

9 March 2018

The Department of Natural Resources & Energy  
Acting General Manager, Water Planning & Regulation  
1 William Street, Brisbane  
Po Box 15216, City East, Queensland, 4002

By Hand Delivery & Email: david.shankey@dnrm.qld.gov.au

Dear Sir,

I refer to the Urannah Dam feasibility study under the National Water Infrastructure Development Fund (NWIF) and State Funding Deed with the State of Queensland being the formal arrangements for BCE to deliver the study.

This letter attaches the State with Milestone 1 of the Funding Deed. It also seeks the approval of our independent Project Manager, HIC as required under the Funding Deed.

We also include our tax invoice in the correct format for payment of Milestone 1 in accordance with the Funding Deed.

If there are immediate questions, please don't hesitate to contact our office.

Sincerely,

Bowen Collinsville Enterprise Association.

Attached:

Three (3) hard copies of the Project Implementation Plan (PIP) – Milestone 1.

Document Transmittal:

Hand Delivery to \_\_\_\_\_

\_\_\_\_\_  
Received by (insert name)

\_\_\_\_\_  
Signed

**BOWEN COLLINSVILLE ENTERPRISE GROUP INC**

C/ 14 Tynwald Ave, Bowen, 4805

**ABN 74 284 284 577**

Invoice No : Urannah - #1

Date : 5/03/2018

Bill To:

**State of Queensland acting through the Department of  
Natural Resources, Mines & Energy.**

**ABN 59 020 847 551**

Level 8, 1 William Street, Brisbane, Qld, 4000

Contact Officer: Grant Horton 07 3166 0157

Item	Description	Price
1	Project Implementation Plan Milestone 1 due 28 February 2018 (submitted on 9 March 2018 by mutual agreement under Clause 4.1 (iv)).	<b>\$600,000</b>
	GST	60,000
	<b>TOTAL</b>	<b>660,000</b>

Make all checks payable to BOWEN COLLINSVILLE ENTERPRISE GROUP INC **or direct deposit to:**



# ***Urannah Dam***

**Project Implementation Plan**

*National Water Infrastructure Development Fund*



# Urannah Dam Project Implementation Plan

Document number:003.07.43\_UD\_PIP

This study is supported by funding from the Australian Government National Water Infrastructure Development Fund, an initiative of the Northern Australia and Agricultural Competitiveness White Papers.

For further information please contact:

**Bowen Collinsville Enterprise Inc - Paul McLaughlin**

**Position: Chairperson BCE**

**Email: [paul@rosebayresort.com.au](mailto:paul@rosebayresort.com.au)**

This document is licensed under a Creative Commons Attribution Non-Commercial 2.5 Australia licence. To view a copy of this licence, visit <http://creativecommons.org/licenses/by-nc/2.5/au/>

You are free to copy, communicate and adapt the work for non-commercial purposes, as long as you attribute the authors.

Preferred citation: **Urannah Project Implementation Plan**, Queensland Government, Brisbane.

Document History:

Revision number	Description	Date	Reviewer	Approved for issue	
			Name	Position	Name
A	Handover Document	14 Feb 18			
B	First Draft	28 Feb 18	HIC	Project Manager	KH
O	Issue to DEWS	8 Mar 18	BCE	Board	PM

# CONTENTS

<b>1</b>	<b>INTRODUCTION</b>	<b>4</b>
1.1	The Proponent	4
1.2	Historical Context	4
1.3	Related Documents	6
<b>2</b>	<b>SCOPE OF WORK</b>	<b>9</b>
2.1	High Level Scope	9
2.2	Exclusions	10
2.3	Detailed Work Breakdown Structure	10
2.3.1	High Level WBS	10
2.4	Outline of Strategic Business Case	11
2.4.1	Layout of Strategic Business Case	11
2.5	Outline of Preliminary Business Case	11
2.5.1	Confirmation of Policy Need (Investment Logic Map)	12
2.5.2	Shortlisted Options	12
2.5.3	Layout of Preliminary Business Case	12
<b>3</b>	<b>OBJECTIVES</b>	<b>14</b>
3.1	Primary Requirement	14
3.2	Goals and Expectations	14
<b>4</b>	<b>ORGANISATION AND RESPONSIBILITIES</b>	<b>15</b>
4.1	Overview	15
4.2	Roles and Responsibilities	16
4.2.1	Bowen Collinsville Enterprise (BCE)	16
4.2.2	Independent Project Manager (PM)	16
4.3	Project Controls Group	16
4.3.1	Project Team	16
4.3.2	Authority Level	17
<b>5</b>	<b>PROGRAMME</b>	<b>18</b>
5.1	Primary Requirement	18
5.2	Key Dates	18
5.3	Project Schedule	18
<b>6</b>	<b>PROJECT EXECUTION</b>	<b>19</b>
6.1	Strategy	19
6.2	Methodology	19
6.3	Resources	19
6.4	Interfaces	19
6.5	Subcontracting	20
6.6	Review and Monitor	20
<b>7</b>	<b>PROJECT CONTROL</b>	<b>21</b>
7.1	General	21
7.2	Work Breakdown Structure	21

7.3	Cost	21
7.4	Time	22
7.5	Risk Management	22
7.6	Quality	22
7.7	Document Control	22
7.8	Reporting	23
7.9	Contingency Management	23
7.10	Procurement	23
<b>8</b>	<b>STAKEHOLDER ENGAGEMENT</b>	<b>24</b>
<b>9</b>	<b>PROJECT BUDGET</b>	<b>25</b>
9.1	Work Break Down Structure	25
9.2	Budget Allocation	25
9.3	Total Budget Summary	25
<b>10</b>	<b>SAFETY MANAGEMENT</b>	<b>26</b>
<b>11</b>	<b>ENVIRONMENT</b>	<b>26</b>
<b>12</b>	<b>APPENDIX A – GRANT DEED</b>	<b>27</b>
<b>13</b>	<b>APPENDIX B – BUDGET ESTIMATE &amp; WORK-BREAK DOWN</b>	<b>28</b>

Table 1 - Background References.....	7
Table 2 - High Level Work Break Down .....	10
Table 3 - Authority Levels.....	17
Table 4 - Key Delivery Dates.....	18
Table 5 - Stakeholder Level of Participation & Methods .....	24
Table 6 - Key Stakeholders .....	24
Table 7 - Budget Allocation .....	25
Figure 1 - Location.....	4
Figure 2 - Topographic Location .....	5
Figure 3 - Dam Study Area.....	6

# 1 INTRODUCTION

## 1.1 The Proponent

The Urannah Dam feasibility study is an approved project under the National Water Infrastructure Development Fund (NWIDF) is being conducted by the Bowen Collinsville Enterprise Association (BCE). As the NWIDF is a funding initiative of the Australian Government, the funds must pass through the administration functions of the Queensland Government. BCE has entered into a Funding Deed (the Deed) with the Department of Natural Resources, Mines and Energy (DNRM).

The Urannah Dam (Figure 1) has been a project of interest since first studied in 1954 and BCE have progressed this project as an economic catalyst for the region which as led to the approval of this study.

## 1.2 Historical Context

Significant efforts in previous studies have tried to link water use to large scale economic users. The major fluctuations of resources and agricultural investments with favourable market conditions made it difficult to justify further water resources in the region. This study looks to capture all previous data and combine the market opportunities of regional investment to prove a greater opportunity for a regional scale water source. The project is show contextually and geographically in Figure 1 - Location and Figure 2 - Topographic Location.

BCE will combine large scale agricultural arbitrage, and renewable energy initiatives in studying the dam site to re-examine the merits of the large water source. Other drivers such as the development of the Galilee Basin and the need for water sources that promote upstream agriculture with lessor soil runoff impacts in catchments will support the study scope.

Figure 1 - Location

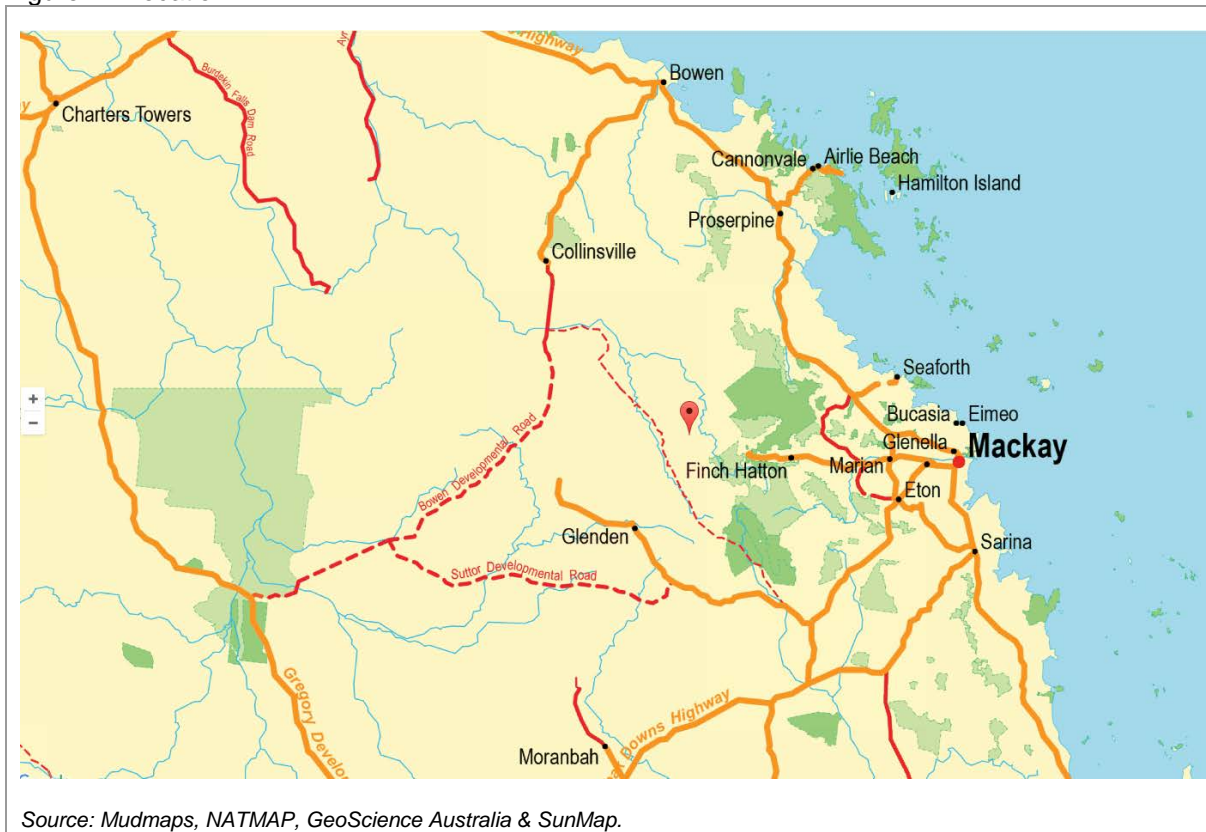


Figure 2 - Topographic Location



Source: Mudmaps, NATMAP, GeoScience Australia & SunMap.

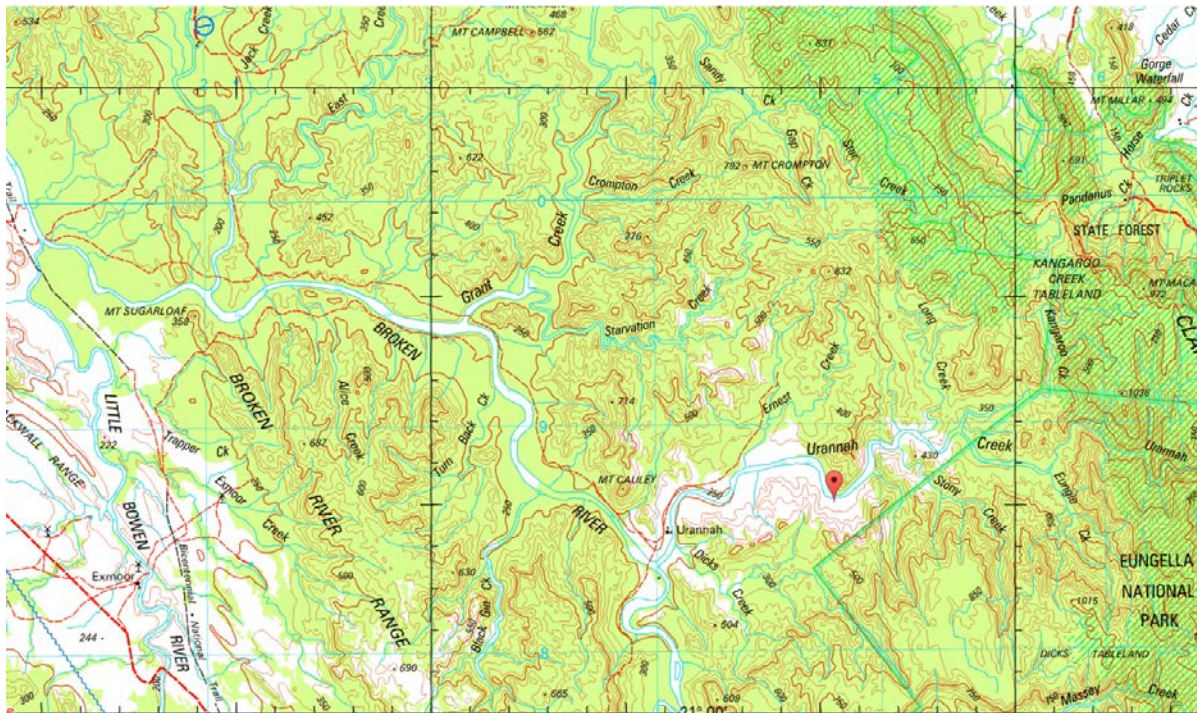
Previous assessments indicated the economic viability of the dam and confirmed that the dam would have acceptable social impact<sup>1</sup>. These assessments also found that environmental impacts could be effectively managed. The 2001 Burdekin Basin Catchment Study<sup>2</sup> undertaken by the Queensland Government identified Urannah Dam as the most viable water storage option in the entire Burdekin Catchment.

<sup>1</sup> Connell Wagner, *The Urannah Scheme*, 1996

<sup>2</sup> 2001 Burdekin Basin Catchment Study



Figure 3 - Dam Study Area



Source: Mudmaps, NATMAP, GeoScience Australia & SunMap.

The Burdekin Water Resource Plan allocated 150,000 mega litres for development of water infrastructure in the Bowen/Broken Catchment, which approximates the yield of the proposed Urannah Dam. Provisions for the future development of the Urannah project have already been made through the process of the Water Resource Plan (WRP)<sup>3</sup>.

In September 2014, the Federal Parliamentary Committee inquiring into the development of Northern Australia recommended the Australian Government give priority to the development and funding of proposals for sustainable dam projects with strong cost-benefit cases. The Committee singled out the Urannah Dam as one such proposal.

This Project Implementation Plan (PIP) outlines at a high level the objectives, processes and strategies that will be employed to manage the project to undertake a Preliminary Business Case in accordance with Building Queensland project assurance framework (PAF).

### 1.3 Related Documents

The investigation of a proposed dam on the Broken River commenced in the 1960's and several studies have been completed since that time. The studies included an understanding of the yield of the dam, the siting and engineering solution of the structure, preliminary costings and the demand for water and availability of agricultural land for irrigation purposes.

