Environmental Defenders Office

Submission on the Draft Expectations for Data Centres and AI Infrastructure Developers – Lutruwita (Tasmania)

12 October 2026

About EDO

EDO is a community legal centre specialising in public interest environmental law. We help people who want to protect the environment through law. Our reputation is built on:

Successful environmental outcomes using the law. With over 40 years' experience in environmental law, EDO has a proven track record in achieving positive environmental outcomes for the community.

Broad environmental expertise. EDO is the acknowledged expert when it comes to the law and how it applies to the environment. We help the community to solve environmental issues by providing legal and scientific advice, community legal education and proposals for better laws.

Independent and accessible services. As a non-government and not-for-profit legal centre, our services are provided without fear or favour. Anyone can contact us to get free initial legal advice about an environmental problem, with many of our services targeted at rural and regional communities.

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Submitted to:

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Acknowledgement of Country

The Environmental Defenders Office (**EDO**) recognises and pays respect to the First Nations peoples of the lands, seas and rivers of Australia. We pay our respects to the First Nations Elders past and present, and aspire to learn from traditional knowledges and customs that exist from and within First Laws so that together, we can protect our environment and First Nations Cultural Heritage through both First and Western laws. We recognise that First Nations Countries were never ceded and express our remorse for the injustices and inequities that have been and continue to be endured by the First Nations of Australia and the Torres Strait Islands since the beginning of colonisation.

EDO recognises the right to self-determination of First Nations peoples, including their right to freely determine their own political status and freely pursue their economic, social and cultural development. This extends to recognising the many different First Nations within Australia and the Torres Strait Islands, as well as the multitude of languages, cultures, protocols and First Laws.

First Laws are the laws that existed prior to colonisation and continue to exist today within all First Nations. It refers to the learning and transmission of customs, traditions, kinship and heritage. First Laws are a way of living and interacting with Country that balances human needs and environmental needs to ensure the environment and ecosystems that nurture, support, and sustain human life are also nurtured, supported, and sustained. Country is sacred and spiritual, with culture, First Laws, spirituality, social obligations and kinship all stemming from relationships to and with the land.

A note on language

We acknowledge there is a legacy of writing about First Nations peoples without seeking guidance about terminology. We also acknowledge that where possible, specificity is more respectful. For the purpose of this submission, we have chosen to use the terms Tasmanian Aboriginal people and Tasmanian Aboriginal community. We acknowledge that not all Tasmanian Aboriginal people will identify with those terms and that they may instead identify using other terms or with their immediate community or language group.

First Laws is a term used to describe the laws that exist within First Nations. It is not intended to diminish the importance or status of the customs, traditions, kinship and heritage of First Nations in Australia. The EDO respects all First Laws and values their inherent and immeasurable worth. EDO recognises there are many different terms used throughout First Nations for what is understood in the Western world as First Laws.

The role of EDO & First Nations Peoples

EDO is a non-Indigenous community legal centre specialising in public interest environmental law. EDO has been operating for 40 years. This submission is based on our expertise in planning and environmental Western law and experience in working on behalf of First Nations clients, including in relation to Cultural Heritage through Western law.

Out of respect for First Nations self-determination, EDO's recommendations for Western law reform in relation to First Nations matters are high-level, to support First Nations to protect their Countries and Cultural Heritage as they see fit. In making this submission, EDO cannot and does not speak on behalf of First Nations peoples or groups.

Submission

Executive summary

1. Environmental Defenders Office (**EDO**) welcomes the opportunity to comment on the Tasmanian Government's Draft Expectations for Data Centres and AI Infrastructure Developers ('**Draft Expectations**').

2. We have recently made a submission to the Parliamentary Inquiry into AI Data Centres in Lutruwita (Tasmania) ('**Tasmanian Inquiry Submission**', **enclosed**) and we ask the Tasmanian Government to **consider this document as part of this submission**.

