# PLAIN LANGUAGE GUIDE

## TO THE *PROMPT PAYMENT AND CONSTRUCTION LIEN ACT*

**VOLUME 3: Adjudication**
**VERSION 1.0**
**FEBRUARY, 2023**

Alberta Construction Association

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**PREAMBLE**

The Alberta Construction Association Plain Language Guide to the Prompt Payment and Construction Lien Act (the "Act") is intended to assist participants in the construction industry in understanding and generally dealing with prompt payment and builders' lien issues in a reasonably informed manner. The Plain Language Guide will have three volumes:

1. Builders' Liens
2. Prompt Payment
3. Adjudication

In addition to the various individual topics addressed in the Guide, 220 frequently asked questions ("FAQs") have been included to ensure that the Guide addresses commonly expressed concerns of industry members and to enable the user to readily access those specific issues which are of practical importance to them. Answers to additional FAQs are available at the ACA website at http://albertaconstruction.net/documents/.

The information contained in the Guide relates to the Prompt Payment and Construction Lien Act, R.S.A. 2000, c. P-26.4, and amendments thereto up to and including the print date of the Guide.

Use of the Guide should not replace individual judgement and does not, and cannot, take into account or address the particular circumstances of each and every individual situation involving the lien legislation. Accordingly, the Guide is not intended to preclude or replace consultation with other individuals and professional consultants who may be able to offer additional, or more specific, direction with respect to a particular concern, circumstance or requirement.

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## ADJUDICATION

### INTRODUCTION

This is the third of three Plain Language Guides published by the Alberta Construction Association regarding the Prompt Payment and Construction Lien Act. The subject of this guide is the new adjudication process. This process allows a quicker, more cost-efficient way to manage certain kinds of construction disputes during the life of the project.

### WHAT IS ADJUDICATION?

The Act introduces a fast-track dispute resolution process called "adjudication." This ought not to be confused with "arbitration", which is a different kind and more formal dispute resolution process usually agreed to in a contract.

The adjudication process allows a payment dispute between parties to a construction contract to be determined by an adjudicator during the life of the project. The adjudicator is a person with at least ten years of prior construction industry experience, and may include project managers, engineers, lawyers, and others who are trained and qualified by a neutral Nominating Authority appointed by the Province.

The adjudication process is intentionally fast. It has strict deadlines for each step. Importantly, some are expressed in "calendar days" (i.e. any days but Saturdays, Sundays, and holidays, so synonymous with 'business days') and some are expressed in just days (i.e. every day counts, but a deadline that falls on a Sunday or holiday falls to the next day that isn't a holiday).

Here are some examples of the speed of the process. An adjudicator will be appointed within at most eleven (11) calendar days of someone triggering the adjudication process; that person then has five (5) calendar days to provide their records in support of their claim to the adjudicator, and so on. (See Figure 1 on page 6 for a timeline of all adjudication steps). These short deadlines mean that it may take around fifty-eight (58) calendar days, and sometimes less, for the parties involved in the adjudication process to receive a written determination from the adjudicator. This is typically much faster than Court processes or arbitration, and less expensive.

The speed of the adjudication process means that there cannot be a full hearing of the dispute. Typically, there will be:

- no in-person hearing;
- no witness testimony;
- no sworn affidavits;
- no questioning; and
- no cross-examination of witnesses.

Generally, the adjudicator will make his or her decision based solely on the documents provided to them. This means that the keys to success in an adjudication are: keeping your project records organized beforehand so you have easy access to the key documents to present to the adjudicator; and explaining the payment issues in dispute so that they are readily understood by the adjudicator.

The adjudication process may be triggered during the performance of the contract or subcontract. Specifically, a party must start the adjudication process before its contract or subcontract is completed. After the contract or subcontract is completed, a party can no longer seek to have its payment dispute addressed through an adjudication process, but can continue an existing adjudication process, unless the other party agrees to adjudicate the dispute. If adjudication is no longer available to a party, it may still use Court, arbitration, or contractual dispute resolution processes to resolve its dispute outside of adjudication.

