

Schedule

National Water Grid Fund

FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

Table 1: Formalities and operation of schedule

Parties	Commonwealth New South Wales Victoria Queensland Western Australia South Australia Tasmania Northern Territory Australian Capital Territory
Duration	This Schedule will commence as soon as the Commonwealth and one other Party sign it and will expire on 30 June 2031.
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	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.
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"> (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; (b) provide reasonable opportunity for the Commonwealth to contribute to developing communications strategies for projects with a Commonwealth funding contribution; (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 (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.
<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 5A: Western Australia – Projects and payment summary

Outputs (Projects)	Project scope	Total Commonwealth contribution	Total non-Commonwealth contribution
WA Connections Funding Pathway Package	Construction of the following projects: <ul style="list-style-type: none"> • Cave Springs Road Tail Water Return System • Agricultural Area Dams and Strategic Community Water Supplies • Katanning to Kojonup Pipeline Enhancement • Jerramungup Dam Catchment Improvement • Gascoyne Irrigation Scheme Augmentation and Modernisation • Community Water Supplies Partnership Program with Local Government • Ravensthorpe Dam Catchment Extension • Cranbrook Dam Catchment Improvement • Wongutha Independent Water Security Pilot. 	\$20,000,000	\$23,760,000
Collie to Coast Preliminary Business Case	The Preliminary Business Case will investigate water infrastructure options to meet current and future water demands in the Collie and Myalup-Wellington regions. This work will examine the expected benefits of a new water scheme, including improving local water treatment capabilities and better utilisation of existing regional surface and groundwater resources.	\$800,000	\$0

Table 5B: Western Australia – Projects and payment summary – Science Program			
Outputs (Projects)	Project scope	Total Commonwealth contribution	Total non-Commonwealth contribution
Managing water quality to enable future irrigation development in the Kimberley Region	A review to understand management options aimed at reducing the offsite risk from agricultural chemicals to planned developments in the Ord River area.	\$250,000	\$90,000*
Managed Aquifer Recharge (MAR) pilot in Myalup.	Pilot will generate information necessary to achieve approval from the WA Department of Water and Environmental Regulation (DWER) and to test parameters that will inform the design and cost of a full scale MAR scheme.	\$3,683,400	\$553,980 & \$714,660*

*This is an in-kind contribution.

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

8/4/2022

Signed for and on behalf of the State of Western Australia by



The Honourable Alannah MacTiernan MLC

Minister for Regional Development

8/4/2022

National Water Grid Fund

FEDERATION FUNDING AGREEMENT - INFRASTRUCTURE

Table D1: Formalities and operation of schedule	
Parties	Commonwealth Western Australia
Purpose	This Appendix has been developed in accordance with the National Water Grid Fund Schedule (the Schedule), to set out the Commonwealth and Western Australia's estimated expenditure profile and performance milestones to support the operation of the Schedule.

Estimated financial contributions

Table D2

(\$)	2021-22	2022-23	2023-24	2024-25	Total
Estimated total budget	17,914,660	25,237,060	5,735,660	160,000	49,047,380
Less estimated National Partnership Payments					
Connections Funding Pathway	5,000,000	10,000,000	5,000,000	0	20,000,000
Collie to Coast Preliminary Business Case	250,000	550,000	0	0	800,000
Managing water quality to enable future irrigation development in the Kimberley Region	100,000	150,000	0	0	250,000
Managed Aquifer Recharge (MAR) pilot in Myalup	500,000	2,472,400	551,000	160,000	3,683,400
Balance of non-Commonwealth contributions	12,064,660	12,064,660	184,660	0	24,313,980

Table D3: Western Australia - Performance requirements, reporting and payment summary			
Output (Project)	Performance milestones	Milestone due	Payment
Connections Funding Pathway	Milestone 1 – Written confirmation of the details of the WA Connections Package, including: <ul style="list-style-type: none"> Projects to be delivered Expected costs of each project and confirmation of funding partner contributions Construction timing for each project. 	31 October 2021	\$5,000,000
	Milestone 2 – Submission and acceptance of a Progress Report detailing the status of delivery of the WA Connections Package, including: <ul style="list-style-type: none"> Current status of each project Advice on any changes to construction timing Advice on cost amendments (if any) for each project, including amendments to funding partner contributions Challenges or issues in delivery of the package. 	31 August 2022	\$10,000,000
	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.	31 August 2023	\$5,000,000
Collie to Coast Preliminary Business Case	Milestone 1 – Acceptance of Project Plan including key deliverables and timelines for the delivery of the Preliminary Business Case.	30 April 2022	\$250,000
	Milestone 2 – Completion of draft Preliminary Business Case.	30 September 2022	\$250,000
	Milestone 3 – Acceptance by the Australian Government of the final Preliminary Business Case.	31 October 2022	\$300,000

Table D4: Western Australia - Performance requirements, reporting and payment summary – Science Projects			
Output (Project)	Performance milestones	Milestone due	Payment
Managing water quality to enable future irrigation development in the Kimberley Region	Milestone 1 – Submission and acceptance of a Project Plan.	29 April 2022	\$100,000
	Milestone 2 – Submission and acceptance of the hydrogeochemical model developed and initial testing undertaken on prescribed options.	30 November 2022	\$100,000
	Milestone 3 - Submission and acceptance of a report on water quality management options to enable development of the Keep River irrigation areas.	31 May 2023	\$50,000

Managed Aquifer Recharge (MAR) pilot in Myalup	Milestone 1- Detailed design completed for MAR basins, environmental approvals received. Submission and acceptance of Project Plan.	31 May 2022	\$500,000
	Milestone 2 – Submission and acceptance of a Progress Report , including: <ul style="list-style-type: none"> • Preliminary construction • Delivery of MAR basins • Monitoring bores and related infrastructure. Acceptance of a Progress Report on the delivery of hydrogeological model – phase 1.	31 Oct 2022	\$1,947,400
	Milestone 3 – Submission and acceptance of a Progress Report, including information on production bore installation.	28 Feb 2023	\$525,000
	Milestone 4 – Submission and acceptance of a Progress Report on the delivery of hydrogeological model – phase 2.	30 April 2024	\$551,000
	Milestone 5 – Submission and acceptance of a Final Project Report and project decommissioning.	31 March 2025	\$160,000