3. We have also recently published EDO's principles on data centre developments in Australia ('**Principles**') and our submission to the Senate Inquiry into artificial intelligence and data centres. We encourage the Tasmanian Government to consider these documents in addition to this submission.

4. The Draft Expectations highlight the Tasmanian Government's commitment to attracting responsible investment in world class data centres and AI infrastructure projects in Lutruwita (Tasmania).[1] They follow the 'Data Centre Action Strategy' published in 2018 by the Tasmanian Office of the Coordinator-General ('**Action Strategy**'), which 'outlines the Tasmanian Government's approach to attracting large-scale data centre investment to the State, by promoting Tasmania to data centre investors and facilitating streamlined investment.'[2] The Action Strategy includes a vision of '[p]lacing Tasmania on the world map as a suitable location for large-scale data centre investment'.[3]

5. We are deeply concerned by the Tasmanian Government welcoming and positioning Lutruwita (Tasmania) as a world leader in AI data centre investment before undertaking adequate research as to the potential impacts and ensuring there are adequate National and Tasmanian regulatory frameworks in place.

6. We are also concerned that the Draft Expectations focus too heavily on the potential economic benefits of data centres and AI infrastructure in Lutruwita (Tasmania) and fail to adequately identify and emphasise the importance of fully assessing and minimising the environmental and community impacts of data centres and AI infrastructure.[4] While Principle Three expects developers to apply best practice environment management and prevent environmental harm,[5] the Draft Expectations rely on the existing regulatory framework, which is inadequate to achieve this.

7. Our summary of Recommendations is below.

[1] See, for example, the Purpose of the Draft Expectations, 2.
[2] Action Strategy, 1.
[3] Action Strategy, 3.
[4] We note, for example, the Purpose of the Draft Expectations, at 2, does not mention the environment.
[5] Draft Expectations, 4.

Summary of Recommendations

Recommendation 1: Ensure and facilitate meaningful engagement with the Tasmanian Aboriginal community and their representative organisations, to inform this consultation and Government policy and law reform relating to data centre and AI infrastructure development and regulation in Lutruwita (Tasmania).

Recommendation 2: Decisions regarding the development of data centres and AI infrastructure in Lutruwita (Tasmania), including the regulatory framework that applies and assessment processes for individual projects, must reflect the inherent rights of First Nations peoples captured in the United Nations Declaration on the Rights of Indigenous Peoples, including the requirement to obtain their Free, Prior and Informed Consent concerning laws, policies and projects impacting them.

Recommendation 3: Through engagement with the Tasmanian Aboriginal Community, ensure that data centres and AI infrastructure projects in Lutruwita (Tasmania) are appropriately located, designed, operated and ultimately decommissioned, to ensure development avoids adverse impacts on First Nations Country and Cultural Heritage, as determined by the Tasmanian Aboriginal community, and access to their land, water and resources.

Recommendation 4: Any guidance offered by the Office of the Coordinator-General must be based on comprehensive pre-planning and strategic environmental assessments to ensure appropriate siting, including identifying unacceptable areas, with offsets only to be used as a last resort and in accordance with the mitigation hierarchy.

Recommendation 5: Tasmanian legislation must be amended or introduced to mandate that all data centres and AI infrastructure proposals must be fully powered by their own additional renewable energy sources.

Recommendation 6: The Draft Expectations must not advocate for the use of biofuels, including forestry waste, by data centre proponents as a solution to back-up energy supply.

Recommendation 7: The framework for managing the sustainable use and supply of water in Lutruwita (Tasmania), including the *Water Management Act 1999* (Tas), must be reviewed and amended to ensure it incorporates principles regulating water usage by data centres and AI infrastructure in Lutruwita (Tasmania).

