LCLGA
Limestone Coast
Local Government
Association

2 November 2026

Data Centre Management Act Project Team
Department of the Premier and Cabinet
Government of South Australia

DPC.DataCentreLegislation@sa.gov.au

Dear Project Team,

Re: Limestone Coast Local Government Association submission on the proposed South Australian Data Centre Management Act

On behalf of the Limestone Coast Local Government Association (LCLGA), I am pleased to provide the attached submission on the discussion paper for the proposed Data Centre Management Act.

LCLGA recognises the potential for data centre investment to support economic diversification, digital capability and regional opportunity. However, attracting a new industry must not come at the expense of the industries, communities and natural resources that already sustain our region. Our central recommendation is that the legislation require data centre development and operation to in no way adversely affect established primary production, other existing regional industries or the water resources on which our communities and economy depend. These protections must be enforceable conditions of approval, not aspirations to be balanced against projected investment or community benefits.

The submission also seeks a formal and properly resourced role for affected councils from the earliest planning stages, beginning before site selection, infrastructure routes and assessment scope are settled. Councils and their communities should not inherit avoidable amenity impacts, infrastructure costs or long-term liabilities after decisions have been made elsewhere.

Please direct any enquiries regarding this submission to the LCLGA Executive Officer.

Thank you for the opportunity to contribute.

Yours sincerely,

Lynette Martin

Mayor Lynette Martin OAM
President
Limestone Coast Local Government Association

Submission on the proposed South Australian Data Centre Management Act

Limestone Coast Local Government Association

Introduction and position statement

The Limestone Coast Local Government Association (LCLGA) welcomes the opportunity to provide feedback on the discussion paper for the proposed Data Centre Management Act. LCLGA advocates on behalf of its constituent councils for considered and sustainable regional development that strengthens, rather than compromises, the economic, environmental and social foundations of the Limestone Coast.

The LCLGA is a regional subsidiary established pursuant to Section 43 of the Local Government Act 1999 by the:

- City of Mount Gambier;
- Southern Limestone Coast Council;
- Kingston District Council;
- Naracoorte Lucindale Council;
- District Council of Robe;
- Tatiara District Council.

As the peak body representing Local Government in the Limestone Coast, the LCLGA takes a lead to advocate on behalf of the region across a wide range of issues with the goal of continuing the 140-year history of collectively building strong, sustainable communities.

LCLGA recognises the potential for data centre investment to support economic diversification, digital capability and regional opportunities. However, attracting a new industry must not come at the expense of the industries, communities and natural resources that already sustain our region. The scale of an investment, or its contribution to State-wide objectives, must not displace scrutiny of its local and long-term consequences.

LCLGA's position is that renewable energy and mining projects and activities must be secondary to, and in no way diminish, established high-value primary production. This submission seeks the same standard for data centres and their associated energy, water, transmission and other infrastructure. It also seeks explicit protection for other existing regional industries and their capacity to continue operating and investing.

LCLGA's central recommendation is that the legislation require data centre development and operation to in no way adversely affect established primary production, other existing regional industries or the water resources on which our communities and economy depend. These protections must be enforceable conditions of approval, not aspirations to be balanced away against projected investment or community benefits.

LCLGA also seeks a statutory requirement for early and continuing involvement of affected councils, beginning before site selection, infrastructure routes and the assessment scope are settled. Councils should be able to influence whether a location is suitable, what evidence is required and how impacts will be avoided. Consultation after key commitments have been made cannot provide the same protection for communities or council infrastructure.

Protecting the Limestone Coast's productive base

The Limestone Coast's agriculture, forestry, fisheries, food and wine production, associated processing and tourism rely on the enduring quality of the region's land, water and natural environment. These assets support interconnected businesses, supply chains and communities. Their value must be assessed over generations, rather than compared narrowly with the construction expenditure or short-term employment associated with a new project.

LCLGA recommends an additional, explicit legislative principle: "Protect established primary production, existing industries and strategic natural resources."

Ideally, before any authorisation is granted or expanded, proponents should be required to demonstrate, through independently verified evidence, that their whole project will satisfy this principle.

