

SCHEDULE "C"

ALLOCATION OF WASTEWATER FLOW AND COST APPORTIONMENT

ALLOCATION OF DESIGN CAPACITY

The treatment capacity of the wastewater treatment plant is 108 ML/day measured on the basis of Average Dry Weather Flows (ADWF). Design capacity is allocated to participants as shown in Table One, subject to adjustment for transfer of capacity in accordance with this bylaw.

TABLE ONE: ALLOCATION OF DESIGN CAPACITY AS MEASURED BY ADWF

| | Allocated Treatment Capacity in ADWF (ML/day) | % of Total |
|------------------|---|------------|
| Colwood | 4.70 | 4.35% |
| Esquimalt | 7.03 | 6.51% |
| Esquimalt Nation | 0.14 | 0.13% |
| Langford | 14.12 | 13.08% |
| Oak Bay | 6.62 | 6.13% |
| Saanich | 32.89 | 30.45% |
| Songhees Nation | 0.66 | 0.61% |
| Victoria | 38.30 | 35.46% |
| View Royal | 3.54 | 3.28% |
| Total | 108.00 | 100.00% |

Anticipated flow in terms of AAF are derived in the manner shown in Table Two. Table Three shows the percentage allocation of capital and debt servicing costs calculated from the % allocation of design capacity defined in terms of ADWF and AAF.

TABLE TWO: CONVERSION OF ADWF DESIGN CAPACITY INTO AAF

| | ADWF (ML/day) | Conversion Factor * | AAF (ML/day) | % of Total |
|------------------|---------------|---------------------|--------------|------------|
| Colwood | 4.70 | 1.046 | 4.92 | 3.98% |
| Esquimalt | 7.03 | 1.161 | 8.16 | 6.61% |
| Esquimalt Nation | 0.14 | 1.286 | 0.18 | 0.15% |
| Langford | 14.12 | 1.013 | 14.30 | 11.58% |
| Oak Bay | 6.62 | 1.304 | 8.63 | 6.98% |
| Saanich | 32.89 | 1.130 | 37.17 | 30.09% |
| Songhees Nation | 0.66 | 1.061 | 0.70 | 0.56% |
| Victoria | 38.30 | 1.197 | 45.85 | 37.11% |
| View Royal | 3.54 | 1.028 | 3.64 | 2.95% |
| Total | 108.00 | | 123.54 | 100.00% |

*The conversion factor was calculated using measured ADWF and AAF in year 2012.

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APPORTIONMENT OF CAPITAL AND DEBT SERVICING COSTS

TABLE THREE: PERCENTAGE ALLOCATION OF CAPITAL AND DEBT SERVICING COSTS

| | % Distribution of ADWF | % Distribution of AAF | % Allocation of Debt Servicing Costs |
|-------------------------|---------------------------|--------------------------|---|
| <i>Weighting factor</i> | <i>0.7</i> | <i>0.3</i> | |
| Colwood | 4.35% | 3.98% | 4.24% |
| Esquimalt | 6.51% | 6.61% | 6.54% |
| Esquimalt Nation | 0.13% | 0.15% | 0.13% |
| Langford | 13.08% | 11.58% | 12.63% |
| Oak Bay | 6.13% | 6.98% | 6.39% |
| Saanich | 30.45% | 30.09% | 30.34% |
| Songhees Nation | 0.61% | 0.56% | 0.60% |
| Victoria | 35.46% | 37.11% | 35.96% |
| View Royal | 3.28% | 2.95% | 3.18% |
| Total | 100.00% | 100.00% | 100.00% |

All calculations subject to change based on transfer of treatment capacity pursuant to the terms of this bylaw.