Recommendation 8: The Draft Expectations should emphasise to proponents that changes to Lutruwita (Tasmania's) legal and regulatory framework will be required, for example:

- the Tasmanian Planning Scheme must be amended, through a research-informed and consultative process, to ensure adequate controls are in place for assessment of data centres and AI infrastructure projects in Lutruwita (Tasmania);
- the *Environmental Management and Pollution Control Act 1994* (Tas) must be amended to ensure data centre and AI infrastructure proposals are subject to full environmental impact assessment by the Environment Protection Authority; and
- Environment Protection Authority decisions, including decisions of the Environment Protection Authority Board not to assess an activity referred to it, should be transparent and open to third parties for external review, with legislated open standing provisions for judicial and merits review.

Recommendation 9: The Draft Expectations must set out a full suite of obligatory reporting requirements for data centre proponents, including in relation to:

- energy usage, including the source (for example renewable or fossil fuel sources) and any energy supplied back to the grid;
- water usage, including the source of the water (such as wastewater, drinking water, or water extracted from water resources) and water expenditure (including wastewater produced) for the life of the project;
- land clearing associated with the project, including ancillary infrastructure or energy generation projects;
- air pollutants, particularly those associated with diesel generators;
- thermal pollution and sensory pollution associated with the project;
- any use of PFAS, including management actions to prevent contamination;
- financial information, including amounts paid for water and energy sources where derived from external sources; and
- community and social impacts and benefits, such as cost-sharing for public infrastructure.

Recommendation 10: The Tasmanian Government must immediately impose a moratorium on development of large-scale data centres in Lutruwita (Tasmania) until the regulatory framework is amended to ensure development is sustainable and adverse impacts on the environment, Tasmanian Aboriginal people and communities more generally are avoided.

Recommendation 11: All future reviews of the Draft Expectations must incorporate robust public consultation.

Introduction

8. As outlined in EDO's Principles, we support ecologically sustainable and community safe development of data centres and associated AI infrastructure and use of resources. The rapid rollout of data centres and eagerness to secure economic benefits must not be to the detriment of the Tasmanian Aboriginal community, urban, regional or remote communities, ecological sustainability and environmental integrity, or Australia's climate change, biodiversity, and human rights protections. Nor should it derail Australia's efforts to tackle the climate and biodiversity crises, or the renewable energy transition.

9. The potential environmental impacts and risks associated with the development of AI and data centres in Australia and Lutruwita (Tasmania) are outlined in our Tasmanian Inquiry Submission,[6] and include:

    - considerable energy consumption and the risk of undermining Australia's renewable energy transition;
    - potential risks to water resources due to intensive water demands;

[6] See Part 1.

- extensive land usage, including for ancillary infrastructure; and
- social and ecological health impacts.

10. EDO's Tasmanian Inquiry Submission also highlights the likely effects of rapid data centre developments on the Tasmanian Aboriginal community, and risks to human rights more broadly.[7]

11. The Draft Expectations are a statement of government policy rather than a source of binding obligations on proponents.[8] EDO cautions, however, relying on existing laws and regulatory frameworks in Lutruwita (Tasmania) as adequate to assess data centre and AI infrastructure proposals of significant scale as envisaged by the Scope of the Draft Expectations.[9]

12. We do not agree with statements made in the Draft Expectations that existing frameworks are adequate.[10] The processes for assessing the three Firmus data centre proposals in Lutruwita (Tasmania), which are estimated to consume a combined 444MW, being 30% of Tasmania's grid power,[11] show the deficiencies in the Resource Management and Planning System (**RMPS**) and the absence of protection of Cultural Heritage required for developments of this kind.[12] EDO has interrogated these deficiencies below and in its Tasmanian Inquiry Submission.

13. EDO recognises that the regulation of AI data centres is complex and multifaceted. As a national community legal centre specialising in public interest and environmental law, our submission only considers the aspects that are within our area of expertise. Our submission is limited to the following areas:

- Early engagement with community and stakeholders;
- Engagement with the Tasmanian Government;
- Supporting Tasmania's energy system;
- Sustainable water usage;
- Approval pathways;
- Transparency and reporting; and
- Immediate next steps and reviews.