- Direct development towards appropriately serviced industrial or previously developed sites and away from high-value primary production land, sensitive aquifers and recharge areas.
- Assess alternative locations, layouts, cooling technologies, scales and infrastructure routes before accepting impacts on existing productive assets.
- Assess land fragmentation, loss of productive capacity, biosecurity, access, noise, emissions, landscape effects and risks to the region's clean, green reputation, including impacts beyond the facility boundary.
- Examine cumulative impacts with existing, approved and reasonably foreseeable mining, energy, industrial and other developments, including associated infrastructure and staged expansions.
- Require refusal, relocation or redesign where the protection standard cannot be demonstrated. Compensation or community payments must not substitute for protection of irreplaceable land or water resources.

Principle 1: Manage energy use

LCLGA supports the proposed outcomes of no adverse impact on consumer power bills or electricity system stability and reliability. These protections are particularly important for primary producers, processors and other existing businesses whose competitiveness depends on affordable and reliable energy.

The Act should require independently verified access to sufficient additional firmed energy for each operational stage before that load is connected. Assessment should cover local network

constraints, peak demand, emergency arrangements and the potential to displace supply or connection capacity needed by existing industry and planned regional growth. Project-related generation, storage and transmission must also meet the land, water and primary production protections sought in this submission; impacts must not simply be transferred from the data centre site to another part of the region.

Proponents should fund the infrastructure, upgrades and ongoing costs attributable to their projects, without shifting costs to other consumers, councils or ratepayers. Authorisations should include ongoing verification of energy commitments and powers to restrict additional load where required outcomes are not being met.

Principle 2: Secure water sustainability

The Limestone Coast's water is a precious strategic resource, not spare capacity available for allocation simply because a new industry can purchase access to it. Groundwater and connected water systems underpin primary production, drinking water supplies, existing industry, environmental values and the region's long-term resilience. Their availability, quality and reliability must be protected for current communities and future generations.

LCLGA supports staged water authorisations and clear volume limits but considers that the proposed requirement to demonstrate sustainable and efficient use requires a strong statutory foundation. The proposed Data Centre Management Act should be in addition to, and in no way derogate from, a requirement under the Landscape SA Act.

Furthermore, there is an assumption in drafting this submission that data centres will be captured within a prescribed class of water entitlement within the Water Allocation Planning process under the Landscape South Australia Act.

Principle 3: Strengthen trust and transparency

LCLGA supports mandatory monitoring and public reporting of energy and water use. Trust requires accessible evidence before decisions are made, meaningful opportunities to influence those decisions and confidence that approval conditions will be enforced throughout the project's life.

The Act should require publication of impact assessments, independent reviews, approval conditions, reasons for decisions and compliance outcomes, subject to narrowly defined legitimate confidentiality protections. Affected councils, landholders, existing industries and communities should be consulted early, given adequate time and information to respond, and provided with a published explanation of how material concerns were addressed.

Independent assessment and compliance oversight should be clearly separated from investment attraction functions. Proponents should fund independent technical scrutiny through a regulator-administered mechanism, with appropriate support for affected councils to obtain specialist advice. Ownership changes must not weaken conditions, reporting duties, rehabilitation obligations or community commitments. Public complaints, incident notification and review mechanisms should be clear and accessible.

Principle 4: Deliver benefits for all South Australians

LCLGA supports enforceable, enduring benefits for host communities. However, State-wide economic gains must not be achieved by imposing unrecognised costs on a particular region. Existing industries must not be expected to absorb reduced access to land, water, energy, workers, housing or infrastructure in order to enable a new development.

Assessment should distinguish temporary construction jobs from ongoing local employment and compare full-life regional benefits with displaced production, processing and supply-chain activity, infrastructure costs and long-term resource impacts. Workforce and accommodation plans should demonstrate how additional capacity will be provided without worsening shortages for existing employers or reducing housing availability for residents.

Benefit agreements should contain measurable commitments, delivery dates, reporting and enforcement provisions, and survive ownership changes. Local procurement, skills development and useful shared infrastructure should be developed with host councils and regional stakeholders. Statutory mitigation, compensation and project-related infrastructure expenditure must be disclosed separately from additional community benefits. Community benefits must never purchase permission to compromise precious water resources or established productive capacity.

Principle 5: Staged, streamlined and coordinated development

LCLGA supports better coordination of planning, energy, water and operational authorisations where this improves clarity, accountability and assessment quality. Streamlining must remove duplication, not remove safeguards, compress meaningful consultation or create a presumption that a project will proceed.

