



Australian Government



1 October 2009

Mr J Cox  
Chief Executive Officer  
Independent Pricing and Regulatory Tribunal  
PO Box Q290  
QVB POST OFFICE NSW 1230



Dear Mr Cox

### River Murray Operations Costs

The attached spreadsheets set out for the former Murray-Darling Basin Commission and the Murray-Darling Basin Authority cost information relating to the operations of the River Murray System.

The costs for water assets have been shown against four categories as follows:

- Category 1(a) Principal river operations assets with whole of system function and upstream of Murrumbidgee Junction.
- Category 1(b) As for 1(a) but downstream of Murrumbidgee Junction.
- Category 2(a) Locks and weirs that provide local benefits rather than serving a whole of river function, where NSW and Victoria are the local beneficiaries.
- Category 2(b) As for 2(a) but where South Australia is the agreed local beneficiary.
- Salinity Design, construction, operation maintenance and renewal of Murray Valley System salt interception schemes ("SIS") [includes a new small scheme on the Darling River, downstream of Bourke, which provides whole of system salinity benefits].
- Murray Mouth Dredging program to keep mouth open and maintain connectivity between the sea and the Coorong.
- Environment Environmental activities in the River Murray System.

Over the period 2006-07 through potentially to 2012-13 the River Murray program has and will benefit from the Australian Government's \$500 million additional funding received by the former Murray-Darling Basin Commission in June 2006 (including earned interest).

For the purposes of IPART's determination of water charges it will be necessary to deem that funding to have been applied to specific programs. The terms of the funding did not require the Commission to specifically identify which projects or components of projects proceeded as a consequence of the additional funding. Rather the entire program over

the full period has benefitted, including from the commitment by jurisdictions to maintain their 2006-07 contributions in real terms for the following four years.

To assist IPART in reconciling State Water charges with River Murray costs, the Authority proposes that IPART deem a share of the \$500 million Australian government additional funding (including any interest earned) to be applied to the following projects/programs.

|         |                                              | \$ m |
|---------|----------------------------------------------|------|
| 2006-07 | draw on AG funds (\$59 978)                  |      |
|         | assume offset against: SIS construction      |      |
| 2007-08 | draw on AG funds \$8 845 081                 | 7.5  |
|         | assume offset against: SIS                   |      |
|         | 2 (b) construction (Lock 1 Nav Pass)         | 1.7  |
|         | environment construction                     | 1.2  |
| 2008-09 | draw on AG funds \$23 258 304                |      |
|         | assume offset against: SIS                   | 12.4 |
|         | Locks 1-6 contribution 2 (b)                 | 6.7  |
|         | Lake Victoria land acquisition [inc in 1(b)] | 5.1  |
|         | environment construction                     | 1.2  |
| 2009-10 | draw on AG funds \$43 794 513                |      |
|         | assume offset against: SIS                   | 15.3 |
|         | nav passes at Locks 6, 5 and 4 – 2(b)        | 7.3  |
|         | nav pass at Euston included in 1(b)          | 4.0  |
|         | Hume Dam safety included in 1(a)             | 12.0 |
|         | environment construction                     | 1.2  |
|         | change in corporate overhead allocation      | 4.0  |
|         | methodology ~                                |      |
| 2010-11 | draw on AG funds \$28 629 203                |      |
|         | assume offset against: SIS                   | 13.0 |
|         | nav pass at Locks 4 and 2                    | 5.2  |
|         | Mildura weir upgrade                         | 2.1  |
|         | Hume Dam safety                              | 4.0  |
|         | environment construction                     | 1.2  |
|         | change in corporate overhead allocation      | 4.0  |
|         | methodology                                  |      |
| 2011-12 | draw AG funds \$8 457 070                    |      |
|         | assume offset against: SIS                   | 10.2 |
|         | change in corporate overhead allocation      | 4.0  |
|         | methodology                                  |      |
| 2012-13 | draw on AG funds \$2 186 575                 |      |
|         | assume offset against: SIS                   | 7.5  |
|         | change in corporate overhead allocation      | 4.0  |
|         | methodology                                  |      |

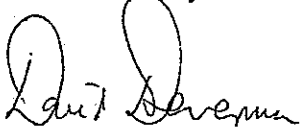
A change in methodology for allocating overheads has seen River Murray division's corporate overheads increase by up to \$5 million for 2009-10. For the purposes of this analysis it is reasonable to deem that \$4 million/annum of such additional overhead has been offset in 2009-10 to 2011-12 by effectively drawing on AG \$500 million investment.

The Authority is working with its partner governments to further clarify corporate overhead allocation from 2011-12 as part of development of Corporate Plan for 2010-11.

Should you wish to discuss any matters associated with this information further, please do not hesitate to contact me on (02) 6279 0161.

I would be happy to meet with you and your staff if that will assist.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David Dreverman', written over a horizontal line.