The studies that have been completed form part of the background information to the project are show in Table 1.

<sup>3</sup> DNRM, *Report on Additional Water Supply Proposals for the Don River / Euri Creek Basin*, 1997

Table 1 - Background References

No	Year	Title
1	1957	Report on the proposed upper Broken River Hydro-electric power scheme / by E.M. Shepherd. (1957) General 621.312134 SHE 1957
2	1966	Isbell R.F. 1966, Soils of the East Bald Hills Area, Collinsville District, North
3	1968	Venz B 1968, Soils and Land capability of the Bowe/Broken Rivers Region, unpublished draft report and maps to the QDPI.
4	1968	Draft copy of report on preliminary investigations into the Broken River damsite at 22.4m / [prepared by Snowy Mountains Hydro- electric Authority]. (1968) Stack 627.81099436 BRO 1968
5	1969	Snowy Mountains Hydro-Electric Authority 1969, A Report on Preliminary Investigations into the Broken River Damsite at 22.4M.
6	1969	A report on preliminary investigations into the Broken River damsite at 3.0m / prepared by Snowy Mountains Hydro-electric Authority. (1969) Stack 627.81099436 BRO 1969
7	1973	Bowen - Broken Rivers region land capability / produced by the Division of National Mapping, Department of Minerals and Energy Canberra for the Bureau of Agricultural Economics Department of Primary Industry. (1973) General 333.7099436 AUS 1973
8	1974	Department of Northern Development 1974, Burdekin Basin Development-Urannah Dam and Clare Weir Project, Queensland.
9	1974	Burdekin Basin development : Urannah Dam and Clare Weir Project Queensland : a report on a proposal to develop the water resources of the Broken, Bowen and Burdekin Rivers in the Burdekin Basin, North Queensland. (1974) General 333.913 AUS 1974
10	1975	Report to Irrigation and Water Supply Commission re Burdekin Basin Study revision of cost of access to Urannah, Burdekin Falls, Leichhardt and Blue Valley Dam sites / prepared by Ullman & Nolan. (1975) Stack 627.81099436 BUR 1975
11	1975	Report to Irrigation and Water Supply Commission re Burdekin Basin Study revision of cost of access to Urannah, Burdekin Falls, Leichhardt and Blue Valley Dam sites / prepared by Ullman & Nolan. (1975) Stack 627.81099436 BUR 1975 In
12	1976	Snowy Mountains Engineering Corporation 1976, Pre-Feasibility Study for Enlargement of Urannah Dam, Report for the QWRC
13	1976	Pre-feasibility study for enlargement of Urannah Dam / prepared by Snowy Mountains Engineering Corporation. (1976) Stack 627.81099436 SNO 1976
14	1977	Burdekin Project Committee 1977, Resources and Potential of the Burdekin River. (also known as Resources and potential of the Burdekin River Basin, Queensland / Commonwealth/State Burdekin Project Committee. (1977) Stack 333.7099436 BUR 1977)
15	1978	Snowy Mountains Engineering Corporation 1978, Staged Construction of Urannah Scheme
16	1978	Broken River 36 km Urannah Dam site geology : appraisal report / R. Purser. (1978) Departmental Reports (Archive) 627.81099436 URA 1978
17	1978	Urannah Dam site seismic refraction survey / by J.E. Doherty. (1978) Mines REC Other branch
18	1980	Queensland Water Resources Commission 1980, Source of Water Supply Supply Report, Proposed Coal Export Studies-Collinsville and Newlands, report for the Collinsville Coal Company
19	1980	Broken - Bowen - Burdekin Rivers system reanalysis / W.D. Weeks. (1980) Departmental Reports (Archive) 551.483099436 WEE 1980
20	1981	Basin 120 Broken River Eungella Dam flood studies / K. Brauer. (1981) Departmental Reports (Archive) 551.489099436 BRA 1981
21	1990	Irwin M.J. 1990, Bowen Area, Don River and tributaries : Report on preliminary investigations for the Menilden Creek Dam site – 0.6 km. Departmental Reports (Archive) 627.81099436 DON 1990 1 Copy Not For Loan
22	1995	Department of Primary Industries 1995, Water Supply from Eungella Dam for Central Queensland Coalfields. Departmental Reports (Archive) 627.81099436 QIF 1995 1 Copy Not For Loan

No	Year	Title
23	1996	Connell Wagner 1996, The Urannah Scheme, Report to the Mackay Tourism 627.81099436 URA 1996 1 Copy Available List
24	1996	Jensen G.R. 1996, Preliminary Report on Groundwater Investigations, Collinsville, Departmental Reports (Archive) 628.114 MAR 1996 1 Copy Not For Loan List
25	1996	The Urannah Dam scheme. (1996) Stack 627.81099436 URA 1996
26	1997	Department of Natural Resources 1997, Report on Additional Water Supply, Proposals for the Don River/Euri Creek Basin
27	1998	Hyder Consulting 1998, Collinsville Irrigation Soil Survey
28	1999	Sattler P.S. and Williams R.D., The Conservation status of Queensland Bioregional Ecosystems, Department of Environment
29	2002	Palaeozoics of NE Queensland : Broken River region 11-17 July 2002 : Post-5 field excursion guidebook / John A Talent ... [et al.]. (2002) Mines 560.99436 INT 2002

## 2 SCOPE OF WORK

### 2.1 High Level Scope

The project scope of work includes the following major activities which is guided by the State Funding Deed and the Building Queensland Framework for Business Cases:

- Milestone 1 – Delivery of a Project Plan (this document)
  - Determine and set up governance model
  - A literature review of all previous studies
  - A gap analysis of the work undertaken to date and the work required to fulfil the needs of a Preliminary Business Case in accordance with Building Queensland Business Case Framework.
- Milestone 2 – Delivery of a Strategic Business Case
  - Conducting initial research to understand the background and context of the identified problem or opportunity through investment logic mapping
  - Identifying potential stakeholders to understand their perspectives and requirements establishing a shared understanding of the service need
  - Identifying the benefits sought when addressing the service need
  - Identifying strategic responses and business changes necessary to achieve the benefits sought and address the service need
  - Identifying potential initiatives
- Milestone 3 – Delivery of Detailed Technical Studies
  - Market and Customer Studies
  - Hydrological model
  - Dam siting and geotechnical assessment
  - Engineering assessment and scoping document
  - Capital cost and operating estimate
  - Initial Advice Statement on environmental matters
  - Risk assessment and register
- Milestone 4 – Delivery of a draft Preliminary Business Case
  - Approvals strategy
  - Market sounding on the demand of water and additional irrigated agricultural land
  - Social impact and consultation strategy
  - Financial and economic analysis
  - Preliminary economic analysis
  - Delivery model
  - Scope of work and plan for the activities necessary to reach financial close
- Milestone 5 – Delivery of a Preliminary Business Case

## 2.2 Exclusions

The following items are not part of this scope and in accordance with the Funding Deed conditions:

- Environmental Impact Assessment
- Project Management
- Definitive estimate
- Management of the Property
- Land Acquisitions or other rights including native title
- Retrospective activities (including but not limited to: desktop investigations, site visits, water resource assessments, consultation and engagement or Pre-Feasibility and Feasibility studies that have already been conducted)
- Studies relating to social impacts of lack of water
- Business as usual operation and administration costs, including staffing, of the organisation delivering the Feasibility studies, where undertaking the activity associated with the Pre-Feasibility study would be part of their normal duties.

## 2.3 Detailed Work Breakdown Structure

### 2.3.1 High Level WBS

The following Table 2 outlines the key tasks which are linked to the grant funding milestones.

Table 2 - High Level Work Break Down

WBS	Tasks/ Business Case Chapters
1.1	Project Control Group
1.2	Project Implementation Plan
1.3	Background Literature Review
1.4	Executive Summary
1.5	Introduction/Governance
1.6	Project Background
1.7	Strategic Context
1.8	Need for the Project
1.9	Options Analysis
1.10	Social Impact Evaluation
1.11	Environmental Assessment
1.12	Legal and Regulatory Considerations
1.13	Risk Analysis
1.14	Economic Analysis
1.15	Financial and Affordability Analysis (incl. PSC)
1.16	Market Considerations/ Delivery Model Analysis
1.17	Conclusions
1.18	Implementation Plan (including benefits realisation)
1.19	Recommendations
1.20	Assurance

## 2.4 Outline of Strategic Business Case

The development of a Building Queensland Strategic Business Case (SBC) begins with a problem or opportunity and ends with several initiatives to be considered for further development. The SBC is pre-project and will be the key document in determining whether further investigation of a problem or opportunity is warranted.

This guidance material focuses SBC authors on developing a clear definition of the problem ensuring that any investment addresses the underlying causes of the problem. It concentrates on defining the problem's impacts on the community rather than defining any inadequacy of current assets. It also focuses on benefits that will be realised when the problem is responded to. It arrives at a broad range of options, some of which are likely to be non-asset or low-cost augmentation solutions. The guidance material deliberately focuses SBC authors away from immediately concluding a build or asset solution is required. The SBC is therefore intended to initiate a broad investment discussion encompassing a wide range of options rather than just a built asset-focused solution.

The SBC development is supported by a logic mapping process based on the Investment Logic Mapping (ILM) methodology developed by the Department of Treasury and Finance (Victoria). Building Queensland acknowledges the support of the Department of Treasury and Finance (Victoria) in the development of this Guide.

The most significant modification to the Victorian ILM process is that the Queensland model does not arrive at either a range of options or a preferred option. Instead, it identifies a wide range of initiatives, potentially ranging from non-asset solutions to major capital asset solutions.

The development of a SBC takes place **ahead** of the initiation of a project since it is an output of the PAF Strategic Assessment of Service Requirement (SASR) stage, which is pre-project. An agency, or organisation, should consider developing a SBC where they are considering transitioning activities on an initiative from business-as-usual to a project.

The *SBC Template and Guide* represents one component of Building Queensland's BCDF. The SBC is the primary document used to justify the initiation of a project and the subsequent development of a PBC.

### 2.4.1 Layout of Strategic Business Case

- Cover page
- Document Control page
- Introduction
- Investment Logic Map
- ILM Initiatives Map
- Government Stakeholders
- Further Work and Governance Proposal
- Recommendation
- Appendix (if required).

## 2.5 Outline of Preliminary Business Case

This PIP does not repeat the guideline materials of the Business Case Framework of Building Queensland but outlines the key points for the milestone to deliver.

The purpose of the Preliminary Business Case (PBC) is to:

- confirm the service need or problem (opportunity)
- document how the proposed response contributes to government policy
- scope the proposal providing enough detail so the reader can understand how the problem/opportunity will be responded to
- identify and assess potential options providing the reader with assurance that the most appropriate option is progressed to the Detailed Business Case (DBC) for analysis
- document the economic, social, environmental and financial viability of the shortlisted options which are used for options analysis and to support selection of the preferred option.
- recommend (where appropriate) an option to be considered for detailed assessment in the DBC stage. This provides details on the financial, economic and social viability of the proposed project
- enable the investment decision-maker to decide whether to invest in fully developing a DBC

### **2.5.1 Confirmation of Policy Need (Investment Logic Map)**

The Queensland Government's approach to infrastructure planning recognises that there is typically more than one way to solve a problem. As infrastructure is ultimately built to deliver a service, opportunities for non-asset solutions to problems (such as policy reforms or the better use of existing infrastructure) should be thoroughly explored before asset-based solutions are considered in detail. The SBC will be completed following the Building Queensland SBC template and guide and a range of potential initiatives will be identified and grouped into the following four categories:

- Reform: typically non-asset initiatives
- Better use: typically improving service performance
- Improve existing: typically low cost augmentation
- New: typically new assets.

Consideration of whether any of the initiatives identified in the SBC need to be deleted, modified or added to. Changes, and the justification for the change, will be documented in this section.

### **2.5.2 Shortlisted Options**

This section will provide clear details about:

- the shortlisted options and what they will accomplish (ie objective/s, benefits)
- what the shortlisted options will and will not include (ie scope)
- a description of how the shortlisted options would be implemented.

The description will also provide an explanation of how the shortlisted options will address the problems/opportunities identified.

### **2.5.3 Layout of Preliminary Business Case**

- Executive Summary
- Governance
- Methodology

- Proposal Background
- Problem / Opportunity
- Options Generation
- High Level Considerations Filter
- Sustainability Considerations
- Social Impact Evaluation
- Environmental Assessment
- Economic Analysis
- Cost Benefit Analysis
- Financial and Commercial Analysis
- Risk-Adjusted Financial Net Present Value
- Delivery Model Analysis
- Affordability Analysis
- Selection Options for Further Development
- Conclusions & Resources for Further Development
- Appendices



## 3 OBJECTIVES

### 3.1 Primary Requirement

For the Urannah Dam project to proceed a detailed assessment of the project is required. This will be undertaken in stages with each stage progressing to the next as more project detail is compiled, approvals are given and commitments are made. The intention of the document is to outline the scope required to satisfy the funding deed, the appropriate resources to conduct the works and the decision-making bodies to undertake the works.