The whole development and its associated infrastructure should be assessed before initial approval, including reasonably foreseeable expansion and cumulative resource demands. Each subsequent stage should require demonstrated compliance, available water and firmed energy capacity, and confirmation that protection of existing industries remains achievable. Earlier expenditure or approval of one stage must not create an entitlement to later stages.

Affected councils should be formal participants in coordinated assessment from the earliest feasibility and site-selection stage, including where a State-led or accelerated approval pathway is used. Their role should extend to assessment scoping, infrastructure planning, approval conditions, staged releases and proposed variations. A lead regulator and clear agency responsibilities should support this involvement. Coordination must preserve meaningful council input and existing planning, environmental and water protections. Council assessment, infrastructure and compliance responsibilities should be properly resourced, with attributable project costs recovered from proponents.

Local government implications and early involvement

Data centre development can create lasting local obligations even where investment attraction and approval decisions occur at State level. Host and neighbouring councils may face pressure

on roads, drainage, housing, community services and staff capacity, while residents look to their council to resolve amenity concerns. These effects can extend along construction routes and utility corridors beyond the host council boundary. The assessment must identify who will manage and pay for each consequence throughout construction, operation, expansion and closure.

Early council involvement is necessary because location, separation distances, access routes, cooling systems and infrastructure design determine many of these impacts. Once land acquisition, servicing commitments or major project design decisions are settled, consultation risks becoming an exercise in managing consequences that could have been avoided. Councils bring local knowledge of sensitive uses, infrastructure condition, development constraints and planned growth that should inform the decision before commitments narrow the available options.

Social impacts housing and community services

The scale and timing of construction workforces should be assessed against local housing and rental availability, visitor accommodation, childcare, health services and other community facilities. Potential benefits should be tested against competition for workers and trades needed by existing employers, residential construction and council services. Proponents should prepare a social impact assessment and workforce accommodation plan with affected councils, identifying additional capacity, delivery dates and funded responses before workforce demand occurs. Engagement should include neighbouring residents, existing businesses and relevant First Nations communities, with accessible processes for people who may otherwise be overlooked.

Noise lighting and local amenity

Assessment should examine continuous cooling plant and fan noise, low-frequency and tonal characteristics, backup generator testing, construction noise and vibration, and cumulative effects on homes and other sensitive uses. Night-time operation, rural background noise levels, security lighting, visual bulk and landscape impacts warrant site-specific consideration. Baseline studies, independently reviewed modelling and practical separation distances should inform site selection and layout. Approval conditions should specify measurable limits, testing arrangements and corrective action, with publicly accessible monitoring and a clear complaints pathway.

Pollution stormwater and environmental health

Potential risks include generator exhaust, construction dust, fuel and chemical storage, spills, contaminated runoff, cooling-system discharges and, where relevant, battery fire and contaminated firewater. Assessments should identify pathways to groundwater, surface water, neighbouring land and people, and demonstrate suitable containment, drainage, treatment and emergency arrangements. Councils should help scope stormwater and local environmental health interfaces, with responsibilities clearly allocated between the proponent, council and

relevant State agencies. Council involvement must not be treated as acceptance of responsibility for regulating every impact.

Waste and decommissioning

Proponents should disclose the expected volumes, types and destinations of construction waste, packaging, electronic equipment, batteries and other operational waste, including hazardous materials where relevant. Waste plans should demonstrate reuse and recycling options, lawful treatment and disposal capacity, and arrangements for equipment replacement and closure. Access to council waste facilities must not be assumed. Any use of council facilities should be agreed in advance, with capacity impacts and full attributable costs addressed. Financial assurance should cover removal and rehabilitation so that obsolete equipment or abandoned facilities do not become a community liability.

Roads transport and local infrastructure

Construction traffic, heavy and oversized loads, worker movements and ongoing servicing can affect local road and bridge capacity, pavement life, intersections, school routes and emergency access. Route selection should involve every affected road authority and council before logistics commitments are made. Baseline road-condition surveys and traffic assessments should identify required upgrades, drainage works, safe access, construction controls and maintenance obligations. Binding agreements should secure proponent funding and delivery before use, including attributable repair, renewal and reinstatement costs. Similar arrangements should address council stormwater assets and other local infrastructure, without leaving ratepayers to fund a development's servicing needs.