David Dreverman  
Executive Director  
River Murray

TRIM ref: D09/18206



IPART summary sheet : Operations and Maintenance

| IPART summary sheet : Operations and Maintenance |                                                                                                                                                                                |                           |                                                                                                                                                                        |                  |                |                |                  |                  |                  |           |                          |                          |                          |                          |                          |                          |                          |         |
|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|----------------|------------------|------------------|------------------|-----------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------|
| Category                                         | IPART Code                                                                                                                                                                     | Description               | Actual 2006/07                                                                                                                                                         | Actual 2007/08   | Actual 2008/09 | Budget 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | NSW Share | NSW Contribution 2006/07 | NSW Contribution 2007/08 | NSW Contribution 2008/09 | NSW Contribution 2009/10 | NSW Contribution 2010/11 | NSW Contribution 2011/12 | NSW Contribution 2012/13 |         |
| 1a                                               | Derimouth<br>Hume<br>Yarrawonga<br>Trentham<br>Menzies Lakes<br>River Gauging (NSW & Vic)<br>Water quality (NSW & Vic)<br>Maintenance contingency                              | River Operations          | 613,151                                                                                                                                                                | 699,116          | 745,833        | 631,270        | 676,731          | 681,870          | 708,300          | 42.92%    | 263,164                  | 300,061                  | 320,112                  | 270,941                  | 290,453                  | 292,659                  | 304,002                  |         |
|                                                  |                                                                                                                                                                                | Preventative Maint        | 1,641,920                                                                                                                                                              | 1,809,806        | 1,357,334      | 1,776,249      | 1,829,051        | 1,901,539        | 1,888,733        | 42.92%    | 704,712                  | 776,769                  | 682,568                  | 762,366                  | 785,029                  | 816,141                  | 810,644                  |         |
|                                                  |                                                                                                                                                                                | Planned maintenance       | 6,146,908                                                                                                                                                              | 3,004,977        | 2,146,460      | 1,699,300      | 2,008,820        | 1,813,552        | 2,524,748        | 42.92%    | 2,638,253                | 1,289,736                | 921,261                  | 725,048                  | 882,100                  | 778,377                  | 1,083,622                |         |
|                                                  |                                                                                                                                                                                | Hydrometric               | 1,370,041                                                                                                                                                              | 1,481,658        | 1,454,995      | 1,609,440      | 1,624,920        | 1,694,400        | 638,900          | 42.92%    | 588,022                  | 635,928                  | 624,289                  | 690,772                  | 631,660                  | 637,944                  | 357,910                  |         |
|                                                  |                                                                                                                                                                                | Water Quality             | 644,151                                                                                                                                                                | 616,409          | 622,563        | 743,632        | 772,740          | 803,470          | 833,900          | 42.92%    | 276,470                  | 284,593                  | 267,204                  | 319,167                  | 331,660                  | 344,849                  | 379,204                  |         |
|                                                  |                                                                                                                                                                                | Dam Safety                | 1,282,506                                                                                                                                                              | 1,419,421        | 1,651,187      | 1,483,662      | 1,654,905        | 1,030,060        | 1,069,264        | 42.92%    | 550,452                  | 609,215                  | 708,689                  | 636,788                  | 652,765                  | 642,102                  | 458,928                  |         |
|                                                  |                                                                                                                                                                                | Real Estate               | 228,811                                                                                                                                                                | 246,320          | 287,401        | 247,440        | 268,660          | 265,480          | 275,100          | 42.92%    | 98,206                   | 105,721                  | 114,768                  | 106,201                  | 115,309                  | 113,944                  | 118,073                  |         |
|                                                  |                                                                                                                                                                                | Rec & Tourism             | 276,983                                                                                                                                                                | 278,770          | 259,920        | 332,041        | 286,711          | 296,231          | 320,901          | 42.92%    | 118,881                  | 119,648                  | 128,266                  | 142,512                  | 123,056                  | 127,142                  | 137,731                  |         |
|                                                  |                                                                                                                                                                                | Navigation                | 4,984                                                                                                                                                                  | 12,516           | 15,226         | 7,592          | 8,016            | 8,311            | 18,360           | 42.92%    | 2,139                    | 5,372                    | 6,535                    | 3,258                    | 3,440                    | 3,567                    | 7,880                    |         |
|                                                  |                                                                                                                                                                                | Support Services          | 2,824,104                                                                                                                                                              | 3,034,861        | 3,350,678      | 3,595,413      | 4,421,465        | 3,299,043        | 3,229,879        | 42.92%    | 1,212,106                | 1,302,562                | 1,438,111                | 1,538,859                | 1,897,893                | 1,415,949                | 1,386,264                |         |
| 1b                                               | Euston<br>Preventative Maint<br>Lock 9<br>Lake Victoria<br>Barrages<br>Dam Safety<br>Water quality (SA)<br>Rec & Tourism<br>Navigation<br>Support Services<br>TLM Env delivery | TLM Env delivery          | 15,033,559                                                                                                                                                             | 12,603,854       | 11,910,097     | 12,111,439     | 12,957,419       | 11,789,756       | 11,514,085       | 42.92%    | 6,432,404                | 5,409,574                | 5,111,814                | 5,198,229                | 5,561,324                | 5,080,163                | 4,941,845                |         |
|                                                  |                                                                                                                                                                                | River Operations          | 718,830                                                                                                                                                                | 763,305          | 732,448        | 736,500        | 762,800          | 801,500          | 827,000          | 42.92%    | 308,522                  | 327,611                  | 314,367                  | 316,106                  | 327,394                  | 344,004                  | 354,948                  |         |
