



# BP11328 - Accelerated Infrastructure Policy

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Supporting Legislation and Documents	<a href="#">South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 (Qld)</a> <a href="#">Unfair contract terms - A guide for businesses and legal practitioners</a> , Australian Competition & Consumer Commission <a href="#">Ministers Guidelines and Rules</a> , Department of Housing, Local Government, Planning and Public Works
Documents Directly Related	<a href="#">Pr9660</a> - Netserv Plan Part A (2024-2029)

## 1. Policy Statement

Unitywater’s Netserv Plan reflects Unitywater’s infrastructure planning for its water and wastewater services and identifies the areas in which Unitywater guarantees to provide connections that comply with its connection criteria (the Connection Area) and areas in which Unitywater intends to extend its infrastructure network (the Future Connection Area).

The limited circumstances in which Unitywater may approve connections outside of its Connection Area and Future Connection Area are identified in the Netserv Plan. Connections in those areas will not be approved unless Unitywater is satisfied that the applicable criteria are met, including that the applicant can provide a commensurate contribution towards infrastructure provision, including the establishment cost of Accelerated Infrastructure that will service the connection.

In appropriate cases, this contribution may be achieved through a Water Infrastructure Agreement between the applicant and Unitywater. This Policy identifies the eligibility criteria that must be satisfied in order for Unitywater to agree to negotiate a Water Infrastructure Agreement for connections outside of the Connection Area, Restricted Connection Area, and Future Connection Area. This Policy also identifies Unitywater’s expectations regarding the cost structure that should underpin a Water Infrastructure Agreement for connections in those areas.

## 2. Purpose and Objectives

The purpose of this Policy is to ensure Unitywater’s long term financial sustainability, without placing an unreasonable price burden on existing customers, while facilitating urban development in accordance with Local and State Government planning.

## 3. Policy Scope/Coverage

### 3.1. Statutory Framework

Under Chapter 4C, Part 2, Division 1 of the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* (SEQ Water Act), Unitywater is required to assess and decide connection applications against the Decision Criteria in Unitywater’s Connections Policy, the SEQ Code, and any other matter Unitywater considers to be relevant to the connection or supply of Unitywater’s water or wastewater services. In deciding a connection application, Unitywater must either approve all or part of the application (with or without conditions) or refuse the application. Unitywater may refuse the application if it considers the connection is not technically feasible or would unreasonably interfere with the connection or supply of its water or wastewater services to other customers.



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Under Chapter 4C, Part 7, Division 7 of the SEQ Water Act, Unitywater and other entities may elect to enter into a Water Infrastructure Agreement. Unitywater is not obliged to enter into a Water Infrastructure Agreement and cannot compel other entities to enter into a Water Infrastructure Agreement.

Under Section 99BRDP(1)(a) of the SEQ Water Act, a person may enter into a Water Infrastructure Agreement with Unitywater in relation to providing or funding infrastructure. A Water Infrastructure Agreement will typically outline the terms and conditions for the design, construction, funding, and/or maintenance of water infrastructure needed to support development. The agreement typically specifies the roles and responsibilities of each party, the standards and specifications for the infrastructure, timelines for completion, cost-sharing arrangements, and compliance with relevant legislation and regulatory requirements.

## 3.2. Connections Policy

All connection applications are assessed against Unitywater's Connections Policy, which is contained within the Netserv Plan. All decisions regarding the approval of connections outside of Unitywater's Connection Area, Restricted Connection Area and Future Connection Area are made by Unitywater having regard to the relevant Decision Criteria in Unitywater's Connections Policy.

This Policy is subordinate to Unitywater's Connections Policy. This Policy identifies the circumstances in which Unitywater may agree to negotiate a Water Infrastructure Agreement. A Water Infrastructure Agreement under this Policy may address Decision Criteria OC20(e), (f) and (g) which relate to connections outside of Unitywater's Connection Area, Restricted Connection Area and Future Connection Area that will be serviced by Accelerated Infrastructure provided, or planned to be provided, by Unitywater.

## 3.3. Accelerated Infrastructure

Existing and proposed Accelerated Infrastructure is identified in Schedule 9 of the Netserv Plan. Accelerated Infrastructure is non-trunk infrastructure and does not form part of the Schedule of Works. The estimated capacity or sizing of Accelerated Infrastructure is identified in the Netserv Plan in accordance with sections 99BO(b) and 99BO(c) of the SEQ Water Act.

Accelerated Infrastructure is designed to support complex infrastructure delivery in development areas outside of Unitywater's Participating Councils' Priority Infrastructure Areas and Unitywater's Connection Area, Restricted Connection Area, and Future Connection Area, which are anticipated to experience growth pressures and significant infrastructure demand beyond the financial position of individual developers or Unitywater.

Nothing in this Policy requires Unitywater to undertake Accelerated Infrastructure works or limits Unitywater's authority to condition development in accordance with the SEQ Water Act.

## 3.4. Applicable Land

This Policy applies to land outside of Unitywater's Connection Area, Restricted Connection Area, and Future Connection Area, as defined and mapped within the Netserv Plan.



