
DIVISION 23: WATER AND RIVERS COMMISSION

[Supplementary Information No B22.]

Question: Mr G.A. Woodhams asked whether the Minister could provide the funding components for the initiatives at Pithara, Morawa and Beacon, based on what the government agencies are putting in and what we know of funding that comes from other sources.

Answer: The Engineering Evaluation Initiative (EEI) is a \$4 million initiative from 2003-04 to 2006-07, that was developed as a partnership between the Department of Environment and landholders interested in engineering options for salinity management. The projects such as Pithara, Beacon and Morawa receive additional funding from the landholders as well as from the Water and Rivers Commission salinity program. The funding contributions for Pithara, Morawa and Beacon for 2004-05 and 2005-06 are outlined below.

The funding components for the Pithara drain are \$187,240 of Engineering Evaluation Initiative funds, \$30,750 of Water and Rivers Commission support funds, and \$64,900 of landholder contributions.

The funding components for the Beacon drain and evaporation basin are \$277,300 of Engineering Evaluation Initiative funds, \$24,600 of Water and Rivers Commission support funds, and \$233,050 of landholder contributions.

The funding components for the Morawa drain and evaporation basin are \$149,070 of Engineering Evaluation Initiative funds, \$26,400 of Water and Rivers Commission support funds, and \$82,900 of landholder contributions.

Water Corporation

[Supplementary Information No B23.]

Question: Mr P.D. Omodei asked whether the minister could provide details of the non-metropolitan Infill Sewerage Program for 2005-06.

Answer: The attached schedule provides the information requested.

Infill Sewerage: Country Regions in 2005/2006

Purpose:

To deliver the infill sewerage program on behalf of the State Government to provide reticulated sewerage to country towns where the use of septic tank effluent disposal systems represents a potential threat to public water supplies, public health, the environment or where they constrain urban development.

| | 2005/06 \$000's | Overall \$000's | Scope |
|---|--------------------|--------------------|---|
| South West Region | | | Provide sewer reticulation, pump stations and conveyance systems to developed urban areas lacking deep sewerage facilities. Establish or expand wastewater treatment facilities and infrastructure to accept the increased and accelerated demands resulting from the infill program. |
| Busselton 10F & 15B-- complete in 06/07 | 3,942 | 5,652 | |
| Eaton 6A & 7A-- complete in 06/07 | 3,383 | 4,136 | |
| Mandurah 2L,8J,46A,PS-- complete in 05/06 | 1,688 | 3,698 | |
| Mandurah 58A-- complete in 05/06 | 1,851 | 2,870 | |
| Mandurah Falcon 3A-- complete in 06/07 | 1,364 | 3,515 | |
| Mandurah Halls Head 12L,17J,19K&49E-- complete in 06/07 | 1,900 | 4,379 | |
| Margaret River 4A | 883 | 1,078 | |
| Walpole Effluent Disposal -- | 379 | 2019 | |

complete in 05/06

Mid West Region

| | | |
|---|------|------|
| Geraldton G9 | 1292 | 1477 |
| South Geraldton SG1F & SG7 | 2819 | 3525 |
| Geraldton Waggrakine W2A,Pt 1,2&3 complete in 05/06 | 643 | 5049 |

Great Southern Region

| | | |
|--|-------|-------|
| Albany: Bayonet Head 3D & 6B | 1,147 | 1,271 |
| Albany Little Grove 1A-- complete in 06/07 | 4,166 | 9,873 |

| | | |
|-----------|--------|--------|
| SubTotal: | 25,457 | 48,542 |
|-----------|--------|--------|

[Supplementary Information No B24.]

