

# National Water Grid Fund

## FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

<b>Table 1: Formalities and operation of schedule</b>	
Parties	<p>Commonwealth</p> <p>New South Wales</p> <p>Victoria</p> <p>Queensland</p> <p>Western Australia</p> <p>South Australia</p> <p>Tasmania</p> <p>Northern Territory</p> <p>Australian Capital Territory</p>
Duration	<p>This Schedule will commence as soon as the Commonwealth and one other Party sign it and will expire on 30 June 2031.</p>
Purpose	<p>This Schedule will support the development and delivery of nationally important water infrastructure projects that support primary industries and unlock potential, promote the growth and sustainability of regional economies, and build resilience.</p> <p>In entering into this Schedule, the Commonwealth and the States and Territories (the States) recognise they have a mutual interest in improving outcomes through national water infrastructure development and need to work together to achieve those outcomes.</p>
Related Documents	<p>This Schedule must also be read in conjunction with the National Water Grid Investment Framework (the Framework) and the National Water Grid Authority's Science Strategy.</p>
Estimated financial contributions	<p>Details of the Commonwealth and the States' estimated financial contributions to the operation of this Schedule are set out in the tables below and the relevant appendices to this Schedule.</p> <p>State funding contributions may include contributions from third parties including local governments and other non-government organisations.</p> <p>Commonwealth contributions will be provided upon the achievement of agreed project milestones by the relevant State.</p>

<p>Funding arrangements</p>	<p><i>Capital works</i></p> <p>The Commonwealth may offer a combination of funding and finance of up to 50 per cent of the project’s total capital costs for delivery.</p> <p><i>Development funding</i></p> <p>The Commonwealth will seek a financial co-contribution for all project proposals. However, the Commonwealth may agree to provide up to 100 per cent of funds for elements of business case development and science projects, at its discretion.</p> <p><i>Project cost savings</i></p> <p>Where projects are delivered for less than the agreed estimated costs, States should work with the Commonwealth to agree a reallocation of the remaining Commonwealth contribution to other water infrastructure projects within their jurisdiction, consistent with the principles of the Framework and the objectives of this Schedule.</p>
<p>Project milestones</p>	<p>The States will deliver the water infrastructure projects set out in this Schedule and its Appendices, based on project milestones which have been jointly agreed and which may, by written agreement, be varied by the relevant parties from time to time.</p>
<p>Commonwealth Funding Recognition</p>	<p>In addition to the requirements set out in clause 21 of the Federation Funding Agreement for Infrastructure, States agree to:</p> <ul style="list-style-type: none"> <li>(a) recognise the Commonwealth’s funding contribution to projects in all publications, promotional and advertising materials, including project signage, and public announcements and activities in relation to a project as appropriate, and must consult the Commonwealth prior to release of all promotional-related materials concerning projects funded through this Schedule;</li> <li>(b) provide reasonable opportunity for the Commonwealth to contribute to developing communications strategies for projects with a Commonwealth funding contribution;</li> <li>(c) provide the Commonwealth with equal access to products that they obtain for use in the development of promotional material including but not limited to project data, footage and images; and</li> <li>(d) where the Commonwealth is a majority funder of a project, promotional material and public recognition should provide major prominence to the Commonwealth’s contribution, with the Parties to agree the content and timing.</li> </ul>
<p>Variations and Delegations</p>	<p>Senior Commonwealth and State Officials are authorised to make non-material changes to project milestones as set out in the Appendices to this Schedule, as agreed in writing by both parties, having due regard to financial and policy risks.</p>

<b>Outputs (Projects)</b>	<b>Project scope</b>	<b>Total Commonwealth contribution</b>	<b>Total non-Commonwealth contribution</b>
<b>Warwick Recycled Water for Agriculture – Recycled Water Treatment Upgrade</b>	The project will upgrade a recycled water treatment plant through the construction of a new filtration system and a UV disinfection system and the refurbishment of chemical systems to improve water quality and enable additional uses.	\$480,979	\$1,549,189
<b>Big Rocks Weir</b>	The project will construct a conventional concrete weir and saddle dam at Big Rocks with a storage capacity of approximately 10,000ML to supply up to 20,000ML per year of water. The project includes the development of associated infrastructure, including affected access areas.	\$30,000,000	\$3,000,000*
<b>QLD Connections Funding Pathway Package</b>	Construction of the following projects: <ul style="list-style-type: none"> <li>Warrens Gully System Capacity Upgrade.</li> </ul>	\$4,760,000	\$4,760,000

\*The Queensland Government has committed \$3 million towards the development of the Big Rocks Weir, with remaining partner funding to be confirmed following completion of pre-construction activities and the finalisation of regulatory approvals.

