

## Resilient Rivers Water Infrastructure Program: NSW Murrumbidgee Irrigation Feasibility Projects

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth New South Wales
Duration	This Schedule is expected to expire on 31 August 2025.
Purpose	<p>This Schedule will support the delivery of the NSW Murrumbidgee Irrigation Feasibility Projects as funded under Stream D of the Resilient Rivers Water Infrastructure Program.</p> <p>The NSW Murrumbidgee Irrigation Feasibility Projects will undertake a comprehensive assessment of Murrumbidgee Irrigation's network and associated water losses to identify water savings projects within the delivery network. Losses are attributed to seepage, evaporation, meter accuracy and operational losses. The project will investigate the networks system losses and identify an effective mitigation approach such as channel piping, lining and/or covering. The feasibility of building a new channel system to reduce water losses from the Murrumbidgee Irrigation network to the Barren Box storage facility will also be examined.</p> <p>These Feasibility Projects are listed below:</p> <ul style="list-style-type: none"> <li>• Murrumbidgee Irrigation Channel, Piping, Lining and Covering</li> <li>• Barren Box Channel</li> </ul> <p>This Schedule is approved on the basis that the NSW Murrumbidgee Irrigation Feasibility Projects and activities identified satisfy s86AD of the Water for the Environment Special Account (Pt 2AA of the <i>Water Act 2007</i>) and intend to lead to application/s to the Australian Government's Resilient Rivers Water Infrastructure Program.</p>

<p>Estimated financial contributions</p>	<p>The Commonwealth will provide an estimated total financial contribution to New South Wales of \$3.8 million (GST exclusive) in respect of this Schedule.</p> <hr/> <p><b>Table 1</b></p> <table border="1"> <thead> <tr> <th data-bbox="513 422 906 453">(\$ million)</th> <th data-bbox="912 422 1013 453">2024-25</th> <th data-bbox="1019 422 1120 453">2025-26</th> <th data-bbox="1127 422 1227 453">2026-27</th> <th data-bbox="1234 422 1351 453">Total</th> </tr> </thead> <tbody> <tr> <td data-bbox="513 462 906 493"><b>Estimated total budget</b></td> <td data-bbox="912 462 1013 493"><b>2.83</b></td> <td data-bbox="1019 462 1120 493"><b>0.97</b></td> <td data-bbox="1127 462 1227 493"><b>0.0</b></td> <td data-bbox="1234 462 1351 493"><b>3.8</b></td> </tr> <tr> <td data-bbox="513 501 906 567">Less estimated Commonwealth contributions</td> <td data-bbox="912 501 1013 533">2.83</td> <td data-bbox="1019 501 1120 533">0.97</td> <td data-bbox="1127 501 1227 533">0.0</td> <td data-bbox="1234 501 1351 533">3.8</td> </tr> <tr> <td data-bbox="513 575 906 640">Balance of non-Commonwealth contributions</td> <td data-bbox="912 575 1013 606">0.00</td> <td data-bbox="1019 575 1120 606">0.0</td> <td data-bbox="1127 575 1227 606">0.0</td> <td data-bbox="1234 575 1351 606">0.0</td> </tr> </tbody> </table>	(\$ million)	2024-25	2025-26	2026-27	Total	<b>Estimated total budget</b>	<b>2.83</b>	<b>0.97</b>	<b>0.0</b>	<b>3.8</b>	Less estimated Commonwealth contributions	2.83	0.97	0.0	3.8	Balance of non-Commonwealth contributions	0.00	0.0	0.0	0.0
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<p>Additional terms</p>	<p><b>Funding</b></p> <ol style="list-style-type: none"> <li>Total funding from the Commonwealth to New South Wales under this Schedule will be up to a maximum of \$3.8 million (GST exclusive) with any project costs above this amount provided by New South Wales.</li> <li>Funding is provided to the following sub-projects/activities: <ul style="list-style-type: none"> <li>Murrumbidgee Irrigation feasibility projects \$3,538,000</li> <li>NSW Project administration costs \$ 262,000</li> </ul> </li> </ol> <p><b>Financial Reporting statements</b></p> <ol style="list-style-type: none"> <li>New South Wales will provide an income and expenditure report containing a statement of payments and receipts in respect of any activities. The report is to be certified by a person undertaking the role of Chief Financial Officer of the organisation (or a comparable role) and must include a statement that the financial accounts are true and fair.</li> </ol> <p><b>Governance</b></p> <ol style="list-style-type: none"> <li>Project Control Group meetings will be held for the NSW Murrumbidgee Irrigation Feasibility Projects with New South Wales and any project partners at least every two months. The Commonwealth will participate as an observer and as a funding partner but will not participate in decisions on project implementation. New South Wales will arrange for a written progress report to support these meetings and provide to all participants prior to the meeting. The report should demonstrate progress since the last meeting and identify activities planned for the period up to the next meeting.</li> </ol>																				

5. Through New South Wales's existing project governance arrangements, New South Wales will notify the Commonwealth should any matters arise that would inhibit complete and timely delivery of the NSW Murrumbidgee Irrigation Feasibility Projects.

