

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	<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>
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	<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 4A: Queensland – Projects and payment summary

Outputs (Projects)	Project scope	Total Commonwealth contribution	Total non-Commonwealth contribution
Warwick Recycled Water for Agriculture – Recycled Water Treatment Upgrade	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
Big Rocks Weir	<p>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.</p> <p>The project includes the development of associated infrastructure, including affected access areas.</p>	\$30,000,000	\$3,000,000*
QLD Connections Funding Pathway Package	<p>Construction of the following projects:</p> <ul style="list-style-type: none"> • Warrens Gully System Capacity Upgrade. 	\$4,760,000	\$4,760,000
Bedford Weir Raising Preliminary Business Case	<p>The preliminary business case will investigate options, including raising Bedford Weir, to address water security in the Nogoa Mackenzie Water Supply Scheme that can increase water availability and reliability for Scheme customers.</p> <p>The preliminary business case will shortlist options, provide recommended further investigations based on indicative cost estimates, identify a preliminary design for construction of the preferred option, a delivery model and market sounding.</p>	\$1,698,365	\$0
Paranui Weir Preliminary Business Case	<p>The preliminary business case will assess options for improving water security in the Dawson Valley Water Supply Scheme and providing access to water identified in the Dawson Valley Water Management Area's Strategic Reserve, including options and design for construction of Paranui Weir on the Dawson River.</p>	\$4,955,675	\$0

Burdekin Haughton Water Supply Scheme Modernisation Detailed Business Case	<p>The detailed business case will investigate modernisation opportunities in the Burdekin Haughton Water Supply Scheme, including balancing storages, channel lining and modernisation, replacing aging channels with pipelines and improving control systems.</p> <p>The detailed business case will use indicative cost estimates, environmental and social impact assessments, demand assessments, a delivery model and market sounding to identify additional and more reliable water products for irrigators as well as options for reducing inflows to the local groundwater table.</p>	\$1,907,350	\$0
Bowen Pipeline Detailed Business Case	<p>The Detailed Business Case will investigate the construction of a pipeline from the Burdekin River to Bowen (approximately 105km). The proposed project aims to deliver up to 100GL per year to users along the pipeline route, including the Abbot Point State Development Area and the townships of Bowen, Gumlu and Guthalungra.</p> <p>The Detailed Business Case will consider the economic viability, sustainability and social impacts of the proposed project.</p> <p>The Proposed Project Delivery Proposal Report will include key documents to inform on possible delivery of the project including the proposed business model, draft construction tender documents and a long term business and operational sustainability plan.</p>	\$5,000,000	\$0

*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.

Table 4B: Queensland – Projects and payment summary - Science Projects

Outputs (Projects)	Project scope	Total Commonwealth contribution	Total non-Commonwealth contribution
Strategic Assessment of Sustainable Agricultural Development Potential for Mitchell, Flinders and Gilbert Catchments (Stage 1)	<p>A two-stage project that will focus on prospective agricultural areas identified by previous catchment scale studies.</p> <p>Stage One is a desktop assessment to consolidate existing and new information on agricultural development potential for the Mitchell, Flinders and Gilbert catchments.</p>	\$175,000	\$0

	<p>Stage Two involves targeted assessment (desktop and field studies) to address knowledge gaps identified within the three catchments, including (but not limited to) an assessment of soils and land availability.</p>	
Feasibility Assessment of Opportunities for Underground Technologies in Queensland to Support Future Agricultural Development	<p>Research on the refinement of opportunities at a regional scale for underground technologies to support future agricultural development in Queensland, with the aim to move to trials / pilots if viable. Stage 1 includes:</p> <ul style="list-style-type: none"> Consolidation of previous studies, available information and constraints, Identification of areas in Queensland where opportunities for sub-surface and sand dams are aligned with either existing water demand or potential demand for greenfield agricultural industries. Check of compatibility with existing catchment water plans and groundwater management plans and identification of types of flows to be captured, Identification of other relevant environmental and or social constraints that are relevant to the operation of sub-surface or sand dams in Queensland (e.g dry-land salinization, management of woody vegetation), and Development of consistent assessment approach and set of holistic assessment criteria going forward to assess feasibility of storages. 	<p>\$160,000</p> <p>\$0</p>