### 3.2 Goals and Expectations

The key drivers and desirable outcomes for this project are as follows:

- Each party undertakes to participate in a best for project manner
- Each party agrees to decisions in a professional manner
- The work is undertaken in a safe manner
- The deliverables are undertaken in a timely way and of acceptable quality
- The work builds on existing information and lays the foundations for the next stage of work to progress the project
- That each party is culturally appreciative and respectful to each other

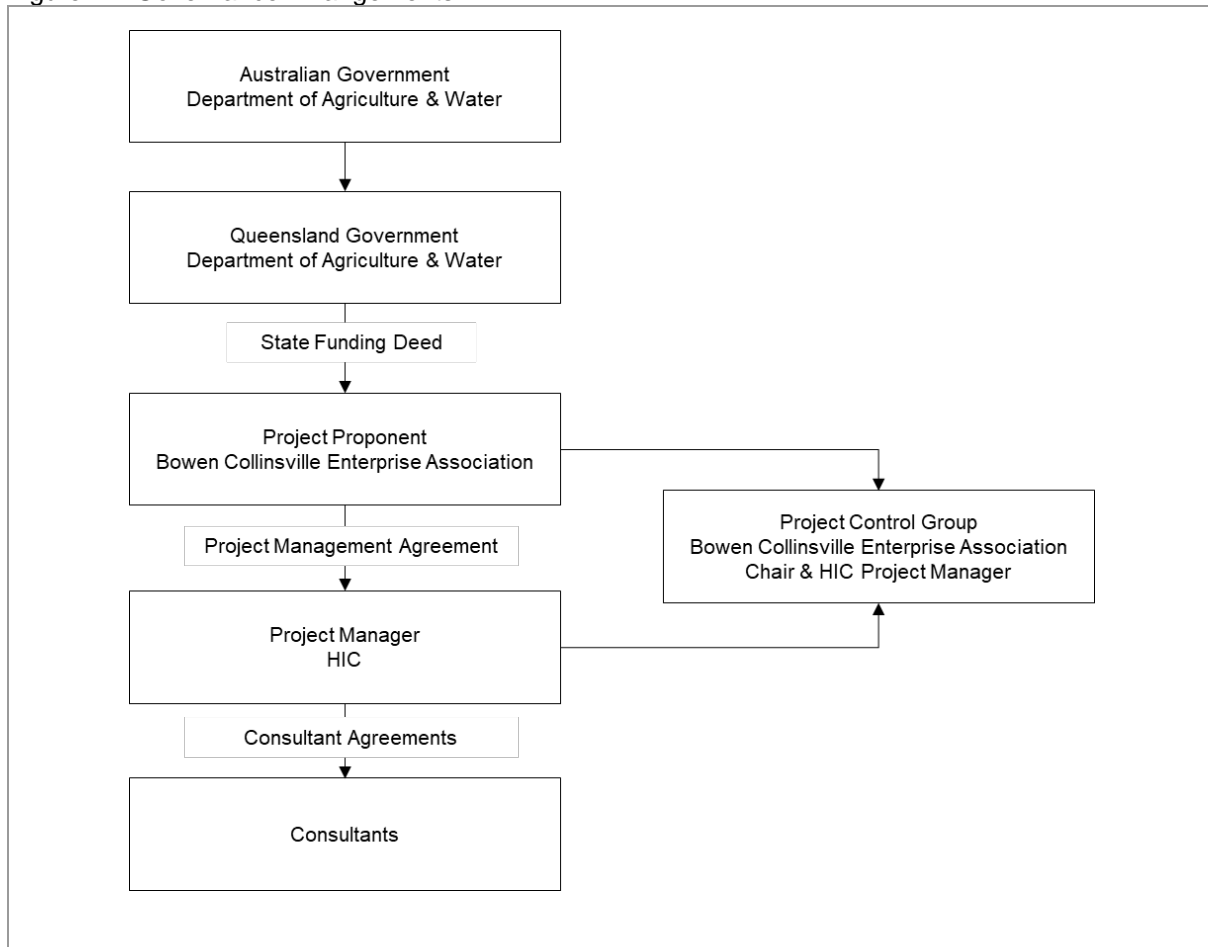
# 4 ORGANISATION AND RESPONSIBILITIES

## 4.1 Overview

Funding for the project has been granted from the Federal Government's National Water Infrastructure Development Fund (NWIDF). Federal funds are passed through to the proponent via the Queensland Department of Natural Resources & Mines (DNRM).

Figure 2 shows the relationship between the Federal Department of Agriculture and Water Resources Government, Queensland State Department of Energy and Water Supply and BCE.

Figure 2 – Governance Arrangements



## 4.2 Roles and Responsibilities

The following section is a summary description of the key project team members' roles and responsibilities.

### 4.2.1 Bowen Collinsville Enterprise (BCE)

BCE is the project proponent. As the economic development arm of the region, BCE will perform roles in public relations, government liaison and develop the project's social licence to operate as a technical consultant to the Feasibility Study Lead. The nominees of BCE will be managed independently by the Project Manager.

### 4.2.2 Independent Project Manager (PM)

BCE has appointed HIC Group as Project Manager to manage all aspects of the study as a single sub-contractor. The Project Manager will carry all insurance cover and engagement of sub-consultants for the project to allow clear and transparent reporting to the Queensland and Australian governments.

## 4.3 Project Controls Group

The Project Controls Group (PCG) will consist of representatives of the BCE and the independent Project Manager. The State Government will be informally advised of the project team's progress, and formally updated through the defined and predetermined deliverables against the Funding Deed. The Chair of BCE will chair the PCG. The role of this group is to review and monitor the progress of the project. This includes:

- Championing the project
- Providing support to the project team in achieving deliverables and liaising with Government departments
- Assessing the quality of the deliverables and make recommendations on progress payments at agreed milestones
- Reporting progress and significant issues to the various stakeholders

### 4.3.1 Project Team

The project team consists of the Project Manager with support from Engineering, Hydrological, Economic and Financial Consultants. The tasks are as follows:

- Develop the PIP including the scope of the project, work plan and deliverables, milestones, schedule and budget
- Set up a project office, systems and procedures to deliver the project
- Implement project controls to manage deliverables, schedule and budget and report progress to the PCG
- Develop scopes of work for specialist studies and contract the work, manage the progress and quality of the deliverables
- Manage and compile the Preliminary Business Case

These works are defined via the Funding Deed and will be completed by BCE using the PM to manage the relevant expertise in the development of business case. The PM will administer the functions of the PCG.

### 4.3.2 Authority Level

To ensure the appropriate control, authority is to be established for the various project functions. The authority levels that apply to the project are given in the following Table 3.

A fundamental aspect of authority for the project will be that all significant commitments relating to scope, cost and time require pre-commitment by the PCG. Major variation to scope, cost and time will require renewed commitments. It is assumed that once a budget item has been passed ongoing approvals will not be required (i.e. unless a variation of more or less than \$10,000 has been triggered).

Table 3 - Authority Levels

Description	Project Manager	PCG
Commitments & Expenditure		
Less than \$10,000	Yes	
More than \$10,000	Yes	Yes

## 5 PROGRAMME

### 5.1 Primary Requirement

The delivery of a preliminary business case is proposed to be undertaken over a period of 12 months. This period provides the balance between undertaking the work within a reasonable timeframe and not unnecessarily loading the project with overheads.

The preliminary Business Case will be in accordance with Building Queensland Business Case Framework.

### 5.2 Key Dates

A schedule, based on a work breakdown schedule (WBS) has been developed and is included as Appendix B. The milestones and dates are set out in Table 3.

Table 4 - Key Delivery Dates

Deliverable	Date
Project Implementation Plan	28 February 2018 <sup>4</sup>
Strategic Business Case	15 June 2018
Technical Reports	15 September 2018
Draft Preliminary Business Case	15 November 2018
Final Preliminary Business Case	8 February 2019
Financial Acquittal Report	10 March 2019 <sup>5</sup>

The project deliverables are expected to be delivered within the mandated period. During the milestone approvals process, there may be the need to conduct further studies (i.e. MNES issues) to support a final business case. Any changes to the dates will be in consultation with DEWS.

### 5.3 Project Schedule

The project schedule has been developed in conjunction with the major stakeholders and is based on the scope of work necessary to deliver a Preliminary Business case set out in Building Queensland Business Case Development Framework.

<sup>4</sup> This document due on 28 February 2018; email exchanges with the department have allowed submission within two weeks of the deed date due to the late execution of the Funding Deed by the State of Queensland.

<sup>5</sup> Only if requested and required by the State of Queensland.

## 6 PROJECT EXECUTION

### 6.1 Strategy

The overriding strategy is to undertake sufficient investigations of the Urannah Dam project to provide a level of confidence to its feasibility within a timeframe that provides for the necessary investigations while minimising the management overhead to run the investigations. The schedule has been based on a twelve<sup>6</sup> month period to achieve this objective.

The focus will be on completing sufficient engineering to develop a solution that supports the financial model at a level of confidence represented by a Preliminary Business Case. The purpose is to ensure sufficient resources are available to undertake the other elements of building the business case such as likely demand for the water, and the availability and suitability of land for agriculture that go to the commercial viability of such infrastructure.

### 6.2 Methodology

The key elements of the study methodology are as follows:

- Institute the governance model associated with the project
- Setup reporting structures
- Gather existing data, access the information and undertake gap analysis
- Develop scope for additional studies
- Determine water availability and agricultural land availability
- Determine engineering solution, cost estimate, schedule
- Undertake market sounding
- Undertake financial and economic modelling
- Prepare environmental and social assessments
- Consider Native Title, cultural heritage and other tenure issues

### 6.3 Resources

A detailed resource plan will be prepared once the funding agreement is negotiated and the duration and the extent of work is finalised.

### 6.4 Interfaces

The key interfaces for the project team are as follows:

- State Government Department of Natural Resources, Mines & Energy
- Project Controls Group

---

<sup>6</sup> The original program was designed for 18 months however due to project delays this has been reduced. The project was intending to conduct more detailed market testing. Other exemptions will be certain dry season studies which will have to be performed at a desktop level only.

## **6.5 Subcontracting**

There will be a need for specialist sub-consultants. The gap analysis between the existing data and the information required to contribute to a Preliminary Business Case will determine the type of sub-consultants necessary to undertake this work. The timing of procuring these services will be determined at this stage and in line with the sequence of work.

## **6.6 Review and Monitor**

The project execution strategy and methodology may need to change during the project, to adapt to prevailing conditions and needs.

The principal mechanism for review and monitoring project execution will be regular project meetings involving all effected team members.

# 7 PROJECT CONTROL

## 7.1 General

This section describes the processes that will be used to manage key elements of project delivery. The key elements addressed in this section are crucial to the successful completion of the project.

## 7.2 Work Breakdown Structure

The project scope will be broken down into logical components that align with the study components. The Work Breakdown Structure (WBS) will form the basis for the budget and project schedule.

The WBS is as follows:

- Project governance
- Project management
- Scope development
- Strategic Business case
- Investigation Studies
  - Technical Studies including hydrology, dam siting, infrastructure and economics
- Preliminary Business case
  - Governance
  - Project background
  - Options analysis and evaluation
  - Legal and regulatory considerations
  - Market considerations
  - Public interest consideration
  - Economic analysis
  - Environmental Assessment
  - Social impact Evaluation
  - Sustainable assessment
  - User charging and value capture
  - Cost and risk analysis
  - Financial and commercial analysis
  - Delivery model analysis
  - Preferred option

## 7.3 Cost

The approved budget is the baseline document for control of costs on the project. Cost control will be based on and implemented at the WBS level.

Measurement and control of cost performance will be based primarily on four elements:



- Commitment
- Expenditure
- Earned value
- Forecast final costs

## 7.4 Time

The approved schedule is the baseline document for control of time on the project.

For control purposes, the schedule will contain the following key elements:

- WBS
- Workflow logic
- Start and finish dates
- Dependencies
- Critical path

## 7.5 Risk Management

The risk management process involves identifying, analysing and responding to project risk. Generally, it aims to maximise the effect of positive issues and minimise the effect of negative issues.

A risk register has been developed as part of a risk assessment process. The register will be used to manage the identification and tracking of risks by the team.

## 7.6 Quality

The Project Manager will achieve quality objectives through ensuring responsibility and accountability for quality, planning and control of all activities and review by management with respect to the effectiveness of the quality system.

The requirements for Quality Management are addressed in the following sections of this Project Implementation Plan.

The following are key quality documents for the management of the project:

- Project Implementation Plan (this document)
- Strategic Business Case
- Preliminary Business Case
- Technical Studies
- Project Change Register

## 7.7 Document Control

Project documentation will be managed primarily at two levels by the project team:

- Individual or organisation
- Project

A project document management system will be established for the project.

The project team will establish and maintain a document register. The register will be used to manage controlled documents produced by the team. A control is one requiring approval for implementation or revision.

## **7.8 Reporting**

The primary purpose of the project reporting is to provide the stakeholders with a clear understanding of the progress being achieved and actions being undertaken to achieve outcomes.

Project reporting is at two levels:

- Within the team and this will be determined by the Project Director
- To the PCG and will consist of a formal monthly report with informal reporting as required

Reporting will focus on the following areas:

- Progress
- Cost status
- Programme status
- Highlights and other issues

Other aspects of the project may also be included in the monthly report. The format of the formal monthly report will be determined the Project Director. Initiative Capital will forecast all costs through the use of the Harvest Project Management Systems and financial reporting through its Xero systems. A chart of accounts will be provided that links to the PIP work breakdown structure for audit purposes.

## **7.9 Contingency Management**

Due to risks associated with the delivery of the study, contingency amounts have been allocated to the cost and time elements of the project. The Project Director will control the release of these contingency amounts. A contingency amount of 4.5% is available for the Project Manager.

## **7.10 Procurement**

The procurement process controls the placing of purchase orders and the awarding of contracts for the study. The preferred method is competitive arrangements and this will be maximised were possible. All technical packages of work will be submitted to the open market for quotation except for works that will be self-delivered by the existing consortia members.

## 8 STAKEHOLDER ENGAGEMENT

The following information in Table 4 outlines the levels of participation for engagement with various stakeholders and the methods of engagement that will be used.

Table 5 - Stakeholder Level of Participation & Methods

Tools Methods Engagement and Communication		Level of Engagement		
		Inform	Consult	Involve
Written Correspondence	A	✓	✓	✓
Fact Sheets	B	✓	✓	✓
Notice in Paper	C	✓	✓	✓
Media Release	D	✓	✓	✓
Social Media	E	✓	✓	✓
Website (BCE)	F	✓	✓	✓
Drop in Session (Public)	G	✓	✓	✓
Feedback Forms	H	✓	✓	✓
Personal Contact	I		✓	✓
In Person Meeting	G		✓	✓
Workshop Session	K			✓

The following Table 5 outlines the level of engagement that the Project Manager, Communications Manager and BCE will undertake.

Table 6 - Key Stakeholders

Stakeholder Group	Interest	Level	Method
Department of Agriculture & Water	Supporting water infrastructure that is in the national interest that delivers economic and social benefits to the public.	Inform	A
Great Barrier Reef Marine Park Authority	Reef Protection & Environment	Inform	A
Regional Development Australia	Regional Economic Development	Inform	A,G
Qld DNRM	Administration and Approval of the NWIDF Grant. Mandated Consultation with State and Federal Agencies. Water Planning, Resources, Allocations, Reef Planning.	Consult	A, G
Qld Ag & Fisheries	Productivity in Agriculture and Growth in Food Markets, Biofuels	Consult	A
Qld Environment & Heritage	Environmental Impacts & Great Barrier Reef	Consult	A
Qld State Development		Consult	A
State Members	Development opportunities,	Inform	A,G
Local Councils	Growth and in local economy, environmental protection	Involve	A,G-K
SunWater	Operator, catchment management		A,G-K
QCoal	Key Customers		A,G-K
Bowen Coal Mines	Customers		A,G-K
Galilee Coal Miners	Customers		A,G-K
Bowen Farmers	Customers		A,G-K
Agforce	Integrated Agriculture		A,G-K
GrowCom	Integrated Agriculture		A,G-K
Urannah Properties Association	Leasehold land holders of the subject property.		A
Birri / Wirri Traditional Owners	Claimants of the traditional owner rights to the subject area.		A,G
Bowen – Burdekin LMAC	Marine Advisory Committee for the catchment area.		A,G-K

It is envisaged that the stakeholders will be engaged once the strategic business case has been completed and during the development of the Preliminary Business Case.

## 9 PROJECT BUDGET

The budget estimate has been developed in accordance with carrying out a Building Queensland Preliminary Business Case (attached as Appendix C). The work also includes the necessary investigations to support the Preliminary Business Case and the management and governance necessary to deliver the work.

### 9.1 Work Break Down Structure

The level of contingency applied to the estimate aligns with the assumed level of project risk. The project estimate is a controlled document.