|                                                  |                                                                                                                                                                                | Preventative Maint        | 128,138                                                                                                                                                                | 195,003          | 182,707        | 321,300        | 327,800          | 339,000          | 349,000          | 42.92%    | 54,697                   | 84,124                   | 78,418                   | 137,902                  | 140,692                  | 145,499                  | 149,791                  |         |
|                                                  |                                                                                                                                                                                | Planned maintenance       | 1,272,625                                                                                                                                                              | 930,467          | 786,172        | 745,200        | 792,000          | 565,000          | 301,000          | 42.92%    | 546,211                  | 399,356                  | 337,425                  | 319,840                  | 391,001                  | 242,498                  | 129,189                  |         |
|                                                  |                                                                                                                                                                                | Hydrometric               | 298,781                                                                                                                                                                | 811,132          | 558,828        | 375,000        | 325,000          | 335,000          | 346,000          | 42.92%    | 128,237                  | 348,138                  | 239,849                  | 169,950                  | 139,919                  | 143,782                  | 148,503                  |         |
|                                                  |                                                                                                                                                                                | Water Quality             | 99,637                                                                                                                                                                 | 139,338          | 143,076        | 130,000        | 135,000          | 145,000          | 150,000          | 42.92%    | 42,764                   | 59,804                   | 61,408                   | 55,796                   | 57,942                   | 62,234                   | 64,300                   |         |
|                                                  |                                                                                                                                                                                | Dam Safety                | 161,757                                                                                                                                                                | 231,139          | 142,334        | 199,300        | 156,800          | 201,000          | 205,000          | 42.92%    | 78,010                   | 99,205                   | 81,030                   | 85,540                   | 84,467                   | 86,269                   | 87,986                   |         |
|                                                  |                                                                                                                                                                                | Real Estate               | 643,886                                                                                                                                                                | 703,792          | 867,233        | 962,000        | 922,000          | 866,000          | 795,000          | 42.92%    | 276,356                  | 302,068                  | 372,216                  | 412,890                  | 395,722                  | 371,687                  | 341,214                  |         |
|                                                  |                                                                                                                                                                                | Rec & Tourism             | 121,674                                                                                                                                                                | 173,598          | 141,544        | 120,600        | 170,500          | 128,000          | 131,000          | 42.92%    | 52,222                   | 74,508                   | 60,751                   | 51,762                   | 73,179                   | 54,938                   | 56,225                   |         |
|                                                  |                                                                                                                                                                                | Navigation                | 373,587                                                                                                                                                                | 402,299          | 387,451        | 596,700        | 733,000          | 1,047,000        | 358,000          | 42.92%    | 160,344                  | 172,687                  | 165,294                  | 255,104                  | 314,604                  | 449,372                  | 153,654                  |         |
| 2a                                               | Mildura<br>Wentworth                                                                                                                                                           | Support Services          | 1,396,425                                                                                                                                                              | 1,818,181        | 2,703,448      | 1,991,500      | 1,673,400        | 2,207,150        | 1,472,800        | 42.92%    | 599,346                  | 780,355                  | 1,160,320                | 854,752                  | 718,223                  | 947,309                  | 632,169                  |         |
|                                                  |                                                                                                                                                                                | TLM Env delivery          | 5,235,340                                                                                                                                                              | 6,169,292        | 6,655,619      | 6,185,100      | 6,165,300        | 6,841,650        | 4,942,900        | 42.92%    | 2,247,008                | 2,647,860                | 2,859,592                | 2,654,645                | 2,646,147                | 2,850,596                | 2,121,493                |         |
|                                                  |                                                                                                                                                                                | River Operations          | 138,235                                                                                                                                                                | 164,761          | 184,601        | 172,760        | 180,385          | 186,556          | 185,369          | 47.16%    | 65,191                   | 77,701                   | 87,068                   | 81,474                   | 85,070                   | 87,980                   | 87,420                   |         |
|                                                  |                                                                                                                                                                                | Preventative Maint        | 134,477                                                                                                                                                                | 196,630          | 123,084        | 178,900        | 152,000          | 190,000          | 161,400          | 47.16%    | 63,419                   | 93,674                   | 58,047                   | 84,369                   | 71,683                   | 99,604                   | 76,116                   |         |
|                                                  |                                                                                                                                                                                | Planned maintenance       | 45,030                                                                                                                                                                 | 84,251           | 244,516        | 800,000        | 80,000           | -                | -                | 47.16%    | 21,236                   | 39,733                   | 47,166                   | 115,314                  | 37,728                   | -                        | -                        |         |
|                                                  |                                                                                                                                                                                | Hydrometric               | -                                                                                                                                                                      | -                | -              | -              | -                | -                | -                | 47.16%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        |         |
|                                                  |                                                                                                                                                                                | Water Quality             | -                                                                                                                                                                      | -                | -              | -              | -                | -                | -                | 47.16%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        |         |
