

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 provide safe and reliable water for regional and remote communities, generate public benefit through productive water use and build resilience while protecting the environment and cultural heritage. 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 Investment Framework), the Program Administration Manual for the National Water Grid Fund, the Indigenous Employment and Supplier-Use Water Infrastructure 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.

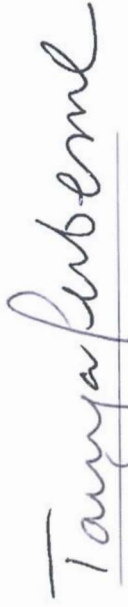
Funding arrangements	<i>Capital works</i> The Commonwealth may offer a combination of funding and finance of up to 50 per cent of the project's total capital costs for delivery. Where the Commonwealth deems a project to be transformational in nature or where a specific policy need has been identified, the Commonwealth may, at its sole discretion, offer more than 50 per cent funding for an eligible project. <i>Development funding</i> 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. <i>Project cost savings</i> 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 Investment Framework and the objectives of this Schedule.
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	In addition to the requirements set out in clause 21 of the Federation Funding Agreement for Infrastructure, States agree to: (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, in consultation with relevant Treasury 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 581ML of water per annum for downstream irrigators and stock watering.	\$51,224,000	\$88,776,000
Nyngan to Cobar Pipeline – Stage 1 Pump Station Replacement	The project will replace and upgrade Nyngan, Hermidale, and Cobar Storage pump stations. Nyngan Pump Station failed in 2019 and is not economically viable to repair. Hermidale Pump Station is in partial failure and Cobar Storage Pump Station is at the end of its useable life.	\$22,750,000	\$22,750,000
NSW Connections Funding Pathway Package	Construction of the following projects: • Walcha Off-Stream Water Storage • West Wyalong Water Reliability Project (Completed). • Urbenville Water Supply Project.	\$10,546,600	\$19,788,227
Far West Water Treatment Plants	The project will construct three new Water Treatment Plants (WTPs) in Wilcannia, Ivanhoe and White Cliffs. These new WTPs will replace the current inadequate infrastructure servicing the three communities. The project will also construct a new reticulation system, drinking water reservoir, raw water mains and increased drought storage in White Cliffs.	\$10,000,000	\$11,500,000
Lostock Dam to Glennies 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 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	\$2,500,000
Tamworth Advanced Water Treatment Plant Detailed Business Case	The Detailed Business Case will investigate an advanced water treatment plant. The proposed project could recycle wastewater of industry users up to 12 ML/day and it is anticipated that 95 per cent of wastewater can be treated. Local industry uses approximately 40 per cent of Tamworth's water supply. This water recycling could reduce the demand on potable, community water supplies by up to 25 per cent.	\$3,000,000	\$3,000,000

Macquarie-Wambuul Water Security Project Detailed Business Case 2024	The Detailed Business Case will investigate three infrastructure options to increase water security in the Macquarie-Castlereagh region. The options include: - repurposing flood mitigation storage in Burrendong Dam for urban water supply; - replacing the existing Gin Gin Weir, and/or; - constructing a new regional pipeline(s) connecting Dubbo to Nyngan and other NSW regional towns. The project will identify a preferred option and output a project delivery plan.	\$4,675,000	\$4,675,000
Belubula Water Security Project Detailed Business Case 2024	The Detailed Business Case will investigate options to increase water storage capacity in the Belubula Valley. These options include: - raise Lake Rowlands Dam; - construct a new transfer pipeline between Lake Rowlands Dam and Carcoar Dam; - a new dam downstream from Lake Rowlands Dam, and; - connecting the Belubula and Macquarie valleys through an interregional pipeline. The project will identify a preferred option and output a project delivery plan.	\$3,850,000	\$3,850,000
Nyngan to Cobar Pipeline Detailed Business Case (Complete)	The Detailed Business Case assessed the benefits of upgrading the 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
Macquarie / Wambuul Water Security Project Detailed Business Case (Cancelled)	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 / Wambuul 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.	\$2,000,000	\$1,362,591
Belubula Water Security Project Detailed Business Case (old) (Cancelled)	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.	\$1,000,000	\$1,669,990
	Total Project contributions	\$121,145,600	\$162,071,808

