

Office of Artificial Intelligence
Department of the Prime Minister and Cabinet
Australian Government

9 October 2026

By online submission form

Dear Office of Artificial Intelligence,

Subject: Getting it right: Building AI infrastructure that works for Australia — large data-centre standards

The Business Council for Sustainable Development Australia (BCSDA) is the Australian network partner of the World Business Council for Sustainable Development (WBCSD). BCSDA works with Australian businesses and partner organisations on practical implementation of sustainable development, including climate transition, resilience, nature, equity, circularity and corporate performance.

BCSDA supports nationally consistent mandatory minimum standards for large data centres. Australia should use them to create an investable national framework that accelerates AI infrastructure while ensuring new projects strengthen — rather than strain — energy, water, infrastructure and community systems.

Our central proposition is that large data centres subject to the standards should demonstrate a positive system contribution through staged, auditable evidence across energy and grid capability, resource-ready siting, circular infrastructure, workforce and supplier capability, fair cost allocation and decision-useful reporting. Those expectations should be clear early enough to improve FID, connection and operating decisions, not only ex-post compliance.

Yours faithfully

Andrew Petersen

CEO | Business Council for Sustainable Development Australia
andrew.petersen@bcsda.org.au | 0412 545 994

Executive summary

BCSDA supports a nationally consistent framework of mandatory minimum standards for large data centres and recommends that it be designed around a stronger business proposition: large AI/data-centre investment should be able to proceed quickly and credibly where a project can demonstrate that its scale is matched by proportional contributions to the energy, water, infrastructure, material and workforce systems it relies upon.

Taken together, WBCSD and World Economic Forum leading practice work and International Energy Agency analysis point beyond facility efficiency or annual renewable matching alone. They connect capital and operating decisions to power-system value, local resource resilience, circularity, people capability and decision-useful evidence. [6][7][8][9][10][11][12][13][14]

Therefore, **BCSDA recommends** five system-contribution tests:

1. **Energy and grid contribution.** Progress from auditable renewable attributes toward new/incremental supply, stronger temporal integrity and usable flexibility, with financeable contracting and firming arrangements.
2. **Resource-ready place and long-term resilience.** Demonstrate that electricity, water, telecommunications, land, climate/nature conditions and critical infrastructure can support the proposed scale, while preserving reasonable adaptability to technology, workload and demand change, before investment and connection choices are locked in.
3. **Circular AI infrastructure.** Require lifecycle planning for equipment longevity, modularity and repair, reuse and redeployment, component recovery, recycling, material performance and facility or enabling-infrastructure repurposing or adaptive reuse where practicable, rather than treating servers and supporting assets as a linear replacement stream.
4. **Workforce, suppliers and community capability.** Measure additional accredited skills, completions, retention, supplier capability, relevant Traditional Owner / First Nations participation pathways, and meaningful local benefit, including whether community input materially influences project design or mitigation — not simply headline job numbers or evidence that consultation occurred.
5. **Decision-useful and interoperable accountability.** Collect the smallest credible evidence set needed for investment, connection, compliance and community confidence, reusing equivalent existing Australian reporting wherever possible.

BCSDA's signature implementation recommendation is a Resource & System Readiness Plan for each covered project. It should operate as a reusable evidence passport: consolidating — rather than duplicating — evidence already generated through connection, planning, water, infrastructure and workforce processes, and being designed for reuse and updating across relevant government interfaces, supported where necessary by intergovernmental or jurisdictional arrangements. It should be updated at three points:

1. development/connection.
2. pre-energisation.
3. operation.

This gives investors and governments a common line of sight from project design to delivered outcomes. Four cross-cutting design principles should govern the framework:

1. proportionality and tiering;
2. bankability and transition certainty;
3. no-net-cost / no-double-recovery; and
4. national interoperability with state, territory and existing regulatory systems.