Signed for and on behalf of the Commonwealth of Australia by



**The Honourable Barnaby Joyce MP**  
Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development

21/9/2021

Signed for and on behalf of the State of Queensland by



**The Honourable Glenn Butcher MP**  
Minister for Regional Development and Manufacturing and Minister for Water

29/9/2021

# National Water Grid Fund

## FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

<b>Table C1: Formalities and operation of schedule</b>	
Parties	Commonwealth Queensland
Purpose	This Appendix has been developed in accordance with the National Water Grid Fund Schedule (the Schedule), to set out the Commonwealth and Queensland's estimated expenditure profile and performance milestones to support the operation of the Schedule.

## Estimated financial contributions

<b>Table C2</b> <b>(\$)</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>Total</b>
<b>Estimated total budget</b>	<b>8,218,168</b>	<b>6,952,000</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
Less estimated National Partnership Payments					
Warwick Recycled Water for Agriculture – Recycled Water Treatment Upgrade	384,979	96,000	0	0	480,979
Big Rocks Weir *	2,000,000	1,000,000	TBD	TBD	30,000,000
Connections Funding Pathway	1,190,000	2,380,000	1,190,000	0	4,760,000
Balance of non-Commonwealth contributions	4,643,189	3,476,000	TBD	TBD	TBD

\* Construction milestones for the remaining Australian Government funding of \$27 million will be negotiated with the Queensland Government following the completion of pre-construction activities. Construction milestones will be subject to:

- All necessary regulatory approvals to commence construction having been obtained;
- Confirmation by the Australian and Queensland Governments to proceed to construction; and
- Confirmation of all funding contributions required to deliver the full scope of the Big Rocks Weir.

Table C3: Queensland - Performance requirements, reporting and payment summary			
Output (Project)	Performance milestones	Milestone due	Payment
Warwick Recycled Water for Agriculture – Recycled Water Treatment Upgrade	Milestone 1 – Acceptance of Project Plan, including key deliverables and timelines and procurement of contractor.	30 September 2021	\$144,979
	Milestone 2 – Completion of trenching and installation of all key underground pipe work, and installation of new underground chemical lines and inline mixers.	28 February 2022	\$240,000
	Milestone 3 – Acceptance by the Australian Government of the Project Completion Report.	31 July 2022	\$96,000
Big Rocks Weir	Milestone 1 – Pre-construction Phase Acceptance of: <ul style="list-style-type: none"> <li>Completed Project Management Plan</li> <li>Completed Basis of Design Report</li> <li>Completed Geotechnical Investigations Report.</li> </ul>	30 November 2021	\$1,500,000
	Milestone 2 – Pre-construction Phase Acceptance of: <ul style="list-style-type: none"> <li>Completed Design Report including detailed design of the weir and ancillary works</li> <li>Completed Hydrological Report</li> <li>Completed Cost Assessment Report including a P90 cost estimate.</li> </ul>	31 March 2022	\$500,000
	Milestone 3 – Pre-construction Phase Acceptance of: <ul style="list-style-type: none"> <li>Completed Project Summary and Pre-construction Assessment Report detailing the work undertaken, findings, position on the project and a water demand assessment</li> <li>Completed Delivery Model Report including proposed detailed delivery, implementation approach, proposed procurement and delivery model</li> <li>Completed Funding and Financial Contribution Report</li> <li>Completed Detailed Regulatory Pathway Report outlining status, timing and sequencing of all required regulatory approvals</li> <li>A formal statement from Charters Towers Regional Council on their position on Big Rocks Weir, with regards to progressing to construction, the recipient's role, the Council's participation, and any conditions.</li> </ul>	30 November 2022	\$1,000,000

	<p>Construction milestones for the remaining Australian Government funding of \$27 million will be negotiated with the Queensland Government after the completion of pre-construction activities. Construction milestones will be subject to:</p> <ul style="list-style-type: none"> <li>• All necessary regulatory approvals to commence construction having been obtained;</li> <li>• Confirmation by the Australian and Queensland Governments to proceed to construction; and</li> <li>• Confirmation of all funding contributions required to deliver the full scope of the Big Rocks Weir.</li> </ul>		
Connections Funding Pathway	<p>Milestone 1 – Written confirmation of the details of the QLD Connections Package, including:</p> <ul style="list-style-type: none"> <li>• Project to be delivered</li> <li>• Expected cost of the project and confirmation of funding partner contributions</li> <li>• Construction timing for the project.</li> </ul>	31 October 2021	\$1,190,000
	<p>Milestone 2 – Submission and acceptance of a Progress Report detailing the status of delivery of the QLD Connections Package, including:</p> <ul style="list-style-type: none"> <li>• Current status of the project</li> <li>• Advice on any changes to construction timing</li> <li>• Advice on cost amendments (if any) for the project, including amendments to funding partner contributions</li> <li>• Challenges or issues in delivery of the package.</li> </ul>	31 August 2022	\$2,380,000
	<p>Milestone 3 – Submission and acceptance of a Post Completion Report, including confirmation that the project has been completed and advice on final costs of the project in the package.</p>	31 August 2023	\$1,190,000

