

Queanbeyan to Bungendore Bulk Water Supply

MAY 2025



Background

In April 2023, Council endorsed the development of the Queanbeyan to Bungendore bulk water supply trunk main to tender-ready stage.

The bulk water supply pipeline became the preferred option to secure water for Bungendore following a series of reports and feasibility studies that ruled out expanded bore water collection.

Without the pipeline Bungendore cannot continue to grow as identified in the adopted Bungendore Structure Plan 2018-2048.

Since 2023 Council has been focused on developing the full suite of design and technical specifications to get the project 'tender-ready'. This includes technical specifications for the pipeline, a reservoir, pump station and re-chlorination facility.

At the 9 April 2025 meeting, Council received the detailed Business Case for the pipeline, endorsed our application for funding under the National Water Grid Fund program and authorised the beginning of negotiations for required land acquisition.

Why a pipeline?

Council adopted the Bungendore Structure Plan in 2019 following considerable community feedback. The Structure Plan identified growth scenarios for Bungendore, with the medium growth rate set just above 3.3% per year (the average growth rate in 2016).

In 2019, Council also adopted the Palerang Communities Integrated Water Cycle Management (IWCM) Strategy. The most significant issue in the IWCM was securing additional town water to support the growth of Bungendore. A variety of options were explored, and groundwater was identified as the most cost-effective scenario.

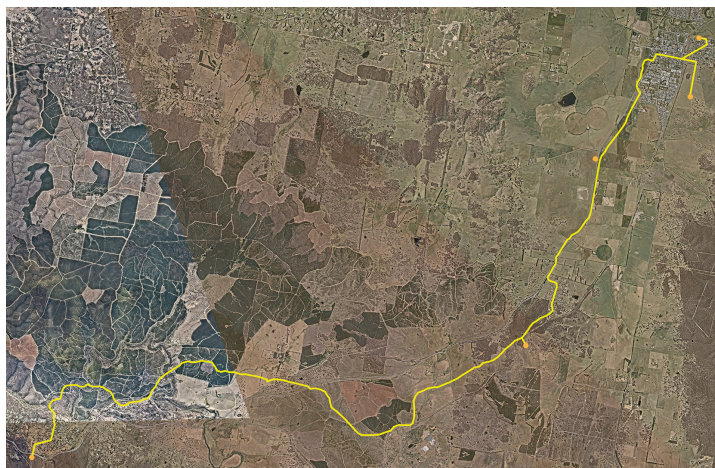
In 2016, Council had begun the search for fractured rock sources of water. Two sites were considered potentially viable, with an estimated combined yield of 630ML/a. Council was issued a water access licence of 1,000ML/a in July 2019.

Council then made a formal application for works approval to commission these two bores. However, in 2021 Council was issued with a combined works allocation of just 216ML/a from the two bores. Unfortunately, this meant that fractured rock was no longer considered a reliable solution for addressing the future of Bungendore's water supply needs.

The remaining option proposed by the IWCM was a bulk water supply pipeline and this has become the most viable option.

The pipeline addresses three key concerns for Bungendore:

- **Planned residential growth** - securing town water for current and future residents
- **Drought resilience** - providing an additional water source during extended dry periods which are expected to increase due to climate change
- **Contamination risk** - reducing the risk posed by contamination by providing an alternative water source for the town



What does tender-ready look like?

There are six critical criteria that must be satisfied and made tender-ready before Council can consider whether to proceed with the project or not.

These six key factors are detailed below.

Design and plans

We have completed detailed drawings and technical documents for the project. Aspects of these surveys and studies fed into the Review of Environmental Factors for the project. This includes:

- Detailed field land surveys
- Geotechnical investigations
- Biodiversity studies
- European and Aboriginal Heritage studies
- Drawings and technical specifications for:
 - Pipeline (31 km)
 - 6 ML concrete reservoir
 - Water pump station
 - Re-chlorination facility

Environmental Approval

The Review of Environmental Factors (REF) is on public exhibition on our Your Voice page at yourvoice.qprc.nsw.gov.au until 28 May 2025.

The REF is the key development approval for the pipeline and considers the impact of the project to the community and surrounding environment.

Intergovernmental Approvals

Various intergovernmental approvals are needed to permit water supply from the ACT to NSW.

These discussions are progressing well and include legislative considerations in both the Seat of Government Acceptance Act 1909 and the Canberra Water Supply (Googong Dam) Act 1974.

The Australian, NSW and ACT Governments must all agree for us to continue with this project.

Water (and Sewer) Pricing

The Palerang Communities Integrated Water Cycle Management Plan is being reviewed.

As part of this process detailed long-term plans will be developed that take into consideration the cost of maintaining, improving and using water infrastructure and how it will be funded.

This review will explore things like merging water and sewerage funds and harmonised tariff structures. We expect this review to begin after June this year.

Funding

The pipeline project can't be staged which means significant funding is required upfront.

Current estimates place the project at \$78 million to complete.

The construction of the pipeline will not be possible without grant funding. If the project proceeds, construction is expected to be paid for by a grant and a loan which would be repaid through developer contributions.

We have applied for funding under the National Water Grid Fund.

Legal and Land Matters

At the 9 April meeting, Council authorised the beginning of land acquisition negotiations along the route.

This includes temporary and permanent easements over the pipeline as well as land for the proposed reservoir at Brooks Bank and the re-chlorination facility at Millpost Lane.

All six factors must reach tender-ready

