



STOP THE GAS PLANT

Southern Highlands

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SUBMISSION — GETTING IT RIGHT: BUILDING AI INFRASTRUCTURE THAT WORKS FOR AUSTRALIA

Department of the Prime Minister and Cabinet, Office of AI

Executive Summary

The draft standards are sound in principle. As written, they would not clearly catch a data centre that generates its own power and never connects to the grid. A 703 MW gas-fired proposal at Moss Vale, NSW is exactly that kind of project.

We ask the Government to:

1. Define a large data centre by design capacity, including any generation on site, so off-grid facilities are covered.
2. Count every stage of a site together when applying thresholds.
3. Apply the standards to projects already in the pipeline, including stages not yet approved.
4. Make the renewable obligation deliver real renewable supply to off-grid facilities, and cap the share of energy that can come from gas.
5. Set national minimums for siting, and for consultation with communities, First Nations peoples and public agencies.
6. Allow more time for community groups to respond, and pause final decisions on all large data centres until the standards are in force.

1. About us

Stop the Gas Plant – Southern Highlands is a community campaign run by local residents, including medical professionals, planning researchers and volunteers. Our focus is a proposal at Moss Vale, NSW, to power a private data centre with an on-site gas plant. We recognise the case for keeping some sensitive Australian data on Australian soil. That case does not settle where a data centre is built, how it is powered or what it asks of the community around it. Those are the questions we think the standards must answer: energy, water, distance from homes, noise, and what the host community gets in return.

2. Consultation timing

The paper was released on 17 September. Submissions close today, 9 October. That is 22 days to respond to more than 50 questions.

We are volunteers. We have read the paper closely, but three weeks is not enough for a community group to work out what a good data centre standard requires, test it against technical advice and consult the people we represent. Industry has policy teams and lawyers for this. Communities do not. These standards will shape decisions for decades, and the people most affected are the least able to respond to them in this time.

We ask for:

- A longer period for community and First Nations groups, and a second round of comment on exposure draft legislation. We suggest at least eight weeks for each.
- Support for participation: a plain-English summary, public sessions in affected regions, and help for groups that cannot afford technical advice.
- A pause on final decisions for all large data centres until the standards are in force. The paper accepts that some projects may be operating before the standards start. A pause stops those projects being locked in under the old rules.

3. The Moss Vale proposal

A 703.2 MW gas-fired power station precinct is proposed at 30 Douglas Road, Moss Vale, to power a private data centre. It would not supply local homes or businesses. The proponent's published material describes it as fully independent of the grid.

It is being pursued in three approvals on one site:

- 14 MW, approved April 2024 (DA 24/0055).
- 16 MW plus an 80 MW battery (DA 26/0352), before the NSW Land and Environment Court.
- 673.2 MW (SSD-102795459). Assessment requirements issued December 2025. No environmental impact statement lodged yet.

The first two stages total 30 MW, the paper's own threshold for a large data centre. The site is about 500 metres from homes, inside the Sydney Drinking Water Catchment. We use it here as a worked example. We are not asking the Commonwealth to decide any individual case.

4. Thresholds (capacity questions)

Two definitions of "large". The thresholds section uses "ultimate electricity network connection capacity". The key terms use "design capacity of 30MW or greater". A facility with no network connection has no network connection capacity. The legislation should use design capacity, and design capacity should include generation built or run on site to serve the facility.

Off-grid facilities. The tiers are drawn from AEMC access standards for loads connecting to the grid. Say expressly that the standards apply whether or not a facility connects to a network, and consider an added threshold based on on-site generation capacity or fuel use.

Staged projects. The paper already allows for ultimate capacity differing from initial demand, and for a cumulative portfolio test at the upper tier. Apply thresholds to the total capacity of a site, or of related sites, not to each approval separately.

5. Pipeline projects (application questions)

- Apply the standards to any facility, or any stage, not operating at commencement.
- Treat stages not yet approved at commencement as new projects. An early approval should not take a whole site outside the standards.
- Set obligations against ultimate site capacity from the start. Phase-in should change when an obligation applies, not whether it does.

- Require a published compliance plan before each stage is energised.

On load arriving faster than new supply: for an off-grid site, the risk is gas generation running before any new renewable supply exists. Require renewable supply to be committed before operation.

6. Energy and the role of gas (renewable obligation questions)

We support the obligation to match consumption with new renewable capacity. Minister Bowen said on 5 August 2026 that a data centre proposed to use only gas would not meet the minimum national standards and would not be allowed to register (Reuters). Put that in the legislation in terms.

Certificates alone may not change what powers the site. A facility generating its own power from gas could retire certificates bought elsewhere and still run on gas. Time-matching, which the paper raises, helps test this. For off-grid facilities, require either a grid connection that can deliver new renewable supply, or co-located renewables and storage supplying most of the load.

Define firming. The paper refers to firming “through gas, batteries or hydro”. Define it, and set a published limit on the share of annual energy that can come from gas or other on-site fuel. Distinguish backup generation, which runs rarely, from primary generation, which runs most of the time. The paper’s question on restricting non-renewable backup does not reach a facility whose main supply is non-renewable.

Report emissions at facility level, including fuel use and emissions from on-site generation. The Climate Council has estimated two million tonnes or more a year for the Moss Vale proposal. That is an estimate, and no environmental impact statement has been released.

7. Location, community and First Nations (engagement questions)

Minimum distances. Yes. Set a national minimum separation from homes, schools and other sensitive sites, on expert advice, and make it greater where a facility burns fuel on site. Noise, air emissions and safety raise different questions for a power station than for a data hall. We are not saying harm has been shown at Moss Vale. The assessment must test it, and the standards should make sure it is tested before approval.

Drinking water catchments and habitat. Add extra requirements for sites in drinking water catchments and mapped threatened species habitat, and encourage previously cleared or industrial land.

Agency consultation. Documents released under NSW information access law show the NSW planning department did not consult the EPA, NSW Health, the local network operator or the local council before issuing assessment requirements for the 673.2 MW stage. Require proponents to show that relevant health, environment, energy and local government bodies were consulted before key approval steps.

First Nations. Gundungurra Traditional Owners have told us they were not consulted on the 673.2 MW application. Define what meaningful consultation means, including when it must happen.

Good practice means early notice, plain-English information, key documents released in time to be read, and a real chance to respond before decisions are made.

8. Water and no net costs

Require proponents to show that water use will not harm local water security, environmental water needs or existing users, and adopt a national hierarchy that prioritises recycled water. Give drinking water catchments additional scrutiny. We make no claim about Moss Vale’s water use. The environmental impact statement is not out. That is a reason to require plans and water data to be published early.

The no net costs principle is framed around network and water charges. For an off-grid facility, the costs that reach neighbours are noise, traffic, emergency services readiness, land use and amenity. Require proponents to show how these will be managed and who pays. Test “enduring benefits to hosting communities” in practice. A facility that supplies no local power and employs few people for the land it uses may deliver little. Wingecarribee

Shire Council told the NSW Legislative Council inquiry in March 2026 that operational employment intensity is relatively low compared with land consumption.

9. Transparency and state law

- Publish compliance plans and update them at least annually.
- Report annually at facility level: electricity use, on-site fuel use and emissions, and water use.
- Make the national standards a matter NSW consent authorities must take into account for state significant development.

We understand the NSW Data Centre Policy Framework's cost-recovery reforms apply only to grid-connected data centres, which leaves an off-grid facility outside them.

Thank you for the opportunity to contribute. We would welcome the chance to discuss this submission with the Office of AI.

Signed:

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