|                                                  |                                                                                                                                                                                | Dam Safety                | 129,142                                                                                                                                                                | 135,811          | 128,885        | 116,196        | 115,044          | 118,892          | 122,440          | 47.16%    | 60,904                   | 64,048                   | 60,773                   | 54,798                   | 54,255                   | 56,069                   | 57,743                   |         |
|                                                  |                                                                                                                                                                                | Real Estate               | 6,624                                                                                                                                                                  | 6,208            | 2,813          | 5,400          | 5,600            | 5,824            | 6,000            | 47.16%    | 3,124                    | 2,928                    | 1,327                    | 2,547                    | 2,641                    | 2,747                    | 2,830                    |         |
|                                                  |                                                                                                                                                                                | Rec & Tourism             | 127,925                                                                                                                                                                | 131,310          | 117,337        | 178,344        | 123,016          | 127,588          | 132,160          | 47.16%    | 60,329                   | 61,926                   | 55,336                   | 84,107                   | 58,014                   | 60,171                   | 62,327                   |         |
| 2b                                               | Locks 1-8                                                                                                                                                                      | Navigation                | 170,282                                                                                                                                                                | 587,769          | 1,249,080      | 182,260        | 162,640          | 169,520          | 175,400          | 47.16%    | 80,266                   | 277,192                  | 589,066                  | 85,954                   | 76,701                   | 79,474                   | 82,719                   |         |
|                                                  |                                                                                                                                                                                | Support Services          | 280,368                                                                                                                                                                | 298,087          | 200,958        | 334,140        | 265,030          | 276,040          | 233,520          | 47.16%    | 132,222                  | 140,578                  | 94,772                   | 157,980                  | 134,892                  | 130,180                  | 110,128                  |         |
|                                                  |                                                                                                                                                                                | TLM Env delivery          | -                                                                                                                                                                      | -                | -              | 21,000         | 22,000           | 22,500           | 23,000           | 47.16%    | -                        | -                        | -                        | 9,904                    | 10,375                   | 10,611                   | 10,847                   |         |
|                                                  |                                                                                                                                                                                | Total                     | 1,032,063                                                                                                                                                              | 1,606,827        | 2,251,254      | 1,989,000      | 1,126,715        | 1,095,920        | 1,039,289        | 47.16%    | 486,721                  | 757,780                  | 1,061,691                | 938,012                  | 531,359                  | 516,836                  | 490,129                  |         |
|                                                  |                                                                                                                                                                                | River Operations          | 771,011                                                                                                                                                                | 911,826          | 968,280        | 979,200        | 1,024,500        | 1,070,000        | 1,116,000        | 22.16%    | 170,856                  | 202,061                  | 214,571                  | 216,981                  | 227,029                  | 237,112                  | 247,306                  |         |
|                                                  |                                                                                                                                                                                | Preventative Maint        | 97,967                                                                                                                                                                 | 184,973          | 178,655        | 126,800        | 134,900          | 136,000          | 138,000          | 22.16%    | 21,710                   | 40,980                   | 39,590                   | 28,099                   | 29,894                   | 30,581                   | 30,581                   |         |
|                                                  |                                                                                                                                                                                | Planned maintenance       | 161,971                                                                                                                                                                | 448,981          | 122,303        | 87,000         | 253,000          | 129,000          | 150,000          | 22.16%    | 35,693                   | 99,494                   | 27,102                   | 19,279                   | 56,065                   | 28,586                   | 33,240                   |         |
|                                                  |                                                                                                                                                                                | Hydrometric               | -                                                                                                                                                                      | -                | -              | -              | -                | -                | -                | 22.16%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        |         |
|                                                  |                                                                                                                                                                                | Water Quality             | -                                                                                                                                                                      | -                | -              | -              | -                | -                | -                | 22.16%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        |         |
|                                                  |                                                                                                                                                                                | Dam Safety                | 58,340                                                                                                                                                                 | 103,004          | 74,857         | 309,500        | 206,500          | 149,000          | 149,000          | 22.16%    | 12,928                   | 22,826                   | 16,588                   | 68,585                   | 45,760                   | 33,018                   | 33,018                   |         |
| Salinity                                         | Murray Mouth                                                                                                                                                                   | Rec & Tourism             | 193,983                                                                                                                                                                | 187,103          | 223,585        | 222,800        | 175,200          | 182,000          | 184,000          | 22.16%    | 42,987                   | 41,462                   | 49,546                   | 49,372                   | 38,824                   | 40,331                   | 40,774                   |         |
|                                                  |                                                                                                                                                                                | Navigation                | 703,129                                                                                                                                                                | 1,026,864        | 2,212,832      | 2,833,600      | 1,761,000        | 1,858,000        | 842,000          | 22.16%    | 155,813                  | 227,553                  | 490,364                  | 627,926                  | 390,238                  | 411,733                  | 186,587                  |         |