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

25/02/2022

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

21/ 02/ 2022

National Water Grid Fund

FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

Table C1: Formalities and operation of schedule

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

Table C2

(\$)	2021-22	2022-23	2023-24	2024-25	Total
Estimated total budget	11,095,168	14,821,390	TBD	TBD	TBD
Less estimated National Partnership Payments					
Warwick Recycled Water for Agriculture – Recycled Water Treatment Upgrade	144,979	336,000	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
Bedford Weir Raising Preliminary Business Case	500,000	1,198,365	0	0	1,698,365
Paranui Weir Preliminary Business Case	500,000	1,455,675	0	0	1,955,675
Burdekin Haughton Water Supply Scheme Modernisation Detailed Business Case	500,000	1,407,350	0	0	1,907,350
Bowen Pipeline Detailed Business Case	1,500,000	3,350,000	150,000	0	5,000,000
Strategic Assessment of Sustainable Agricultural Development potential for Mitchell, Flinders and Gilbert Catchments (Stage 1)	53,000	122,000	0	0	175,000
Feasibility Assessment of Opportunities for Underground Technologies in Queensland to Support Future Agricultural Development (Stage 1)	64,000	96,000	0	0	160,000
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	<p>Milestone 1 – Acceptance of Project Plan, including key deliverables and timelines and procurement of contractor.</p> <p>Milestone 2 – Completion of trenching and installation of all key underground pipe work, and installation of new underground chemical lines and inline mixers.</p> <p>Milestone 3 – Acceptance by the Australian Government of the Project Completion Report.</p>	31 May 2022 30 April 2023 30 June 2023	\$144,979 \$240,000 \$96,000
Big Rocks Weir	<p>Milestone 1 – Pre-construction Phase</p> <p>Acceptance of:</p> <ul style="list-style-type: none"> • Completed Project Management Plan • Completed Basis of Design Report • Completed Geotechnical Investigations Report. <p>Milestone 2 – Pre-construction Phase</p> <p>Acceptance of:</p> <ul style="list-style-type: none"> • Completed Design Report including detailed design of the weir and ancillary works • Completed Hydrological Report • Completed Cost Assessment Report including a Pg0 cost estimate. <p>Milestone 3 – Pre-construction Phase</p> <p>Acceptance of:</p> <ul style="list-style-type: none"> • Completed Project Summary and Pre-construction Assessment Report detailing the work undertaken, findings, position on the project and a water demand assessment • Completed Delivery Model Report including proposed detailed delivery, implementation approach, proposed procurement and delivery model • Completed Funding and Financial Contribution Report • Completed Detailed Regulatory Pathway Report outlining status, timing and sequencing of all required regulatory approvals • 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. 	31 November 2021 31 March 2022 30 November 2022	\$1,500,000 \$500,000 \$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"> • 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. 		
Connections Funding Pathway	<p>Milestone 1 – Written confirmation of the details of the QLD Connections Package, including:</p> <ul style="list-style-type: none"> • Project to be delivered • Expected cost of the project and confirmation of funding partner contributions • Construction timing for the project. <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"> • Current status of the project • Advice on any changes to construction timing • Advice on cost amendments (if any) for the project, including amendments to funding partner contributions • Challenges or issues in delivery of the package. <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 October 2021	\$1,190,000
Bedford Weir Raising Preliminary Business Case	<p>Milestone 1 – Acceptance of Project Plan including key deliverables and timelines for the delivery of the Preliminary Business Case.</p> <p>Milestone 2 – Completion of draft Preliminary Business Case including options analysis and detailed demand profile.</p> <p>Milestone 3 – Acceptance by the Australian Government of the Preliminary Business Case.</p>	30 March 2022 28 February 2023	\$500,000 \$750,000
Paranui Weir Preliminary Business Case	<p>Milestone 1 – Acceptance of Project Plan including key deliverables and timelines for the delivery of the Preliminary Business Case.</p> <p>Milestone 2 – Completion of draft Preliminary Business Case including options analysis and detailed demand profile.</p> <p>Milestone 3 – Acceptance by the Australian Government of the Preliminary Business Case.</p>	31 March 2023 30 May 2022 30 May 2023	\$448,365 \$500,000 \$1,000,000
	Milestone 3 – Acceptance by the Australian Government of the Preliminary Business Case.	30 June 2023	\$455,675

Burdekin Haughton Water Supply Scheme Modernisation Detailed Business Case	Milestone 1 – Acceptance of Project Plan including key deliverables and timelines for the delivery of the Detailed Business Case.	31 March 2022	\$500,000
	Milestone 2 – Completion of draft Detailed Business Case including options analysis and detailed demand profile.	30 April 2023	\$1,000,000
	Milestone 3 – Acceptance by the Australian Government of the Detailed Business Case.	31 May 2023	\$407,350
Bowen Pipeline Detailed Business Case	Milestone 1 – Submission of an acceptable draft Project Management Plan.	31 January 2022	\$1,500,000
	Milestone 2 – Submission of Environmental Assessment Progress Report.	31 July 2022	\$900,000
	Milestone 3 – Submission of draft Detailed Business Case and supporting appendices.	30 November 2022	\$900,000
	Milestone 4 – Acceptance of final Detailed Business Case, supporting appendices and Addendum.	30 April 2023	\$1,550,000
	Submission of final Environmental Assessment Report/s.		
	Submission of Project Environmental Approval Report.		
	Milestone 5 – Submission of Proposed Project Delivery Proposal Report.	31 July 2023	\$150,000
	Acceptance of the Project Completion Report.		

Table C4: Queensland - Performance requirements, reporting and payment summary – Science Projects

Output (Project)	Performance milestones	Milestone due	Payment
Strategic Assessment of Sustainable Agricultural Development Potential for Mitchell, Flinders and Gilbert Catchments (Stage 1)	Milestone 1 – Delivery of total Project Plan including key deliverables and timelines and evidence of procurement of contractor.	28 February 2022	\$53,000
	Milestone 2 – Delivery of draft report for strategic assessment of sustainable agricultural development potential for Mitchell, Flinders and Gilbert catchments.	31 July 2022	\$69,000
	Milestone 3 – Acceptance by the Australian Government of final report and project outputs for report for strategic assessment of sustainable agricultural development potential for Mitchell, Flinders and Gilbert catchments.	31 August 2022	\$53,000

Feasibility Assessment of Opportunities for Underground Technologies in Queensland to Support Future Agricultural Development (Stage 1)	Milestone 1 – Delivery of total Project Plan including key deliverables and timelines and evidence of procurement of contractor.	28 February 2022	\$64,000
	Milestone 2 - Delivery of Draft Stage 1 report on the feasibility assessment of opportunities for underground technologies.	31 August 2022	\$64,000
	Milestone 3 – Acceptance by the Australian Government of Final Stage 1 report and project outputs on the feasibility assessment of opportunities for underground technologies.	31 October 2022	\$32,000