Question: Mr P.D. Omodei referred to the capital works contribution and the Water Corporation's depreciation of assets, and asked whether the Minister could provide details of:

1. *the amount of money currently held in that account;*
2. *how often the generated funds have been used to assist in funding the Water Corporation's capital works program;*
3. *the total funds withdrawn from the account in the last financial year and the next financial year;*
4. *which capital works programs were funded by this account; and*
5. *were the funds used for any purpose other than capital works.*

Answer:

1. The Water Corporation does not hold the depreciation money aside in a separate account.
 Depreciation is included in the calculation of Operating Profit and is intended as a measure of the consumption of capital assets during the year. However, it needs to be added back when calculating the cashflow available from operations as it is a non-cash item.
 The Corporation's capital works program is funded through a combination of cashflow from operations and borrowing. This makes depreciation appear to form part of the sources of funding for capital, but it is not treated separately from any other item contributing to cashflow from operations.
2. Cashflow from operations is applied to fund capital investment every year.
3. As noted in the answer to 1) above, there is no separate account kept to withdraw funds from.
4. The total cashflow generated from operations is applied generally to the capital works program.
5. Not applicable.

[Supplementary Information No B25.]

Question: Dr K.D. Hames asked whether the Minister could provide details of:

1. *how extra borrowings in 2005-06 affect the total borrowings for the Water Corporation; and*
2. *the capital expenditure and total borrowings from 1997 to present.*

Answer:

1. Without the expenditure on the Perth Seawater Desalination the \$396 million estimated borrowings for 2005/06 would be reduced to \$81 million. Estimated total borrowings at the end of 2005/06 would be reduced from \$1,587 million to \$1,272 million.
2. Details of the capital expenditure and new borrowings from 1997 to the present are as follows:

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[ASSEMBLY - Monday, 13 June 2005]
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Mr Grant Woodhams; Mr P.D. Omodei; Dr K.D. Hames; Mr M.P. Murray

| | 1996/97 | 1997/98 | 1998/99 | 1999/00 | 2000/01 | 2001/02 | 2002/03 | 2003/04 | 2004/05 | 2005/06 |
|---------------------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|-----------------|
| | *Actual | *Actual | *Actual | *Actual | *Actual | *Actual | *Actual | *Actual | Estimated Actual | Budget Estimate |
| | \$M | \$M | \$M | \$M | \$M | \$M | \$M | \$M | \$M | \$M |
| CAPITAL EXPENDITURE | 277 | 290 | 351 | 458 | 497 | 368 | 361 | 435 | 412 | 715 |
| NET BORROWING | (125) | (140) | 114 | 33 | 267 | 67 | 78 | 95 | 95 | 396 |

Source: Water Corporation Annual Reports

[Supplementary Information No B26.]

Question: Mr M.P. Murray asked whether the Minister could provide details on when the water supply to the new subdivision in Harvey would be completed.

Answer: The subdivision referred to in the question is not new, however, it does have a small number of lots pending release by the developer (LandCorp). The lots in question will require the developer's engineers to design and construct the water supply infrastructure to cope with the high elevation of the land. This will require a booster pump arrangement. To date, the Water Corporation has not been requested to review designs, and therefore timing issues related to the subdivision should be directed to the developer.

Additional Information regarding Falcon Infill Sewerage Projects

Purpose:

To deliver the infill sewerage program on behalf of the State Government to provide reticulated sewerage to country towns where the use of septic tank effluent disposal systems represents a potential threat to public water supplies, public health, the environment or where they constrain urban development.

| | | 2005/06 \$000's | Overall \$000's | Needs | Scope |
|---------------|--|--------------------|--------------------|---|-------|
| | | | | The Corporation is undertaking work in all the environmentally sensitive areas in the Peel Region as a high priority. | |
| Falcon | Falcon 3A to be undertaken in 2005/06 as above 390 lots at a total cost of \$3,515,000 over 2 years | 1,364 | 3,515 | | |
| | Not to be undertaken in 2005/06 | | | | |
| | Falcon 2B-Novara scheduled for 2007/08 and 2008/09 at a total of \$1,936,000 | | | | |
| | Falcon 2C scheduled for 2011/12 and 2012/13 at a total of \$4,274,000 | | | | |