|                                                  |                                                                                                                                                                                | Support Services          | 1,593,189                                                                                                                                                              | 2,132,890        | 2,548,250      | 2,219,800      | 2,553,300        | 2,740,300        | 1,574,600        | 22.16%    | 353,051                  | 472,648                  | 564,692                  | 491,908                  | 565,811                  | 607,259                  | 348,931                  |         |
|                                                  |                                                                                                                                                                                | TLM Env delivery          | 281,603                                                                                                                                                                | 140,406          | 237,161        | 345,400        | 355,000          | 371,000          | 381,000          | 22.16%    | 62,403                   | 31,114                   | 52,955                   | 76,541                   | 78,890                   | 82,214                   | 84,430                   |         |
|                                                  |                                                                                                                                                                                | Total                     | 3,861,194                                                                                                                                                              | 5,136,047        | 6,585,922      | 7,124,100      | 6,464,400        | 6,635,300        | 4,534,600        | 22.16%    | 855,641                  | 1,138,148                | 1,455,008                | 1,574,701                | 1,432,511                | 1,470,382                | 1,004,867                |         |
|                                                  |                                                                                                                                                                                | Salt interception schemes | 4,364,883                                                                                                                                                              | 4,650,100        | 4,663,978      | 5,670,800      | 6,443,800        | 6,920,700        | 7,251,000        | 33.33%    | 1,454,961                | 1,550,033                | 1,554,659                | 1,890,267                | 2,147,933                | 2,306,900                | 2,417,000                |         |
|                                                  |                                                                                                                                                                                | Total                     | 4,364,883                                                                                                                                                              | 4,650,100        | 4,663,978      | 5,670,800      | 6,443,800        | 6,920,700        | 7,251,000        | 33.33%    | 1,454,961                | 1,550,033                | 1,554,659                | 1,890,267                | 2,147,933                | 2,306,900                | 2,417,000                |         |
|                                                  |                                                                                                                                                                                | Sand pumping program      | -                                                                                                                                                                      | -                | -              | -              | -                | -                | -                | -         | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
|                                                  |                                                                                                                                                                                | Total                     | -                                                                                                                                                                      | -                | -              | -              | -                | -                | -                | -         | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
|                                                  |                                                                                                                                                                                | Environment               | River Operations<br>Preventative Maint<br>Planned maintenance<br>Hydrometric<br>Water Quality<br>Dam Safety<br>Insurance<br>Real Estate<br>Rec & Tourism<br>Navigation | River Operations | -              | -              | -                | -                | -                | -         | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
| Preventative Maint                               | -                                                                                                                                                                              |                           |                                                                                                                                                                        | -                | -              | -              | -                | -                | -                | -         | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
| Planned maintenance                              | 240,387                                                                                                                                                                        |                           |                                                                                                                                                                        | 55,209           | 428            | 351,000        | 357,500          | 371,000          | 371,000          | 42.92%    | -                        | -                        | -                        | -                        | -                        | 153,224                  | 153,439                  | 159,233 |
| Hydrometric                                      | -                                                                                                                                                                              |                           |                                                                                                                                                                        | -                | -              | -              | -                | -                | -                | 42.92%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
| Water Quality                                    | -                                                                                                                                                                              |                           |                                                                                                                                                                        | -                | -              | -              | -                | -                | -                | 42.92%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
| Dam Safety                                       | -                                                                                                                                                                              |                           |                                                                                                                                                                        | -                | -              | -              | -                | -                | -                | 42.92%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
| Insurance                                        | -                                                                                                                                                                              |                           |                                                                                                                                                                        | -                | -              | -              | -                | -                | -                | 42.92%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
| Real Estate                                      | -                                                                                                                                                                              |                           |                                                                                                                                                                        | -                | -              | -              | -                | -                | -                | 42.92%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
| Rec & Tourism                                    | -                                                                                                                                                                              |                           |                                                                                                                                                                        | -                | -              | -              | -                | -                | -                | 42.92%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |
| Navigation                                       | -                                                                                                                                                                              |                           |                                                                                                                                                                        | -                | -              | -              | -                | -                | -                | 42.92%    | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -       |