**Project Terms**

6. New South Wales will be responsible for all aspects of delivering on the approved outputs as set out in the schedule.
7. New South Wales will report outside this schedule to Resilient Rivers Water Infrastructure Program agreed governance committees.
8. Activities undertaken from funding within the schedule must be aligned to NSW Murrumbidgee Irrigation Feasibility Projects activities that will assist New South Wales and proponents to make application/s to the Resilient Rivers Water Infrastructure Program. Programs and/or projects should have genuine chance of leading to projects that can provide water recovery to the Commonwealth before 31 December 2027 through Efficiency Measures.
9. The feasibility report is to be finalised before 27 June 2025 and if a feasible project has been identified then an application is to be submitted under the Resilient Rivers Water Infrastructure Program before the 27 June 2025 deadline.

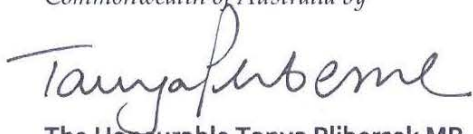
<b>Table 2: Performance requirements, reporting and payment summary</b>		
<b>Performance milestones for New South Wales</b>	<b>Report due</b>	<b>Payment</b>
<b>Murrumbidgee Irrigation Channel Piping, Lining and Covering Feasibility</b>		
<p>Milestone 1 – Project commencement</p> <p>Commonwealth acceptance of a Report detailing:</p> <ul style="list-style-type: none"> <li>Engagement of the project manager and associated project management resources</li> <li>Commonwealth-State governance arrangements for the project have been established</li> <li>Monthly project control group meetings scheduled with Terms of Reference drafted</li> <li>Current Risk Management Assessment and Management Plan</li> <li>Current Stakeholder Register</li> <li>Current Project Management Plan</li> </ul>	<p>Within 30 days of execution of agreement</p>	<p>\$1,440,000</p>
<p>Milestone 2 – Final Report</p> <p>Commonwealth acceptance of a final report that includes:</p> <ul style="list-style-type: none"> <li>Chief Financial Officer (or comparable role) certified income and expenditure report for the project</li> <li>Overall evaluation and findings of the project (including options explored for achieving water savings and value for money along with their benefits and disbenefits)</li> <li>Independently verified water savings methodology</li> <li>Risk reporting – this also includes a finalised risk register for the feasibility project with risks closed out as appropriate</li> <li>Supporting information/reports from the feasibility that would inform a full project application (e.g., reports, site surveys, plans, detailed designs, detailed costings, schematics, hydraulic modelling, geotechnical engineering assessments, photographs, project risk assessment, media releases, analysis of approvals and licensing requirements, lessons learned)</li> <li>Evidence of an application submitted under the Resilient Rivers Water Infrastructure Program before the 27 June 2025 deadline if the project was found feasible</li> </ul>	<p>14/07/2025</p>	<p>Actual expenditure for the project up to a maximum of \$500,000</p>
<b>Barren Box Channel Feasibility</b>		
<p>Milestone 1 – Project commencement</p> <p>Commonwealth acceptance of a Report detailing:</p> <ul style="list-style-type: none"> <li>Engagement of the project manager and associated project management resources</li> <li>Commonwealth-State governance arrangements for the project have been established</li> <li>Monthly project control group meetings scheduled with Terms of Reference drafted</li> <li>Current Risk Management Assessment and Management Plan</li> <li>Current Stakeholder Register</li> </ul>	<p>Within 30 days of execution of agreement</p>	<p>\$1,390,000</p>

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<ul style="list-style-type: none"><li>• Current Project Management Plan</li></ul>		
<p>Milestone 2 – Final Report</p> <p>Commonwealth acceptance of a final report that includes:</p> <ul style="list-style-type: none"><li>• Chief Financial Officer (or comparable role) certified income and expenditure report for the project</li><li>• Overall evaluation and findings of the project (including options explored for achieving water savings and value for money along with their benefits and disbenefits)</li><li>• Independently verified water savings methodology</li><li>• Risk reporting – this also includes a finalised risk register for the feasibility project with risks closed out as appropriate</li><li>• Supporting information/reports from the feasibility that would inform a full project application (e.g., reports, site surveys, plans, detailed designs, detailed costings, schematics, hydraulic modelling, geotechnical engineering assessments, photographs, project risk assessment, media releases, analysis of approvals and licensing requirements, lessons learned)</li><li>• Evidence of an application submitted under the Resilient Rivers Water Infrastructure Program before the 27 June 2025 deadline if the project was found feasible</li></ul>	14/07/2025	Actual expenditure for the project up to a maximum of \$470,000

The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by



**The Honourable Tanya Plibersek MP**  
Minister for the Environment and Water

[Day] [Month] [Year]

13 2 25

Signed for and on behalf of the State of New South Wales by



**The Honourable Rose Jackson MLC**  
Minister for Water

[Day] [Month] [Year]

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