**WHO CAN I ADJUDICATE A DISPUTE WITH?**

You can trigger an adjudication with any party to your contract or subcontract. Generally, this means that the contractor can commence an adjudication with either the owner, one or more subcontractors, or both the owner and subcontractors. However, the contractor cannot start an adjudication with a sub-subcontractor or the owner's consultant, as it does not have a direct contract with either. Similarly, subcontractors can trigger adjudications with persons it has direct contracts with – such as the contractor and sub-subcontractors – but not with the owner or owner's consultant.

What happens if the subcontractor has a dispute with a party with whom it does not have a contract? What happens if multiple parties start adjudications about the same dispute? We answer these questions in the "Consolidation" section, below.

**WHAT ARE THE STEPS IN THE ADJUDICATION PROCESS?**

Figure 1, on page 6, shows each of the steps in the adjudication process and the relevant timelines. The adjudication process is intended to be electronic so, unless the adjudicator orders otherwise, the notices and documents discussed below are to be sent electronically.

The first step is for a party to start the adjudication process. A party does so by providing a formal "Notice of Adjudication" to the other party or parties and to the neutral Nominating Authority. The other parties and the Nominating Authority should each be sent the Notice of Adjudication on the same day.

There is no statutory form for the Notice of Adjudication. However, the legislation requires the Notice of Adjudication to include:

- the names and addresses of the parties in dispute;
- the nature and a brief description of the dispute, including details respecting how and when it arose;
- the nature of the relief sought;
- the name of the Nominating Authority to whom the party serving notice intends to submit the notice; and
- the name of the adjudicator requested to conduct the adjudication, if a particular adjudicator is preferred.

Once a party issues a Notice of Adjudication, adjudication becomes mandatory on all parties properly named in the Notice of Adjudication. A party declining to participate will risk receiving an adverse decision from the adjudicator.

The second step is to select an adjudicator from the list of adjudicators qualified by the Nominating Authority. The Notice of Adjudication can request a specific adjudicator. The other parties do not need to agree to that adjudicator. They can propose another. Importantly, the contract or subcontract cannot pre-name an adjudicator; the adjudicator must be agreed only after a party sends a Notice of Adjudication.

How does someone choose which adjudicator is appropriate? The Nominating Authority will have a public register of all certified adjudicators. This register will likely include information about each adjudicator's background, experience, and expertise. Some adjudicators may require higher fees than others. You will want to propose an adjudicator based upon whomever is most appropriate for your dispute.

All parties involved in the dispute have four (4) calendar days (i.e. any days but Saturdays, Sundays, and holidays) to inform the Nominating Authority that they agree on a specific adjudicator. If they do, the Nominating Authority will appoint that adjudicator within seven (7) calendar days. If the parties do not inform the Nominating Authority that they agree on a specific adjudicator within those four (4) calendar days, the Nominating Authority will appoint an adjudicator of its choice within seven (7) calendar days.

In the third step, once an adjudicator is appointed, the party who started the adjudication has five (5) days (*not* calendar days) to provide the adjudicator with:

- a copy of the Notice of Adjudication;
- a copy of the contract or subcontract, as the case may be; and
- copies of any documents the party intends to rely on to prove its claim during the adjudication.

The party who started the adjudication must also provide all parties involved in the dispute with copies of any documents it intends to rely on during the adjudication. This underscores the need for quick access to the relevant records.

In the fourth step, each party responding to the Notice of Adjudication has twelve (12) calendar days to provide its response to the claim outlined in the Notice of Adjudication and all documents it intends to rely on to refute the claim to the adjudicator, the party who gave the Notice of Adjudication, and all other parties (if any). The adjudicator can shorten this period for a responding party to provide these documents if the adjudicator feels it appropriate – for example, if the matter is relatively simple and time-urgent.

In the fifth step, the adjudicator notifies all parties to the adjudication when the adjudicator has all the documents and information required to make a determination. The adjudicator can issue directions to the parties, including to provide further documents. The adjudicator can also obtain information through independent research, conduct on-site inspections, and obtain assistance from construction industry professionals if necessary to consider the payment issues in dispute. At the outset the parties should confirm with the adjudicator that if any of these additional steps are taken that they would like an estimate of the cost and agree to the expense being incurred prior to it being incurred.

The adjudicator can also extend, one or more times, for a maximum of ten (10) calendar days each, any deadline of the adjudication process if the adjudicator considers it necessary or the parties to the adjudication agree and the adjudicator consents. Therefore, the adjudicator has control over the process and can change the deadlines and source external information in order to adapt the process to the dispute.

In the sixth step, the adjudicator makes its decision. The adjudicator has thirty (30) days (*not* calendar days, so inclusive of Saturdays, Sundays, and holidays) from receiving the applicant's original Notice of Adjudication and documents to provide a written decision to the parties. (Note, the adjudicator can, as noted above, extend this deadline one or more times by ten calendar days each). The adjudicator has four (4) days to correct typographical errors in his or her decision and send the revised decision to all parties.

In the seventh step, the Nominating Authority certifies the adjudicator's decision within seven (7) days of the decision being made.

The parties then have the adjudicator's decision in hand. What happens then? A party who disagrees with the adjudicator's decision can ask the Court to overturn the decision by filing an application for "judicial review" (discussed below). That party has thirty (30) days from receiving the adjudicator's written decision to do so.

If no party has filed an application for judicial review within those thirty (30) days, then in the eighth and final step, a party can register the adjudicator's decision in Court. The adjudicator's decision cannot be registered in Court until those thirty days elapse. Once the adjudicator's decision is registered by the Court, it becomes a Court Order, and can be enforced through the Court.

The parties to a contract or subcontract can agree to additional adjudication procedures. However, if those procedures conflict with the procedures set out in the legislation, the legislation prevails. Therefore, the parties cannot contract out of any of the above timelines or obligations.

The adjudication proceedings and the determination are private and confidential. The adjudication does not occur publicly and the documents submitted in the adjudication are not publicly filed. However, the result becomes public record when a party registers the adjudicator's decision with the Court.

