

## Schedule

# 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>

**Table 2A: New South Wales – Projects and payment summary**

Outputs (Projects)	Project scope	Total Commonwealth contribution	Total non-Commonwealth contribution
<b>Eurobodalla Southern Storage</b>	The project will construct off-stream water storage and pumping infrastructure, including power supply upgrade; water pumping station; storage embankment, outlet tower and spillway to enable full linkage and integration of the Eurobodalla region supply system. The project will improve water availability and security for the region, increasing storage capacity by 3,000ML and providing an estimated additional 581ML of water per annum for downstream irrigators and stock watering.	\$51,224,000	\$51,224,000
<b>Lostock Dam to Glennies Creek Dam Pipeline Detailed Business Case</b>	The Detailed Business Case, which will include hydrological modelling and a planning approval strategy, will assess the benefits to constructing a two-way pipeline connecting two headwater water storages, Lostock Dam and Glennies Creek Dam. The objective of the proposed pipeline is to improve the existing system and support the ongoing economic productivity of key industries and water users operating in the Hunter region.	\$11,100,000	\$1,400,000
<b>Nyngan to Cobar Pipeline Detailed Business Case</b>	The Detailed Business Case will assess the benefits of upgrading existing pipeline and pumping infrastructure to ensure continued water security and reliability in support of mining operations in the Cobar region.	\$1,000,000	\$200,000
<b>NSW Connections Funding Pathway Package</b>	Construction of the following projects: <ul style="list-style-type: none"> <li>• Lake Wyangan Water Sustainability Project</li> <li>• Walcha Off-Stream Water Storage</li> <li>• West Wyalong Water Reliability Project</li> <li>• Broken Hill to Menindee Graziers Pipeline</li> <li>• Urbenville Water Supply Project.</li> </ul>	\$15,754,800	\$24,254,800

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 New South Wales by



**The Honourable Melinda Pavey MP**

Minister for Water, Property and Housing

1 / / 2021

# National Water Grid Fund

## FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

<b>Table A1: Formalities and operation of schedule</b>	
Parties	Commonwealth New South Wales
Purpose	This Appendix has been developed in accordance with the National Water Grid Fund Schedule (the Schedule), to set out the Commonwealth and New South Wales' estimated expenditure profile and performance milestones to support the operation of the Schedule.

## Estimated financial contributions

**Table A2**

<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>18,000,000</b>	<b>61,000,000</b>	<b>63,000,000</b>	<b>14,157,600</b>	<b>156,157,600</b>
Less estimated National Partnership Payments					
Eurobodalla Southern Storage	1,280,000	19,200,000	23,040,000	7,704,000	51,224,000
Lostock Dam to Glennies Creek Dam Pipeline Detailed Business Case	4,700,000	5,400,000	1,000,000	0	11,100,000
Nyngan to Cobar Pipeline Detailed Business Case	800,000	200,000	0	0	1,000,000
Connections Funding Pathway	3,938,700	7,877,400	3,938,700	0	15,754,800
Balance of non-Commonwealth contributions	7,281,300	28,322,600	35,021,300	6,453,600	77,078,800

<b>Table A3: New South Wales - Performance requirements, reporting and payment summary</b>			
<b>Output (Project)</b>	<b>Performance milestones</b>	<b>Milestone due</b>	<b>Payment</b>
<b>Eurobodalla Southern Storage</b>	Milestone 1 – Evidence of establishment of an appropriate governance structure for the Projects including: <ul style="list-style-type: none"> <li>• Relevant Terms of Reference</li> <li>• Information in relation to Project team established</li> <li>• Draft Project Execution Plan</li> <li>• Commencement of construction for Tuross River Pump Station and access road.</li> </ul>	30 November 2021	\$1,280,000
	Milestone 2 – Completion of construction works for Tuross River Pump Station. Storage construction component Design and Construction – Tender awarded.	31 July 2022	\$6,400,000
	Milestone 3 – Completion of the design and construction of the power supply upgrade.	31 December 2022	\$2,560,000
	Milestone 4 – Completion of the Biodiversity Offset Strategy. Completion of the Embankment Foundations, including stripping, grouting and preparation. Completion of Construction of Access Road.	30 April 2023	\$10,240,000
	Milestone 5 – 50 per cent completion of zoned earth and rockfill embankment including completion of foundation works (stripping, grouting, preparation) and diversion and dewatering works (cofferdam, stream diversion pipework).	31 August 2023	\$15,360,000
	Milestone 6 – 75 per cent completion of zoned earth and rockfill embankment.	31 December 2023	\$7,680,000
	Milestone 7 – Completion of the construction of the dam outlet tower and spillway. Practical completion of all components of the project.	31 July 2024	\$6,704,000
	Milestone 8 - Acceptance by the Australian Government of the Project Completion Report.	31 October 2024	\$1,000,000
<b>Lostock Dam to Glennies Creek Dam Pipeline Detailed Business Case</b>	Milestone 1 – Completion of Project Governance and Terms of Reference. Completion of Draft Project Execution Plan. Completion of Draft Community Engagement Plan.	30 November 2021	\$1,700,000
	Milestone 2 – Completion of Draft Contracting and Procurement Strategy. Commencement of hydrological modelling, and field investigations. Commencement of Planning Approval Pathway report.	31 March 2022	\$3,000,000

	<p>Milestone 3 – Completion of Planning Approval Strategy. Completion of Hydrological modelling. Commencement of Concept Design.</p> <p>Milestone 4 – Completion of Concept Design. Commencement of Planning Approvals Development. Completion of Draft Detailed Business Case (Cost Benefit Analysis). Completion of Environmental Reports.</p> <p>Milestone 5 – Acceptance by the Australian Government of the Detailed Business Case.</p>	<p>30 September 2022</p> <p>31 March 2023</p> <p>30 November 2023</p> <p>30 November 2021</p> <p>28 February 2022</p>	<p>\$3,400,000</p> <p>\$2,000,000</p> <p>\$1,000,000</p> <p>\$400,000</p> <p>\$400,000</p>
<b>Nyngan to Cobar Pipeline</b>	<p>Milestone 1 – Completion of Project Governance and Terms of Reference. Completion of Draft Project Execution Plan. Completion of Draft Community Engagement Plan.</p> <p>Milestone 2 – Completion of Draft Contracting and Procurement strategy. Commencement of field investigations. Commencement of Concept Design. Commencement of Environmental Reports.</p> <p>Milestone 3 – Acceptance by the Australian Government of the Detailed Business Case.</p>	<p>31 July 2022</p> <p>31 October 2021</p>	<p>\$200,000</p> <p>\$3,938,700</p>
<b>Connections Funding Pathway</b>	<p>Milestone 1 – Written confirmation of the details of the NSW Connections Package, including:</p> <ul style="list-style-type: none"> <li>• Projects to be delivered</li> <li>• Expected costs of each project and confirmation of funding partner contributions</li> <li>• Construction timing for each project.</li> </ul> <p>Milestone 2 – Submission and acceptance of a Progress Report detailing the status of delivery of the NSW Connections Package, including:</p> <ul style="list-style-type: none"> <li>• Current status of each project</li> <li>• Advice on any changes to construction timing</li> <li>• Advice on cost amendments (if any) for each project, including amendments to funding partner contributions</li> <li>• Challenges or issues in delivery of the package.</li> </ul> <p>Milestone 3 – Submission and acceptance of a Post Completion Report, including confirmation that all projects have been completed and advice on final costs of each project in the package.</p>	<p>31 August 2022</p> <p>31 August 2023</p>	<p>\$7,877,400</p> <p>\$3,938,700</p>