### 9.2 Budget Allocation

The works are subject to allocation in the detailed scope statement and budget. These allocations are shown below in Table 6:

Table 7 - Budget Allocation

Key Resource	Hours	Hourly Rate Allowance	Budget
Project Control Group - BCE	450	\$250	\$112,500
Project Manager	2482	\$250	\$694,960
BCE Water Advisors (David Evans / Peter Gilby)	800	\$250	\$200,000
Dam Engineering (Consultant)	2050	\$250	\$512,500
Financial / Economic / Water Consultants	2918	\$250	\$729,500
Environmental Engineering - (Consultant)	1655	\$250	\$413,750
Sub-Total			\$2,663,210
Contingency	11%		\$3,36,790
<b>Total</b>			<b>\$3,000,000</b>

### 9.3 Total Budget Summary

The total Federal Contribution is \$3.0m which is allocated per the WBS and allocations above.

## 10 SAFETY MANAGEMENT

The safety vision requires all staff to work within a positive safety culture. A Safety Management Plan will be followed throughout the project. The Safety Management Plan includes:

- Safety Roles and Responsibilities
- Communications
- Monitoring, review and auditing of activities

Safety management audits will be undertaken at regular intervals to verify compliance with the plan.

## 11 ENVIRONMENT

All works will be undertaken in accordance with relevant environmental policies and procedures, and relevant industry and Australian Standards.

The Project Manager is responsible for ensuring that all work providers are aware of and comply with the requirements outlined in the policies and procedures. Management audits and reviews will be held regularly to ensure that the environmental objectives are being achieved and that the environmental system continues to address all environmental issues effectively and that sufficient resources exist to implement the system.

**12 APPENDIX A – GRANT DEED**



# Grant Deed

## National Water Infrastructure Development Fund

### (Urannah Dam Project)

made at Brisbane on the            day of            2018

**Between**        **State of Queensland** acting through the **Department of Natural Resources, Mines and Energy ABN 59 020 847 551**  
(**Department**)  
**Bowen Collinsville Enterprise Group Inc ABN 74 284 284 577**  
(**Recipient**)

#### Background

- A. The National Water Infrastructure Development Fund – Feasibility component (**NWIDF**) is an initiative of the Australian Government (the **Commonwealth**). It is designed to support the delivery of Feasibility studies with a focus on the evaluation of the financial and economic viability of potential new or augmented water infrastructure and inform investment decisions.
- B. The Commonwealth and the State of Queensland (acting through the Department) have entered into an agreement called the 'Project Agreement for the NWIDF' (the **NPA**).
- C. Under the NPA, the Department has certain roles and responsibilities, which include reporting to the Commonwealth on the delivery of Feasibility studies and on-forwarding Commonwealth Funding to recipients.
- D. The Recipient submitted an expression of interest to the Commonwealth for funding under the NWIDF to carry out the Activity and the Commonwealth offered Funding. The Commonwealth will pay the Funding, which will be administered by the Department, on behalf of the Commonwealth.
- E. The Department will provide the Grant to the Recipient to carry out the Activity on the terms of this deed.
- F. The NPA Schedule will provide for the Funding to be paid to the State by the Commonwealth annually in arrears once milestones under the NPA Schedule are met. The State has undertaken to pay part of the Grant in advance in accordance with milestones under this deed. In the event that the Commonwealth does not pay the Funding to the State, the State may require the Recipient to pay a Grant Repayment.
- G. The parties wish to record the terms and conditions of their agreement in this deed, which consists of:
  - (a) this cover page and the signing page;
  - (b) Schedule 1 – Deed details;
  - (c) Schedule 2 – Terms and conditions;
  - (d) Annexure A – Urannah Dam Project Activities; and
  - (e) Annexure B – Standards and Requirements.
- H. Capitalised words and phrases have the meanings specified in clause 24 of Schedule 2.

Ref: Urannah Dam Project



## Grant Deed

### Schedule 1 – Deed details

#### Item 1 Party details

##### Department:

Party Name: State of Queensland acting through the Department of Natural Resources, Mines and Energy

ABN: 59 020 847 551

Street Address: Level 8, 1 William Street, Brisbane Qld 4000

Contact Officer Name: Grant Horton

Contact Officer Postal Address: PO Box 15456, City East (Brisbane) Qld 4002

Contact Officer Telephone: 07 3166 0157

Contact Officer Facsimile: 07 3227 8227

Contact Officer Email (notices cannot be given by email): [grant.horton@dnrme.qld.gov.au](mailto:grant.horton@dnrme.qld.gov.au)

##### Recipient:

Party Name: Bowen Collinsville Enterprise Group Inc

ABN/ACN: 74 284 284 577

Street Address: C/ 14 Tynwald Ave, Bowen, 4805

Contact Officer Name: Paul McLaughlin

Contact Officer Postal Address: 14 Tynwald Ave, Bowen, 4805

Contact Officer Telephone: 0419 153 984

Contact Officer Facsimile: N/A

Contact Officer Email (notices cannot be given by email): [paul@rosebayresort.com.au](mailto:paul@rosebayresort.com.au)

#### Item 2 Term: (clauses 21.1 and 24.1)

Commencement Date: The date that this deed is executed by the last party to do so

Expiry Date: 31 October 2019

#### Item 3 Activity: (clauses 3.1 and 24.1)

Urannah Dam (**Urannah Dam Project**): undertake a Preliminary Business Case for the Urannah Dam on the Broken River to support mining, agriculture, urban and tourism growth.



**Item 4 Activity period: (clauses 3.1 and 24.1)**

Activity Commencement Date: The date that this deed is executed by the last party to do so  
Activity End Date: 1 April 2019

**Item 5 Milestones: (clauses 3.1 and 24.1)**

	<b>Milestone description</b>	<b>Completion date</b>
Milestone 1.	Delivery of a Project Plan for the Urannah Dam Project (refer to clause 24 and <b>Annexure A</b> of this deed).	28 February 2018
Milestone 2.	Delivery of a: <ul style="list-style-type: none"><li>• written statement containing detailed information on the work undertaken and completed during the delivery of Milestone 2; and</li><li>• written Strategic Business Case for the Urannah Dam Project (refer to clause 24 and <b>Annexure A</b> of this deed).</li></ul>	15 June 2018
Milestone 3.	Delivery of: <ul style="list-style-type: none"><li>• a written statement containing detailed information on the work undertaken and completed during the delivery of Milestone 3; and</li><li>• written Investigation Reports (refer to clause 24 and <b>Annexure A</b> of this deed).</li></ul>	15 September 2018
Milestone 4.	Delivery of a: <ul style="list-style-type: none"><li>• written statement containing detailed information on the work undertaken and completed during the delivery of Milestone 4; and</li><li>• written draft Preliminary Business Case for the Urannah Dam Project (refer to clause 24 and <b>Annexure A</b> of this deed).</li></ul>	15 November 2018
Milestone 5.	Delivery of a: <ul style="list-style-type: none"><li>• written statement containing detailed information on the work undertaken and completed during the delivery of Milestone 5; and</li><li>• written final Preliminary Business Case for the Urannah Dam Project (refer to clause 24 and <b>Annexure A</b> of this deed).</li></ul>	8 February 2019

**Item 6 Recipient's Contribution: (clauses 3.1 and 24.1)**

Nil

**Item 7 Standards and Requirements: (clauses 3.1 and 24.1)**

The Standards and Requirements for the performance of the Activity include but are not limited to those set out in **Annexure B** to this deed.

**Item 8 Grant: (clauses 4 and 24.1)**

<b>Instalment description</b>	<b>Amount</b>	<b>Payment date</b>
Milestone 1 Payment	\$600,000 (GST exclusive)	The Department will pay an invoice amount within 20 Business Days of receipt of: - a correctly rendered tax invoice; and - sufficient supporting documentation.
Milestone 2 Payment	\$300,000 (GST exclusive)	The Department will pay an invoice amount within 20 Business Days of receipt of: - a correctly rendered tax invoice; and - sufficient supporting documentation.
Milestone 3 Payment	\$500,000 (GST exclusive)	The Department will pay an invoice amount within 20 Business Days of receipt of: - a correctly rendered tax invoice; and - sufficient supporting documentation.
Milestone 4 Payment	\$700,000 (GST exclusive)	The Department will pay an invoice amount within 20 Business Days of receipt of: - a correctly rendered tax invoice; and - sufficient supporting documentation.
Milestone 5 Payment	\$900,000 (GST exclusive)	The Department will pay an invoice amount within 20 Business Days of receipt of: - a correctly rendered tax invoice; and - sufficient supporting documentation.
<b>TOTAL:</b>	<b>\$3,000,000 (GST exclusive)</b>  <b>Refer to Annexure A of this deed – for an estimated project cost breakdown</b>	

**Item 9 Using Grant for permits, registrations and licences: (clause 6.1(f))**

Nil

**Item 10 Reports: (clauses 7 and 24.1)**

<b>Report</b>	<b>Report contents and form</b>	<b>Submission date</b>
Report (Milestone 1)	Delivery of a Project Plan for the Urannah Dam Project.	28 February 2018
Report (Milestone 2)	Delivery of a: • written statement containing detailed information on the work undertaken and completed during the delivery of Milestone 2; and • written Strategic Business Case for the Urannah Dam Project (refer to clause 24 and <b>Annexure A</b> of this deed).	15 June 2018

Report	Report contents and form	Submission date
Report (Milestone 3)	Delivery of a: <ul style="list-style-type: none"> <li>written statement containing detailed information on the work undertaken and completed during the delivery of Milestone 3; and</li> <li>delivery of written Investigation Reports (refer to clause 24 and <b>Annexure A</b> of this deed).</li> </ul>	15 September 2018
Report (Milestone 4)	Delivery of a: <ul style="list-style-type: none"> <li>written statement containing detailed information on the work undertaken and completed during the delivery of Milestone 4; and</li> <li>written draft Preliminary Business Case for the Urannah Dam Project (refer to clause 24 and <b>Annexure A</b> of this deed).</li> </ul>	15 November 2018
Report (Milestone 5)	Written statement containing detailed information on the work undertaken and completed during the delivery of Milestone 5; and Written final Preliminary Business Case on the Urannah Dam Project which must include: <ul style="list-style-type: none"> <li>an acknowledgment being 'This study is supported by funding from the Australian Government National Water Infrastructure Development Fund, an initiative of the Northern Australia and Agricultural Competitiveness White Papers'; and</li> <li>(if required by the Department) a separate annexure called 'Agency Consultation' of statements/feedback received from State Agencies..</li> </ul>	8 February 2019
Financial Acquittal Report	If requested by the Department, financial acquittal of the Recipient's total costs of delivering the Activity in a format to be provided by the Department (including an outline of what activities and associated costs (if any) relate to the Recipient Contribution).	1 calendar month from the date a Financial Acquittal Report is requested by the Department.

**Item 11 Assets: (clauses 13 and 24.1)**

None.

**Item 12 Insurance: (clause 17)**

(a) Public Liability:	\$10,000,000.00	During the Term
(b) Workers' Compensation:	As required by law	During the Term
(c) Professional Indemnity	\$1,000,000 (refer to Special Conditions 1, 2 and 3.)	During the Term and for 12 years after the Expiry Date

**Item 13 Special Conditions: (clauses 2 and 24.1)**

**Professional Indemnity Insurance**

- If the Recipient engages a subcontractor, in relation to the Activity, then the Recipient is not required to hold the Professional Indemnity Insurance as required by Item 12(c) of Schedule 1 but only on the

basis that it is satisfied that the subcontractor holds the relevant insurances as required by clauses 10(d)(i) and 17 of Schedule 2.

2. Despite Special Condition 1, the Recipient is and remains liable under this deed for the acts or omissions of any subcontractor engaged at any time during the Term in relation to the Activity.
3. So it is clear, the Recipient is still required to hold the insurances specified in Item 12(a) and Item 12 (b) of Schedule 1.

#### **Eligible Expenditure**

4. Eligible Items also includes Eligible Expenditure incurred by the Recipients on and from the 26/05/16. This Special Condition 4 serves as the Department's written approval under clause 6.1(b)(v) of Schedule 2.

#### **Item 14 Eligible Items (clauses 3.1(i) and 24.1)**

Eligible Items are those costs which are specifically and directly related to the conduct of the Activity and include but are not limited to:

- (a) detailed desktop investigations and site visits to acquire information on potential dam sites in a catchment;
- (b) environmental, geological, hydrological and other relevant scientific and technical studies;
- (c) consideration of alternative water storage/supply options (e.g. groundwater, managed aquifer recharge, demand management, desalination and/or sourcing water from alternative nearby storages);
- (d) technical feasibility and design appraisals;
- (e) analysis of demand and marketing arrangements in order to identify the end users that will purchase the water for various uses and at what price;
- (f) cost estimations and cost benefit analysis of infrastructure, including of ongoing operational and maintenance costs;
- (g) risk analysis related to infrastructure;
- (h) appraisals of regulatory, legal and taxation obligations;
- (i) consideration of and consultation planning related to land tenure, land claims and Indigenous land management;
- (j) consideration of opportunities for Indigenous economic development from proposed future water infrastructure projects;
- (k) consultation planning for stakeholder and community engagement;
- (l) technical designing and planning; and
- (m) the project activities contained in **Annexure A** to the extent they are not inconsistent with item 14(a) to (l).

#### **Item 15 Ineligible Items (clauses 3.1(i) and 24.1)**

Ineligible Items:

- (a) Retrospective activities (included but not limited to: desktop investigations, site visits, water resource assessments, consultation and engagement or Pre-Feasibility and Feasibility studies that have already been conducted) (note in accordance with Special Condition 4, activities conducted before the Commencement Date but after 26/05/16 are Eligible Items);
- (b) Studies relating to social impacts of lack of water;
- (c) Business as usual operation and administration costs, including staffing, of the organisation delivering the Feasibility studies, where undertaking the Activity associated with the Feasibility study would be part of their normal duties.



## Grant Deed

### Schedule 2 – Terms and conditions

---

#### 1. Precedence

Where any inconsistency exists between:

- (a) the Special Conditions;
- (b) this Schedule 2;
- (c) Schedule 1 (except the Special Conditions); or
- (d) any other schedules or annexures of this deed,

the provisions will take precedence in that order to the extent necessary to resolve the inconsistency.

---

#### 2. Special Conditions

The parties agree to be bound by any Special Conditions.

---

#### 3. Recipient's obligations

##### 3.1 Performance of the Activity

The Recipient must:

- (a) commence the Activity by the Activity Commencement Date;
- (b) carry out the Activity in accordance with this deed and with due care and skill;
- (c) meet each of the Milestones;
- (d) complete the Activity by the Activity End Date;
- (e) provide the Recipient's Contribution for the purposes of the Activity;
- (f) not do anything or become involved in any situation which, in the reasonable opinion of the Department, reflects unfavourably upon the State of Queensland and/or the Activity;
- (g) comply with:
  - (i) the terms and conditions of this deed;
  - (ii) applicable laws and regulations (including obtaining and maintaining any licence or authorisation required for the Recipient to carry out the Activity) and the Standards and Requirements (if any);
  - (iii) standards of professional care and diligence of the industry to which the Recipient belongs; and
  - (iv) the Department's reasonable requests, directions and requirements, to the Department's satisfaction;
- (h) communicate with, report and provide information to the Department's Contact Officer as reasonably required by the Department;
- (i) use the Grant only;
  - (i) on Eligible Expenditure and not on Ineligible Expenditure;
  - (ii) for the purpose of the Activity;
  - (iii) until the Activity End Date or earlier termination of this deed; and
  - (iv) in accordance with this deed; and
- (j) pay a Grant Repayment if required to do so.