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### 3.5. Eligibility Criteria

Unitywater is not obliged to enter into negotiations for a Water Infrastructure Agreement. Unitywater will enter into negotiations for a Water Infrastructure Agreement only if all the following eligibility criteria are met:

1. **Connections Policy:** The proposed connection to Unitywater's network complies with the applicable Decision Criteria under Unitywater's Connections Policy, other than to the extent that the Decision Criteria will be addressed by the Water Infrastructure Agreement itself.
2. **Development Approval or Application:** A current land use Development Approval, or Development Application, exists for the relevant land and is consistent with the proposed connection to Unitywater's networks.
3. **Planned Demand:** Existing and future demand projections associated with the proposed connection align with Unitywater's population and demand forecasts.
4. **Servicing Plan:** A Unitywater endorsed servicing plan through to Ultimate Development exists for the proposed expansion and augmentation of existing water supply and sewerage networks, developed in accordance with the SEQ Code. The servicing plan must be sequenced and designed to deliver efficient assets at the least whole lifecycle cost to existing and future customers. Where this servicing plan has been prepared by the applicant, it must be reviewed and checked by Unitywater for compliance to the SEQ Code design criteria and to ensure that infrastructure lifecycle costing assumptions align with Unitywater's financial modelling assumptions and include appropriate risk allowances.

### 3.6. Financial Modelling Standards

It is Unitywater's expectation that a Water Infrastructure Agreement entered into under this Policy will be based on the following inputs:

1. **Cost Estimates:** Existing and future infrastructure costs that reflect Unitywater's actual costs or Unitywater's estimates for base cost, contingency/risk, and owner's costs.
2. **Financial Modelling Assumptions:** Assumptions that align with Unitywater's financial modelling assumptions and include appropriate risk allowances.
3. **Infrastructure Charges Model:** An infrastructure charges model prepared by Unitywater demonstrates the Infrastructure Charge required to deliver an appropriate and financially viable outcome for existing and future infrastructure costs, so that Unitywater's customers are not financially disadvantaged.

In most cases, Unitywater will be better placed than individual developers to accurately estimate the costs associated with the extension of its infrastructure network and the assumptions relevant to its service area. While Unitywater considers the Minister's Guidelines, the approach differs by using a Unitywater specific weighted cost of capital, financial model template, extended model term, uniform inflation assumptions and simplified inputs suitable for modelling single development catchments. This is to ensure practical, cost-effective, and financially sustainable outcomes.

Unitywater will negotiate with applicants in good faith and on a case-by-case basis to ensure that the terms of Water Infrastructure Agreements are appropriate in the circumstances and ensure a financially responsible approach to the expansion of Unitywater's assets in order to support growth.



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## 4. Roles and Responsibilities

Position title	Roles and responsibilities
Unitywater's Board	<ul style="list-style-type: none"> <li>Approve this Policy for implementation and publication.</li> </ul>
Executive Manager Sustainable Infrastructure Solutions	<ul style="list-style-type: none"> <li>Conduct and/or delegate regular reviews of this Policy.</li> </ul>
Unitywater team members	<ul style="list-style-type: none"> <li>Determine whether proposed connections satisfy the requirements of the Connections Policy and the eligibility criteria within this Policy and negotiate in good faith a suitable Water Infrastructure Agreement if criteria are met, having regard to the financial modelling standards.</li> </ul>

## 5. Definitions

Term	Meaning
Accelerated Infrastructure	<p>Means non-trunk infrastructure designed to support complex infrastructure delivery in development areas outside of Unitywater's Participating Councils' Priority Infrastructure Areas and Unitywater's Connection Area, Restricted Connection Area and Future Connection Area that are anticipated to experience out of sequence growth pressures and significant infrastructure demand beyond the statutory planning assumptions.</p> <p>Existing and proposed Accelerated Infrastructure is identified in Schedule 9 of the Netserv Plan. Accelerated Infrastructure is non-trunk infrastructure and does not form part of the Schedule of Works in the Netserv Plan.</p>
Connection Area	As defined in the Netserv Plan.
Development Approval	As defined in the Netserv Plan.
Future Connection Area	As defined in the Netserv Plan.
Netserv Plan	Unitywater's plan for water and wastewater networks and provision of water and sewerage services, in accordance with Chapter 4B of the SEQ Water Act.
Participating Councils	Means City of Moreton Bay, Noosa Council and Sunshine Coast Council.
Restricted Connection Area	As defined in the Netserv Plan.
SEQ Code	Means the <i>South-East Queensland Water Supply and Wastewater Design and Construction Code</i> standards and codes as published on the SEQ Code website: <a href="https://www.seqcode.com.au">https://www.seqcode.com.au</a>
SEQ Water Act	Means the <i>South-East Queensland Water (Distribution and Retail Restructuring) Act 2009</i> (Qld).
Ultimate Development	'Ultimate' development is the pattern and practical maximum density of development for the entire water and sewerage catchments, as permitted by a Structure Plan, Development Approval(s), or Planning Scheme.
Water Infrastructure Agreement	A Water Infrastructure Agreement is a legally binding contract between a distributor-retailer (such as Unitywater) and a developer or other stakeholder entered into in accordance with the SEQ Water Act.