Early engagement with community and stakeholders

14. The Draft Expectations rightly identify the need for early and transparent engagement with communities and stakeholders on data centre and AI infrastructure projects.[13] We agree it

[7] See [67]–[76]
[8] Draft Expectations, 3.
[9] Draft Expectations, 3.
[10] Draft expectations, 3 and 14.
[11] House of Assembly Tasmania, Response to Notice of Motion No. 146 (8 September 2026). Available at: https://www.parliament.tas.gov.au/house-of-assembly/tabled-papers/house-of-assembly-tabled-papers-2026/TP52-1486.pdf; Ashleigh Barraclough, 'Hydro Tasmania to decide by end of year on AI data centre company Firmus's request for 450 MW', ABC News (News article, 4 September 2026). Available at: https://www.abc.net.au/news/2026-09-04/hydro tasmania-assess-firmus-450-mw-energy-request/107116852.
[12] See the 45 recommendations made in EDO Submission to Aboriginal Heritage Bill 2026 (Tasmania) (April 2026).
[13] Draft Expectations, 8.

is essential people are given an opportunity to have their say about data centre and AI infrastructure development and regulation in Lutruwita (Tasmania) in accordance with best practice principles. This includes early, ongoing and meaningful community engagement.

15. Effective community engagement must also include broader engagement by the Tasmanian Government with the Tasmanian Aboriginal community and their representative organisations, to inform this consultation and Government policy and law reform relating to data centre and AI infrastructure development and regulation in Lutruwita (Tasmania).

16. As outlined in the Tasmanian Inquiry Submission,[14] data centres and AI infrastructure are likely to have impacts on Tasmanian Aboriginal people, their Country and Cultural Heritage and their connection to Country, including through impacts on the energy transition, water, biodiversity and Cultural Heritage.[15]

17. These impacts threaten First Nations' inherent rights reflected in the United Nations Declaration on the Rights of Indigenous Peoples (**UNDRIP**),[16] endorsed by the Australian Government in 2009 and described recently by the Federal Court of Australia as 'solemn objectives that Australia has committed to in international forums'.[17] UNDRIP mandates that States engage in genuine consultation and cooperation with First Nations peoples and their representative organisations to secure their Free, Prior, and Informed Consent (**FPIC**) before taking action that affects their lands, territories, resources and rights.

18. We urge the Tasmanian Government to ensure and facilitate effective engagement with the Tasmanian Aboriginal Community on data centre and AI infrastructure development and regulation in Lutruwita (Tasmania), in accordance with principles of self-determination and FPIC.

Recommendation 1: Ensure and facilitate meaningful engagement with the Tasmanian Aboriginal community and their representative organisations, to inform this consultation and Government policy and law reform relating to data centre and AI infrastructure development and regulation in Lutruwita (Tasmania).

Recommendation 2: Decisions regarding the development of data centres and AI infrastructure in Lutruwita (Tasmania), including the regulatory framework that applies and assessment processes for individual projects, must reflect the inherent rights of First Nations peoples captured in the United Nations Declaration on the Rights of Indigenous Peoples, including the

[14] See [52]–[66].
[15] See for example: David Prestipino, 'Cultural concerns over planned data centre near Mandoon Bilya', National Indigenous Times (News article, 3 April 2026). Available at: https://nit.com.au/03-04-2026/23550/cultural-concerns-over planned-data-centre-near-mandoon-bilya.
[16] See for example the right to self-determination (Art 3); the requirement for Free, Prior and Informed Consent (Arts 10, 19, 32); the right to participate in decision-making (Art 18); and rights to lands, territories and resources (Arts 25–26).
[17] *United Nations Declaration on the Rights of Indigenous Peoples*, GA Res 61/295, UN GAOR, 61st sess, 107th plen mtg, Agenda Item 68, Supp No 49 (2 October 2007, adopted 13 September 2007) (UNDRIP). Regarding the importance of this endorsement for Australia's domestic jurisdiction, see *Sampi v State of Western Australia (No 5)* [2026] FCA 517, [45]-[48]. Mortimer CJ refers to these rights as "solemn objectives that Australia has committed to" in *Sampi v State of Western Australia (No) 5* [2026] FCA 517, [45]–[48].

requirement to obtain their Free, Prior and Informed Consent concerning laws, policies and projects impacting them.