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	
	Total Science Project contributions	\$1,269,280	\$560,000	

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Tanya Plibersek MP
Minister for the Environment and Water

27/6/2024

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



The Honourable Rose Jackson MLC
NSW Minister for Water, Minister for Housing, Minister for Homelessness, Minister for Mental Health, Minister for Youth, and Minister for the North Coast

13/8/2024

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 (\$)	2021-2022 (and prior)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Estimated total budget	27,741,885	59,295,629	74,664,553	90,225,612	12,425,000	1,250,000	0	265,602,679
Eurobodalla Southern Storage	1,280,000	8,960,000	10,240,000	30,744,000	0	0	0	51,224,000
Nyngan to Cobar Stage 1 – pump station replacement	0	1,050,000	2,500,000	15,000,000	3,450,000	750,000	0	22,750,000
Connections Funding Pathway	3,938,700	3,639,500	0	2,968,400	0	0	0	10,546,600
Far West Water Treatment Plants	0	0	0	7,500,000	2,000,000	500,000	0	10,000,000
Lostock Dam to Glennies Creek Dam Pipeline Detailed Business Case	4,700,000	3,400,000	1,000,000	2,000,000	0	0	0	11,100,000
Tamworth Advanced Water Treatment Plant Detailed Business Case	0	0	0	2,500,000	500,000	0	0	3,000,000
Macquarie-Wambool Water Security Project Detailed Business Case 2024	0	0	0	3,250,000	1,425,000	0	0	4,675,000
Belubula Water Security Project Detailed Business Case 2024	0	0	0	3,000,000	850,000	0	0	3,850,000
Nyngan to Cobar Pipeline Detailed Business Case (completed)	800,000	200,000	0	0	0	0	0	1,000,000
Macquarie / Wambool Water Security Project Detailed Business Case (cancelled)	2,000,000	0	0	0	0	0	0	2,000,000
Belubula Water Security Project Detailed Business Case (cancelled)	1,000,000	0	0	0	0	0	0	1,000,000
Managed Aquifer Recharge (MAR) opportunities for agriculture in NSW	20,000	20,000	60,000	40,000	0	0	0	140,000
Improving understanding of groundwater sustainability and renewability using isotope hydrochemistry	30,000	32,500	62,500	62,713	0	0	0	187,713
Improving groundwater supply security for agriculture and primary industries through better understanding of groundwater flow in the GAB.	197,099	137,113	88,143	519,212	0	0	0	941,567
Balance of non-Commonwealth contributions	17,273,600	40,988,875	62,317,605	37,801,728	3,250,000	0	0	161,631,808

Table A3: New South Wales - Performance requirements, reporting and payment summary			
Output (Project)	Performance milestones	Milestone due	Payment
Eurobodalla Southern Storage	Milestone 1 – Evidence of establishment of an appropriate governance structure for the Projects including: • 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
	Milestone 2 – Completion of construction works for Tuross River Pump Station. Storage construction component Design and Construction – Tender awarded.	16 December 2022	\$6,400,000
	Milestone 3 – Completion of the Biodiversity Offset Strategy	1 June 2023	\$2,560,000
	Milestone 4 – Completion of the design and construction of the power supply upgrade. Completion of the Embankment Foundations, including stripping, grouting and preparation.	10 May 2024	\$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). Completion of the construction access road. Provision of a progress report and financial update.	31 July 2024	\$15,360,000
	Milestone 6 – 75 per cent completion of zoned earth and rockfill embankment. Provision of a progress report and financial update.	30 September 2024	\$7,680,000
	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). Provision of a financial update.	30 November 2024	\$6,704,000
	Milestone 8 – Acceptance by the Australian Government of the Project Completion Report.	28 February 2025	\$1,000,000

