

Response to Project Ares [Terms of Reference](#)

Submitted by: No New Gas Coalition (NNGC)

20 August 2026

Attention: NT EPA (cc DAS)

Re: **Project Ares (Energy North Pty Ltd), Murrarji Station, EP2026/052**

Thank-you for having this proposal available for comment. No New Gas Coalition (NNGC) requests this submission be considered by the NT EPA. NNGC anticipates our contribution will support the NT EPA and the proponent identify issues of concern and their potential consequences, as well as other project options and mitigation measures.

In particular, we urge the NT EPA to enact the maximum possible environmental impact assessment for Project Ares-EP2026/052.

We regard options and mitigation measures as premature. This is because there are numerous significant matters to be researched and addressed before this proposal goes further.

About No New Gas Coalition

The Northern Territory is facing an unprecedented climate crisis. Yet, rapid expansion of Fossil Fuel projects continues. These activities are in direct opposition to the overwhelming scientific evidence of the enormous risks they pose to public health, clean air, water resource availability, water pollution, the natural environment and its biodiversity and liveability in a significantly warming climate.

The No New Gas Coalition (NNGC) was formed in early 2023 as a community response to both Territory Labor and the Country Liberal Party declaring their support for dangerous fossil fuel projects. There was a clear need for the scientific evidence and the voice of many Territorians to be heard and have a seat at the table.

Our members are made up of representatives from community and environmental groups, unions, professionals and individuals not affiliated with any particular organisation, but who hold grave concerns about the consequences of fossil fuel development in the Territory.

In September 2023, the United Nations reported that these fossil fuel developments “*threaten to make Darwin and the region a **climate change sacrifice zone***”.¹ Sacrifice zones are areas targeted by largely international companies for the easy and cheap access to land and water where governments are desperate for any income, no matter what the cost to their people, communities, our climate and natural capital.

NNGC is enacting our civic duty to bring attention to the problems associated with fossil fuel developments, both direct and indirect, and the economic, social, cultural, climate and

¹ <https://www.abc.net.au/news/2023-09-14/united-nations-criticism-nt-projects-middle-arm-beetaloo-basin/102856346>

environmental costs. The Northern Territory and the Territory community do not need nor benefit from these developments.

Instead of the Northern Territory being a sacrifice zone, we support the building of a stronger, kinder and more prosperous community and future. A future where our society grows in harmony and community development is enjoyed and celebrated by everyone and not at the expense of most people and our environment; a Northern Territory with a safe stable climate.

Summary of Submission and Recommendations

1. Ares: An immense proposal

This section outlines concerns with the general scope of the project, including size, water use, project area, life time and expansion.

Recommendation 1: Require assessment of the whole anticipated Ares project. Require detailed explanation of the company's flagged potential to expand from a 1GW to a 5+GW facility.

Recommendation 2: Require assessment of indirect and cumulative impacts from Energy North's Project Sol, and a potentially new world-scale green hydrogen production facility and highlight potential long term adverse costs and impacts.

2. The customer that makes fracking the Beetaloo proceed

This proposal has variously been presented as a renewable project, which is inaccurate and misleading. Yet the gas has to come from somewhere, and in this region new gas means fracking the Beetaloo. A data centre in the "desert" becomes, in effect, the customer that finally makes the extraordinarily expensive proposition of fracking the Beetaloo, pay.

The interconnectedness of this project with other projects occurring in the Northern Territory are creating interdependent feedback loops that result in cumulative environmental impacts. We urge the EPA to include this wider scope in its considerations.

3. Hyperscale data centres involve enormous risks

Summary of key risks connected to climate change and the Northern Territory.

4. The gas machine: A fracking demand-engine wearing a solar face

The referral concedes that renewables and batteries "cannot" provide the firm power the design needs. There is conflicting advice in the company's documents regarding the two phases of development from 500MW to 1GW.

Recommendation 3: Require limits to gas use. If the proponent cannot run profitably without using gas nearly all the time, then it should not be in business; the costs to the NT, Australia and the world in terms of a warming planet (not to mention a raft of other adverse impacts) are too high.

5. The gas has to be new, and new here means fracking the Beetaloo

The referral offers no source for the “firming and backup” gas supply. It is vital that the whole plan be laid out.

Recommendation 4: Identify the source of the gas supply, potential pipeline locations and their impacts. The ToR needs to provide for all the likely and possible energy sources.

6. Warnings by the Pepper Inquiry are credible and we ignore them at our peril.

This section outlines the lack of, and need to attend to the recommendations of the Pepper Inquiry; issues of concern with meeting emission reduction targets; the exorbitant costs of offsetting; and current strategies in which future goals do not need to address the immediate term (0-20 years).

Recommendation 5: The ToR need to identify projected greenhouse gas emissions from all sources and efforts to minimise and offset them.

Recommendation 6: The ToR need to ensure the comprehensive adoption of the 135 recommendations of the Pepper Inquiry.

Recommendation 7: The ToR need to adopt a robust framework around evidence-based decision making. All relevant information needs to be considered and referenced. Missed relevant information will be identified by scrutineering stakeholders including community groups.

Recommendation 8: The ToR need to ensure that the proponents' arguments are based on all the data to avoid misinformation that can arise from ‘massaging the figures.’ Arguments that rely on selected information will be identified by scrutineering stakeholders including community groups.

7. "Hydrogen-ready" is not a plan

The plant is called hydrogen-ready, but there is no date, no trigger, no commitment and no penalty for not ever converting to this energy source. On the referral's logic (gas is the "only viable" firm option), there is no driver to ever switch.

Recommendation 9: The ToR needs to include explicit explanation by the proponent about hydrogen energy use. Any hydrogen plans to be green energy and not blue.

8. Water: Mining aquifers that can only recharge in 1000+ years, if ever.

Water usage of up to 4GL each year would be detrimental to the country and regionally further water stress this arid environment. Using water comes at a cost and this cost is not detailed nor being taken seriously. There are conflicting rules, multiple errors in estimation processes, lack of legal protection and potential over allocation of interconnected water systems.

Recommendation 10: The ToR needs to assess cumulative groundwater drawdown and the impact on aquifers within the Wiso Basin and between neighbouring and connected groundwater bodies of water.

Recommendation 11: The ToR needs to assess the impact of the proposal to essentially give away gigalitres of water in an underassessed and improperly managed water resources.

9. Water is life, there's a wetland downstream

The Ares project's eastern works cross the headwaters of Bucket and Goochegoochena Creeks, which drain into *Lake Woods*, approximately 80 km downstream.

Recommendation 12: The ToR needs to assess the surface-water pathway to Lake Woods.

Recommendation 13: The ToR needs to describe all migratory and waterbird species that can be found at Lake Woods. If the proposal cannot ensure that such species will always be protected by the National and International laws and policies, then there are grounds for rejection of the project..

Recommendation 14: The ToR needs to evaluate the 'Lake Effect' as an ecological trap for Lake Woods species.

10. Alternatives to, and ramifications of water guzzling

Although the proponent is 'considering' ways to conserve water, it is not clear what these alternatives are. The current gift from the NT Government to provide the proponent with water, amply and freely, results in zero expectation, requirement, nor incentive for them to conserve water, adopt water efficiency practices or research new water saving and cooling technologies. Further impacting water needs are the increasing temperatures, and number of days at extreme temperatures, in the proposed location.

Recommendation 15: The ToR needs to require details of use of groundwater at all phases of the project.

Recommendation 16: The ToR needs to specify limits to water use during construction and phased operations.

Recommendation 17: The ToR needs to require worlds best water conservation measures and water efficiency standards.

Recommendation 18: The ToR needs to require the company to

- (a) state the extent of dewatering of the Montejinni Limestone Aquifer in each year of the projects operation;
- (b) state the impact of water use by the project in the next 50 years on the pastoral stations, the Indigenous communities, and ecosystems, in the region that rely on this groundwater;
- (c) specify how the project's water use from the Montejinni Limestone Aquifer may impact other aquifers within the Wiso Basin, and those that may be connected.

Recommendation 19: The ToR needs to require the company to state how it will remunerate the NT and Australia for the loss of a significant portion of an important aquifer, an ancient and invaluable water resource and its associated values and services? What costs have governments imposed on the company for a fair return on their water use?

11. Stygofauna have lived here for many 1000's of years

A widespread but often unstated groundwater-dependent ecosystem (GDE) are the tiny animals which live within aquifers known as stygofauna communities. The plan aims to annually extract up to 4GL of the habitat of this cryptic community, without considering any impacts.

Recommendation 20: The ToR must require field-sampling of stygofauna across potential groundwater sources..

Recommendation 21: The ToR needs to assess the karstic Montejinni Limestone as subterranean habitat and ecosystem components, and include the impacts on this environment from the entire proposal.