Land use planning and future growth

Site assessment should consider compatibility with surrounding uses, buffers, flood and bushfire exposure, productive land, cultural and landscape values, and the cumulative footprint of associated power, water and communications infrastructure. Councils should be able to identify conflicts with planned housing, industrial land, transport corridors and future service capacity. Buffers and operating constraints should be addressed within project design wherever practicable, rather than restricting neighbouring land or future council growth plans. Assessment should consider the full development and foreseeable expansion so that separate applications do not conceal its combined local effects.

A formal council role before decisions are made

LCLGA recommends that the Act and supporting approval framework require the following arrangements, rather than relying on discretionary consultation or individual proponents' engagement practices.

- Early notification and referral to host and affected neighbouring councils before site selection and assessment scoping are finalised, including councils affected by haulage routes, utility corridors or service demand.

- A documented council role in identifying site alternatives, setting assessment requirements and reviewing technical studies, with adequate information, realistic response periods and proponent-funded access to independent expertise through an accountable mechanism.
- A published response to material council recommendations before approval, explaining how concerns have been addressed and giving reasons where recommendations are not accepted. Council participation must provide a genuine opportunity to influence the decision.
- Binding infrastructure and service arrangements before works commence, identifying asset ownership, delivery timing, maintenance, cost recovery, financial security and responsibility for damage or failure. Community benefits must be additional to these obligations.
- Clear approval conditions and agency responsibilities for monitoring, complaints, incident response and enforcement, with councils given access to relevant data and timely notification of incidents affecting their communities or assets. Any additional council functions should be expressly funded.
- Renewed council referral for material changes in scale, cooling technology, water or energy demand, access arrangements, emissions or waste, and before later stages are released where local impacts or infrastructure requirements change.

These requirements should apply across all relevant approval pathways. State significance should strengthen coordination and scrutiny of local impacts, not reduce council participation. Early involvement can identify unsuitable sites and resolve servicing constraints sooner, improving investment certainty while protecting communities from avoidable impacts and unfunded liabilities.

Legislative design and implementation

A principles-based framework can accommodate changing technology, but its core protections must sit in the Act as binding decision criteria. They should not depend solely on future discretionary standards or guidelines. LCLGA recommends that the legislative framework:

- Require refusal or restriction of an authorisation where the statutory protections for primary production, existing industry, energy consumers or water resources cannot be met.
- Combine capacity thresholds with risk-based coverage so that smaller facilities in sensitive locations are not excluded. Aggregate connected facilities, related entities and staged applications to prevent avoidance of requirements.
- Provide proportionate inspection, independent audit, enforceable direction, suspension, revocation and penalty powers, including timely action where resource limits are exceeded or serious harm is threatened.
- Require financial assurance for independently assessed decommissioning, rehabilitation, post-closure monitoring and reasonably foreseeable liabilities, so that councils and communities do not inherit project costs.

- Apply an appropriate transition to existing large-scale facilities without permanent exemptions that undermine the framework's protective purpose.
- Require public consultation on the draft Bill and substantive standards, including direct engagement with LCLGA, affected councils, primary producers, existing industries and regional water-management bodies.
- Require formal early and ongoing referral to affected councils, funded technical participation, published responses to material council advice and secured infrastructure obligations before works commence.

Conclusion

LCLGA supports economic diversification that adds to the Limestone Coast's prosperity without eroding the assets and industries that sustain it. The proposed Data Centre Management Act is an opportunity to establish clear expectations before significant investment decisions create pressure to accept avoidable impacts.

New development must strengthen our regional economy, not compete away its foundations. Established primary production and other existing industries must not be diminished, and our precious water resources must not be compromised. These outcomes should be prerequisites for approval and continuing operation, not matters addressed only after harm occurs.

LCLGA requests that these protections, including a formal and properly resourced role for affected councils from the earliest planning stages, be incorporated into the draft legislation. Councils and their communities should not inherit avoidable amenity impacts, infrastructure costs or long-term liabilities after decisions have been made elsewhere. LCLGA welcomes further engagement with the South Australian Government on the Bill and supporting standards.