Nyngan to Cobar Pipeline- Stage 1 - Pump Station Replacement	Milestone 1 – Submission and acceptance of a Project Management Plan. Submission of a Procurement Plan for the Pump Station contract. Concept Design and Review of Environmental Factors- Contract Award	30 April 2023	\$1,050,000
	Milestone 2 – Submission and acceptance of an Indigenous Participation Plan. Completion of Concept Design and provision of the procurement plan. Completion of Aboriginal Cultural Heritage Management Plan Completion of Biodiversity Development Assessment Report	2 November 2023	\$2,500,000
	Milestone 3 – Pump station Construction Contract – Tender Awarded Progress report on indigenous, community, and stakeholder engagement and a financial update.	19 July 2024	\$10,000,000
	Milestone 4 – Commencement of the main construction of the pumping stations in accordance with project management documentation. Possession of site issued to Principal Contractor. Provision of a progress report and financial update.	15 November 2024	\$5,000,000
	Milestone 5 – Submission of the Commissioning Plan following approval by the Project Technical Working Group. Completion of new switchboard. Provision of a progress report and financial update.	1 December 2025	\$3,450,000
	Milestone 6 – Acceptance of the Practical Completion report by the Australian Government. Completion of Project Commissioning (dry and wet commissioning).	1 September 2026	\$750,000
Connections Funding Pathway Package	Milestone 1 – Written confirmation of the details of the NSW Connections Package, including: • 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: • 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. 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.	30 April 2023	\$3,639,500
		31 March 2025	\$2,968,400
Far West Water Treatment Plants	Milestone 1 – Submission of Project Execution Plan; and • 10.4km of White Cliffs reticulation pipe network installed • Submission of an Indigenous Participation Report • Progress report on White Cliffs Water Treatment Plant construction	12 December 2024	\$2,500,000
	Milestone 2 – Completion of White Cliffs Water Treatment Plant and drinking water supply. • Progress reports on the construction of the Ivanhoe and Wilcannia Water Treatment Plants and a financial update.	30 April 2025	\$5,000,000
	Milestone 3 – Completion of Ivanhoe and Wilcannia Water Treatment Plants, provision of a financial update.	31 Mar 2026	\$2,000,000
	Milestone 4 – Acceptance of a Project Completion Report by the Australian Government.	31 July 2026	\$500,000
Lostock Dam to Glennies Creek Dam Pipeline Detailed Business Case	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
	Milestone 3 – Completion of Planning Approval Strategy. Completion of Hydrological modelling. Commencement of Concept Design.	30 November 2022	\$3,400,000

	Milestone 4 – Completion of Concept Design. Commencement of Planning Approvals Development. Completion of Environmental Reports (for design work)	30 April 2024	\$1,000,000
	Milestone 5 – Submission of a draft Detailed Business Case including a Cost Benefit Analysis for consultation with the Australian Government.	30 September 2024	\$1,000,000
	Milestone 6 – Acceptance by the Australian Government of the Detailed Business Case and Project Completion Report.	30 November 2024	\$1,000,000
Tamworth Advanced Water Treatment Plant Detailed Business Case	Milestone 1 – Completion of a Project Management Plan, including detail on key deliverables, timelines, financials and a Project Governance Framework and Risk Management Plan.	31 July 2024	\$500,000
	Milestone 2 – Acceptance of Progress Report detailing the status of delivery, including completion of Community and Stakeholder Engagement Plan and Procurement Strategy.	30 September 2024	\$750,000
	Milestone 3 – Acceptance of Progress Report detailing the status of delivery, including commencement of field investigation, preliminary design, and planning reports.	12 December 2024	\$750,000
	Milestone 4 – Acceptance of Progress Report detailing the status of delivery, including summary of initial findings of preliminary design and value for money assessment.	28 February 2025	\$500,000
	Milestone 5 – Acceptance by the Australian Government of the Detailed Business Case, including evidence of review and acceptance through Infrastructure NSW Gate 2 process.	25 September 2025	\$500,000
Macquarie-Wamboil Water Security Project Detailed Business Case 2024	Milestone 1 – Completion of a project delivery plan, including detail on key deliverables, timelines, management, governance, financials and risks.	31 July 2024	\$250,000
	Milestone 2 – Acceptance of Progress Report detailing the status of delivery, including technical reports, stakeholder engagement and financial update.	31 October 2024	\$2,000,000
	Milestone 3 - Acceptance of Progress Report detailing the status of delivery, including updated project reports and value for money assessment.	28 February 2025	\$1,000,000
	Milestone 4 – Submission of draft Detailed Business Case, including - Detailed design and planning approval strategy - Detailed Risk Register - Detailed Cost Plan - Detailed Economic and Cost Benefit Analysis - Environmental and Sustainability Management Plan and biodiversity assessment. - Procurement and Delivery Strategy Provision of a financial update.	31 July 2025	\$925,000