| IPART summary sheet : Operations and Maintenance |            |                  |                |                |                |                |                  |                  |                  |           |                          |                          |                          |                          |                          |                          |                          |
|--------------------------------------------------|------------|------------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|-----------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Category                                         | IPART Code | Description      | Actual 2006/07 | Actual 2007/08 | Actual 2008/09 | Budget 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | NSW Share | NSW Contribution 2006/07 | NSW Contribution 2007/08 | NSW Contribution 2008/09 | NSW Contribution 2009/10 | NSW Contribution 2010/11 | NSW Contribution 2011/12 | NSW Contribution 2012/13 |
|                                                  |            | Support Services |                |                |                |                |                  |                  |                  | 42.92%    |                          |                          |                          |                          |                          |                          |                          |
|                                                  |            | Environ Services | 1,548,003      | 1,945,795      | 1,984,716      | 2,748,764      | 2,755,696        | 2,830,700        | 2,747,432        | 42.92%    | 664,403                  | 835,564                  | 851,840                  | 1,179,770                | 1,182,745                | 1,214,936                | 1,179,198                |
|                                                  |            | Total            | 1,788,390      | 2,002,004      | 1,985,144      | 3,099,764      | 3,112,696        | 3,188,200        | 3,118,432        |           | 767,577                  | 859,260                  | 852,024                  | 1,330,419                | 1,335,969                | 1,368,375                | 1,338,431                |
| RMW Office                                       |            | River Operations | 3,928,621      | 5,374,759      | 5,518,484      | 11,855,500     | 12,111,441       | 11,326,659       | 11,757,833       | 28.21%    | 1,108,264                | 1,516,220                | 1,556,764                | 3,344,437                | 3,416,638                | 3,195,251                | 3,316,885                |
|                                                  |            | Total            | 3,928,621      | 5,374,759      | 5,518,484      | 11,855,500     | 12,111,441       | 11,326,659       | 11,757,833       |           | 1,108,264                | 1,516,220                | 1,556,764                | 3,344,437                | 3,416,638                | 3,195,251                | 3,316,885                |
| Total - O&M                                      |            |                  | 35,244,050     | 37,542,883     | 39,550,497     | 48,035,703     | 48,381,771       | 47,598,185       | 44,158,139       |           | 13,372,575               | 13,878,875               | 14,448,552               | 16,934,709               | 17,071,881               | 16,768,504               | 15,630,650               |
| Total - I&C                                      |            |                  | 20,334,726     | 23,971,534     | 37,246,951     | 52,612,173     | 39,778,794       | 22,556,247       | 22,002,436       |           | 5,432,060                | 6,626,400                | 9,780,174                | 14,253,409               | 10,638,905               | 6,058,910                | 6,046,776                |
| Total Expenditure                                |            |                  | 55,578,776     | 61,514,417     | 76,797,449     | 100,647,876    | 88,160,565       | 70,154,432       | 66,160,575       |           | 18,804,635               | 20,505,275               | 24,228,726               | 31,188,118               | 27,710,786               | 22,827,414               | 21,677,426               |
|                                                  |            |                  |                |                |                | 100,647,876    | 88,160,565       | 70,154,432       | 66,160,575       | NSW Share | 33.8%                    | 33.3%                    | 31.5%                    | 54.6%                    | 31.4%                    | 32.5%                    | 32.8%                    |
| Other income                                     |            |                  | 4,369,798      | 2,102,336      | 837,145        | 1,630,362      | 1,680,362        | 1,680,362        | 1,736,000        | 28.21%    | 1,232,720                | 593,069                  | 236,159                  | 482,955                  | 468,388                  | 474,030                  | 489,726                  |
| Less funding from cash reserve                   |            |                  | 2,652,000      |                |                |                |                  |                  |                  | 28.21%    | 748,129                  | -                        | -                        | -                        | -                        | -                        | -                        |
| Net income required                              |            |                  | 48,556,978     | 59,412,081     | 75,960,304     | 99,017,514     | 86,500,203       | 68,474,070       | 64,424,575       |           | 17,571,915               | 19,912,206               | 23,992,567               | 30,705,163               | 27,242,398               | 22,353,384               | 21,187,701               |
|                                                  |            |                  |                |                |                |                |                  |                  |                  |           | 36.2%                    | 33.5%                    | 31.6%                    | 55.5%                    | 31.5%                    | 32.6%                    | 32.9%                    |
| State Contributions                              |            |                  | 16,329,000     | 17,003,000     | 17,691,000     | 18,510,000     | 19,371,000       | 20,087,000       | 20,831,000       |           | 16,329,000               | 17,003,000               | 17,691,000               | 18,510,000               | 19,371,000               | 20,087,000               | 20,831,000               |