Recommendation 3: Through engagement with the Tasmanian Aboriginal Community, ensure that data centres and AI infrastructure projects in Lutruwita (Tasmania) are appropriately located, designed, operated and ultimately decommissioned, to ensure development avoids adverse impacts on First Nations Country and Cultural Heritage, as determined by the Tasmanian Aboriginal Community, and access to their land, water and resources.

Engagement with the Tasmanian Government

19. The Draft Expectations promote the Tasmanian Government, Office of the Coordinator-General (**OCG**), as the central point of coordination for government engagement on data centres and AI infrastructure in Lutruwita (Tasmania). It is expected that proponents engage with the OCG on the commercial viability of their projects, and that the OCG may assist in identifying potentially suitable sites for projects. [18]

20. Any siting advice from the OCG must be based on pre-planning and strategic environmental assessments to ensure appropriate siting – including identifying unacceptable areas, with offsets only to be used as a last resort and in accordance with the mitigation hierarchy. We refer to [119]–[124] in our Tasmanian Inquiry Submission, where we express the importance of pre-planning in further detail.

Recommendation 4: Any guidance offered by the Office of the Coordinator-General must be based on comprehensive pre-planning and strategic environmental assessments to ensure appropriate siting, including identifying unacceptable areas, with offsets only to be used as a last resort and in accordance with the mitigation hierarchy.

Supporting Tasmania's Energy System

21. The Draft Expectations acknowledge the scale of electricity demand arising from data centres and AI infrastructure.[19] However, they focus on the economic benefits for Tasmanians arising from new increased renewable energy,[20] and fail to adequately acknowledge or address the potential environmental and community risks of this increased electricity demand.

22. The energy consumption risks of data centres and AI infrastructure undermining renewable energy transition, including the disproportionate adverse impact on First Nations, are detailed in our Tasmanian Inquiry Submission.[21] It is imperative that rapid uptake of data centres and AI infrastructure in Lutruwita (Tasmania) does not undermine the renewable energy transition, particularly as global temperatures continue to rise and

[18] Draft Expectations, 9.
[19] Draft Expectations, 10.
[20] Draft Expectations, 10.
[21] See [18]–[28] and [64]–[66].

the risks of crossing one or more climate-system tipping points increase, potentially triggering self-reinforcing changes that become irreversible on human timescales.

23. The Draft Expectations provide that proponents are required to bring on additional renewable energy generation and partner with new energy generation projects in Lutruwita (Tasmania).[22] This expectation is inadequate. It needs to specify how much additional renewable energy generation is required and by when, for example, and must also be enforceable to ensure rapid investment in data centres and AI infrastructure does not compromise the renewable energy transition.

24. It is essential that all data centre and AI infrastructure energy demands in Lutruwita (Tasmania) are supplied by 100% additional renewable energy and include a prohibition on data centre and AI infrastructure projects that involve any new or expanded coal, gas or oil projects to provide primary or back-up energy supply. Often AI data centre developments rely on diesel generators to provide back-up supply or otherwise will draw energy from the grid (as is the case for two of the Firmus AI data centres[23]). The 100% renewable energy requirement should include back-up power generation, imposing obligations on data centre proponents to investigate alternatives to fossil-fuel powered back-up generators and establishing energy efficiency requirements.

