment Adjustment of \$5,000 for every hour that the Infrastructure fails to receive the influent quantity and quality as set forth in Section 3.4.2 from the City or End-User sewer pipe connections and within the maximum pressure(s) set forth in Section 3.7.3.14 until the uninhibited receipt of Raw Wastewater is restored, unless authorized by the City in accordance with Section 5.7.9.</p> <p>If Project Co fails to meet any of the requirements identified in Section 3.4 or contravenes any of the requirements of the Permits and Approvals, Project Co shall be subject to a Payment</p>

Section Reference	Subject	Payment Adjustment		
		Adjustment in the amount set forth in Table 5.6.1 below.		
		Table 5.6.1 Performance and Regulatory Requirements Payment Adjustments		
		Non-compliance Event	Monitoring Period	Payment Adjustments for Non-compliance
		Any violation of any term or condition of any Permits and Approvals other than the Effluent Standards	Per non-compliance event	\$500
		Any violation of any term or condition of the Effluent Standards (except total ammonia nitrogen, total nitrogen or un-ionized ammonia nitrogen), or any event of Bypass	Per non-compliance parameter per month	\$50,000
			Per non-compliance parameter in the second consecutive month for the same non-compliance parameter	\$75,000
			Per non-compliance parameter in the third and consecutive months for the same non-compliance parameter	\$100,000
		Up to and including June 30, 2017, any violation of any term or condition of the	Per non-compliance parameter per month	\$5,000

Regina Wastewater Treatment Plant Upgrade Project

Section Reference	Subject	Payment Adjustment		
		Effluent Standards for total ammonia nitrogen, total nitrogen or un-ionized ammonia nitrogen	Per non-compliance parameter in the second consecutive month for the same non-compliance parameter	\$5,000
			Per non-compliance parameter in the third and consecutive months for the same non-compliance parameter	\$5,000
		From and including July 1, 2017, any violation of any term or condition of the Effluent Standards for total ammonia nitrogen, total nitrogen or un-ionized ammonia nitrogen	Per non-compliance parameter per month	\$50,000
		From and including July 1, 2017, any violation of any term or condition of the Effluent Standards for total ammonia nitrogen, total nitrogen or un-ionized ammonia nitrogen	Per non-compliance parameter in the second consecutive month for the same non-compliance parameter	\$75,000
			Per non-compliance parameter in the third and consecutive months for the same non-compliance parameter	\$100,000

Regina Wastewater Treatment Plant Upgrade Project

Section Reference	Subject	Payment Adjustment		
		Up to and including June 30, 2017, any violation of Biosolids Criteria set forth in Table 3.4.4	Per monthly fail in the geometric mean of samples for Biosolids fecal coliform density	\$5,000
			Per monthly fail in the mean of volatile solids reduction parameter	\$5,000
			Per monthly fail in the mean of percent solids of Biosolids	\$5,000
		From and including July 1, 2017, any violation of Biosolids Criteria set forth in Table 3.4.4	Per monthly fail in the geometric mean of samples for Biosolids fecal coliform density	\$50,000
			Per monthly fail in the mean of volatile solids reduction parameter	\$50,000
			Per monthly fail in the mean of percent solids of Biosolids	\$15,000
		Violation of Permissible Sounds Levels set forth in Table 3.7.3.20	Per day	\$500
		Odour Incident	Per day	\$2,500

Section Reference	Subject	Payment Adjustment
		<ul style="list-style-type: none"> • Except where otherwise noted, all Payment Adjustments are per occurrence per parameter and are additive. • Multiple violations in a month for a parameter in the Effluent Standards that is not a monthly arithmetic mean or a monthly geometric mean will incur a maximum of one Payment Adjustment per parameter per month. • The Payment Adjustments stated above do not include any fines or penalties that may be assessed by any applicable Governmental Authority.
5.6.3.2.2	Flow Meters	<p>For the following Flow Meter failure events the Payment Adjustments set out below will apply:</p> <ul style="list-style-type: none"> • For failure of any of the Flow Meter(s), a Payment Adjustment of \$200 per day or part thereof, per Flow Meter, shall be assessed from the day that is 3 days following such failure, until such Flow Meter has been repaired and calibrated in accordance with the procedures set out in the Wastewater Sampling and Analysis Plan; • For failure to successfully calibrate the Flow Meter(s) at the frequency set out in Section 5.6.3.2, in accordance with the procedures set out in the Wastewater Sampling and Analysis Plan, a Payment Adjustment of \$200 per day or part thereof, per Flow Meter, shall be assessed until Project Co provides evidence that the calibration has been successfully completed and that the Flow Meter is providing information within the accuracy parameters as set out in Section 3.5.3.1; and • For failure of any of the Flow Meter(s) used to calculate payments, the flow of Raw Wastewater will be deemed to be zero for purpose of payment.

Section Reference	Subject	Payment Adjustment
5.6.3.3.1	Pressure Meters	<p>For the following Pressure Meter failure events the Payment Adjustments set out below will apply:</p> <ul style="list-style-type: none"> • For failure of any of the Pressure Meter(s), a Payment Adjustment of \$200 per day or part thereof, per Pressure Meter, shall be assessed from the day that is 3 days following such failure, until such Pressure Meter has been repaired and calibrated in accordance with the procedures set out in the Wastewater Sampling and Analysis Plan; • For failure to successfully calibrate the Pressure Meter(s) at the frequency set out in Section 5.6.3.2, in accordance with the procedures set out in the Wastewater Sampling and Analysis Plan, a Payment Adjustment of \$200 per day or part thereof, per Pressure Meter, shall be assessed until Project Co provides evidence that the calibration has that been successfully completed to demonstrate the Pressure Meter is providing information within the specified accuracy parameters as set forth in Section 3.5.3.2.
5.6.5.1	Monthly Wastewater Quality Report	<p>If Project Co fails to submit the Wastewater Quality Report or submits incomplete Wastewater Quality Reports to the City as per Section 5.6.5 on or before the 15th day of each month, a Payment Adjustment of \$1,000 will be assessed for each day or part thereof until the complete Wastewater Quality Report is submitted.</p>
5.6.6.1	Noise Control Procedures	<p>If Project Co does not perform necessary permanent repairs, adjustments or remedies within 7 calendar days of failing to comply with the permissible sounds levels, a Payment Adjustment of \$500 per day or part thereof will be assessed until the permanent repairs are completed.</p>
5.6.7.3	Odour Management Plan and Procedures	<p>If Project Co fails to implement all of the odour control measures and procedures set out in the Odour Management Plan, a Payment Adjustment of \$1,000 will be assessed for each day or part thereof until Project Co is in full compliance with the Odour Management Plan.</p> <p>If Project Co fails to carry out the Odour Verification Program, a Payment Adjustment of \$1,000</p>

Section Reference	Subject	Payment Adjustment
		will be assessed for each day or part thereof until the Odour Verification Program is completed.
5.6.9.1	Residuals Management	<p>If Project Co fails to:</p> <ul style="list-style-type: none"> • Dispose of the Residuals to the designated facility named in the Residuals Management Plan, a Payment Adjustment of \$2,000 will be assessed for each failure, for which purpose each separate load or vehicle movement will be classed as a discrete failure; or • Maintain proper records of Residuals disposal in accordance with Section 5.6.9 or the requirements of any applicable Governmental Authority, Applicable Law, Standards and Guidelines and Permits and Approvals, then a Payment Adjustment of \$200 per incident will be applied, for which purpose each missing or erroneous document, including bills of lading, movement licenses and other documents relating to residual disposals will be assessed as a discrete failure.
5.6.10.7	Biosolids and Existing Lagoons Management	<p>If Project Co fails to:</p> <ul style="list-style-type: none"> • Maintain an Existing Lagoon designated pursuant to Section 3.4.6 as no allowable use, no functional purpose, wet weather flow storage or emergency storage in accordance with the Biosolids and Existing Lagoons Management Plan and such failure does not result in an Odour Incident, a Payment Adjustment of \$200 will be assessed for each day or part thereof; • Maintain an Existing Lagoon designated pursuant to Section 3.4.6 as no allowable use, no functional purpose, wet weather flow storage or emergency storage in accordance with the Biosolids and Existing Lagoons Management Plan and such failure does result in an Odour Incident, a Payment Adjustment will be assessed as stipulated in Section 5.6.1; • Prevent wind-generated waves from over-topping the berms, a Payment Adjustment of