| New South Wales                                  |            |                  | 15,039,000     | 15,660,000     | 16,294,000     | 17,048,000     | 17,840,000       | 18,501,000       | 19,185,000       |           |                          |                          |                          |                          |                          |                          |                          |
| Victoria                                         |            |                  | 11,603,000     | 12,082,000     | 12,571,000     | 13,153,000     | 13,764,000       | 14,274,000       | 14,802,000       |           |                          |                          |                          |                          |                          |                          |                          |
| South Australia                                  |            |                  | 42,971,000     | 44,745,000     | 46,556,000     | 48,711,000     | 50,975,000       | 52,862,000       | 54,818,000       |           |                          |                          |                          |                          |                          |                          |                          |
| Australian Government Contribution               |            |                  | 5,526,000      | 5,822,000      | 6,146,000      | 6,512,001      | 6,900,000        | 7,155,000        | 7,420,000        |           |                          |                          |                          |                          |                          |                          |                          |
| Total Contributions                              |            |                  | 48,497,000     | 50,567,000     | 52,702,000     | 55,223,001     | 57,875,000       | 60,017,000       | 62,238,000       |           |                          |                          |                          |                          |                          |                          |                          |
| Draw on Commonwealth funds                       |            |                  | 59,978         | 8,845,081      | 23,258,304     | 43,794,513     | 28,625,203       | 8,457,070        | 2,186,575        |           | 1,242,915                | 2,909,206                | 6,301,567                | 12,195,163               | 7,871,398                | 2,266,384                | 356,701                  |
|                                                  |            |                  |                |                |                |                |                  |                  |                  |           |                          |                          |                          |                          |                          |                          |                          |
|                                                  |            |                  |                |                |                |                |                  |                  |                  |           |                          |                          |                          |                          |                          |                          |                          |
|                                                  |            |                  |                |                |                |                |                  |                  |                  |           |                          |                          |                          |                          |                          |                          |                          |
| Other Income                                     |            |                  |                |                |                |                |                  |                  |                  |           |                          |                          |                          |                          |                          |                          |                          |
| Hydro Generation - Hume                          |            |                  | 2,911,618      | 842,396        | 198,175        | 100,000        | 130,000          | 150,000          | 150,000          |           |                          | 11,197,000               | 11,532,910               | 12,066,268               | 12,627,530               | 13,094,269               | 13,579,268               |
| Hydro Generation - Dartmouth                     |            |                  |                |                |                | 350,000        | 350,000          | 350,000          | 450,000          |           |                          |                          |                          |                          |                          |                          |                          |
| Sale of Water                                    |            |                  | 27,697         | 700,000        |                | 24,000         | 24,000           | 24,000           | 24,000           |           |                          | 5,807,000                | 6,158,904                | 6,443,732                | 6,743,462                | 6,992,714                | 7,251,717                |
| Interest                                         |            |                  | 936,075        | 559,940        |                | 700,000        | 700,000          | 700,000          | 700,000          |           |                          | 17,004,000               | 17,691,814               | 18,510,000               | 19,370,993               | 20,086,983               | 20,830,985               |
| Other Operating - Rents etc                      |            |                  | 494,408        |                |                | 455,362        | 455,362          | 455,362          | 412,000          |           |                          |                          |                          |                          |                          |                          |                          |
| Other - Third parties                            |            |                  |                |                |                | 50,000         |                  |                  |                  |           |                          |                          |                          |                          |                          |                          |                          |
| Total                                            |            |                  | 4,369,798      | 2,102,336      | 837,145        | 1,630,362      | 1,680,362        | 1,680,362        | 1,736,000        |           |                          |                          |                          |                          |                          |                          |                          |