### 3.2 General obligations

- (a) The Recipient acknowledges and agrees that all its personnel are the Recipient's responsibility including payment of all employee wages and entitlements.
- (b) If the Recipient is aware of an Allegation, then the Recipient must report the Allegation to a relevant authority, including the Queensland Police Service. In this clause, **Allegation** means an allegation against the Recipient or its Representatives in connection with the Grant or the provision of the Activity that raises a reasonable suspicion of misconduct, dishonesty or unlawful behaviour of a serious nature.

### 3.3 Notifications

The Recipient must promptly notify the Department:

- (a) of any matters that the Recipient reasonably considers may affect the Recipient's ability to carry out the Activity or meet any other obligations under this deed;
- (b) if the Recipient is unable to carry out the Activity within the monetary limit of the Grant or by the Activity End Date;
- (c) of any matter that may affect the Recipient's eligibility to continue receiving the Grant;
- (d) of any allegation of misconduct or dishonesty concerning the Recipient or its Representatives and any report made under clause 3.2(b);
- (e) of any change to its details in Item 1 of Schedule 1; or
- (f) of the amount, source and purpose of any additional funds received from a third party for meeting the costs of the Activity.

### 3.4 Commonwealth of Australia

- (a) The Recipient acknowledges that the Commonwealth is not a party to this deed however despite this agrees that clauses 7.1(e), 9, 11(d), 12.3(b), 15.2(f) and 16(e) also extend and apply to the Commonwealth as if the Commonwealth was the Department.

---

## 4. Grant

### 4.1 Department's obligations

- (a) The Department will pay the Grant to the Recipient in the instalments (if any). The Department will pay on the date(s) specified in 0 of Schedule 1.
- (b) The Department may in its absolute discretion, withhold payment of an instalment of the Grant to the Recipient until:
  - (i) the Recipient has shown to the Department's satisfaction (allowing the Department reasonable time to assess its satisfaction) that it has met all Milestones due on or before the payment date for the instalment;
  - (ii) the Recipient has issued a tax invoice, if applicable, to the Department for the instalment;
  - (iii) the Recipient has submitted to the Department, to the Department's reasonable satisfaction, all Reports due on or before the payment date for the instalment; and
  - (iv) the Department is reasonably satisfied that the Recipient is not otherwise in breach of this deed.
- (c) Any payment to the Recipient by the Department is not an admission or acceptance by the Department that the Recipient has complied with this deed.
- (d) The Recipient agrees and acknowledges that if the Commonwealth does not pay the Funding to the Department the Department may require the Recipient to make a Grant Repayment in accordance with clause 6.3.

### 4.2 No further funding

- (a) The Recipient acknowledges that the Department has no obligation to provide the Recipient with funding or assistance of any kind:

- (i) in excess of the Grant; or
  - (ii) beyond the Term; or
  - (iii) in the event the Department does not receive the Funding from the Commonwealth.
- (b) For the avoidance of doubt, the Recipient is responsible for acquiring and/or providing any additional funds, materials or equipment in excess of the Grant required to carry out or complete the Activity.

---

## **5. Activity management**

- (a) Each party must nominate a Contact Officer responsible for:
- (i) receiving communications;
  - (ii) issuing and signing notices; and
  - (iii) responding to requests or directions,
- on behalf of that party.
- (b) A party may, from time to time, change the Contact Officer by written notice to the other party in accordance with clause 22.
- (c) The Contact Officers will meet to review the performance of the Activity and this deed upon reasonable written notice given by either party.

---

## **6. Use of the Grant**

### **6.1 Expenditure of the Grant**

- (a) The Recipient must use the Grant only:
- (i) for the purposes of the Activity and in accordance with this deed; and
  - (ii) until the Activity End Date or earlier termination of this deed.
- (b) The Recipient must not use any or all of the Grant, without the Department's prior written approval, to:
- (i) provide security for any purpose;
  - (ii) make a loan or gift for any purpose;
  - (iii) pay sitting fees to directors, management committee members, members of the Recipient's organisation or any other person;
  - (iv) make payments that are inconsistent with the Activity;
  - (v) reimburse expenses that the Recipient incurred prior to the Commencement Date;
  - (vi) relieve cash flow problems in the delivery of the Recipient's other services or activities funded from other sources; or
  - (vii) purchase any asset, other than an Asset.
- (c) The Recipient must hold the Grant in an account in the Recipient's name and in the Recipient's sole control, with an Approved Financial Institution.
- (d) The Recipient must keep a record of the date, amount, recipient and purpose of any cash cheque issued or cash advance made using the Grant.
- (e) Where the Recipient receives the Grant to employ staff and is bound by a registered industrial instrument requiring the payment of termination or redundancy payments in appropriate circumstances, the Grant may only be used for termination or redundancy payments if:
- (i) this deed is terminated in accordance with clause 21.3; or
  - (ii) the Recipient has obtained the Department's prior written approval.
- (f) The Recipient may use the Grant to obtain and maintain any permits, registrations and licences specified in Item 9 of Schedule 1 that are required for the Recipient to carry out the Activity.

## 6.2 Misapplied Grant

- (a) If the Recipient uses the Grant other than in accordance with this deed:
  - (i) the Department may, by written notice (in accordance with clause 22), require the Recipient to refund a specified amount (**Misapplied Funds**); and
  - (ii) if the Department exercises its rights under clause 6.2(a)(i), then the Recipient must within 10 Business Days of receipt of the notice (deemed in accordance with clause 22) refund the Misapplied Funds plus any interest on it calculated on daily balances at the rate per annum determined by the Supreme Court of Queensland on judgments by default as applicable at the date of the Department's notice and is fully capitalised on the last day of each month if unpaid; and
  - (iii) if the Misapplied Funds are not repaid in accordance with clause 6.2(a)(ii), the Department may:
    - (A) recover the amount as a liquidated debt due and payable to the Department; or
    - (B) set the amount off against any other amount payable by the Department to the Recipient, whether under this deed or otherwise.
- (b) Nothing in this clause 6.2 affects the accrued rights or remedies of the Department, including the right to terminate this deed in accordance with clause 21.4.
- (c) Where the Department becomes aware of a requirement for repayment of Misapplied Funds after the Term, clause 6.2(a) will apply in accordance with clause 21.7(b).

## 6.3 Grant Repayment

- (a) If the Department does not receive all or part of the Funding from the Commonwealth for any reason:
  - (i) the Department may, by written notice (in accordance with clause 22), require the Recipient to repay a specified amount (**Grant Repayment**); and
  - (ii) if the Department exercises its rights under clause 6.3(a)(i), then the Recipient must within 10 Business Days of receipt of the notice (deemed in accordance with clause 22) repay the Grant Repayment; and
  - (iii) if the Grant Repayment is not repaid in accordance with clause 6.3(a)(ii), the Department may:
    - (A) recover the amount as a liquidated debt due and payable to the Department plus any interest on the amount calculated on daily balances at the rate per annum determined by the Supreme Court of Queensland on judgments by default as applicable at the date of the Department's notice and is fully capitalised on the last day of each month if unpaid; or
    - (B) set the amount off against any other amount payable by the Department to the Recipient, whether under this deed or otherwise.
- (b) Nothing in this clause 6.3 affects the accrued rights or remedies of the Department, including the right to terminate this deed in accordance with clause 21.4.
- (c) Where the Department becomes aware of a requirement for Grant Repayment after the Term, clause 6.3(a) will apply in accordance with clause 21.7(b).
- (d) The Department must not require a Grant Repayment if it has received all of the Funding from the Commonwealth. If the Department has received part of the Funding from the Commonwealth the Grant Repayment amount must account for receipt of part of the Funding as appropriate.

---

## 7. Reporting and financial acquittal

### 7.1 Recipient to submit Reports

- (a) The Recipient must:



- (i) submit all Reports to the Department in the form, containing the information, for the reporting periods (if applicable), and on the dates specified in Item 10 of Schedule 1 unless the Department directs otherwise in writing;
  - (ii) in respect of Financial Acquittal Reports (if any), show expenditure of the Grant in accordance with clause 6.1(a);
  - (iii) provide to the Department any other information or material about the Recipient, the Activity, the Grant or any other matter in connection with this deed as requested in writing by the Department within a reasonable time specified by the Department in its request;
  - (iv) complete each Report to the Department's reasonable satisfaction; and
  - (v) to the extent that a Report contains Personal Information, obtain all written consents necessary for the Recipient and Department to use and disclose the Reports.
- (b) Where the Activity is funded for only part of a particular reporting period (e.g. if the Commencement Date or the Expiry Date does not coincide with the start or end date of a reporting period), the Report should contain information relevant only to that part of the reporting period.
- (c) The Department may return to the Recipient any Report which is not completed to the Department's reasonable satisfaction. The Recipient must complete the returned Report to the Department's reasonable satisfaction and resubmit the Report to the Department promptly.
- (d) Upon written request, the Recipient must provide the Department with:
- (i) financial statements that the Recipient is required to lodge under its incorporating legislation, including a declaration from the Recipient's chief executive officer or equivalent stating that the Grant has been used in the relevant financial year for carrying out the Activity; or
  - (ii) an audited financial statement for each financial year, including a statement by the auditor that the audited financial statement is true and correct and whether in his/her opinion there are any receipts, outgoings and expenditures received or incurred by the Recipient that were not received or incurred in carrying out the Activity.
- (e) The Recipient consents to the Department's use and disclosure (including disclosure to third parties) of the Reports. The Recipient consents to the Department's use and disclosure (including disclosure to third parties) of the additional documentation provided under clause 7.1(a)(iii), for purposes related to the Activity and its subject matter, and the Department's internal, non-commercial purposes.

## 7.2 Eligibility for future grants

The Recipient acknowledges that if it fails to provide Reports showing expenditure of the Grant in accordance with clause 7.1, the Recipient's eligibility to receive a future grant from the Department may be affected.

---

## 8. Records

The Recipient must:

- (a) keep a separate record of the Grant in the Recipient's ledger, and record all expenditure and income relating directly or indirectly to the Activity separate from all other income and expenditure of the Recipient;
- (b) keep proper and adequate records, accounts and supporting documents in accordance with generally accepted accounting principles and as required by law, about:
  - (i) all aspects of the Activity, including records about the performance of the Activity and whether time frames and performance requirements for the Activity are met; and
  - (ii) its affairs generally,
 in secure storage for at least 12 years after the Expiry Date; and
- (c) comply with any additional recordkeeping obligations specified in this deed.

---

## **9. Audit and access**

### **9.1 Access to Recipient's premises and records**

- (a) The Recipient will give, and will procure its Representatives to give, upon reasonable notice and during normal business hours, full and free access and reasonable assistance to the Department, its Representatives and nominated authorised auditors to:
- (i) speak to the persons associated with the Activity;
  - (ii) examine, inspect and copy any material, including any books and records, in the possession of the Recipient which is relevant to this deed, including providing all necessary facilities for that purpose;
  - (iii) examine and inspect the performance of the Activity; and
  - (iv) locate and make copies of any of the Recipient's accounts, records, documents and other material that relate directly or indirectly to the receipt, expenditure, or payment of the Grant or the conduct of the Activity.
- (b) The Department's right of access under clause 9.1(a) may be exercised for any reasonable purpose relating to this deed, including for financial or compliance audits, or reviews of the Recipient's performance of this deed.
- (c) When accessing premises and/or records in accordance with clause 9.1(a), the Department will use its best endeavours to minimise interference to the Recipient's employees and the conduct of the Activity.
- (d) For the purposes of this clause 9 the Department's nominated auditor may be a person with suitable qualifications as determined by the Department.

### **9.2 Other information to be provided**

The Recipient must promptly provide any information requested in writing by the Department, its Representatives or its nominated auditors concerning any aspect of the Activity or the Grant or any term of this deed.

---

## **10. Subcontracting**

- (a) The Recipient must not, without the Department's prior written consent, subcontract the whole, or any part, of the Recipient's obligations under this deed. The Department will not unreasonably withhold its consent.
- (b) The Department's consent to any subcontract will not relieve the Recipient from any liability or obligation under this deed.
- (c) The Recipient will ensure the suitability of each subcontractor engaged in relation to the Activity and that any part of the Activity carried out by the subcontractor meets the requirements of this deed.
- (d) The Recipient must ensure that:
- (i) each subcontract entered into is consistent with this deed, and that the terms and conditions of the subcontract, at a minimum, require that the subcontractor must comply with this deed as if the subcontractor was the Recipient, including (but not limited to) clauses 9, 10, 11, 12, 14, 15, 16, 17 and 18; and
  - (ii) each subcontractor complies with its subcontract.
- (e) The Recipient is and remains liable under this deed for the acts or omissions of any subcontractor engaged at any time during the Term in relation to the Activity.

---

## **11. Intellectual Property Rights**

- (a) Nothing in this deed affects ownership of Background IP.
- (b) Each party warrants that to the best of its knowledge and belief at the Commencement Date, it owns its Background IP, or otherwise has the right to use its Background IP in accordance with this deed.

- (c) All rights in and title to the Activity Material and Reports will vest, upon creation, in the Recipient.
- (d) The Recipient grants to the Department a non-exclusive, worldwide, perpetual, irrevocable, transferable, royalty-free licence (including a right to sub-license) to use, communicate, reproduce, publish, adapt and modify:
  - (i) the Activity Material;
  - (ii) the Recipient's Background IP to the extent necessary to exercise the rights granted under the licence to the Activity Material; and
  - (iii) the Reports,
 for any purposes.
- (e) The Department grants to the Recipient a non-exclusive, non-transferable, royalty-free licence to use the Department's Background IP solely for the purposes of carrying out the Activity and to the extent the Background IP is incorporated in and necessary to exercise the Recipient's rights in the Activity Material.
- (f) The Recipient will do all things necessary (including obtaining consents) to ensure:
  - (i) the vesting of the Activity Material and Reports in accordance with clause 11(c); and
  - (ii) the licensing of the Activity Material and Reports in accordance with clause 11(d).

---

## **12. Consent and Acknowledgement**

### **12.1 Consent for Publicity Events**

- (a) The Recipient acknowledges that the Department must obtain the Commonwealth's prior agreement regarding the nature and content of the Publicity Events, before the Publicity Events are made public.
- (b) The Recipient agrees that before the Recipient carries out a Publicity Event the Recipient must obtain the Department's written consent regarding the nature and content of the Publicity Event.
- (c) To assist the Department in making a decision as to whether or not to provide its consent the Recipient must:
  - (i) at least 15 Business Days before the Publicity Event provide to the Department sufficient details of the Publicity Event including copies of proposed statements, announcements, or publications and full particulars of any events; and
  - (ii) comply with all requests, amendments or conditions that the Department may reasonably require by written notice to the Recipient.
- (d) The Recipient agrees that it will not make public any Publicity Event that the Department does not give its written consent for.

### **12.2 Acknowledgment of Grant**

- (a) The Recipient must include acknowledgement of the Grant:
  - (i) in its annual report (if the Recipient produces an annual report);
  - (ii) in any Publicity Events and activities about the Activity and any related projects that have been funded wholly or in part by the Department during the Term to include the wording "*This study is supported by funding from the Australian Government National Water Infrastructure Development Fund, an initiative of the Northern Australia and Agricultural Competitiveness White Papers*"; and
  - (iii) in accordance with any additional requirements as requested in writing by the Department.
- (b) Any acknowledgment in any Publicity Event about the Activity must include a logo or other branding as required by the Department.

### **12.3 General**

- (a) All publicity announcements and media releases relating to the Activity should be forwarded to the Department for its records.
- (b) The Recipient acknowledges and agrees that the Department may publish the following information in a variety of media about successful applicants;
  - (i) the Recipient who received the funding, along with the Feasibility study's title and purpose;
  - (ii) anticipated outcomes and benefits of studies;
  - (iii) amount of funding received;
  - (iv) term of the funding;
  - (v) funding location; and
  - (vi) information on progress as reported to the Department.

---

### **13. Assets**

- (a) If Item 11 of Schedule 1 specifies that the Grant may be used to purchase Assets, then the Grant may be used to purchase Assets and this clause 13 applies. If not so specified, then the Grant cannot be used to purchase Assets.
- (b) The Recipient must be the legal and beneficial owner of any Asset purchased either wholly or in part with use of the Grant.
- (c) The Recipient must:
  - (i) only use the Asset for purposes directly related to carrying out the Activity, and subject to clause 21.6(a), after the expiry or termination of this deed only use the Asset in a manner consistent with the objectives of the Activity;
  - (ii) not sell or otherwise dispose of, encumber, use as a security, or otherwise deal with the Asset without the Department's prior written consent;
  - (iii) hold the Asset securely and put in place reasonable safeguards against loss, damage or unauthorised use;
  - (iv) maintain at its expense:
    - (A) the Asset in good working order; and
    - (B) registration and licensing of the Asset, if applicable; and
  - (v) be fully responsible for, and bear all risks relating to, the purchase, use or disposal of the Asset.
- (d) If the Recipient disposes of an Asset during the Term, the Department may, in its discretion, reduce the Grant by the value of the disposed Asset.
- (e) If any Asset is lost, damaged or destroyed during the Term, the Recipient will promptly reinstate the Asset (including from the proceeds of the insurance, if any), and this clause 13 will continue to apply to the reinstated Asset.

---

### **14. Conflict of interest**

- (a) The Recipient warrants that, to the best of its knowledge and belief, after making diligent inquiries as at the date of signing this deed, no Conflict of Interest exists.
- (b) The Recipient must not have, and must take all reasonable measures to ensure its Representatives do not have, a Conflict of Interest.
- (c) If, during the Term, a Conflict of Interest arises, or appears likely to arise, the Recipient will notify the Department immediately in writing and take such steps to resolve or otherwise deal with the conflict to the Department's satisfaction.
- (d) If the Department is given notice of a Conflict of Interest pursuant to clause 14(c) or if the Department otherwise identifies that a Conflict of Interest exists, the Department may:

- (i) direct the Recipient as to how to manage the Conflict of Interest and the Recipient must comply with any reasonable direction so given by the Department; or
  - (ii) terminate this deed in accordance with clause 21.4.
- (e) The Recipient must keep a record of each Conflict of Interest that arises and how it was managed.
- 

## **15. Confidentiality**

### **15.1 Confidential Information**

Subject to clause 15.2, a party must not:

- (a) disclose the other party's Confidential Information to a third party; or
- (b) use the other party's Confidential Information other than for the purpose of performing this deed.

### **15.2 Exceptions**

A party may disclose the other party's Confidential Information:

- (a) with the other party's prior written consent (including any consent specified in this deed);
- (b) to a professional adviser, financial adviser, banker, financier or auditor if that person is obliged to keep the information disclosed confidential;
- (c) to any of its Representatives who are bound to keep the information confidential and to whom it is necessary to disclose the information;
- (d) to comply with the law, or a requirement of a regulatory body (including any relevant stock exchange);
- (e) to the extent necessary to enforce its rights or defend a claim or action under this deed; and
- (f) where that party is the Department:
  - (i) to the responsible Minister administering the Department and their personal and departmental advisers;
  - (ii) in response to a request by the Parliament or a Committee of the Parliament of the State of Queensland;
  - (iii) to any Commonwealth department, Queensland Government department, agency, authority or Minister; or
  - (iv) where disclosure is required to be made in accordance with established governmental policies, guidelines, procedures or for public accountability purposes.

### **15.3 Breach of confidentiality**

- (a) If a party becomes aware of a suspected or actual breach of this clause 15, the party will immediately notify the other party and take reasonable steps required to prevent or stop the suspected or actual breach.
- (b) The parties acknowledge and accept that damages will be an inadequate remedy for a breach of this clause 15.

### **15.4 Return of Confidential Information**

The Disclosee will return or destroy (at the Discloser's discretion) material containing Confidential Information when it is no longer required by the Receiver, or when otherwise directed by the Discloser, subject to any record-keeping requirements at law.

### **15.5 Recipient's undertaking**

- (a) The Recipient must make every reasonable effort to ensure that its Representatives are aware of and comply with the obligations of confidentiality in this clause 15.
- (b) The Department may, at any time, require the Recipient to arrange for its Representatives engaged in the performance of the Activity, to give written undertakings in a form reasonably

required by the Department relating to the non-disclosure of Confidential Information under this clause 15.

---

## 16. Privacy and Personal Information

- (a) This clause 16 applies where this deed amounts to a "service arrangement" under the *Information Privacy Act 2009* (Qld).
- (b) If the Recipient collects or has access to Personal Information in order to undertake the Activity, the Recipient must:
  - (i) comply with Parts 1 and 3 of Chapter 2 of the *Information Privacy Act 2009* (Qld) in relation to the discharge of its obligations under this deed (including its obligations regarding Reports), as if the Recipient was the Department;
  - (ii) ensure that Personal Information is protected against loss and against unauthorised access, use, modification, disclosure or other misuse;
  - (iii) not use Personal Information other than for the purposes of undertaking the Activity, unless required or authorised by law;
  - (iv) not disclose Personal Information without the consent of the Department, unless required or authorised by law;
  - (v) not transfer Personal Information outside of Australia without the consent of the Department;
  - (vi) fully co-operate with the Department to enable the Department to respond to applications for access to, or amendment of a document containing an individual's Personal Information and to privacy complaints; and
  - (vii) comply with such other privacy and security measures as the Department reasonably advises the Recipient in writing from time to time.
- (c) The Recipient must immediately notify the Department on becoming aware of any breach of clause 16(b).
- (d) On request by the Department, the Recipient must obtain from its Representatives engaged for the purposes of this deed, an executed deed of privacy in a form acceptable to the Department.
- (e) The Recipient agrees that its Personal Information may be disclosed by the Department to relevant parties engaged for the purposes of assessment of applications and programme evaluation, the Minister and the Minister's office, on the Department's website and to other Australian government agencies, persons or organisations where necessary for the above purposes, provided the disclosure is consistent with relevant laws, in particular the *Information Privacy Act 2009* (Qld) and *Privacy Act 1988* (Cth).

---

## 17. Insurance

- (a) The Recipient must effect and maintain insurance policies for the types, amounts and for the periods specified in Item 12 of Schedule 1 with an insurer and on terms approved by the Department (such approval not to be unreasonably withheld).
- (b) Upon reasonable request, the Recipient must provide the Department with evidence in a form acceptable to the Department of the terms and currency of the insurance required under clause 17(a), including copies of insurance policies and any endorsements or amendment to such policies.

---

## 18. Liability and indemnity

- (a) The Recipient releases to the full extent permitted by law, the Department and its Representatives from all actions, claims, proceedings or demands and in respect of any loss, death, injury, illness or damage (whether personal or property, and whether special, direct, indirect or consequential, including consequential financial loss) arising from or in connection with the Activity or this deed.

- (b) The liability of the Department under or in connection with this deed is limited in aggregate to the lower of:
  - (i) the Grant; and/or
  - (ii) the amount of the Funding actually provided by the Commonwealth to the Department under the NPA.
- (c) The Department and its Representatives will not in any circumstances (including for negligence) be liable for any loss of revenue, loss of profit, loss of anticipated savings or business, loss of opportunity (including opportunity to enter into or complete arrangements with third parties), loss of data or goodwill, loss of reputation or any indirect or consequential loss whether arising in contract, tort (including negligence) or otherwise, in connection with this deed.
- (d) The Recipient is liable for and indemnifies the Department and its Representatives against all liability, loss, costs and expenses (including any actions, claims, proceedings or demand brought by any third party, and any legal fees, costs and disbursements on a solicitor and own client basis) arising from or incurred in connection with:
  - (i) the Activity;
  - (ii) any default by the Recipient or the Recipient's Representatives under this deed;
  - (iii) any unlawful, wilful or negligent act or omission of the Recipient, the Recipient's Representatives or any person for whose conduct the Recipient is liable;
  - (iv) personal injury (including sickness and death) or property damage or loss in connection with the performance (or attempted or purported performance or non-performance) of this deed or a breach of this deed by the Recipient; or
  - (v) any infringement or alleged infringement of any Intellectual Property Rights or Moral Rights.
- (e) The Recipient's liability to indemnify the Department under clause 18(d) will be reduced proportionally to the extent that any negligent act or omission or breach of this deed by the Department caused the loss or liability.
- (f) The indemnity granted in clause 18(d) is in addition to and not exclusive of any other remedies the Department may have against the Recipient at law.
- (g) It is not necessary for the Department to incur expense or to make a payment before enforcing a right of indemnity conferred by this deed.

---

## 19. GST

- (a) Words defined in the GST Law have the same meaning in this clause 19.
- (b) If a party is required under this deed to reimburse or pay to another party an amount calculated by reference to a cost, expense, or an amount paid or incurred by that party, the amount of the reimbursement or payment will be reduced by the amount of any input tax credits to which that party (or an entity on whose behalf the party is acting) is entitled in respect of any acquisition relating to that cost, expense or other amount.
- (c) If GST is payable by an entity (**Supplier**) in relation to any supply that it makes under or in connection with this deed, the parties agree that:
  - (i) any consideration (including the value of any non-monetary consideration) provided for that supply under or in connection with this deed other than under this clause 19(c) (**Agreed Amount**) is exclusive of GST;
  - (ii) an additional amount will be payable by the party providing consideration for that supply (**Receiver**) equal to the amount of GST payable by the Supplier on that supply;
  - (iii) the additional amount is payable at the same time as any part of the Agreed Amount is to be first provided for that supply and the Supplier will provide a tax invoice to the Receiver in respect of that supply, no later than that time; and

- (iv) to the extent, if any, that any consideration (or part thereof) is specified in this deed to be inclusive of GST, that consideration (or the relevant part) will be excluded from the Agreed Amount for the purposes of calculating the additional amount payable under clause 19(c)(ii).

---

## **20. Dispute resolution**

### **20.1 Dispute resolution process**

- (a) Subject to clause 20.3, the parties will adhere to the following procedure in relation to disputes arising from this deed, prior to the commencement of litigation or other external dispute resolution procedure.
- (b) The Contact Officer for a party may notify the other in writing of the occurrence of a dispute (**Dispute Notice**) and the Contact Officers will try to resolve the dispute through negotiation.
- (c) If the Contact Officers are unable to resolve the dispute within 15 Business Days from the receipt of the Dispute Notice, the dispute will be referred to:
  - (i) for the Recipient, the person holding the position of Chief Executive Officer (or equivalent); and
  - (ii) for the Department, the Deputy Director General or the Director General of the Department,for resolution.
- (d) If the dispute is not resolved within 15 Business Days after its referral to the representatives of each of the parties listed in clause 20.1(c), either party may refer the dispute to a mediator agreed by the parties and on terms agreed by the parties, with costs to be shared equally between the parties.
- (e) If the parties cannot agree upon a mediator or terms, either party may request the President of the Queensland Law Society to nominate a mediator or settle terms.

### **20.2 Continuity during dispute**

Notwithstanding the existence of a dispute, each party will continue to perform its obligations under this deed.

### **20.3 Urgent interlocutory relief**

Nothing in this clause prevents either party from commencing court proceedings relating to any dispute arising from this deed at any time where that party seeks urgent interlocutory relief.

---

## **21. Term, suspension of Grant and termination**

### **21.1 Term**

This deed binds the parties from the date this deed is executed by the last party to do so and continues until the Expiry Date, unless terminated earlier in accordance with this deed (**Term**).

### **21.2 Suspension of Grant**

If, in the Department's reasonable opinion, the Recipient has:

- (a) failed to carry out the Activity;
- (b) expended the Grant otherwise than in accordance with clause 6;
- (c) changed any part of the Activity without obtaining the Department's prior written approval;
- (d) not provided any information or Reports as required by this deed or requested by the Department;
- (e) failed to comply with any relevant legislation; or
- (f) otherwise failed to comply with an obligation under this deed,

then the Department may suspend payment of all or part of the Grant to the Recipient for a period of time and on specified conditions as notified by the Department.



### **21.3 Termination or reduction in Term or Activity for convenience**

The Department may, at any time, by reasonable written notice, terminate this deed or reduce the Term or scope of the Activity for convenience, including for a Machinery of Government Change.

### **21.4 Termination for breach**

The Department may terminate this deed by written notice with immediate effect if the Recipient:

- (a) notifies the Department that it is unable or unwilling to commence or continue with the Activity;
- (b) uses or applies any part of the Grant other than in accordance with this deed;
- (c) fails to carry out the Activity in accordance with this deed;
- (d) otherwise breaches a term of this deed which is not capable of being remedied;
- (e) otherwise breaches a term of this deed (including but not limited to the provision of a Report) which is capable of being remedied and fails to remedy that breach within 30 days after receiving notice requiring it to do so;
- (f) makes a report under clause 3.2(b);
- (g) fails to refund Misapplied Funds or Grant Repayments following receipt of a notice, in accordance with clauses 6.2 or 6.3;
- (h) is or admits in writing that it is, or is declared to be, or is taken under any applicable law to be (for any purpose), insolvent or unable to pay its debts;
- (i) amends its constitution or operations in a way that means the Recipient is no longer eligible for the Grant or is no longer able to comply with this deed;
- (j) becomes subject to any form of external administration;
- (k) enters into an arrangement with the Recipient's creditors or otherwise takes advantage of any laws in force in connection with insolvent debtors; or
- (l) is wound up, voluntarily or involuntarily.

### **21.5 Effect of termination or reduction of Term or Activity**

- (a) On receipt of a notice of termination or reduction under clause 21.3 or 21.4:
  - (i) each party must take all available steps to minimise any loss resulting from the termination or reduction; and
  - (ii) the Recipient must:
    - (A) immediately stop carrying out its obligations in relation to the Activity as specified in the notice;
    - (B) continue to carry out any part of the Activity not affected by the notice; and
    - (C) provide written evidence to the Department's satisfaction of the amounts (if any) claimed as reasonable costs under clauses 21.5(b) and 21.5(d)(iii).
- (b) If this deed is terminated by the Department under clause 21.3, the Recipient will be entitled to the reasonable costs (if any) that have been or will be incurred by the Recipient as a direct result of the termination of the deed and which the Recipient cannot recoup or avoid and which would not otherwise have been incurred by the Recipient if the deed had continued until the expiry of the Term. The Department's obligation to pay reasonable costs under this clause 21.5(b) is limited to the lower of:
  - (i) the amount of the Grant; and/or
  - (ii) the amount of the Funding actually provided by the Commonwealth to the Department under the NPA.
- (c) If the Term or the scope of the Activity is reduced under clause 21.3, the Department may vary the Grant in accordance with the reduced scope of the Activity or Term.
- (d) Where the Grant is reduced under clause 21.5(c), the Department will:

- (i) review the scope of the Activity with the Recipient;
  - (ii) pay to the Recipient the Grant instalments that were due up to the date of the reduction; and
  - (iii) pay to the Recipient the reasonable costs (if any) that have been or will be incurred by the Recipient as a direct result of the reduction of the Grant and which the Recipient cannot recoup or avoid and which would not otherwise have been incurred by the Recipient if the Grant amount had continued unaltered until the expiry of the Term.
- (e) For the avoidance of doubt, clauses 18(b) and 18(c) apply to any termination of or change to this deed under clause 21.

### **21.6 Obligations after termination or expiration**

- (a) The Recipient must, upon termination or expiry of this deed, provide all assistance requested by the Department to facilitate the smooth transition of any relevant information, knowledge, systems or Assets from the Recipient to the Department or to a third party, including (if requested by the Department) development of and compliance with a transitional plan.
- (b) Within 10 Business Days of the termination or expiry of this deed, the Recipient must deliver to the Department:
  - (i) all Reports and documents due under this deed as at the date of termination or expiration;
  - (ii) a cheque or transfer for the amount of any funds repayable to the Department under clause 6.2 or 6.3, plus any accrued interest as at the date of termination or expiration; and
  - (iii) in the case of termination of this deed, a final Report in accordance with any requirements specified in Item 10 of Schedule 1, and detailing the present status of the Activity, the extent of achievement of the Activity, the level of success in meeting stated objectives and Milestones and any incidental results and benefits of the Activity.

### **21.7 Pre-existing rights and survival**

- (a) Termination in accordance with this clause 21 is without prejudice to any rights of either party under this deed existing at the date of termination.
- (b) Clauses 6, 8, 9, 11, 12, 13(c)(i), 15, 16, 17, 18, 20, 21.6, 21.7 and 23 survive expiration or termination of this deed for any reason.

---

## **22. Notices**

Each communication (including each notice, consent, approval, request and demand) in connection with this deed to be given by either party to the other:

- (a) must be in writing;
- (b) must be signed by the party making it (or by a person duly authorised by that party);
- (c) must be addressed in accordance with Item 1 of Schedule 1 or as otherwise notified from time to time;
- (d) must be delivered to that address by hand, or posted by pre-paid post to the address, or sent by facsimile transmission to the number of the addressee, in accordance with clause 22(c);
- (e) may be delivered by email to the email address of the addressee in accordance with clause 22(c) unless the communication is a notice, consent, approval, request and/or demand that is to be given under clauses 6.2, 6.3, 15, 16, 17, 18, 20 and 21 of this deed. So it is clear any notice, consent, approval, request and/or demand that is to be given under clauses 6.2, 6.3, 15, 16, 17, 18, 20 and 21 must be delivered in accordance with clause 22(d);
- (f) is taken to have been received by the addressee:
  - (i) where sent by pre-paid post – on the fifth day after the date of posting;

- (ii) where sent by facsimile transmission – at the time in the place to which it is sent equivalent to the time recorded on the transmitting machine from which it was sent upon receipt of a successful delivery confirmation from the transmitting machine;
  - (iii) where hand delivered – on delivery; or
  - (iv) where sent by email – when the email enters the Recipient’s mail server,
- but if the communication is taken to have been received on a day that is not a Business Day or later than 5.00 pm on a Business Day, the communication is taken to have been received at 9.00 am on the next Business Day.

---

## **23. General**

### **23.1 Entire agreement**

To the extent permitted by law, in relation to its subject matter, this deed:

- (a) embodies the entire understanding of the parties and constitutes the entire terms agreed by the parties; and
- (b) supersedes any prior written or other agreement of the parties.

### **23.2 No relationship**

- (a) Nothing contained in this deed will be taken as giving rise to any employment, agency, partnership or joint venture relationship between the parties.
- (b) The Recipient (including its Representatives):
  - (i) has no authority or power, and must not purport to have the authority or power, to bind the Department or make representations on behalf of the Department;
  - (ii) must not hold itself out or engage in any conduct or make any representation which may suggest to any person that the Recipient is for any purpose an employee, agent, partner or joint venturer with the Department; and
  - (iii) must not represent to any person that the Department is a party to the Activity other than as a financial contributor or has guaranteed the performance or fulfilment of the objectives of the Activity.

### **23.3 No representation or reliance**

- (a) Each party acknowledges that no party (nor any person acting on a party's behalf) has made any representation or other inducement to it to enter into this deed except for representations or inducements expressly set out in this deed.
- (b) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other party, except for representations or inducements expressly set out in this deed.

### **23.4 Assignment**

A party must not assign, novate or subcontract the whole or any part of this deed without the prior written consent of the other party.

### **23.5 Amendments**

This deed may only be varied by a document signed by or on behalf of each party.

### **23.6 Further acts and documents**

Each party must promptly do all acts and deliver all documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by the other party to give effect to this deed.

### **23.7 Waiver**

- (a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this deed by a party does

not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed.

- (b) A waiver or consent given by a party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of a term of this deed operates as a waiver of another breach of that term or any other term of this deed.

### **23.8 Consents**

A consent required under this deed from a party may be given or withheld, or may be given subject to any conditions, as that party (in its absolute discretion) thinks fit, unless this deed expressly provides otherwise.

### **23.9 Severance**

If at any time a provision of this deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair:

- (a) the legality, validity or enforceability in that jurisdiction of any other provision of this deed; or
- (b) the legality, validity or enforceability under the law of any other jurisdiction of that or any provision of this deed.

### **23.10 Counterparts**

This deed may be signed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes the deed of each party who has executed and delivered that counterpart.

### **23.11 Expenses**

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with negotiating, preparing, executing and performing this deed.

### **23.12 Continuing obligation**

Each indemnity in this deed is a continuing obligation, separate and independent from the other obligations of the parties, and survives termination, completion or expiration of this deed.

### **23.13 Governing law**

This deed is governed by and will be construed according to the law applying in Queensland.

### **23.14 Jurisdiction**

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of Queensland, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this deed; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 23.14(a).

### **23.15 Unavoidable delay**

A party will not be entitled to exercise its rights and remedies upon the default of the other party (whether at common law or pursuant to this deed) if that default:

- (a) is caused by Force Majeure; and
- (b) continues for less than 7 days.

---

## **24. Definitions and interpretation**

### **24.1 Definitions**

In this deed:

**Activity** means the activity or purpose specified in Item 3 of Schedule 1.

**Activity Commencement Date** means the commencement date specified in Item 4 of Schedule 1.

**Activity End Date** means the end date specified in Item 4 of Schedule 1.

**Activity Material** means any material including Intellectual Property Rights, created, written or otherwise brought into existence by or on behalf of the Recipient in the course of carrying out the Activity, excluding Reports.

**Approved Financial Institution** means a financial institution registered in Australia and operating as a bank, credit union or building society.

**Asset** means the items of property (if any) specified in Item 11 of Schedule 1.

**Background IP** means Intellectual Property Rights which are made available by a party for the purpose of carrying out the Activity and that are:

- (a) in existence at the Commencement Date; or
- (b) brought into existence after the Commencement Date other than as a result of the performance of the Activity.

**Business Day** means a day that is not a Saturday, Sunday or a public holiday in Brisbane or the Southern Downs.

**Commencement Date** means the commencement date specified in Item 2 of Schedule 1.

**Commonwealth** means the Government of the Commonwealth of Australia or Australian Government.

**Confidential Information** means all information, trade secrets and knowledge of or disclosed by a party (**Discloser**) to another party (**Disclosee**) that:

- (a) is by its nature confidential;
- (b) is designated or marked by the Discloser as confidential; or
- (c) the Disclosee knows or ought to know is confidential,

but does not include information which:

- (d) is or becomes public knowledge other than by breach of this deed or any other confidentiality obligation; or
- (e) is independently developed by a party while having no knowledge of or access to the other party's Confidential Information.

**Conflict of Interest** means having an interest (whether personal, financial or otherwise) which conflicts or which may reasonably be perceived as conflicting with the Recipient's ability to perform its obligations under this deed fairly, objectively and independently.

**Contact Officer** means the contact person for each party specified in Item 1 of Schedule 1 or another person as appointed from time to time and notified to the other party.

**Cost-Benefit Analysis** means analysis in accordance with *Building Queensland's Business Case Development Framework, Cost Benefit Analysis Guide, Supporting Business Case Development*, December 2016, Release 2.

**Eligible Expenditure** means expenditure on Eligible Items directly related to the conduct of the Activity excluding any Ineligible Items.

**Eligible Items** means those items specified in Item 14 of Schedule 1

**Expiry Date** means the expiry date specified in Item 2 of Schedule 1.

**Feasibility** means a range of detailed technical, environmental and economic assessments including a Cost-Benefit Analysis (where applicable) of a proposed water infrastructure project that is generally supported by Pre-Feasibility or similar studies (including assessments of water yields and review of relevant previous studies) and includes but is not limited to the project activities contained in Annexure A to this deed.

**Financial Acquittal Report** means a Report about the Recipient's financial performance in connection with carrying out the Activity as specified in Item 10 of Schedule 1.

**Force Majeure** means any event beyond the reasonable control of the party affected which occurs without fault or negligence of the affected party and includes:

- (a) acts of God;
- (b) war, nuclear event, riot, insurrection, vandalism or sabotage;
- (c) strike, lockout, ban, limitation of work or other industrial disturbance; and
- (d) law, rule or regulation of any government or governmental agency and executive or administrative order or act of general or particular application.

**Funding** means the payment the Department receives from the Commonwealth under the NPA.

**Grant** means the amount specified in Item 8 of Schedule 1 and, once received by the Recipient, includes any money earned from:

- (a) the operation of the Activity (for example fees, rent, board, service charges); and
- (b) interest on the Grant.

**Grant Repayment** means the amount to be repaid to the Department by the Recipient pursuant to clause 6.3.

**GST** means a goods and services tax or any similar tax, levy or impost imposed by the Commonwealth of Australia.

**GST Law** means *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Ineligible Expenditure** means any expenditure which is not Eligible Expenditure, and includes (but is not limited to) expenditure on Ineligible Items.

**Ineligible Items** means those items that are not Eligible Items and includes but is not limited to those items specified in Item 15 Schedule 1.

**Intellectual Property Rights** means all intellectual property rights, whether created before or after the Commencement Date, including:

- (a) plant breeder's rights, patents, copyright, rights in circuit layouts, trade marks, registered designs, Confidential Information and any right to have Confidential Information kept confidential;
- (b) any application or right to apply for registration of any of the rights referred to in paragraph (a); and
- (c) all rights of a similar nature to any of the rights in paragraphs (a) and (b) that may subsist in Australia or elsewhere, whether or not such rights are registered or capable of being registered.

**Machinery of Government Change** means a change to the title, structure, functions or operations of the Department or a part of the Department (including corporatisation) as a result of an order made under the *Constitution of Queensland 2001* (Qld) or other Queensland legislation.

**Milestones** means the milestones specified in Item 5 of Schedule 1.

**Misapplied Funds** means the amount to be repaid to the Department by the Recipient pursuant to clause 6.2.

**Moral Rights** means the right of attribution of authorship, the right not to have authorship falsely attributed and the right of integrity of authorship, as defined by and granted under the *Copyright Act 1968* (Cth), and any similar rights existing under foreign laws.

**NPA** means the agreement entered between the Department and the Commonwealth for the National Water Infrastructure Development Fund under which the Commonwealth will provide Funding to the Department for the delivery of Feasibility studies as set out in that agreement.

**NPA Schedule** means a schedule to the NPA detailing amounts of and requirements for Funding.

**NWIDF** means National Water Infrastructure Development Fund – Feasibility component.

**Personal Information** has the meaning given in the *Information Privacy Act 2009* (Qld).

**Pre-Feasibility** means the range of assessments that enable potential water infrastructure or dam sites within a catchment to be compared. They allow for more informed decisions regarding investment support for individual water resource developments in a whole-of-catchment context and includes but are not limited to:

- (a) detailed desktop investigations and site visits to acquire information on potential dam sites in a catchment;
- (b) environmental, geological, hydrological and other relevant scientific and technical studies;
- (c) consideration of alternative water storage/supply options (e.g. groundwater, managed aquifer recharge, demand management, desalination and/or sourcing water from alternative nearby storages; and
- (d) the project activities contained in Annexure A to this deed.

**Project Plan** means a document approved by the Recipient which will be used to guide the execution and control of the Activity.

**Publicity Event** means any event, announcement, promotional material, signage or any publicity relating to the Activity, the Recipient wants to undertake or release, in any media, to the public.

**Recipient's Contribution** means the contribution, if any, to be provided by the Recipient towards the Activity specified in Item 6 of Schedule 1.

**Reports** means the reports specified in Item 10 of Schedule 1.

**Representative** means an employee, agent, officer, director, volunteer, contractor, subcontractor or other authorised representative of a party.

**Special Conditions** means any special conditions specified in 0 of Schedule 1.

**Standards and Requirements** means the standards and requirements for the performance of the Activity or other policies and procedures, specified in Item 7 of Schedule 1.

**State and Federal Agencies** means Queensland State Government departments including but not limited to the Department of Natural Resources, Mines and Energy, Department of Environment and Science, Department of Local Government, Racing and Multicultural Affairs, Queensland Treasury, Department of Agriculture and Fisheries and any relevant Commonwealth Government departments.

**Term** has the meaning specified in clause 21.1.

## 24.2 Interpretation

In this deed:

- (a) headings are for convenience only and do not affect interpretation;  
and unless the context indicates a contrary intention:
- (b) if more than one person is identified as the Recipient, then that expression refers to them, and the obligations of the Recipient under this deed bind them, jointly and severally;
- (c) **person** includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture (where incorporated), a partnership and a trust;
- (d) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes a substituted or an additional trustee;
- (e) a reference to a document (including this deed) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to a statute includes its delegated legislation and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (g) a reference to a party, clause, schedule, attachment or annexure is a reference to a party, clause, schedule, attachment or annexure to or of this deed, and a reference to this deed includes all schedules, attachments and annexures to it;

- (h) a word importing the singular includes the plural (and vice versa), and a word indicating a gender includes every other gender;
- (i) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) **includes** in any form is not a word of limitation;
- (k) a reference to **\$** or **dollar** is to Australian currency; and
- (l) no rule of construction will apply to a provision of this deed to the disadvantage of a party merely because that party drafted the provision or would otherwise benefit from it.





