

FEASIBILITY COMPONENT – Queensland

PROJECT AGREEMENT FOR THE NATIONAL WATER INFRASTRUCTURE DEVELOPMENT FUND – FEASIBILITY COMPONENT

1. This Schedule has been developed in accordance with clause 12 of the Project Agreement on National Water Infrastructure Development Fund – Feasibility Component (the Agreement). It will commence as soon as it is agreed between the Commonwealth and Queensland, and expire on 30 June 2019 or on completion of the feasibility studies, including final performance reporting and processing of final payments against milestones.
2. Agreed feasibility studies are as follows:
 - (a) Nullinga Dam Feasibility Study – assessing the economic feasibility of the proposed Nullinga Dam on the Walsh River and other potential options to service future urban demand in the Cairns area and rural demand in the Mareeba-Dimbulah Irrigation Area.
 - (b) Bundaberg Channel Capacity Upgrade Feasibility Study - assessment of potential locations for new broad scale irrigation developments in the Wide Bay Burnett region, supported by concept level engineering to identify options for water delivery to these areas.
 - (c) Gayndah Regional Irrigation Development (GRID) Project Feasibility Study – investigating the feasibility of developing water resources through reinstating the crest level of Claude Wharton Weir, utilising existing water reserves and the transfer of un-utilised water allocations to service priority irrigation areas in the Reids Creek and Byrnestown/Wetherton areas.
 - (d) Lockyer Valley Aquifer Recharge Feasibility Study – investigating options for alternative secure water supplies and innovative water delivery mechanisms to agricultural users in the Lockyer Creek catchment.
 - (e) Burdekin Falls Dam Raising Feasibility Study – assessing potential costs, demand for water from, and environmental impacts of, raising the Burdekin Falls Dam to provide water and supply security for urban, agriculture and industrial developments in the region.
 - (f) Burdekin Haughton Channel Capacity Upgrade Feasibility Study – investigating the channel capacity limitations and feasibility of options for augmenting the Burdekin Haughton Water Supply Scheme to facilitate the use of available water allocations.
 - (g) Lower Fitzroy River Infrastructure Project Business Case – assessing the feasibility of the project to address water supply security and economic development opportunities within the region.
 - (h) Clermont Water Security Feasibility Study – assessing the feasibility of securing reliable long term water supply for Clermont and development in the Galilee Basin through new and upgraded major water infrastructure for Clermont and augmentation and remediation works on the Theresa Creek Dam.

- (i) North West Queensland Strategic Water Storage Feasibility Study – assessing the feasibility of the preferred water storage option to provide water security and support economic growth in the Cloncurry/Mt Isa region (with a focus on Cave Hill Dam).
 - (j) Urannah Dam Feasibility Study – undertaking a Preliminary Business Case for the proposed Urannah Dam on the Broken River to provide water and supply security for regional economic growth.
 - (k) South East Queensland Treated Effluent for Agricultural Production Feasibility Study – assessing the feasibility of and updating the 2003 NuWater business case on the economic viability of using recycled water from the South East Queensland Western Corridor Recycled Water Scheme in the Lockyer Valley and Darlings Downs agricultural areas.
 - (l) Emu Swamp Dam Feasibility Study – investigating the feasibility and economic viability of the proposed Emu Swamp Dam to provide secure and affordable water to support regional growth.
 - (m) Lakeland Irrigation Area Feasibility Study – assessing the feasibility and economic viability of new water supply and storage options to support the expansion of irrigated agriculture in the Lakeland Irrigation Area.
 - (n) Hells Gates Dam Feasibility Study – undertaking a cost benefit analysis, including assessing the potential agricultural and urban water demand requirements, to assess the economic viability of the Hells Gates Dam.
 - (o) Tablelands Irrigation Project – assessing the feasibility of the Southern Atherton Tablelands Irrigation Scheme.
3. The Nullinga Dam Feasibility Study will consist of a preliminary business case followed by a detailed business case. The Commonwealth and Queensland acknowledge that the detailed business case and delivery of associated milestones and payments set out in Table 1, are dependent on the findings of preliminary business case and any subsequent decision by Queensland to support further consideration of the Nullinga Dam proposal.
4. The Emu Swamp Dam Feasibility Study will consist of three stages comprising a strategic assessment; the detailed design and analysis of funding options; and a final detailed business case. The Commonwealth and Queensland acknowledge that a decision to commence stages 2 and 3 of the feasibility study and subsequent delivery of associated milestones and payments set out in Table 1, is dependent on the findings of the previous stage and any subsequent decision by Queensland to support further consideration of the Emu Swamp Dam proposal.
5. Subject to clause 3 and 4 of this Schedule and in accordance with clause 14 of the Agreement, milestones for feasibility studies, their relationship to outputs, expected completion dates, relevant reporting dates and expected payments are set out in Table 1.