IPART summary sheet : Investigations and Construction

| Category    | IPART Code       | Description                 | Actual 2006/07 | Actual 2007/08 | Actual 2008/09 | Budget 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | NSW Share | NSW Contribution 2006/07 | NSW Contribution 2007/08 | NSW Contribution 2008/09 | NSW Contribution 2009/10 | NSW Contribution 2010/11 | NSW Contribution 2011/12 | NSW Contribution 2012/13 |
|-------------|------------------|-----------------------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|-----------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1a          | Dairymouth       | Investigations              | 1,350,429      | 1,644,835      | 2,557,413      | 230,980        | 106,000          | 127,920          | 756,400          | 32.2%     | 434,838                  | 520,637                  | 823,487                  | 74,369                   | 34,132                   | 41,190                   | 243,561                  |
|             |                  | Construction                | 3,305,710      | 2,780,469      | 2,354,769      | 15,904,812     | 0                | 2,188,627        | 3,268,438        | 32.2%     | 1,084,439                | 886,871                  | 759,232                  | 5,121,349                | 1,995,496                | 698,206                  | 1,052,436                |
|             |                  | Hydrometric Investigation   | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Construction    | 114,460        | 43,456         | 0              | 45,000         | 46,800           | 48,600           | 50,800           | 32.2%     | 35,866                   | 13,966                   | 0                        | 14,460                   | 15,070                   | 15,649                   | 18,293                   |
|             |                  | Water Quality Investigation | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Construction  | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water quality (NSW & Vic)   | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 1b          | Euston           | Total                       | 4,770,629      | 4,448,740      | 4,912,171      | 16,180,772     | 3,349,994        | 2,345,047        | 4,075,438        | 32.2%     | 1,558,143                | 1,432,484                | 1,581,719                | 5,210,209                | 2,044,698                | 765,105                  | 1,312,290                |
|             |                  | Investigations              | 97,602         | 38,015         | 411,989        | 0              | 0                | 200,000          | 0                | 32.2%     | 31,428                   | 12,241                   | 132,680                  | 0                        | 0                        | 64,400                   | 0                        |
|             |                  | Construction                | 1,289,042      | 2,670,834      | 6,734,281      | 5,285,000      | 4,027,000        | 554,000          | 733,000          | 32.2%     | 415,072                  | 860,009                  | 2,169,438                | 1,701,770                | 1,489,694                | 1,768,388                | 236,028                  |
|             |                  | Hydrometric Investigation   | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Construction    | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Investigation | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Construction  | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 2a          | Mildura          | Total                       | 1,386,644      | 2,708,849      | 7,268,356      | 5,335,000      | 4,627,000        | 754,000          | 733,000          | 32.2%     | 446,499                  | 872,249                  | 2,337,191                | 1,717,970                | 1,489,694                | 242,788                  | 236,028                  |
|             |                  | Investigations              | 5,381          | 10,804         | 17,401         | 17,401         | 17,800           | 11,200           | 30,000           | 35.4%     | 1,905                    | 3,825                    | 0                        | 6,160                    | 25,771                   | 3,965                    | 10,620                   |
|             |                  | Construction                | 205,376        | 1,142,064      | 203,826        | 454,000        | 2,056,000        | 2,058,000        | 2,060,000        | 35.4%     | 72,703                   | 404,291                  | 72,154                   | 160,716                  | 727,824                  | 728,532                  | 729,240                  |
|             |                  | Hydrometric Investigation   | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Construction    | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Investigation | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Construction  | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 2b          | Locks 1 & 2      | Total                       | 210,758        | 1,152,868      | 203,626        | 471,401        | 2,128,600        | 2,069,200        | 2,060,000        | 35.4%     | 74,608                   | 408,115                  | 72,154                   | 168,876                  | 763,595                  | 732,467                  | 736,860                  |
|             |                  | Investigations              | 12,713         | 0              | 0              | 100,000        | 0                | 0                | 0                | 16.6%     | 2,110                    | 0                        | 0                        | 16,600                   | 0                        | 0                        | 0                        |
|             |                  | Construction                | 2,464,367      | 1,681,894      | 6,653,038      | 7,339,000      | 5,299,000        | 310,000          | 298,000          | 16.6%     | 409,085                  | 275,825                  | 1,104,404                | 1,218,274                | 876,634                  | 51,460                   | 48,488                   |
|             |                  | Hydrometric Investigation   | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Construction    | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Investigation | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Construction  | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| Salinity    | Murray Mouth     | Total                       | 2,477,080      | 1,681,564      | 6,653,038      | 7,439,000      | 5,299,000        | 310,000          | 298,000          | 16.6%     | 411,195                  | 275,825                  | 1,104,404                | 1,234,874                | 876,634                  | 51,460                   | 48,488                   |
|             |                  | Investigations              | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 25%       | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Construction                | 5,145,279      | 7,543,807      | 12,363,536     | 15,281,000     | 13,052,000       | 10,248,000       | 7,550,000        | 25%       | 1,286,320                | 1,865,022                | 3,090,884                | 3,820,250                | 3,263,000                | 2,862,000                | 1,887,500                |
|             |                  | Hydrometric Investigation   | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 25.0%     | 1,286,320                | 1,865,022                | 3,090,884                | 3,820,250                | 3,263,000                | 2,862,000                | 1,887,500                |
|             |                  | Hydrometric Construction    | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 25.0%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Investigation | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 25.0%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Construction  | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 25.0%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| Environment | Tombury          | Total                       | 5,077,517      | 4,541,149      | 4,033,034      | 6,140,000      | 6,550,000        | 6,725,000        | 7,150,000        | 25.0%     | 1,286,379                | 1,135,287                | 1,013,259                | 1,535,000                | 1,637,500                | 1,881,250                | 1,787,500                |
|             |                  | Investigations              | 9,546          | 72,718         | 84,604         | 53,000         | 54,000           | 55,000           | 56,000           | 32%       | 3,074                    | 23,415                   | 27,242                   | 17,068                   | 17,388                   | 17,710                   | 18,032                   |
|             |                  | Construction                | 1,257,273      | 1,841,809      | 1,718,385      | 1,712,000      | 1,718,000        | 50,000           | 50,000           | 32%       | 404,842                  | 593,062                  | 553,320                  | 581,264                  | 553,196                  | 16,100                   | 16,100                   |
|             |                  | Hydrometric Investigation   | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Construction    | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Investigation | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Construction  | 0              | 0              | 0              | 0              | 0                | 0                | 0                | 32.2%     | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| RMW Office  | River Operations | Total                       | 20,334,726     | 23,971,534     | 37,246,951     | 52,812,173     | 39,778,794       | 22,556,247       | 22,002,436       |           | 5,432,060                | 5,626,400                | 9,780,174                | 14,253,409               | 10,538,905               | 6,088,910                | 6,046,776                |
|             |                  | Investigations              | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Construction                | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Investigation   | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Construction    | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Investigation | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Construction  | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| Total - I&C |                  | Total                       | 20,334,726     | 23,971,534     | 37,246,951     | 52,812,173     | 39,778,794       | 22,556,247       | 22,002,436       |           | 5,432,060                | 5,626,400                | 9,780,174                | 14,253,409               | 10,538,905               | 6,088,910                | 6,046,776                |
|             |                  | Investigations              | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Construction                | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Investigation   | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Hydrometric Construction    | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Investigation | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
|             |                  | Water Quality Construction  | 0              | 0              | 0              | 0              | 0                | 0                | 0                |           | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |