

Question on Notice

No. 122

Asked on 8 February 2007

Mr GIBSON asked the Deputy Premier, Treasurer and Minister for Infrastructure (Ms BLIGH) –

QUESTION:

With reference to her media release on 10 January 2007 which states that south east Queensland water infrastructure projects are expected to cost some \$6.5 billion over the next four years, including \$880 million in 2006-07 -

Will she provide:-

1. a breakdown of how the \$6.5 billion cost estimate was derived, including a breakdown of the cost of each infrastructure project (each project reported separately).
2. an estimate of how much of the \$6.5 billion will be spent in 2007-08, 2008-09 and 2009-10,
3. a breakdown of the \$880 million to be spent in 2006-07 (with figures for each project reported separately) and
4. details of how much was originally budgeted to be spent on south east Queensland water infrastructure projects when the 2006-07 State Budget was released in June 2006 (with figures for each project reported separately)?

ANSWER:

As the media release identified, the costings used in calculating these figures were estimates. These estimates were based on the best information available at the time. Given projects' scope, cost and financing arrangements remain to be finalised, estimates remain subject to change as more accurate information becomes available.

1. The total \$6.5 billion estimate was derived from:

Project	\$M
Western Corridor Recycled Water Project	1,700
Southern Regional Water Pipeline	901
Northern Interconnecting Pipeline	300
Eastern Interconnecting Pipeline	40
South East Queensland Desalination	1,210
Traveston Crossing Dam	1,846*
Wyaralong Dam	459
Bromelton Offstream Storage	40
Cedar Grove Weir	10

*estimate includes preliminary expectations of distribution works associated with the Dam's connection to the SEQ Water Grid.

2. Estimates of how much of the total \$6.5 billion will be spent in out-years are:

2007-08 (\$M)	2008-09 (\$M)	2009-10 (\$M)
2,878	1,892	854

3. The breakdown of the \$880 million estimated to be spent in 2006-07 is:

Project	\$M
Western Corridor Recycled Water Project	290
Southern Regional Water Pipeline	150
Northern Interconnecting Pipeline	5
Eastern Interconnecting Pipeline	5
South East Queensland Desalination	168
Traveston Crossing Dam	231
Wyaralong Dam	27
Bromelton Offstream Storage	4
Cedar Grove Weir	2

4. The 2006-07 State Budget included funding for a range of SEQ water projects and reform processes, including:
- \$100M for an initial order of pipes for the first stage of the Western Corridor Recycled Water Scheme;
 - \$69M for strategic land purchases, including additional funds to accelerate land acquisitions for Traveston Crossing and Wyaralong Dams; and
 - \$13M for investigations and feasibility studies to progress the South East Queensland Regional Drought Strategy. Particular areas of focus included recycled water use, new dam sites, new groundwater sources and corridor investigations to improve water distribution.