



Have your say on the national regulation of data centres

06 October 2026

The Department of Prime Minister and Cabinet is developing a set of national AI standards (**AI Standards**), outlining mandatory minimum requirements for large data centres and setting conditions for AI training in Australia.

The Department Consultation Paper: [Getting it right: Building AI infrastructure that works for Australia](#) is open now for your thoughts on what should be in the AI Standards.

Submissions due: **Friday, 9 October 2026.**

You can make your submission online [via the Department's website.](#)

Rapid development of large data centres will have extensive implications for Australia's environment, particularly due to their substantial energy, water and land needs. Communities and ecosystems also face serious impacts through air pollution from diesel generators, potentially contaminated wastewater, and thermal, noise, light and vibration pollution. To meet their energy demands, many data centres are proposing to rely on new fossil fuel projects, which could put a spanner in Australia's efforts to transition to clean energy.

- **In the Northern Territory:** Project Ares is proposing to source energy from the **largest gas fired power station** in Australia and take up 186,000 ha, needing 4 GL of groundwater (about 1,600 Olympic pools) per year and requiring 19,150 ha to be cleared of habitat including for threatened species.
- **In Queensland:** Anthropic is proposing the largest data centre in Australia in the Western Downs Digital Park data centre hub, set to draw the equivalent energy of 1.5 million average Australian households.
- **In Victoria:** NextDC M3 is a proposed hyperscale data centre expansion set to use an area 10 times larger than the MCG, requiring 225 megawatts of power, posing noise and other impacts to nearby homes and schools.
- **In New South Wales:** Project Mars, a 90 megawatt facility, was set to be developed 20 metres from homes and 160 metres from a public school. This project has since been withdrawn after significant community backlash.

Typically assessment of data centres is happening under state and territory frameworks that are not fit-for-purpose to avoid the particular serious risks large data centres pose to communities and the environment. What's worse, many state and territory governments are now further weakening their laws to increase the chance of data centre investment in their region.

However, Australia has an opportunity to get data centre development right with the development of a national regulatory framework.

EDO urges the Federal Government to take action now to ensure the benefits of data centre developments do not come at the expense of Australia's climate, water, biodiversity, cultural heritage, or communities.

Key recommendations for your submission

EDO's [Data Centre Principles](#) set out key recommendations for responsible development of data centres across Australia. Data centres done right can assist the transition to clean energy in Australia while providing the support for the growing demand for AI security nationally.

See also EDO's [submission to the Senate inquiry on AI and data centres](#) for EDO's detailed recommendations for a national regulatory framework for data centres.

In summary EDO recommends:

- 1. A national, enforceable, transparent and ecologically sustainable regulatory framework** is established to ensure consistent, safe and sustainable data centre development across Australia, with a moratorium put in place to stop further development until this framework is in place.
- 2. Pre-planning and strategic environmental assessments must be undertaken nationally, in consultation with First Nations and communities**, to establish appropriate siting of data centres to mitigate risk of impacts to communities and the environment.
- 3. Data centres must facilitate the clean energy transition**, not hinder it, by being powered by their own, additional, renewable energy sources only, and supporting development of the needed infrastructure to support renewable energy expansion across Australia, and not increase costs for consumers.
- 4. Regulations must require minimal impacts on water resources**, through recycling and efficient technology, accurate and transparent accounting and avoiding demands on sensitive human or environmental water catchments.
- 5. The safety and wellbeing of communities must be protected**, upholding human rights through clear laws that avoid and limit pollution and sensory impacts to all communities and particularly protect the most overburdened communities who do not typically have the resources to have their concerns heard in decision-making.
- 6. Accountable and transparent assessment, monitoring and reporting requirements** which provide public participation rights in decisions, including merits review, robust reporting requirements on resource use and other impacts, community enforcement powers to ensure laws are upheld.

Making your submission

Have your say via the [webform](#): either answering the specified questions, or simply attaching your submission (you don't need to answer all questions nor be constrained to the questions in your submissions).