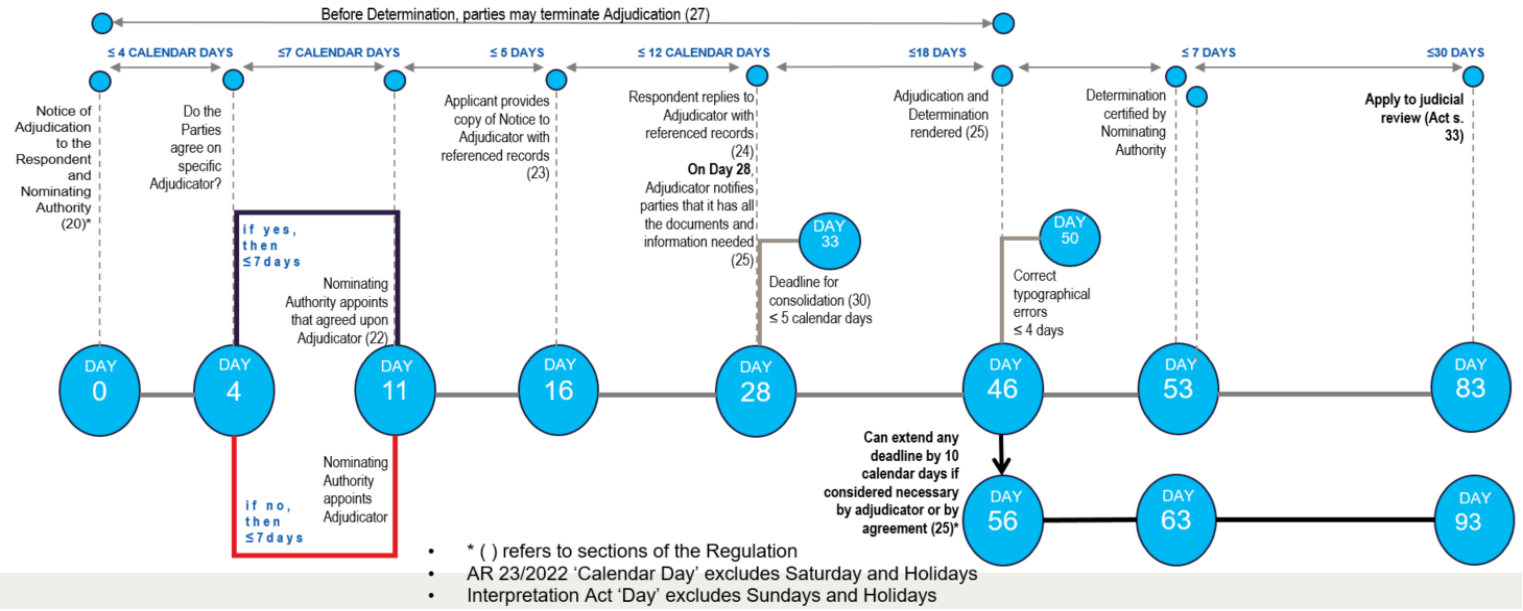


Figure 1: Adjudication timelines

Note how the length of the adjudication process shortens if the parties agree to a specific adjudicator (see Day 4), the party triggering the adjudication provides its documents more quickly than the five-day deadline (see Day 11), and the responding party provides its documents more quickly than the twelve calendar day deadline (see Day 16).

**WHAT CAN BE THE SUBJECT OF AN ADJUDICATION?**

Not all disputes can be the subject of an adjudication. The types of disputes that can be adjudicated are:

- Valuation of work or services provided or goods and materials furnished, including under a written change order, whether approved or not, or a proposed change order.
- An issue involving non-payment, including:
    - Whether an invoice is in the form and content of a Proper Invoice as required by the Act;
    - An invoice that is due and owing but unpaid within the legislated time periods;
    - Written change orders, whether approved or not, and proposed change orders; and
    - Release of holdback.
- Disputes arising from notices of non-payment during the prompt payment process (see the associated Plain Language Guide on Prompt Payment for more details).
- Any other matter in relation to the contract or subcontract that the parties agree to have adjudicated.

Notably, the above list includes written change orders, whether they are approved or not, or just proposed. This means that a change order must be written – as opposed to just directed verbally – to be the subject of an adjudication. A party can solve this issue by simply condensing that verbal direction into a written proposed change order. The legislation does not define a "change order" but it is likely broad enough to cover any variation to the contract and subcontract, including change directives.

The above list shows that adjudication can apply to a wide range of construction disputes. However, there are several limitations. Firstly, disputes that are not included in the above list cannot be adjudicated unless agreed by the parties. Secondly, the adjudicator can refuse to hear the dispute if they feel that the dispute is frivolous or vexatious (that is, the claim is obviously without legitimate grounds, or has been issued merely to be a nuisance). Thirdly, if the dispute is already the subject of a Court proceeding (whether Court of King's Bench or Provincial Court), then the dispute cannot be the subject of an adjudication, and must be determined by the Court. Lastly, once the contract or subcontract is completed, a party cannot start an adjudication unless the other party agrees.

What if the contract or subcontract requires disputes to be addressed through mediation, arbitration, Court, or another dispute resolution process? A party may still start an adjudication before or at the same time. (The only exception, noted above, is where the dispute is already the subject of a Court proceeding, in which case an adjudication cannot proceed). This means that parties cannot contract out of their rights to adjudicate a dispute by, for example, agreeing to a contract that has a mandatory arbitration clause.

**WHAT CAN THE ADJUDICATOR'S DECISION INCLUDE?**

An adjudicator's decision may include two things. Firstly, the decision can direct a party to make a payment to the other party or parties to the dispute within a specified time. (This means the adjudicator can also decide that no payment is due and owing). Secondly, the adjudicator can allow the other party or parties to stop providing services or materials if the payment is not made within the time specified by the adjudicator, most likely thirty (30) days.

An adjudicator, however, does not have the powers of a Court judge. The adjudicator cannot, for example, compel a party to return property in its possession (for example, your equipment). Nor can the adjudicator

prevent a party from doing something (known as an "injunction"). And nor can the adjudicator determine the status of a builders' lien (such as declaring a lien valid or invalid).

The adjudicator's decision is binding on the parties involved in the adjudication, unless:

- A Court Order is made in respect of the dispute;
- A party applies for judicial review of the adjudicator's determination;
- The parties agree to appoint an arbitrator following the conclusion of the adjudication process; or
- The parties agree in writing to a settlement of the dispute.