25. Tasmanian legislation must be amended or introduced to mandate that all data centre and AI infrastructure proposals must be fully powered by their own additional renewable energy sources. It is imperative that renewable energy developments: adhere to the principles of ecologically sustainable development; are designed to avoid and minimise impacts and water usage; and have fully funded full-life recycling, rehabilitation and restoration.[24]

26. Addressing back-up energy supply of data centres and AI infrastructure, the Draft Expectations suggest proponents 'explore emerging renewable energy fuels and storage technologies for back-up energy supply, including batteries, hydrogen, biodiesel, biomethane and other technologies including forestry waste.'

27. EDO strongly cautions against supporting the use of biofuels, including forestry waste, given it has adverse environmental impacts, predominantly incentivising logging and the burning of native forest biomass, which negatively affects forests, biodiversity and the climate. We refer to EDO's submission on the Native Forest Wood Waste in the Renewable Energy Target – Consultation Paper, which outlines the adverse environmental impacts

[22] Draft Expectations, 10.
[23] For the Wesley Vale AI data centre see: Latrobe Council, Agenda – Special Council Meeting (7 September 2026) (**Latrobe Special Council Meeting Agenda**), 8. Available at: https://www.latrobe.tas.gov.au/council/publications/minutes-and-agenda; Ashleigh Barraclough, 'Firmus plans to truck water in and use rainwater to cool proposed Wesley Vale AI data centre', ABC News (News article, 27 August 2026). Available at: https://www.abc.net.au/news/2026-08-27/firmus-truck-water-rainwater-cool-wesley-vale-ai-data-centre/107083230. For the Long Reach AI data centre, see George Town Council, Ordinary Council Meeting Attachments (25 August 2026) (**George Town Council Meeting Agenda**), 48 and 65. Available at: https://georgetown.tas.gov.au/council meeting; Kelsey Reid, 'AI data centre company Firmus lodges TASCAT appeal against restrictions on generator use', ABC News (News article, 15 September 2026). Available at: https://www.abc.net.au/news/2026-09-15/firmus-technologies-lodge-tascat appeal-for-generator-use/107144572.
[24] We refer to EDO's 12 principles for renewable energy transition projects.

associated with native forest biomass. Biofuels are therefore not an appropriate energy source for the high energy demands of data centres.

Recommendation 5: Tasmanian legislation must be amended or introduced to mandate that all data centres and AI infrastructure proposals must be fully powered by their own additional renewable energy sources.

Recommendation 6: The Draft Expectations must not advocate for the use of biofuels, including forestry waste, by data centre proponents as a solution to back-up energy supply.

Sustainable water usage

28. The potential risks to water resources due to intensive water demands from data centres and AI infrastructure, including implications for water security and threats to First Nations water rights, are detailed in our Tasmanian Inquiry Submission.[25]

29. The Draft Expectations identify the importance of water as a resource for Lutruwita (Tasmania) and acknowledge that water is a limited resource for which demand is increasing. They require proponents of data centre and AI infrastructure projects to provide water consumption forecasts and demonstrate how design choices minimise water use.[26] The Draft Expectations go on to provide that Lutruwita (Tasmania) has a well-established framework for managing the sustainable use and supply of water.[27]

30. As detailed in our Tasmanian Inquiry Submisson, we disagree that the existing framework for managing sustainable water use and supply is adequate, particularly when it comes to water resource planning.[28] We recommend that the framework for managing the sustainable use and supply of water in Lutruwita (Tasmania), including the *Water Management Act 1999* (Tas), be reviewed and amended to ensure it adequately regulates environmental risks associated with data centres AI infrastructure and other pressures on water resources.

Recommendation 7: The framework for managing the sustainable use and supply of water in Lutruwita (Tasmania), including the *Water Management Act 1999* (Tas), must be reviewed and amended to ensure it incorporates principles regulating water usage by data centres and AI infrastructure in Lutruwita (Tasmania).