The reciprocal policy compact should be equally clear: where a project demonstrates the required system readiness and commitments, government should provide a coordinated and predictable pathway across relevant Commonwealth and state interfaces, including early identification of constraints, stable evidence requirements and reuse of information already supplied. This is not an entitlement to approval; it is a commitment to reduce avoidable duplication and regulatory uncertainty for projects that meet the national standard.

Direct responses to the consultation design questions

The consultation allows respondents to address only relevant topics. BCSDA focuses on the proposed large-data-centre requirements. We do not offer a general position here on frontier AI-training safety, copyright, model governance or security conditions. [1][2]

Consultation design matter	BCSDA position
Thresholds and application	Support impact-based tiering in principle. The proposed 30 MW threshold is a reasonable consultation starting point, and the 30–100 MW / >100 MW structure is directionally consistent with proportional regulation. However, BCSDA has no independent quantitative evidence that 30 MW, 100 MW or a 150 MW cumulative portfolio threshold are the optimal calibration points for every obligation. Government should test the thresholds against energy, water and other material impacts, apply a scheduled calibration review, and permit additional triggers where non-energy impacts justify them. [1]
Application, transition and pipeline projects	Apply obligations through objective project milestones rather than an arbitrary commencement cliff. Projects not yet connected when the standards commence should enter the regime through staged development/connection and pre-energisation assurance; projects with materially committed infrastructure should receive proportionate transition arrangements; material later expansions should be captured. Require a public summary of the compliance plan while protecting commercially sensitive project information. [1]
National / state roles	National minimum outcomes and evidence expectations should be consistent across jurisdictions, while states and territories retain detailed planning, water allocation, local infrastructure and higher place-specific requirements. The national framework should be designed to reuse existing approvals and data rather than recreate them, supported where necessary by intergovernmental or jurisdictional arrangements. [1][3][4]
Responsibility and practical control	Allocate each obligation to the party with practical control over the relevant outcome — for example developer/operator, customer/tenant or another accountable entity. Where responsibility is shared, require a lead accountable entity and permit contractual allocation of delivery responsibilities, but do not allow contracting to extinguish compliance accountability. This avoids imposing obligations on a party that cannot practically deliver them.
Renewable electricity and additionality	Support additional renewable supply, but treat annual certificate surrender as a baseline evidentiary tool rather than the end-state test. Use a progressive pathway from recognised renewable attributes to new/incremental contracted supply, with stronger temporal integrity as Australian market capability develops. This is directionally consistent with the AEMC's July 2026 advice on new renewable generation and firming for data-centre loads. [1][6][7][19]

Consultation design matter	BCSDA position
Energy efficiency / PUE / NABERS	Support a national operational efficiency baseline and transparent reporting. Operational PUE and NABERS can form part of the baseline, with design PUE used for pre-operation assurance, but PUE should not be the sole sustainability or system-contribution test. Requirements should distinguish design from actual operating performance and explicitly account for energy-water trade-offs in cooling choices. Government should review numeric thresholds as operating evidence accumulates rather than assume one figure is optimal across all climates, loads and water sources. [1]
Firming, storage and demand flexibility	Require a project-specific grid contribution plan covering appropriate firming, storage, staged connections, controllable load or technically equivalent measures. Firming should be technology-neutral during transition, subject to applicable emissions and other requirements, while renewable additionality and temporal-integrity expectations tighten progressively. Transitional or backup generation may support reliability but should not count as renewable additionality. Flexibility should be linked to defined system or network conditions and should be commercially and technically feasible. [1][13][14][19]
Infrastructure and cost allocation	Retain no-net-cost / attributable-cost recovery, with an explicit attribution and no-double-recovery check. Attributable network, water and enabling-infrastructure costs should be visible before FID and recovered once through the appropriate existing or designated instrument. Current AEMC rule-change work on large-load network augmentations provides a direct Australian implementation pathway for the electricity-network component. [1][3][4][20]
Water, nature and resource resilience	Support national water-efficiency and transparency requirements, but do not rely on WUE alone. Prefer recycled and non-potable water where technically, environmentally and locally feasible; where it is not reasonably available, allow equivalent local or catchment-level water-security pathways such as staged recycled-water infrastructure, other resilient supplies or demonstrable demand reductions. Pair efficiency with water source, local stress, climate resilience, energy-water trade-offs and nature dependencies/impacts. [1][3][8][15]
Location, planning and community	Require a Resource & System Readiness Plan that operates as a reusable evidence passport across relevant government interfaces, testing electricity, water, telecommunications, land, workforce, local impacts and reasonable adaptability to technology/workload change early without creating a second approval track. Do not impose a universal Commonwealth setback from homes or schools without evidence that one distance is appropriate across different sites and technologies; retain site-specific noise, traffic, amenity and safety controls through state and local planning within the national minimum. Engagement should identify affected communities, councils and relevant Traditional Owners / First Nations rights-holders, explain how material issues have influenced design or mitigation where relevant, set out measurable local-benefit commitments where appropriate, and provide accessible grievance and response mechanisms. These measures must not substitute for statutory or rights processes or be treated as proof of consent. [1][3][4][9][14]

Consultation design matter	BCSDA position
Circular AI infrastructure	Align the data-centre standards with Australia's Circular Economy Framework and the September 2026 Environment Ministers' Meeting Circular Economy Roadmap. Establish a proportionate lifecycle circularity expectation through the standards or updateable technical rules, covering equipment life extension, modularity/repair, reuse and redeployment, component recovery, recycling, material provenance, circular construction materials and facility or enabling-infrastructure repurposing or adaptive reuse where practicable. Lifecycle obligations should follow practical control of the relevant equipment or material stream — including the operator, tenant/customer or supplier as applicable. Use interoperable WBCSD CTI/GCP principles and Australia's existing product-stewardship architecture so the framework supports material productivity, reuse, remanufacturing, market development and national harmonisation without creating a duplicate end-of-life regime. [5][10][11][17][18]
Workforce and skills	Require additional capability, not just employment counts. Candidate measures include accredited training, apprentice/trainee/cadet hours, commencements and completions, retention, local supplier development and participation pathways for under-represented cohorts. Where material to delivery, require proponents to identify critical equipment and enabling-infrastructure supply-chain constraints and resilience measures. Avoid unsupported fixed quotas. [1][12][14]
Reporting and assurance	Build a decision useful evidence set around the five system-contribution tests. Reuse NGER, planning, utility and other equivalent data where available; collect only incremental fields needed for investment, connection, compliance and public confidence. Require at least an annual public operational summary for covered facilities, including material community-benefit, circularity and adaptability commitments where applicable, plus material-change updates where commitments or risks materially change, while protecting commercially and security-sensitive information and remaining consistent with applicable SOCI and other security obligations. [1][16][23]

1. Make positive system contribution the national design objective

The Government already proposes that large data centres make a positive contribution to Australia's energy transition. **BCSDA recommends** extending that logic across the full infrastructure system. A large project should not be judged only by whether it avoids a prohibited impact; it should be able to demonstrate how the scale of new demand is matched by proportional additions to the systems that enable the investment. [1]

Although this submission responds to the proposed data-centre framework, comparable system-impact principles should be considered consistently for other large new loads where materially similar pressures on energy, water, infrastructure or workforce systems arise.

By “positive system contribution”, BCSDA does not mean a single net-positive score or a licence to offset one impact against another. It means that each material dependency or impact is addressed through a testable contribution, avoidance, mitigation or cost-allocation pathway appropriate to that system.

The practical mechanism should be a Resource & System Readiness Plan operating as a reusable evidence passport. It would not be a new approval regime or a second application track. It would draw together information already needed for electricity connection, water and infrastructure servicing, planning, workforce and community processes; identify the additional commitments required by the

national standards; and enable equivalent evidence already supplied to one public authority to be reused by another where lawful and fit for purpose, with interoperability supported where necessary through intergovernmental or jurisdictional arrangements.

The Plan should be staged:

1. **development / connection** — identify expected load, resource needs, infrastructure constraints, attributable augmentation, supply and flexibility pathway, workforce demand, local dependencies, staging and adaptability assumptions, and material community-benefit commitments while design choices are still flexible;
2. **pre-energisation** — confirm contracted or committed supply, firming/flexibility, cost-allocation arrangements, water/resource readiness, material workforce commitments and outstanding risks; and
3. **operation** — report a focused set of outcome indicators showing whether commitments are being delivered, including material community-benefit, lifecycle and asset-adaptability commitments where applicable, with corrective action where material gaps persist.

This approach is consistent with the World Economic Forum's 2026 decision playbook, which argues that sustainability and resilience are most valuable when embedded early enough to improve capital decisions and reduce redesign risk. [9]

For investors and proponents, this creates a clearer national baseline investment signal, earlier visibility of constraints and fewer late-stage surprises that impair FID, connection or project economics. In return, projects that demonstrate system readiness should receive a coordinated and predictable administrative pathway: early identification of material constraints, stable evidence requirements, reuse of equivalent information and clear interfaces between Commonwealth and state processes. This improves delivery certainty without weakening statutory decision-making.

2. Make energy and grid contribution financeable, additional and progressively more time-aligned

Annual renewable certificates are useful for verifying renewable attributes, but they should not become the endpoint of the policy. WBCSD's renewable-power work shows that leadership is moving toward stronger temporal matching, grid flexibility and broader system outcomes, while its PPA guidance highlights the importance of bankability, long-term price visibility and deliberate allocation of profile, volume and other risks. [6][7]

This direction is consistent with the Australian Energy Market Commission's July 2026 advice to Energy and Climate Change Ministers, which recommended a data-centre energy obligation built around new renewable generation, firming capacity, market visibility and demand flexibility or co-location with generation. [19]

Energy efficiency should sit alongside, not substitute for, additionality and grid contribution. **BCSDA supports** using operational PUE and NABERS as part of the national baseline, with design PUE used for pre-operation assurance. The framework should distinguish design assumptions from actual operating performance and account explicitly for the energy-water trade-offs of cooling systems. Numeric thresholds should be calibrated and reviewed against Australian operating evidence rather than treated as immutable national settings. [1]

BCSDA therefore recommends a progressive renewable-electricity and grid-contribution ladder. At commencement, covered load should be matched with recognised renewable attributes and a credible pathway to additional supply. Over the transition period, a rising share of compliance should be supported by new or demonstrably incremental generation/storage through PPAs, investment agreements or equivalent structures. Stronger time matching should be introduced as Australian generation, storage, market and data capability makes it technically and commercially credible. The

framework should not create a hard connection cliff where new renewable generation or network infrastructure is still physically being delivered against an approved transition pathway.

The same project should demonstrate usable flexibility. The IEA's 2026 analysis emphasizes proactive connection management and demand flexibility as tools for integrating rapidly growing data-centre loads without unnecessarily worsening affordability or delaying connections. [13][14]

Flexibility should be outcome-based and linked to defined system stress, scarcity or congestion conditions. It may include batteries or other storage, firm supply arrangements, staged connection limits, interruptible or controllable load, automated demand response or equivalent measures. Firming technology should remain technology-neutral during transition, subject to applicable emissions and other regulatory requirements. Transitional or backup generation may support reliability, but it should not count as renewable additionality. The renewable and temporal-integrity requirements should tighten progressively under a defined pathway rather than depend on a single technology choice.

For proponents, the result is a financeable performance pathway that can be contracted before FID, while the electricity system gains new supply, firming and flexibility rather than only an accounting claim.

3. Test whether a site is resource-ready before capital is locked in

Energy is not the only scarce enabling system. The WEF playbook frames long-term data-centre viability around the capacity of surrounding energy, water and infrastructure systems and the confidence of host communities. WBCSD's Nature Positive roadmap similarly treats infrastructure through lifecycle dependencies and impacts, including water, land, materials and climate/nature risk. [8][9]

BCSDA recommends that the Resource & System Readiness Plan — used as the project's reusable evidence passport — test electricity, water, telecommunications, land, climate/nature risk, workforce access and competing local uses as one investment-readiness question. Evidence already accepted through a relevant planning, connection, water or infrastructure process should be reused where equivalent rather than requested again. This is particularly important for AI-training facilities whose location may be less constrained by end-user latency than conventional cloud or inference workloads. [1]

Where nature-related dependencies or impacts are material, the Resource & System Readiness Plan should use location-specific water and land/nature evidence at site selection and design stage, including basin stress and relevant value-chain dependencies, reusing TNFD-aligned assessment where available rather than creating a duplicate process. [21][22]

Long-term resource readiness should also include adaptability. For major projects, proponents should show how staging, modular design and infrastructure choices preserve reasonable options to expand, contract, repurpose or adapt facilities and enabling infrastructure as technology, workload and market conditions change. The objective is not for Government to forecast future demand, but to avoid unnecessary lock-in of capital, land, network capacity and materials to a single operating assumption. [5][9][14][20]

For water, WUE remains useful but is incomplete. The significance of water consumption depends on the source, local stress and resilience context, while cooling choices can shift impacts between water and energy. The Green Grid's DCRE metric combines energy efficiency, water use, local water stress and climate-zone context, while its WUI metric is a proxy that relates water consumption to local water stress. These are useful leading-practice comparators, but BCSDA does not propose that Australia adopt either metric automatically. [15]

BCSDA supports prioritizing recycled or non-potable water where it is technically, environmentally and locally feasible, but not a rigid national hierarchy that ignores energy intensity, local availability, resilience or other environmental trade-offs. Where alternative water supplies are not reasonably available, the standard should permit equivalent local or catchment-level water-security outcomes, supported by transparent evidence and an appropriate transition pathway.

National standards should require the resource evidence and resilience outcomes; state, territory and utility processes should continue to determine detailed site, planning, water-allocation and local infrastructure decisions.

BCSDA does not recommend a universal Commonwealth minimum setback from homes or schools without evidence that one distance is appropriate across different facility designs, local contexts and mitigation technologies. National standards should define the outcome to be protected; detailed noise, traffic, amenity and safety setbacks should remain risk- and site-specific within state and local planning systems.

For proponents, investors and communities, resource constraints and trade-offs become visible before major capital is committed, while adaptability planning reduces stranded-asset, redesign and local-conflict risk and preserves options as demand and technology change.

4. Build circularity into a new infrastructure class from the start

The consultation's current sustainability architecture is strong on energy and water but largely silent on the material lifecycle of the digital infrastructure itself. That is a missed opportunity. AI infrastructure is equipment-intensive and will operate through repeated technology-refresh cycles; Australia should not design a major new asset class around a linear build-replace-discard model.

Australia now has a stronger domestic policy anchor for this approach. Australia's Circular Economy Framework identifies industry and the built environment as priority sectors, including durable/reusable goods, adaptive reuse and circular low-carbon construction materials. The Environment Ministers' Meeting Circular Economy Roadmap agreed on 18 September 2026 adds a shared national pathway focused on material productivity, product stewardship, recycling and remanufacturing infrastructure, circular markets and harmonized standards/data. [5][17]

WBCSD's Circular Transition Indicators guidance for electronic devices was developed through close consultation with leading companies and provides a business-oriented framework for measuring circular performance, while the Global Circularity Protocol links material-flow management to climate, nature, equity and business performance. [10][11]

Australia also already operates national product-stewardship arrangements for computers and related hardware. **BCSDA does not assume** that all enterprise data-centre equipment is currently covered; rather, any new data-centre lifecycle obligation should be designed to complement existing and future product-stewardship arrangements instead of duplicating them. [18]

BCSDA recommends a proportionate lifecycle circularity expectation for covered projects, implemented through the standards or updateable technical rules as scope and data feasibility are confirmed. It should address equipment longevity, modularity and repair, reuse and redeployment, component recovery, recycling and downstream treatment, material provenance where decision-useful, construction-material circularity, and facility or enabling-infrastructure repurposing or adaptive reuse where practicable. Lifecycle obligations should follow practical control of the relevant equipment or material stream — including the operator, tenant/customer or supplier as applicable. Government should use interoperable indicators and existing product/material information rather than create a bespoke data-centre accounting system.

The obligation should focus on measurable management of high-value and high-impact material flows. It should not prescribe a single refresh cycle or technology choice where operational resilience, security or performance requirements justify a different outcome.

For operators, better asset utilization and recovery can reduce material exposure, waste and replacement risk while providing a common circular-performance language.

5. Treat skills, suppliers and communities as productive infrastructure

The Government correctly identifies that large data-centre development can compete for electricians, engineers, HVAC technicians, cyber specialists and ICT workers needed elsewhere in the economy. The policy response should therefore ask whether a project expands capability, not merely whether it reports jobs. [1]

WBCSD's Just Transition guidance frames people-centred investment as a source of business value, competitiveness, social progress and viable, future-ready markets. [12] **BCSDA recommends** measures such as accredited training places; apprentice, trainee and cadet labour hours; commencements and completions; retention into ongoing roles; local supplier development; and participation pathways for under-represented cohorts. Any percentage targets should be evidence-based, occupation- and project-phase-aware, and reviewed against actual delivery.

Where critical equipment or enabling infrastructure is material to project delivery, the Resource & System Readiness Plan should also identify major supply-chain constraints and the measures proposed to manage timing and resilience risk. The IEA identifies tightening bottlenecks across energy equipment, advanced chips, power electronics and transformers as material constraints on data-centre growth. [14]

Community engagement should be equally implementation focused. Proponents should identify affected communities, councils and relevant Traditional Owners / First Nations rights-holders, record material issues raised and explain how those issues have influenced design or mitigation. Engagement must not be treated as proof of consent or substitute for statutory planning, cultural-heritage, native-title or other rights processes.

For projects of this scale, enduring community confidence and social licence should be treated as material project-delivery and investment risks to be actively managed, not as evidence that consultation occurred. Proponents should identify material local benefits and burdens, set out measurable community-benefit commitments where appropriate, provide accessible grievance and response mechanisms, and report over time on delivery. This must not substitute for statutory approval, Traditional Owner rights or consent requirements. [1][9][14]

For employers and host regions, the objective is to expand execution capacity and local economic capability instead of simply bidding scarce labour and supplier capacity away from other priority sectors.

6. Make accountability decision-useful rather than create another reporting layer

The purpose of reporting should be to improve decisions. WBCSD's Reporting Matters 2026 frames sustainability information as valuable when it supports strategy, resource allocation and operations inside companies and informs external investment, procurement and partnership decisions — not when reporting is treated as an end in itself. [16]

BCSDA recommends a compact national data dictionary aligned to the five system-contribution tests. Existing NGER, connection, planning, utility, workforce and other equivalent information should be reused where fit for purpose. Only additional fields needed to evidence the national standards should be collected.

The evidence should serve different users: governments and regulators need compliance and system-planning information; investors and boards need resource, cost and transition certainty; networks and utilities need credible load/resource profiles; communities need understandable information on local commitments and outcomes.

A proportionate public outcome dashboard could report performance of covered projects against the core commitments, including material community-benefit, circularity and adaptability commitments where applicable, without disclosing commercially or security-sensitive information. **BCSDA recommends** at least an annual operational public summary, supplemented by material-change

updates where a facility's commitments, operating conditions or risks materially change. Public disclosure should remain consistent with applicable Security of Critical Infrastructure (SOCl) and other security obligations. The detailed assurance model should be calibrated to risk and existing Australian assurance architecture. [23]

For companies, the result should be less effort translating the same underlying information into multiple bespoke requests, while decision-makers receive more credible and comparable evidence.

Implementation, timing and accountability

BCSDA recommends that the core national outcomes and the obligation to maintain a Resource & System Readiness Plan be set in a stable national instrument, with technical settings capable of being updated as market, network, water and technology conditions evolve. State and territory systems should continue to carry detailed planning, water, local infrastructure and place-based approvals. The framework should be designed for reuse of equivalent evidence across agencies and jurisdictions where lawful and fit for purpose, supported where necessary by intergovernmental or jurisdictional arrangements, rather than creating a parallel approval process.

Responsibility should follow practical control. Obligations should sit with the developer/operator, customer/tenant or other accountable party best able to deliver the relevant outcome. Where responsibility is shared, the framework should identify a lead accountable entity and permit contractual allocation of delivery tasks, while ensuring that accountability cannot disappear through contracting.

For projects already in development, transition should be linked to objective milestones and physical delivery lead-times rather than an arbitrary cliff edge. Projects not yet connected when the standards commence should enter through staged development/connection and pre-energisation assurance; materially committed projects should receive proportionate transition arrangements; and material capacity expansions after commencement should be captured so transition does not create a permanent grandfathered class of large loads. During transition, firming should remain technology-neutral and reliability should be maintained, while renewable additionality and temporal-integrity requirements tighten under a defined pathway.

No-net-cost / attributable-cost recovery should remain a cross-cutting principle. The framework should identify attributable infrastructure, the applicable cost-recovery instrument and an explicit no-double-recovery check so investors can see project economics before FID and households or existing businesses are not charged twice. Current AEMC rule-change work is directly testing how data centres and other large loads should contribute to network costs they cause or accelerate. [1][20]

The framework should operate as a reciprocal performance compact. A project that demonstrates the required system readiness and commitments should receive coordinated administration, stable evidentiary expectations, early visibility of constraints and clear inter-agency interfaces. This should not displace statutory tests or guarantee approval, but it should reduce avoidable delay and duplication for compliant investment.

The Government should review thresholds and technical performance settings after implementation evidence is available. The review should test whether the framework is improving connection quality, additional supply and flexibility, resource resilience, circular outcomes, workforce and critical supply-chain capability, community confidence and investment certainty — and adjust obligations where they are not producing those outcomes.

Conclusion

Australia's competitive opportunity is not simply to host more data centres. It is to become a location where AI infrastructure can be financed, connected, operated and adapted over time because the surrounding systems are strong, the rules are credible, host communities can see durable value and the investment demonstrably contributes to national capability.

BCSDA therefore supports nationally consistent mandatory standards that convert rapid data-centre growth into positive system contribution. The strongest framework will make five things visible early: what additional energy and flexibility the project brings; whether the place is resource-ready and adaptable; how infrastructure is kept circular and capable of reuse or repurposing; what workforce, supplier and community capability and benefit is added; and what decision-useful evidence will demonstrate delivery.

That approach is more demanding than annual certificates or facility-efficiency metrics alone, but it is also more pro-investment. It establishes a reciprocal bargain: proponents make defined, auditable system contributions and government provides a coordinated, predictable pathway to FID, connection and operation without duplicating existing approvals. It gives governments, investors and communities confidence that growth is matched by capability, resilience and shared value, and gives Australia a platform for genuinely sustainable and durable AI infrastructure.

Disclosures

Organizational position: This submission represents BCSDA's organizational position. It does not purport to state the individual position of every BCSDA Member.

This submission was informed by feedback received through BCSDA's Member review process.
Individual organisations are not attributed.

Use of generative artificial intelligence: Generative artificial intelligence was used to assist with research. Source selection, drafting, interpretation, recommendations, review, quality assurance and final approval remain the responsibility of BCSDA.

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