Table 1: Milestones, reporting and payment summary

Outputs	Milestones	Report due	Payment
Nullinga Dam Feasibility Study	Delivery of stage 1 preliminary business case assessing the economic feasibility of the Nullinga Dam.	30 April 2017	\$1,500,000
	Delivery of stage 2 detailed business case.	30 April 2018	\$3,500,000
Bundaberg Channel Capacity Upgrade Feasibility Study	Completion of a demand assessment for uptake of allocations from Paradise Dam and review of previous supply studies.	30 April 2017	\$140,000
	Completion of the feasibility study on water infrastructure options to support agricultural growth in the Wide Bay Burnett region.	30 April 2018	\$610,000
Gayndah Regional Irrigation Development (GRID) Feasibility Study	Completion of the study identifying options for increasing the supply of water to priority irrigation areas in the North Burnett Region (including the Reids Creek, Byrnestown and Wetherton areas)	30 April 2017	\$600,000
	Completion of the feasibility study on the preferred option for increasing the supply of water to priority irrigation areas in the North Burnett Region (including the Reids Creek, Byrnestown and Wetherton areas).	30 April 2018	\$631,024
Lockyer Valley Aquifer Recharge Feasibility Study	Completion of data collection and options identified for alternative water supplies and delivery mechanisms.	30 April 2017	\$60,000
	Completion of the feasibility study on options for alternative secure water supplies and innovative water delivery mechanisms to agricultural users in the Lockyer Creek catchment.	30 April 2018	\$60,000
Burdekin Falls Dam Raising Feasibility Study	Completion of the feasibility study assessing potential costs, demand for water from, and environmental impacts of, raising the Burdekin Falls Dam to provide water and supply security for urban, agriculture and industrial developments in the region.	30 April 2018	\$400,000

Outputs	Milestones	Report due	Payment
Burdekin Haughton Channel Capacity Upgrade Feasibility Study	Options identified and assessment completed on the feasibility of upgrading the Burdekin Haughton Channels.	30 April 2017	\$455,000
	Completion of the feasibility study on the channel capacity limitations and options for augmenting the Burdekin Haughton Water Supply Scheme to facilitate the use of available water allocations.	30 April 2018	\$1,460,000
Lower Fitzroy River Infrastructure Project Business Case	Completion of preliminary work for the development of the business case	30 April 2017	\$1,000,000
	Completion of a final business case for the Lower Fitzroy River Infrastructure Project.	30 April 2018	\$1,000,000
Clermont Water Security Feasibility Study	Completion of the feasibility study, including a cost benefit analysis of options and a detailed cost estimate, prioritised staging plan, proposed delivery schedule and cost benefit analysis for the preferred strategy.	30 April 2018	\$225,000
North West Queensland Strategic Water Storage Feasibility Study	Preferred option identified to provide additional water supply and security for the Cloncurry/Mt Isa region to support regional growth.	30 April 2018	\$704,000
	Completion of the preliminary business case on the feasibility and economic viability of the preferred option to provide additional water supply and security for the Cloncurry/Mt Isa region to support regional growth.	30 April 2019	\$1,061,000
Urannah Dam Feasibility Study	Completion of site investigations and the draft preliminary business case on the technical, environmental and economic viability of the proposed Urannah Dam.	30 April 2018	\$1,500,000
	Completion of the preliminary business case on the technical, environmental and economic viability of the proposed Urannah Dam.	30 April 2019	\$1,500,000

Outputs	Milestones	Report due	Payment
South East Queensland Treated Effluent for Agricultural Production – Feasibility Study	Preferred option identified for supplying recycled water from the Western Corridor Recycled Water Scheme to the Lockyer Valley and Darling Downs agriculture areas.	30 April 2018	\$260,000
	Completion of the feasibility study and updated business case on the technical and economic viability of the preferred option for supplying recycled water from the Western Corridor Recycled Water Scheme to the Lockyer Valley and Darling Downs agriculture areas.	30 April 2019	\$390,000
Emu Swamp Dam Feasibility Study	Completion of the strategic assessment of options to meet regional water demand, including the construction of Emu Swamp Dam.	30 May 2017	\$450,000
	Completion of the detailed design and analysis of funding options for the construction of Emu Swamp Dam.	30 April 2018	\$2,000,000
	Completion of the final detailed business case for the construction of Emu Swamp Dam.	30 April 2019	\$1,520,000
Lakeland Irrigation Area Feasibility Study	Completion of the draft strategic business case identifying water storage options to support the expansion of irrigation in the Lakeland Irrigation Area.	30 April 2018	\$330,000
	Completion of the final strategic business case on the feasibility and economic viability of the preferred water storage option to support expansion of irrigated agriculture in the Lakeland Irrigation Area.	30 April 2019	\$495,000
Hells Gates Dam Feasibility Study	Completion of feasibility study assessing the technical and economic viability of the Hells Gates Dam project.	30 April 2018	\$2,200,000
Tablelands Irrigation project Feasibility Study	Completion of the feasibility study and preliminary business case identifying options for multi-purpose water use in the Upper Herbert catchment to support regional growth.	30 April 2018	\$750,000

6. Subject to clause 3 and 4 of this Schedule, the Commonwealth will provide an estimated total financial contribution to feasibility studies in Queensland of \$24,801,024 in respect of this Agreement as shown in Table 2. All payments are GST exclusive.

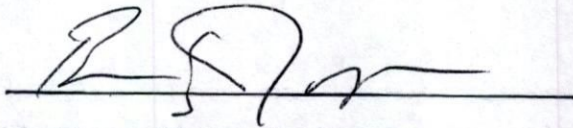
Table 2: Estimated financial contributions

(\$)	2016-17	2017-18	2018-19	Total
Estimated total budget	4,205,000	15,630,024	4,966,000	24,801,024
Less estimated National Partnership payments				
Nullinga Dam Feasibility Study	1,500,000	3,500,000	-	5,000,000
Bundaberg Channel Capacity Upgrade Feasibility Study	140,000	610,000	-	750,000
Gayndah Regional Irrigation Development Feasibility Study	600,000	631,024	-	1,231,024
Lockyer Valley Aquifer Recharge Feasibility Study	60,000	60,000	-	120,000
Burdekin Falls Dam Raising Feasibility Study	-	400,000	-	400,000
Burdekin Haughton Channel Capacity Upgrade Feasibility Study	455,000	1,460,000	-	1,915,000
Lower Fitzroy River Infrastructure Business Case	1,000,000	1,000,000	-	2,000,000
Clermont Water Security Feasibility Study	-	225,000	-	225,000
North West Queensland Strategic Water Storage Feasibility Study	-	704,000	1,061,000	1,765,000
Urannah Dam Feasibility Study	-	1,500,000	1,500,000	3,000,000
South East Queensland Treated Effluent for Agricultural Production Feasibility Study	-	260,000	390,000	650,000
Emu Swamp Dam Feasibility Study	450,000	2,000,000	1,520,000	3,970,000
Lakeland Irrigation Area Feasibility Study	-	330,000	495,000	825,000
Hells Gates Dam Feasibility Study	-	2,200,000	-	2,200,000
Tablelands Irrigation Project Feasibility Study	-	750,000	-	750,000
Balance of non-Commonwealth contributions	-	-	-	-

SIGN OFF

The Parties have confirmed their commitment to this Schedule as follows:

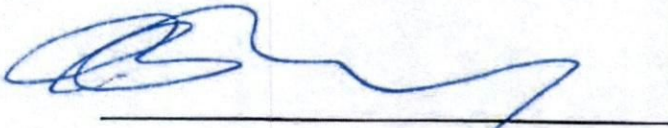
Signed for and on behalf of the Commonwealth of Australia by

A handwritten signature in black ink, appearing to be 'B. Joyce', written over a horizontal line.

The Honourable Barnaby Joyce MP
Minister for Agriculture and Water Resources

21/2/2017

Signed for and on behalf of the State of Queensland by

A handwritten signature in blue ink, appearing to be 'M. Bailey', written over a horizontal line.

The Honourable Mark Bailey MP
Minister for Energy, Biofuels and Water Supply

17/2/2017