Approval pathways

31. The Draft Expectations provide that Data centres and AI infrastructure developments in Lutruwita (Tasmania) should continue to be assessed through the existing legal framework, including the RMPS. According to the Draft Expectations, existing laws are well

[25] See [29]–[36], and [61]–[63].
[26] Draft Expectations, 13.
[27] Draft Expectations, 13.
[28] See [106]–[111].

established and provide mechanisms to assess and manage potential impacts of data centres and AI infrastructure.[29]

32. As detailed in our Tasmanian Inquiry Submission,[30] we agree data centres and AI infrastructure should continue to be assessed through the RMPS. However, amendments are required to enhance this system to make it adequate for the assessment, approval and regulation of large-scale data centres before any further data centre proposals are assessed and approved. We propose that changes are made to ensure the RMPS is adapted to address the particular risks associated with this type of development, which were not written to accommodate these types of development.

33. As evidenced by the assessment of the three Firmus data centres in Lutruwita (Tasmania) under the Tasmanian Planning Scheme (**TPS**), the TPS does not contain specific provisions, such as a dedicated use class or code, relating to the assessment of data centres proposals. This has meant the three Firmus data centre proposals have been subject to limited assessment under the TPS. [31]

34. In addition to amendments to the TPS, we have recommended changes to Lutruwita (Tasmania's) environmental management laws, including the *Environmental Management and Pollution Control Act 1994* (Tas) ('**EMPC Act**') concerning environment impact assessments by the Environment Protection Authority (**EPA**), to ensure effective assessment and regulation of factors outside the planning assessment process.

35. As detailed in our Tasmanian Inquiry Submission, data centre and AI Infrastructure activities are not listed as a 'level 2' activity in Schedule 2 of the EMPC Act.[32] This means that data centre and AI infrastructure proposals will only be considered by the Board if:

- called in by the EPA Director as a level 1 activity;[33] or
- the activity meets the definition of one of the level 2 activities listed in Schedule 2 (for example, Firmus' Long Reach and Wesley Vale AI data centres were both referred to the EPA as level 2 activities because their diesel generators met the definition of a fuel burning activity under Schedule 2, cl 7(a) of the EMPC Act[34]).

36. Further, although all three Firmus AI data centre proposals were referred to or called in by the EPA, the EPA Board determined it was not required to undertake an environmental impact assessment for any of the proposals.[35]

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[29] Draft Expectations, 3 and 14.
[30] See paragraphs [79]–[105].
[31] Tasmanian Inquiry Submission, [83]–[93].
[32] Under the EMPC Act, certain activities can be subject to environmental impact assessment by the Board of the EPA. For planning approval applications, activities that are level 2 activities (as defined in Schedule 2 of the EMPC Act) must be referred by the planning authority (generally the relevant local Council) to the EPA Board for environmental assessment, s 25(1).
[33] EMPC Act, ss 24(1) and 3 (defines 'level 1 activity').
[34] For the Wesley Vale AI data centre see: Latrobe Special Council Meeting Agenda, p 7; for the Long Reach AI data centre, see George Town Council Meeting Agenda, 71-72.
[35] For St Leonards AI data centre see: City of Launceston, Special Council Meeting Minutes (1 September 2025), 35. Available at: https://www.launceston.tas.gov.au/Agendas-and-Minutes?dlv_OC%20CL%20Public%20Meetings=(dd_OC%20Year=2025); For the Wesley Vale AI data centre see: Latrobe Special Council Meeting Agenda, p 7; for the Long Reach AI data centre, see George Town Council Meeting Agenda, 71-72.

37. We are concerned that Government policy on data centre developments are not addressing the urgent need for reform, and that instead the Tasmanian Government is assuring proponents in its Draft Expectations that existing approval pathways will continue to apply as they are. It is essential that a robust and fit for purpose Tasmanian regulatory framework is in place to manage risks to the environment and community outlined in the Introduction, and to ensure data centre and AI infrastructure developments in Lutruwita (Tasmania) are appropriate and sustainable. This will require revision of Tasmania's environmental and planning laws, which were not written to accommodate these types of development.

