

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	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. 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.
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	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. State funding contributions may include contributions from third parties including local governments and other non-government organisations. Commonwealth contributions will be provided upon the achievement of agreed project milestones by the relevant State.

Funding arrangements	<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>
Project milestones	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.
Commonwealth Funding Recognition	<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.
Variations and Delegations	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.

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

Outputs (Projects)	Project scope	Total Commonwealth contribution	Total non-Commonwealth contribution
Eurobodalla Southern Storage	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 1581ML of water per annum for downstream irrigators and stock watering.	\$51,224,000	\$51,224,000
Lostock Dam to Glenmies Creek Dam Pipeline Detailed Business Case	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 Glenmies 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	\$2,500,000
Nyngan to Cobar Pipeline Detailed Business Case	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	\$1,200,000
NSW Connections Funding Pathway Package	<p>Construction of the following projects:</p> <ul style="list-style-type: none"> • Lake Wyangan Water Sustainability Project • Walcha Off-Stream Water Storage • West Wyalong Water Reliability Project • Broken Hill to Menindee Graziers Pipeline • Urbenville Water Supply Project. 	\$15,754,800	\$24,254,800
Macquarie / Wambuu Water Security Project Detailed Business Case	The Detailed Business Case will assess the merits of the proposed construction and commissioning of a re-regulating gated weir and fishway on the Macquarie / Wambuu River. The project includes finalising the detailed design and planning approvals. The objective of the proposed structure is to improve water reliability and security for the region and to maintain flows to the natural environment.	\$5,355,000	\$4,316,000

Belubula Water Security Project Detailed Business Case	The Detailed Business Case will assess the merits of a proposed water security project in the Belubula Valley. The project includes finalising the design of the proposed Lake Rowlands Dam; a transfer pipeline between Lake Rowlands Dam and Carcoar Dam; a new pumping station; and associated ancillary works. The proposed infrastructure would improve the reliability, quality and security of water in the region for towns and agricultural production.	\$2,700,000	\$4,131,000
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Table 2B: New South Wales – Projects and payment summary – Science Projects

Outputs (Projects)	Project scope	Total Commonwealth contribution	Total non-Commonwealth contribution
Managed Aquifer Recharge (MAR) opportunities for agriculture in NSW	Detailed desktop study to advance possible large-scale agricultural MAR schemes in irrigation areas of NSW, building on opportunities identified in CSIRO's rapid appraisal research. MAR infrastructure has the potential to improve water security, building resilience for existing water users, including communities.	\$140,000	\$60,000
Improving understanding of groundwater sustainability and renewability using isotope hydrochemistry	Use groundwater stable and decaying isotope data along with hydrochemistry results from samples already collected and currently being analysed by ANSTO to determine groundwater age (time since recharge). This will provide information about groundwater flow, aquifer interconnectivity and aquifer replenishment rates, and improve understanding of the renewability of the groundwater resources.	\$187,713	\$100,000
Improving groundwater supply security for agriculture and primary industries through better understanding of groundwater flow in the GAB	The objective of the project is to identify the groundwater connectivity and flow paths from the recharge areas of the Great Artesian Basin (GAB) into the deeper buried sections. The outcomes of this work will inform groundwater management decisions on the capacity to release additional access to GAB groundwater that will not jeopardise the security of existing water supply infrastructure of the GAB.	\$941,567	\$400,000

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 New South Wales by



The Honourable Kevin Anderson MP

Minister for Land and Water

8/4 / 2022

National Water Grid Fund

FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

Table A1: Formalities and operation of schedule

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

(\$)	2021-22	2022-23	2023-24	2024-25	Total
Estimated total budget	25,565,199	72,993,269	63,872,812	14,157,600	176,588,880
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
Macquarie / Wambuul Water Security Project Detailed Business Case	2,000,000	3,355,000	0	0	5,355,000
Belubula Water Security Project Detailed Business Case	1,000,000	1,700,000	0	0	2,700,000
Managed Aquifer Recharge (MAR) opportunities for agriculture in NSW	20,000	20,000	100,000	0	140,000
Improving understanding of groundwater sustainability and renewability using isotope hydrochemistry	30,000	157,713	0	0	187,713
Improving groundwater supply security for agriculture and primary industries through better understanding of groundwater flow in the GAB	197,099	225,256	519,212	0	941,567
Balance of non-Commonwealth contributions	11,599,400	34,857,900	35,274,900	6,453,600	88,185,800