	Milestone 5 – Submission of the final Detailed Business Case, including identification of a preferred option for progression. Evidence of review and acceptance through Infrastructure NSW Gateway 2 process.	12 February 2026	\$500,000
Belubula Water Security Project Detailed Business Case 2024	Milestone 1 – Completion of a project delivery plan, including detail on key deliverables, timelines, management, governance, financials and risks.	31 July 2024	\$500,000
	Milestone 2 – Acceptance of Progress Report detailing the status of delivery, including technical reports, stakeholder engagement and financial update.	12 December 2024	\$1,500,000
	Milestone 3 - Acceptance of Progress Report detailing the status of delivery, including an options report.	30 April 2024	\$1,000,000
	Milestone 4 – Submission of draft Detailed Business Case, including • Detailing design and planning approval strategy. • Detailed Risk Register • Detailed Cost Plan • Detailed Cost Benefit Analysis • Environmental and Sustainability Management Plan and biodiversity assessment • Procurement and Delivery Strategy Provision of a financial update.	17 October 2025	\$500,000
	Milestone 5 – Submission of the final Detailed Business Case, including identification of a preferred option for progression. Evidence of review and acceptance through Infrastructure NSW Gateway 2 process.	30 April 2026	\$350,000
Nyngan to Cobar Pipeline (Complete)	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
Macquarie / Wambuul Water Security Project Detailed Business Case (Cancelled)	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

Belubula Water Security Project Detailed Business Case (Cancelled)	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
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Table A4: New South Wales - Performance requirements, reporting and payment summary			
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	29 April 2022	\$20,000
	Milestone 2 – Acceptance of Project plan	30 November 2022	\$20,000
	Milestone 3 – Acceptance of Draft project report	14 June 2024	\$60,000
	Milestone 4 – Acceptance of Final Report	31 July 2025	\$40,000
Improving understanding of groundwater sustainability and renewability using isotope hydrochemistry	Milestone 1 – Acceptance of Project Plan	29 April 2022	\$30,000
	Milestone 2 - Acceptance of Mid-research report	28 February 2023	\$32,500
	Milestone 3 - Acceptance of Final research report	14 June 2024	\$62,500
	Milestone 4 - Acceptance of Final project report	15 July 2024	\$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	30 May 2022	\$197,099
	Milestone 2 – Acceptance of field results from completion of the initial field survey including sample submission to various laboratories	28 April 2023	\$137,113
	Milestone 3 – Acceptance of field results from completion of the second field survey including sample submission to various laboratories	14 June 2024	\$88,143
	Milestone 4 – Acceptance of data analysis including preliminary laboratory results	15 July 2024	\$155,676
	Milestone 5 – Acceptance of Progress Report on the preliminary data analysis	31 October 2024	\$50,808
	Milestone 6 – Acceptance of Draft Final Report for GAB	30 November 2024	\$255,370
	Milestone 7 – Acceptance of Final Report for GAB	31 January 2025	\$57,358