Recommendation 8: The Draft Expectations should emphasise to proponents that changes to Lutruwita (Tasmania's) legal and regulatory framework will be required, for example:

- the Tasmanian Planning Scheme must be amended, through a research-informed and consultative process, to ensure adequate controls are in place for assessment of data centres and AI infrastructure projects in Lutruwita (Tasmania);
- the *Environmental Management and Pollution Control Act 1994* (Tas) must be amended to ensure data centre and AI infrastructure proposals are subject to full environmental impact assessment by the Environment Protection Authority; and
- Environment Protection Authority decisions, including decisions of the Environment Protection Authority Board not to assess an activity referred to it, should be transparent and open to third parties for external review, with legislated open standing provisions for judicial and merits review.

Transparency and reporting

38. The Draft Expectations include an expectation that proponents comply with all current statutory reporting and information obligations. They also provide that proponents *should consider* publishing information on forecasts and actual energy and water use, employment and local procurement outcomes, environmental performance and delivery of community commitments.[36]

39. EDO questions whether the existing statutory reporting regimes in Lutruwita (Tasmania) are adequate, and is concerned that any further reporting is couched by the Tasmanian Government as optional. It is imperative the Tasmanian Government's policy approach to data centres and AI infrastructure proposals is reflected in enforceable laws that provide accountability and transparency in decision-making and reporting.

40. As detailed in our Tasmanian Inquiry Submission, it is critical that data centres and AI infrastructure developments are subject to clear annual public reporting obligations.

Recommendation 9: The Draft Expectations must set out a full suite of obligatory reporting requirements for data centre proponents, including in relation to:

- energy usage, including the source (for example renewable or fossil fuel sources) and any energy supplied back to the grid;

[36] Draft Expectations, 15.

- water usage, including the source of the water (such as wastewater, drinking water, or water extracted from water resources) and water expenditure (including wastewater produced) for the life of the project;
- land clearing associated with the project, including ancillary infrastructure or energy generation projects;
- air pollutants, particularly those associated with diesel generators;
- thermal pollution and sensory pollution associated with the project;
- any use of PFAS, including management actions to prevent contamination;
- financial information, including amounts paid for water and energy sources where derived from external sources; and
- community and social impacts and benefits, such as cost-sharing for public infrastructure.

Immediate next steps and Review

41. We are encouraged by the Tasmanian Government's acknowledgment of Federal Government reforms to create a national framework for large-scale data centre and AI infrastructure.[37] The Government's commitment to consider the implications of these and to update the Draft Expectations in future is necessary, but not sufficient. The Draft Expectations in their current form give the green light to large-scale data centre proponents. They open Lutruwita (Tasmania) up to a rush of unsustainable and harmful developments, taking advantage of the lack of federal regulation and insufficient assessment processes under Tasmanian laws.

42. The Tasmanian Government must immediately impose a moratorium on development of AI data centres in Lutruwita (Tasmania) until the regulatory framework is amended to ensure development is sustainable and impacts on the environment, Tasmanian Aboriginal people and communities more generally are avoided.

43. The Draft Expectations provide that they will be 'reviewed periodically to reflect operational experience, technological developments, Australian Government and any future nationally agreed settings, and Tasmania's evolving economic, energy and environmental priorities'.[7]

44. We welcome the plan for periodic reviews of the Draft Expectations. These reviews must include ongoing and meaningful community engagement and public consultation (see paragraphs [12]-[16] of this submission). We encourage and would welcome the opportunity to further consider and advise on any future reviews.

[37] Draft Expectations, 3 and 15.

Recommendation 10: The Tasmanian Government must immediately impose a moratorium on development of large-scale data centres in Lutruwita (Tasmania) until the regulatory framework is amended to ensure development is sustainable and adverse impacts on the environment, Tasmanian Aboriginal people and communities more generally are avoided.

Recommendation 11: All future reviews of the Draft Expectations must incorporate robust public consultation.