Section Reference	Subject	Payment Adjustment
		<p>\$200 will be assessed for each day or part thereof; or</p> <ul style="list-style-type: none"> • Manage the Infrastructure in accordance with the Biosolids and Existing Lagoons Management Plan, a Payment Adjustment of \$2,000 will be assessed for each day or part thereof.
5.6.11.1	Security	<p>If Project Co fails to provide the security report to the City as per Section 5.6.11 within two weeks of the calendar year end, a Payment Adjustment of \$200 will be assessed for each day or part thereof until the complete report is submitted.</p> <p>If Project Co fails to implement any of the security measures, processes and procedures set out in the Security Plan, a Payment Adjustment of \$200 will be assessed for each day or part thereof until the security measures, processes and procedures are brought into full compliance with the Security Plan.</p>
5.6.12.1	Monthly O&M Reporting	<p>If Project Co fails to submit the monthly O&M report(s) to the City, in compliance with the monthly O&M report requirements as per Section 5.6.12 on or before the 15th day of the end of the month, a Payment Adjustment of \$200 will be assessed for each day or part thereof until the complete monthly O&M report is submitted. If the monthly O&M report is incomplete or does not fulfil the requirements of the Permits and Approvals and the minimum requirements described in Section 5.6.12, then the Payment Adjustment will be applied until a complete monthly O&M report is submitted.</p>
5.6.13.1	Annual O&M Reporting	<p>If Project Co fails to submit the Annual O&M Report to the City, in compliance with the Annual O&M Report requirements set out in Section 5.6.13 within 60 days of the end of the year, a Payment Adjustment of \$500 will be assessed for each day or part thereof until the complete Annual O&M Report is submitted.</p> <p>If the Annual O&M Report is incomplete or does not fulfil the requirements of the Permits and Approvals, and the minimum requirements described in Section 5.6.13, then the Payment</p>

Section Reference	Subject	Payment Adjustment
		Adjustment will be applied until a complete Annual O&M Report is submitted.
5.6.16.4	Incident Logging Centre	<p>If Project Co fails to:</p> <ul style="list-style-type: none"> • Record, with reference to the Monthly Incident Logging Centre Report, all contacts, enquiries, complaints, emergencies, and infrastructure performance failures notified to the Incident Logging Centre, regardless of time of day such request or report of an Performance Failure occurs, a Payment Adjustment of \$200 per failure will be assessed; • Record, with reference to the Monthly Incident Logging Centre Report, all response and rectification actions on response to the contacts, enquiries, complaints, emergencies, notices and infrastructure performance failures received by the Incident Logging Centre, including the timing of events, a Payment Adjustment of \$200 per failure will be assessed; • Provide a complete Monthly Incident Logging Centre Report within the time stipulated, a Payment Adjustment of \$200 per day or part thereof will be assessed until Project Co submits a complete Monthly Call Centre Report; and • Notify the City in accordance with Section 5.6.16, within the time period stipulated therein, a Payment Adjustment of \$1,000 will be assessed per day or part thereof until properly reported.
5.7.4.1	Annual Dependability Tests	<p>If Project Co fails to submit the Annual Dependability Test report(s) to the City in accordance with Section 5.7.4 no later than two weeks after completion of the applicable Annual Dependability Tests(s), a Payment Adjustment of \$1,000 will be assessed for each day or part thereof until the complete report is submitted. If the report is incomplete then the Payment Adjustment will be applied until a complete report is submitted.</p> <p>If the results of the Annual Dependability Test(s) show that the capacity of the Infrastructure is</p>