So, for example, if the parties agree to settle their dispute after the adjudicator's decision, or agree to submit the dispute to arbitration afterward (as may happen if none of the parties like the decision), the adjudicator's decision is no longer binding. Nor is the adjudicator's decision binding if the Court makes an order in respect of the dispute, or an application for judicial review is filed with the Court. These reflect the principle that decisions by arbitrators and Courts about the dispute will trump the adjudicator's decision. However, if the parties intend to arbitrate the dispute instead, they should agree to appoint an arbitrator before a party registers the adjudicator's decision in Court. By that point, the arbitration will become superfluous because the Court will be taken to have made a judgment about the dispute.

Even if the adjudicator's decision is no longer binding – if, for example, the parties submit the dispute to arbitration instead – the decision may still be persuasive to the eventual person – arbitrator or judge - deciding the dispute. Therefore, it is best to take adjudication seriously to maximize the likelihood of a positive adjudication decision.

**HOW DOES ADJUDICATION FIT INTO PROMPT PAYMENT?**

Adjudication is a key part of the prompt payment process. The notices of non-payment dispute used in the prompt payment process all include undertakings to bring the dispute to adjudication. If a party does not pay an amount that has been invoiced, the unpaid party can use the adjudication process to quickly and cost-effectively determine if that amount should have been paid. The non-paying party risks losing an adjudication if it withholds payment for illegitimate reasons, or simply fails to pay within the specified time limits. This creates a strong incentive to pay undisputed amounts within the prompt payment time limits, and provides an enforcement mechanism for those who have gone unpaid.

**WHAT IF THE ADJUDICATOR CANNOT DECIDE THE DISPUTE?**

Even if the Nominating Authority appoints an adjudicator to hear a dispute, that adjudicator may then still decline to decide the dispute. This can happen in three ways.

Firstly, if the adjudicator determines that the dispute is frivolous or vexatious, the adjudicator can refuse to hear the dispute. Therefore, parties are cautioned against starting adjudications that are not legitimate.

Secondly, if the adjudicator determines that the dispute is outside its jurisdiction or would be more appropriately heard by a Court, the adjudicator can refer the dispute to the Court of King's Bench. This is likeliest to occur where the dispute is complex, or requires voluminous documents, expert testimony, or oral testimony from witnesses. In those cases, the fast-track adjudication process is likely the incorrect way to have the dispute addressed.

Lastly, the adjudicator may resign from the adjudication. This can occur if:

- The dispute is not eligible for adjudication under the legislation;
- The adjudicator is not competent or qualified to conduct the adjudication;
- The adjudicator is otherwise unable to continue the adjudication in compliance with the legislation;
- The Minister terminates the designation of the adjudicator's Nominating Authority;
- The Nominating Authority ceases to operate under the legislation; and
- The adjudication being conducted by the adjudicator is consolidated and another adjudicator is appointed by the Nominating Authority.

**CAN MULTIPLE ADJUDICATIONS BE CONSOLIDATED?**

As noted above, a party can only serve a Notice of Adjudication upon another party to a contract or subcontract. It cannot serve a Notice of Adjudication on parties with whom it does not have a contract or subcontract. Suppose, then, that the owner fails to pay all of a proper invoice, and the contractor then passes the non-payment onto the subcontractor. The subcontractor cannot start an adjudication about the non-payment with the owner. However, the subcontractor can start an adjudication about the non-payment with the contractor, and the contractor can start an adjudication about the non-payment with the owner. If that occurs, there are two separate adjudications deciding the same non-payment issue. There is a risk of inconsistent decisions.

The solution is to consolidate the related adjudications. A party involved in more than one adjudication may request the adjudicator conducting the first adjudication to consolidate all adjudications in progress into one adjudication. That adjudicator will decide whether to consolidate all of the adjudications into one and may decide that one or more adjudications ought to remain separate. But if that adjudicator decides to consolidate one or more adjudications, the adjudicators overseeing the now-consolidated adjudications resign and play no further role. The adjudicator ordering the consolidation may remain as the adjudicator, or the Nominating Authority may appoint a new adjudicator.

