HAVE YOUR SAY ON THE SENATE INQUIRY ON ARTIFICIAL INTELLIGENCE AND DATA CENTRES

Comments close: 1 September
https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/AIdatacentres48P

ISSUE

The Environment and Communications References Committee of the Senate is conducting an inquiry on artificial intelligence and data centres.

BACKGROUND

Who is The Environment and Communications References Committee?

This Senate standing committee covering issues within the portfolios of Climate Change, Energy, the Environment and Water, and Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (Communications, Sport and the Arts functions only).

Inquiry purpose

The purpose of its inquiry is to conduct an inquiry and report on Artificial intelligence and data centres, with particular reference to:

1. the effectiveness of existing regulatory frameworks in managing the growth of data centres in Australia, including in relation to existing and future deals between the Government and global Artificial Intelligence (AI) companies;
2. the potential impacts of AI and data centres on Australian communities, industries and the environment, water and energy; and
3. any other related matters.

Environmental issues with data centres

Land Clearing for construction
= Loss of native vegetation, habitat destruction
= Negative impacts on soil and water runoff
= Greenhouse gas emissions

Enormously power hungry
= Gas from the Beetaloo – massive greenhouse gas emissions = fueling global heating
= Solar - not as 'clean' as claimed (requires land clearing, mining for construction materials, produce toxic waste and have impacts on wildlife)

Use huge amounts of water for cooling
= Water extraction risks ecosystems, cultural sites and other uses

Create toxic waste
= E-waste (can include highly toxic metals)
= Refrigerants, PFAS
= Wastewater - saline brine and chemicals, including PFAS, heavy metals, biocides and anti-corrosives

Pollute air, soil and water
= Noise
= Air – global heating from greenhouse gases are already starting to make parts of the NT unlivable
= Surface and underground waters from salty brine and industrial contaminants

Unchecked Demand
Hyperscale data centres do not reveal who they supply services to
AI suppliers need to do everything possible to minimize datacenter demand and hence environmental footprint

Issues with Regulatory frameworks

Northern Territory

1. Our decision makers are in a thrall to billionaires, and industry speculators.

Decisions on data centres are being made *ad hoc*. Despite multiple secret negotiations with companies there has been no public consultation on a plan or industry standards for datacentres.

2. As a small Territory we lack resources to deal with their sophistry and rapidly changing technologies.

The NT has no environmental standards/guidelines for datacentres, only a brochure promoting the opportunity to investors [4].

The *Territory Coordinator Act 2025* lets Minister step-in to many NT statutory processes or statutory decisions which could mitigate environmental impacts.

Climate Change denialism: the NT Government is actively spruiking gas from the Beetaloo Basin as a power source. This is contrary to all other states and territories except Queensland. [5]

Water and the ecosystems and cultural values it sustains are a particular risk. Water allocation plans which guide how water is taken:

- Are not binding [6]
- Lack legal protection for water allocations for the environment [6].
- Give water away.
- (The water plan in the target area Georgina Wiso is particularly bad, singled out by National experts, yet is was pushed through without change.

Many water resources are not covered by plans and we do not know where this industry could locate

Australian Government

Australian Government requirements are a voluntary "statement of expectations"[7].

The Government has promised legislated improvements, but these are not in place.
It is unclear if they will be sufficient and written free from industry interference[8].

WHAT WE NEED

1. National Moratorium on data centres until laws are set.
2. The federal government to stand firm and draft comprehensive laws, with data centre companies kept at arms' length to industry lobbying and interference.
3. Strong, consistent national protections and approval processes under federal legislation, to guard against shortcomings and recalcitrance in the NT (and Queensland)
4. To manage NT circumstance:
    a. Mandate no fossil fuels for data centres and no offsetting from carbon capture and storage (this is too little to late)
    b. Urgent review of protected matters under EPBC Act and international conventions.
        i. **Groundwater dependent ecosystems** which harbour the greatest biodiversity and are vulnerable given shortcomings of water laws needs to new protected matter under EPBC Act (see Case card
        ii. Review and update of threatened ecological communities (NT has only 2 of the over 500)
        iii. Wetlands that qualify for inclusion under international conventions (e.g. Lake Woods need to be listed)
5. The Federal Government mandate that the NT produce a plan for AI datacentres/zones that optimises the public interest and includes public consultation, rather than the wishes of developers.

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