Section Reference	Subject	Payment Adjustment
		<p>less than the Design Capacity, then the maximum Declared Capacity shall be limited to the capacity recorded by Annual Dependability Test(s), and the Payment Adjustments for capacity deductions set out in Section 5.7.5.1 shall apply until Project Co rectifies the Infrastructure and repeats the Annual Dependability Test(s) to successfully demonstrate that Available Capacity is equal to or greater than the Design Capacity.</p> <p>If Project Co fails to carry out the Annual Dependability Test on or before the first anniversary of Substantial Completion, and on or before each anniversary date of Substantial Completion thereafter, then a Payment Adjustment of \$1,000 will be assessed for each day or part thereof until the Annual Dependability Tests are completed.</p>
5.7.5.1	Capacity Deductions	<p>If the Available Capacity for the Infrastructure is less than the Design Capacity then the following Payment Adjustments shall apply, unless the reduction in the Available Capacity is authorized as part of the Approved Planned Maintenance:</p> <ul style="list-style-type: none"> • The Declared Capacity of the Infrastructure is $10 \leq 25$ percent less than the Infrastructure Design Capacity, a Payment Adjustment of \$2,500 will be assessed for each day or part; or • The Declared Capacity of the Infrastructure is > 25 percent less than the Infrastructure Design Capacity, a Payment Adjustment of \$5,000 will be assessed for each day or part thereof. <p>The Payment Adjustments set out above shall apply separately to each and every failure day recorded, including successive failures of the same components of the Infrastructure.</p> <p>If Project Co fails to self-assess any period of Declared Capacity less than the Design Capacity in the Operating Period Payment Calculation, then a Payment Adjustment of \$5,000 will be assessed for each individual reporting failure.</p>

Section Reference	Subject	Payment Adjustment
5.7.6.1	Semi-Annual Asset Management Reports	<p>If Project Co fails to submit the Semi-Annual Asset Management Report(s) to the City as per Section 5.7.6 on or before the 7th day of the month ending the relevant semi-annual period, a Payment Adjustment of \$200 will be assessed for each day or part thereof until the complete Semi-Annual Asset Management Report is submitted.</p> <p>If the Semi-Annual Asset Management Report is incomplete then the Payment Adjustment will be applied until a complete report is submitted.</p>
5.7.7.1	Annual Asset Management Reports	<p>If Project Co fails to submit the Annual Asset Management Report(s) to the City in accordance with Section 5.7.7 within the first two weeks following each anniversary date of Substantial Completion, a Payment Adjustment of \$200 will be assessed for each day or part thereof until the complete Annual Asset Management Report is submitted.</p> <p>If the Annual Asset Management Report is incomplete then the Payment Adjustment will be applied until a complete Annual Asset Management Report is submitted.</p>
6.1.1	Transition Out Plan Requirements	<p>If Project Co fails to perform all of the tests, procedures and activities set out in the Transition Out Plan prior to 90 days before the end of the Term, a Payment Adjustment of \$5,000 per day shall be assessed until all of the requirements of the Transition Out Plan have been implemented in full.</p>
6.5.1	Handback Report	<p>If Project Co fails to submit any handback report(s) prior to 90 days before the end of the Term, then a Payment Adjustment of \$1,000 per day or part thereof shall be assessed until the completed report is submitted and reviewed by the City.</p>
6.7.1	Final Evaluation	<p>If Project Co fails to submit the full set of asset management data listed in Section 6.7 then a Payment Adjustment of \$500 per day or part thereof shall be assessed until the complete asset management data is submitted to the City.</p>