So, in the above circumstances, the adjudications between owner and contractor and contractor and subcontractor could be consolidated into one adjudication. The owner can then adjudicate the dispute directly with the subcontractor, and vice versa. Consolidation may be useful in other situations, too. For example, if contractor and subcontractor each start adjudications about the same dispute, the adjudications can be consolidated into one adjudication to avoid duplicate proceedings. As another example, if the contractor's dispute is really with the consultant, the owner can ask the adjudicator to consolidate an existing adjudication between owner and consultant with an existing adjudication between owner and contractor. In all these situations, the result is not automatic: the adjudicator will decide which, if any, of the adjudications should be consolidated.

There is a deadline to consolidate disputes. In the fifth step of the adjudication process, noted above, the adjudicator gives written confirmation to each party that the adjudicator has in its possession all documents needed to adjudicate the dispute. If more than five (5) calendar days pass without that dispute becoming consolidated with another, that dispute can no longer become consolidated. It will proceed on its own. This means that if a party wants to consolidate multiple disputes, it must quickly ask the adjudicator to the first adjudication to do so; if it delays, it may lose the opportunity to consolidate.

Consolidating multiple disputes can avoid inconsistent decisions and bring all relevant parties into the same process. However, doing so may also increase the complexity, cost, and duration of the adjudication process.

**WHAT IF A PARTY DOES NOT LIKE THE ADJUDICATOR'S DETERMINATION?**

As noted above, if a party disagrees with an adjudicator's determination, it has thirty (30) days to file an application in Court for judicial review. Judicial review is the process by which the Court reviews – and may choose to accept, vary or overturn – the adjudicator's decision. If that party does not file an application for judicial review within the thirty (30) days, it loses the opportunity for judicial review, and the adjudicator's decision may be registered as a Court Order.

Judicial review is not intended to be used whenever a party simply disagrees with the adjudicator's decision. The legislation intends to make judicial review rare and useable only in very specific circumstances involving procedural issues or misconduct of the adjudicator resulting in unfairness. Those grounds are:

- the applicant party participated in the adjudication while under a legal incapacity;
- the contract or subcontract is invalid or has ceased to exist;
- the determination was of a matter that may not be the subject of adjudication under the legislation or of a matter entirely unrelated to the subject of the adjudication;
- the adjudication was conducted by someone who did not, at the time, meet the requirements and qualifications;
- the procedures followed in the adjudication did not accord with the procedures to which the adjudication was subject and the failure to accord prejudiced the applicant party's right to a fair adjudication;
- there is a reasonable apprehension of bias on the part of the adjudicator;
- the determination of the adjudication was made as a result of fraud.

As can be seen, none of the grounds for judicial review include disagreeing with the adjudicator's view of the facts or law. Even the adjudicator's failure to follow the proper procedures is not, by itself, grounds for judicial review; that failure to follow procedures must have prejudiced the initiating party's right to a fair adjudication.

If a party files an application for judicial review, the adjudicator's decision is likely "stayed". This means it is likely not enforceable by any party until the Court completes the judicial review process. There are significant incentives against parties exploiting this fact by filing unsupportable applications for judicial review. In particular, applications for judicial review are expensive, and a Court can award costs against an unsuccessful party.

**HOW DO ADJUDICATIONS INTERACT WITH BUILDERS' LIENS?**

Builders' liens and adjudications are largely separate processes. A party can start an adjudication without registering a builders' lien, and a party can register a builders' lien without ever starting an adjudication for the amounts claimed in the lien. Starting an adjudication does not affect builders' lien rights; a party can still register a builders' lien even if the amounts claimed in the lien are part of an adjudication.

There are some exceptions. Firstly, suppose the adjudicator decides that no money is owed to a party to an adjudication. Though that party's rights to register a builders' lien are technically unaffected, the party may be liable for registering a lien in bad faith if it registers a lien for the same amounts the adjudicator decided were not payable. Secondly, builders' liens must eventually be enforced by filing a statement of claim in

Court. Remember that an adjudication cannot proceed if the same dispute is already part of Court proceedings. Therefore, if a party registers a builders' lien and files a statement of claim in Court to enforce that lien, it cannot also start or maintain an adjudication process for the same amounts in dispute.

