16 November 2026

The Hon Anthony Albanese MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister,

Re: Data Centres must be powered by 100% additional renewable energy

We are writing to request that your Government establish AI standards that ensure large data centres are powered by 100% additional renewable energy and do not push up power bills or increase emissions.

First, we acknowledge and support your commitment to do **exactly this**.

However, the specific design of the AI standards matters. The AI standards could be designed to *appear* to meet your commitment, without actually doing so, particularly if the requirements rely on cheap renewable energy certificates or contain significant loopholes for data centres to use fossil fuels. We are also aware that there are stakeholders pushing for weaker standards, including permission to use gas and fossil fuels to power data centres.

The intent of this letter is to ask you to meet the public commitment that you have set for your Government with effective policy.

Specifically, the rules for large data centres, including those already in the pipeline, should:

1. **Require additional renewables to meet at least 100% of demand**. Data centres must drive the construction of new renewable energy generation and storage projects. Buying cheap renewable energy certificates that already exist on the market is not a solution – this simply results in the trading of certificates, while the additional energy generated to meet the new demand could come from fossil fuels. By not just meeting 100% of demand, but going beyond, data centres can also drive spillover benefits that bring down emissions and the cost of energy for households, businesses and industry.
2. **Heavily restrict fossil fuel use**. There should be strict limitations on any use of gas for firming and any use of diesel as a back-up in emergency circumstances.
3. **Prevent increases in emissions and energy prices in the transition period**. The transition period is the time between a new data centre coming online and its matching renewable supply coming online. Data centres should not be held back to the slower timelines of renewable build-out, but if the transition period is poorly

managed it could lead to significant increases in emissions and energy prices. The rules must be sufficiently strong to prevent this. For example, data centres should not be able to offset energy use in this period with large-scale generation certificates (LGCs), which are cheap and do not support additional investment in renewables. Similarly, there must be enforceable consequences and a level of redundancy in case renewable projects are not completed on the expected timelines, given this could have significant impacts on energy costs for Australians.

4. **Require public reporting of energy and emissions**. While there remains significant public concern around the impact of data centres on Australia's energy system and emissions, and while we are still working to get the policy settings right, it is vital that there is transparency around the energy usage and emissions of data centres. Reporting rules should complement existing schemes and provide visibility over energy use, energy source, energy efficiency, firming, back up generation and energy costs.

If we get this wrong:

- **Energy costs will increase**. Even if data centres pay for their own network upgrades, households, businesses and industry will still pay higher energy prices if the extra demand is met by higher-cost fossil fuels like gas. Baringa modelling suggests Queensland households will face an additional $370 per year on their power bills from 2030, if data centres connect to the grid before the matching renewable energy supply is built.
- **Australian industry will struggle.** Higher energy costs will threaten Australia's industrial base, particularly Future Made in Australia industries. Energy-intensive industries like aluminium are already struggling. Use of gas for data centres would also restrict supply for existing industries and undermine the proposed Domestic Gas Reservation Scheme.
- **Australians will continue to lose trust in AI and data centres**. This has already begun, but can clearly get much worse – as evidenced by the huge backlash to data centres in the USA.

Policy that unlocks investment in AI training and data centres in Australia must not risk our emissions targets, energy security and energy prices.

We would welcome the opportunity to discuss this matter further. We look forward to your response.

Yours sincerely,



Kate Chaney MP
Member for Curtin

Nicolette Boele MP
Member for Bradfield

Allegra Spender MP
Member for Wentworth

Andrew Wilkie MP
Member for Clark

Monique Ryan MP
Member for Kooyong

Zali Steggall OAM MP
Member for Warringah

Sophie Scamps MP
Member for Mackellar

CC The Hon Chris Bowen MP, Minister for Climate Change and Energy

CC Senator the Hon Tim Ayres, Minister for Industry and Innovation

CC The Hon Dr Andrew Charlton MP, Assistant Minister for Science, Technology and the Digital Economy