## Grant Deed

### Annexure A – Project activities Urannah Dam Project - Feasibility Study

<b>Urannah Dam Project Activities</b>	Estimated project cost breakdown (excluding GST)
Project activities include but are not limited to:	
<b>Milestone 1</b>	
Project Plan and associated documents for project commencement	\$600,000
<b>Milestone 2</b>	
Strategic Business Case	\$300,000
<b>Milestone 3</b>	
Investigation Reports including but not limited to:-	
<ul style="list-style-type: none"> <li>. Hydrology/hydraulics</li> <li>. Dam siting, type, details</li> <li>. Infrastructure, pipelines</li> <li>. Geotechnical investigations</li> <li>. Flora and Fauna</li> <li>. Agriculture studies</li> <li>. Cultural Heritage/ Native Title</li> </ul>	\$500,000
<b>Milestone 4</b>	
Draft Preliminary Business Case supported by but not limited to:-	
<ul style="list-style-type: none"> <li>. Estimating</li> <li>. Modelling</li> <li>. Market research</li> <li>. Int. demand analysis</li> <li>. Financial modelling</li> <li>. Economic modelling</li> </ul>	\$700,000
<b>Milestone 5</b>	
Final Preliminary Business Case	\$900,000
<b>Total NWIDF funding expenditure (excluding GST)</b>	<b>\$3,000,000</b>



## Grant Deed

### Annexure B – Standards and Requirements

As applicable, the Standards and Requirements for the performance of the Activity include but are not limited to:

#### **High level aims and challenges**

- **Project objectives** – what problem (or opportunity) the project is trying to address (e.g. water security, economic development) and the potential uses of water generated by the project (e.g. urban, industrial, agricultural)
- **Project challenges** – what challenges will need to be overcome to implement the project (e.g. water resource plan amendments, environmental impacts, threshold take-up of water entitlements etc)
- **Consultation** - The Recipient must ensure consultation is undertaken with relevant State and Federal Agencies.

#### **Economic and financial analysis of the project**

As applicable, use of the Building Queensland (BQ) Business Case Development Framework (BCDF) documents including:

- Strategic Business Case template and guidance
- Preliminary Business Case template and guidance
- Detailed Business Case template and guidance
- Cost Benefit Analysis guide

#### **Economic analysis of the project**

- Establishment of a base case and demonstrated evaluation of and comparison between alternative water supply options
- Identification of project objectives and key design parameters of the proposed infrastructure, including any associated infrastructure such as a fish way or roads and bridges, if applicable
- Identification of the economic costs and benefits of the project, including assumptions
- At a minimum, perform a Cost-Benefit Analysis for the project in accordance with BQ's Cost Benefit Analysis Guide, including calculation of a Benefit Cost Ratio and Net Present Value and sensitivity analysis

#### **Financial analysis of the project**

- Identification of all whole-of-life revenues and costs associated with the project in net present value terms
- Cash flow profile over the life of the project, calculation of financial net present value and assessment of financial sustainability (i.e. can revenue cover costs)
- Where capital costs and return on capital is to be recovered from users provide details of indicative water pricing including an overview of the financial modelling undertaken to calculate prices and the underlying assumptions (e.g. WACC rates, assumed uptake of allocations, phased introduction of capex and opex costs, etc) and demonstrated compliance with Queensland Competition Authority pricing principles
- Assessment of water demand for the water allocations including sensitivity of the demand to water price
- Breakdown and identification of the expected recipients of financial benefits and those that are expected to absorb the financial costs
- Assessment of financing options and the financing solution proposed (distinct from funding)



## Grant Deed

### **Water Resource Regulations**

- Demonstrated compliance with the applicable statutory water resource plan and resource operations plan under the *Water Act 2000* and/or details on the approach, potential actions required to comply and potential implications for future water planning activities. This will include yield modelling utilising the hydrologic model approved by the Department of Natural Resources and Mines to determine the volume of water that can be obtained from any proposed water storages at a given reliability whilst demonstrating compliance with the relevant water allocation security objectives and environmental flow objectives

### **Environmental Impacts**

- Identification and assessment of the environmental considerations and impacts of the project. The following matters must be specifically addressed:
  - matters of national and state environmental significance are to be identified for any proposed water storage and water application impacted areas
  - water quality assessment is to include details of any impacts on the environmental values and water quality objectives of the receiving waters, as stated under the Environmental Protection (Water) Policy 2009 or default in any relevant Water Quality Improvement Plan
  - any State and/or Commonwealth offsets must be costed and included in the cost benefit analysis
  - Threatened species (State and Commonwealth)

### **Laws, regulations and other standards**

- Applicable environmental and other laws and regulations, including but not limited to:
  - *Environment Protection and Biodiversity Conservation Act 1999* (Cth)
  - *Environmental Protection Act 1994* (Qld)
  - *Native Title Act 1993* (Cth) – including identifying any implications and/or strategies for addressing native title issues
  - *Cultural Heritage Act 2003* (Qld)
  - *Sustainable Planning Act 2009* (Qld)
  - *Nature Conservation Act 1992* (Qld)
  - *Water Act 2000* (Qld)
  - *Water Supply (Safety and Reliability) Act 2009* (Qld)
  - *Land Act 1994* (Qld)
  - *Vegetation Management Act 1999* (Qld)
  - *Queensland Local Government Act 2009*
- Compliance with the applicable Australian National Committee on Large Dams (ANCOLD) guidelines and applicable Queensland dam safety regulatory requirements
- An assessment of upstream and downstream flooding impacts
- Consistency with the:
  - Australian Government's 'Principles to Drive Water Investment in the North' on page 51 of the *Developing Northern Australia White Paper*, June 2015
  - Council of Australian Government's National Water Initiative, including the NWI Pricing Principles

### **Other requirements**

- Anticipated impacts on transport and other infrastructure should be described and costed e.g. the need to upgrade or relocate roads, rail lines, power services, buildings etc
- Risk assessment for the project in accordance with Australian Standard AS NZS ISO 31000: 2009 Risk Management- principles and guidelines
- Any other issue that may be relevant to the project provided that it is within the scope of the Activity and the maximum amount of Funds.



**Grant Deed**

**Executed as a deed**

**Signed, sealed and delivered** for and on behalf of the **State of Queensland** acting through the **Department of Natural Resources, Mines and Energy** ABN 59 020 847 551 by

JAMES PORTILL

(name)

DIRECTOR-GENERAL DNRME

(position)

a person duly authorised to act in that behalf in the presence of

Mira Jardine

Signature of Witness

MIRA JARDINE

Name of Witness in full

[Signature]

Signature

Date:

22/2/18

**Signed, sealed and delivered** for and on behalf of **Bowen Collinsville Enterprise Group Inc.** ABN 74 284 284 577 by

PACH MCHUGHIN

(name)

CHAIRMAN

(position)

a person duly authorised to act in that behalf in the presence of

[Signature]

Signature of Witness

Bronwyn Bakon

Name of Witness in full

[Signature]

Signature

Date:

18/1/18

**Certificate by Person not Legally Represented \***

I, Paul McLaughlin, Chairman of Bowen Collinsville Enterprise Group Inc (BCE), a party to the Grant Agreement attached to this certificate (**Agreement**), certify as follows:

- 1 Before signing this certificate BCE carefully considered the terms of the Agreement and understand:
  - (a) what BCE will be foregoing as a result of signing the Agreement;
  - (b) the nature and effect of the Agreement; and
  - (c) BCE's rights and obligations under the Agreement.
- 2 BCE has been given the opportunity to obtain independent legal advice in relation to its obligations and rights under the Agreement but do not consider this necessary as it fully understands and accepts the terms in the Agreement.
- 3 BCE understands the Department is relying on this certificate in accepting BCE's warranties and covenants and in its dealings with it.

I Paul McLaughlin warrant that I am authorised to sign for and on behalf of BCE in regard to the above.

Date: 18 / 1 / 2018

Signature:



## **13 APPENDIX B – BUDGET ESTIMATE & WORK-BREAK DOWN**

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Urannah Dam Project												
2													
3	No.	TASK DESCRIPTION											Comments
4		\$336,790.00	ISO Doc No (Initiative Capital Pro-Forma)	Milestone		Project Control Group - BCE	Project Manager	BCE Water Advisors (David Evans / Peter Gilroy)	Dam Engineering (Consultant)	Financial / Economic / Water Consultants	Environmental Engineering - (Consultant)		
5		11.23%	Budget Hours			450	2482	800	2050	2918	1655		
6			Average Hourly Rate			\$250	\$280	\$250	\$250	\$250	\$250		
7	Total Funding (including contingency)	\$2,663,210.00	Total Fee Distribution			\$112,500	\$694,960	\$200,000	\$512,500	\$729,500	\$413,750		
8	1	Urannah Dam Project											
9	1.1	Develop PIP	YES	#1			200						
10	1.1.1	Decide scope											
11	1.1.2	Engage with Feds & State											
12	1.1.3	Funding granted - Monthly & Milestone Reporting					300						
13	1.2	Establish PCG											
14	1.2.1	Kick off meeting											
15	1.3	Develop Project Risk Register					50						
16	1.4	Data Collection & Analysis											
17	1.4.1	Collect all data											
18	1.4.1.1	Develop a central repository					122						
19	1.4.1.2	Compile GIS information					145						
20	1.4.2	Data review & gap analysis											
21	1.4.2.1	Hydrology											
22	1.4.2.2	Geotechnical data											
23	1.4.2.3	Dam engineering options							1000				
24	1.4.2.4	Infrastructure							1000				
25	1.4.2.5	Project Finance and Economics								750			
26	1.4.2.6	Environment and Social									500		
27	1.4.2.7	Native Title and Cultural Heritage						400			200		
28	1.5	Commission and Manage Studies				100							
29	1.5.1	Selection of consultants					50						
30	1.5.2	Studies					20						
31	1.5.3	Manage deliverables					100	100					
32	1.6	Strategic Business Case											
33	1.6.1	Investment Logic Map									48		
34	1.6.2	Action Plan									30		
35	1.6.3	Options analysis									30		
36	1.6.4	Government Stakeholders				50							
37	1.6.5	Governance Proposal				50							
38	1.6.6	Recommendation					25						
39	1.7	Strategic Business case	YES	#2									
40	1.7.1	Governance											
41	1.7.1.1	Project Owner											
42	1.7.1.2	Steering Committee											
43	1.7.2	Project Background											
44	1.7.2.1	Outcomes of the Strategic Business Case					20						
45	1.7.3	Problem, Outcomes and Benefits											
46	1.7.3.1	Approach					20						
47	1.7.4	Options Analysis											
48	1.7.4.1	Options identification (long list)					20						
49	1.7.4.2	Options filter (short list)					20						
50	1.7.5	Options analysis											
51	1.7.5.1	Description					45						
52	1.7.5.2	Objectives, Outcomes and Benefits Options					40						
53	1.7.5.3	Scope of Options					40						
54	1.7.5.4	Implementation of Options					40						
55	1.7.6	Policy Consideration											
56	1.7.6.1	Policy Issues					50						
57	1.7.7	Legal and Regulatory Considerations											
58	1.7.7.1	Legislative Issues					15						
59	1.7.7.2	Regulatory Issues					15						
60	1.7.7.3	Approvals					30			100			
61	1.7.7.4	Other Legal Matters						100					
62	1.7.8	Market Considerations											
63	1.7.8.1	Market Sounding									75		
64	1.7.8.2	Assessment of Market Capability									75		
65	1.7.9	Public Interest Consideration											
66	1.7.9.1	Impact of Stakeholders											
67	1.7.9.2	Community Consultation				50							
68	1.7.9.3	Public Access and Equity					50						
69	1.7.9.4	Consumer Rights					30						
70	1.7.9.5	Security					30						
71	1.7.9.6	Privacy					30						

3	A	B	C	D	E	F	G	H	I	J	K	L	M
4	No.	TASK DESCRIPTION	ISO Doc No (incl. Form)	Milestone	Project Contract	Project Manag	BCE Water Act (David Evans)	Dam Engineer	Financial/Ecc Consultants	Environmental (Consultant)			
5			\$336,790.00			450	2482	800	2050	2918	1655		
6			11.23%			Average Hourly Rate	\$250	\$280	\$250	\$250	\$250		
7		Total Funding (including contingency)	\$2,663,210.00			Total Fee Distribution	\$112,500	\$694,960	\$200,000	\$512,500	\$729,500	\$413,750	
72	1.7.10	Economic Analysis											
73	1.7.10.1	Approach								50			
74	1.7.10.2	Methodology								50			
75	1.7.10.3	Benefits								50			
76	1.7.10.4	Costs								100			
77	1.7.10.5	Cost Benefits Analysis Results								100			
78	1.7.11	Environmental Assessment											
79	1.7.11.1	Approach									500		
80	1.7.11.2	Identification of Environmental Matters											
81	1.7.11.3	Environmental Assessment									100		
82	1.7.12	Social Impact Evaluation											
83	1.7.12.1	Approach										60	
84	1.7.12.2	Stakeholder Engagement										50	
85	1.7.12.3	Social Impact Evaluation										50	
86	1.7.12.4	Traditional Owner Review				200		200					
87	1.7.13	Sustainable Assessment											
88	1.7.13.1	Approach										45	
89	1.7.13.2	Application										50	
90	1.7.13.3	Sustainability Assessment										50	
91	1.7.14	User Charging and Value Capture Assessment											
92	1.7.14.1	Approach								100			
93	1.7.14.2	User Charging Assessment											
94	1.7.14.2.1	Assess Opportunities for User Charging								100			
95	1.7.14.2.2	User Charging Results								100			
96	1.7.14.3	Value Capture Assessment											
97	1.7.14.3.1	Identify Beneficiaries and Assess Mechanisms								100			
98	1.7.14.3.2	Value Capture Results								75			
99	1.7.15	Cost and Risk Analysis											
100	1.7.15.1	Approach								50			
101	1.7.15.2	Risk Identification and Assessment								50			
102	1.7.15.3	Discussion on Specific Risks								50			
103	1.7.15.4	Risk Quantification								50			
104	1.7.15.5	Risk-Adjusted Costs								50			
105	1.7.15.6	Risk Allocation								50			
106	1.7.16	Financial and Commercial Analysis											
107	1.7.16.1	Approach to Financial Analysis								50			
108	1.7.16.2	Capital Costs								125			
109	1.7.16.3	Initial One-Off Operating Costs								20			
110	1.7.16.4	Ongoing Costs (Whole of Life)								35			
111	1.7.16.5	Residual Values								25			
112	1.7.16.6	Revenues								130			
113	1.7.16.7	Present Value Summary								100			
114	1.7.16.8	Potential Government Funding Sources					75			50			
115	1.7.17	Delivery Model Analysis											
116	1.7.17.1	Approach											
117	1.7.17.2	Delivery Model Assessment					100						
118	1.7.17.3	Traditional Delivery Model Assessment					100						
119	1.7.18	Affordability Analysis											
120	1.7.18.1	Approach								50			
121	1.7.18.2	Affordability Assessment								50			
122	1.7.19	Preferred Option for Further Development		#3									
123	1.7.19.1	Approach					50		50	50	50		
124	1.7.19.2	Selection of Preferred Option					50						
125	1.7.20	Impacts of Preferred Option											
126	1.7.20.1	Strategic Impact					50						
127	1.7.20.2	Economic Impact					50						
128	1.7.20.3	Social and Environmental Impact					50						
129	1.7.20.4	Financial and Commercial Impact					50						
130	1.7.20.5	Procurement Approach					50						
131	1.7.20.6	Criteria For success					50						
132	1.7.20.7	Priority					50						
133	1.7.21	Preliminary Business Case	YES	#4			100						
134	1.7.22	Plans - Go to Market Documents	YES	#5			100						