**WHAT IS A NOMINATING AUTHORITY?**

A "Nominating Authority" acts as an administrator of the adjudication process. The Nominating Authority is responsible to educate, qualify, and appoint adjudicators in situations where the parties cannot agree on an adjudicator. The Nominating Authority will have a public register of the adjudicators that are presently certified through the Nominating Authority's training process.

The legislation contemplates that that there may eventually be multiple Nominating Authorities. The intent of having multiple Nominating Authorities is to create competition about service and price between them. The Minister acts as the interim Nominating Authority until it appoints one or more Nominating Authorities.

Though the parties to a contract or subcontract cannot pre-name an adjudicator to determine their disputes, the parties to a contract or subcontract can pre-name a Nominating Authority from which they will select an adjudicator (or, which will appoint an adjudicator if the parties are unable to select one).

**WHO PAYS FOR ADJUDICATION?**

The parties to the adjudication split the costs of the adjudication equally, unless the adjudicator decides otherwise. The adjudicator will likely require the unsuccessful party to pay most or all of the costs, but it is discretionary. All costs are collected by the Nominating Authority; payments are not made directly to the adjudicator. As of writing, the Minister has not yet designated any Nominating Authorities, so the costs of an adjudication are unknown. Nominating Authorities will be required to maintain publicly available fee schedules on their websites.

The fees in Ontario may provide some guidance. Disputes less than $9,999 have an adjudication fee of $800. Disputes between $10,000 and $24,999 have an adjudication fee of $1,000. Disputes between $25,000 and $34,999 have an adjudication fee of $2,000 and disputes between $35,000 and $49,999 have an adjudication fee of $3,000. In other words, disputes up to $49,999 will have set fees. Disputes about higher sums instead apply hourly fees, starting at $250/hr and increasing to $750/hr for disputes over $1 million. Though these rates are not insignificant, they are likely to be much less expensive than a Court or arbitration process.

These rates do not include disbursements for other costs. For example, the adjudicator can conduct on-site inspections. The adjudicator's costs of attending the site may be included in the costs for the parties to pay. Similarly, the adjudicator may obtain assistance from construction industry professionals; their fees may be included in the costs for the parties to pay.

The Act does not explicitly give an adjudicator the power to order one party to pay another party's legal costs, so parties may have to pay their legal costs of participating in the adjudication even if they are successful.

**KEYS TO SUCCESS IN ADJUDICATIONS**

As we have emphasized, adjudications processes are relatively short and rely upon documents rather than witness testimony. Therefore, the primary key to success is quick access to all the relevant documents needed to prove your case to the adjudicator. This may involve:

- improving your document organization, including by developing policies about which documents ought to be saved, and where, and under what filename format;

- increasing your use of electronic forms of storing documents, rather than hard-copy;
- ensuring that conversations and observations are recorded in written form afterward;
- obtaining in advance a means of easily transmitting many tens or hundreds of pages of documents electronically;
- closely coordinating the project team to quickly and accurately distill the issues for the adjudicator to decide and provide the documents needed to make that decision.

Complex disputes, especially those requiring legal analysis, may warrant use of a lawyer through the adjudication process.

**CONCLUSION**

Adjudications are being used in other jurisdictions both in Canada and internationally with success. Payment disputes can be addressed by a qualified person with industry experience using a fast track, comparatively cost-efficient process at the time disputes arise, rather than at the end of the project or completion of the contract.

Once started, the adjudication process is mandatory and must follow strict timelines. This presents an alternative to lengthy court proceedings and more formal arbitration processes, particularly when the issue is not complicated or not large enough to justify the expense of full Court or arbitration processes.

Adjudication is a key part of the prompt payment process. The notices of non-payment dispute used in the prompt payment process all include undertakings to bring the dispute to adjudication. If a party does not pay an amount that has been invoiced, the unpaid party can use the adjudication process to quickly and cost-effectively determine if that amount should have been paid. The non-paying party risks losing an adjudication if it withholds payment for illegitimate reasons, or simply fails to pay within the specified time limits. This creates a strong incentive to pay undisputed amounts within the prompt payment time limits, and provides an enforcement mechanism for those who have gone unpaid.

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