Table A3: New South Wales - Performance requirements, reporting and payment summary

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

	Milestone 3 – Completion of Planning Approval Strategy. Completion of Hydrological modelling. Commencement of Concept Design.	30 September 2022	\$3,400,000
	Milestone 4 – Completion of Concept Design. Commencement of Planning Approvals Development. Completion of Draft Detailed Business Case (Cost Benefit Analysis). Completion of Environmental Reports.	31 March 2023	\$2,000,000
	Milestone 5 – Acceptance by the Australian Government of the Detailed Business Case.	30 November 2023	\$1,000,000
Nyngan to Cobar Pipeline	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	\$400,000
	Milestone 2 – Completion of Draft Contracting and Procurement strategy. Commencement of field investigations. Commencement of Concept Design. Commencement of Environmental Reports.	28 February 2022	\$400,000
	Milestone 3 – Acceptance by the Australian Government of the Detailed Business Case.	31 July 2022	\$200,000
Connections Funding Pathway	Milestone 1 – Written confirmation of the details of the NSW 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	\$3,938,700
	Milestone 2 – Submission and acceptance of a Progress Report detailing the status of delivery of the NSW 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	\$7,877,400
	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	\$3,938,700

Macquarie / Wambuu Water Security Project Detailed Business Case	Milestone 1 – Completion of Project Delivery and Governance Plans. Completion of draft Project Execution Plan - focus on development of detailed business case. Completion of draft Community and Stakeholder Engagement Plan.	30 May 2022	\$2,000,000
	Milestone 2 – Commencement of Detailed Business Case. Commencement of Planning Approval Pathways and Procurement Strategies. Commencement of Technical and Environmental Investigations. Commencement of Concept Design and Cost Estimates.	21 October 2022	\$2,000,000
	Milestone 3 – Acceptance by the Australian Government of the Detailed Business Case.	23 December 2022	\$1,355,000
Belubula Water Security Project Detailed Business Case	Milestone 1 – Completion of Project Execution Plan and Governance Plans. Completion of draft Project Execution Plan - focus on development of detailed business case. Completion of draft Community and Stakeholder Engagement Plan.	30 May 2022	\$1,000,000
	Milestone 2 – Commencement of Detailed Business Case. Commencement of Planning Approval Pathways and Procurement Strategies. Commencement of Technical and Environmental Investigations. Commencement of Concept Design and Cost Estimates.	21 October 2022	\$1,600,000
	Milestone 3 – Acceptance by the Australian Government of the Detailed Business Case.	23 December 2022	\$100,000

Table A4: New South Wales - Performance requirements, reporting and payment summary – Science Projects

Output (Project)	Performance milestones	Milestone due	Payment
Managed Aquifer Recharge (MAR) opportunities for agriculture in NSW	Milestone 1 - Project Steering Committee established and procurement in progress. Milestone 2 – Acceptance of Project Plan. Milestone 3 – Acceptance of draft Project Report. Milestone 4 – Acceptance of Final Report.	29 April 2022 29 July 2022 31 July 2023 31 January 2024	\$20,000 \$20,000 \$60,000 \$40,000

Improving understanding of groundwater sustainability and renewability using isotope hydrochemistry	Milestone 1 – Acceptance of Project Plan. Milestone 2 - Acceptance of Mid-Research Report. Milestone 3 - Acceptance of Final Research Report.	29 April 2022 29 September 2022 30 December 2022	\$30,000 \$32,500 \$62,500
	Milestone 4 - Acceptance of Final Project Report.	31 March 2023	\$62,713
Improving ground water supply security for agriculture and primary industries through better understanding of ground water flow in the GAB	Milestone 1 – Acceptance of preliminary desktop analysis. Milestone 2 – Acceptance of field results including sample submission from various laboratories. Milestone 3 – Acceptance of data analysis. Milestone 4 – Acceptance of draft Final Report.	30 May 2022 31 January 2023 31 July 2023 31 October 2023	\$197,099 \$225,256 \$206,484 \$255,370
	Milestone 5 – Acceptance of Final Report.	25 January 2024	\$57,358