12. Environmental nurture is necessary

The area is not 'barren', vacant land. It is degraded from poorly managed pastoralism, but it is generally sparsely covered in native grasses, bushes and small trees that provide habitat for wildlife and a diverse complexity of organisms. A relatively higher diversity of vegetation groups exist within the eastern and north-western portions of the study area. Perhaps half of the project area may support trees with large hollows suitable for fauna. The 16 GWh battery bank carries fire and hazardous-materials risk. In addition, it is frequently seen that remote developments tend towards *overburning* the surrounding environs to prevent wildfires, further diminishing native biodiversity. The environment in the project region and the catchment downstream of it are home to vulnerable and migratory wildlife, much of it in country the ecology report never surveyed; where the project would actually be built. A solely desktop Ecology Assessment Report, used in an attempt to identify terrestrial ecological values and constraints contained within Murrarji Station is seriously inadequate.

Recommendation 22: Require battery fire scenarios assessed for environmental pathways.

Recommendation 23: The ToR needs to require comprehensive field surveys of all species, their populations and ecosystems.

Recommendation 24: The ToR needs to specify how land clearing will be reduced to an absolute minimum.

Recommendation 25: The ToR needs to require assessment of noise, vibration and light pollution during construction and phased operations. These all impact on wildlife and vegetation and is a must consideration for the proposal.

Recommendation 26: The ToR needs to require the proponent to fund recovery support for all the vulnerable species they may impact. This recommendation is vitally important.

13. Bilby country should be protected

The NT once had two species of bilbies, we've already lost one to extinction, and now our Greater Bilby *Macrotis lagotis* is rated as Vulnerable. The Bilby stronghold is in the Northern Territory. They are under increasing threat from increasing human activities. Cattle grazing already reduces resources for Bilbies. Project Ares is a major threatening activity to this

vulnerable native iconic animal. This proposed project is on the northern edge of the current range and therefore should be treated with extra caution to prevent diminishing their range even further.

Recommendation 27: The ToR needs to provide for restrictions to bulldozing habitat of vulnerable species, including major buffer zones.

Recommendation 28: The ToR needs to require assessment of fire management regimes and fire risks during construction and phased operation.

Recommendation 29: The ToR needs to explain how predatory animals including pets will be restricted from access and managed if found.

14. Data centre e-waste must be recycled

Hyperscale data centres can be expected to generate vast levels of e-waste due to significant ongoing replacement of components. The data centre spins through mountains of chips and computers. There's also the 40-year solar panel and 15-year battery replacement cycles generate large recurring e-waste.

Recommendation 30: The ToR needs to ensure reuse and recycling occurs in Australia for the e-waste and energy materials.

Recommendation 31: The ToR needs to require the Government commission a detailed peer reviewed analysis of the waste generated by the proposal: where it goes; how it is transported; how much is recycled or not; the health, economic and environmental impacts of un-recovered waste; and who pays for the waste stream projects? What is the e-waste plan to ensure it is not dumped on site or buried away somewhere else in the NT with costs borne by government/taxpayers.

15. The bet that could be walked away from

Almost everything is asserted in the proposed project, not secured.

Recommendation 32: The ToR needs to robustly consider robust decommissioning fees that are paid up front, and regularly reassessed. Require all options for reuse and recycling are pursued.

Further concerns:

16. One of a dozen

The NT government is secretly negotiating with hyperscale datacentre companies, putting environments and communities at risk. Ares is only one of around a dozen data-centre proposals reported in the NT. Is it first come first served, or are we really expected to be able to bear the burden of a dozen Ares?

17. Lacking transparency

Australians expect our governments to work for us. We do not approve of backroom deals with industry or non-disclosure agreements. Data centres are built using different approaches with very different environmental impacts. Without rules, design decisions will be based on minimising cost. The NT has no environmental standards or guidelines for data centres, only a brochure promoting the opportunity to investors

Conclusion: Ares is not suitable for the outback

No New Gas Coalition reject the proposal: No decisions should be made in regards to data centres before the findings of the **Senate Inquiry into Artificial Intelligence and Data Centres** are announced. The recommendations of the Senate Inquiry should be fully considered.

Submission in Detail

1. Ares: An immense proposal

What: Energy North Pty Ltd proposes to construct and operate Project Ares, a "hyperscale" data centre campus for AI computing one gigawatt of IT load. They have also flagged the potential for the operation to expand to 5GW, this is a statement that needs further interrogation from the company and investigation if necessary.

Where: The site is on Murrarji Station, 52 km north of Elliot, 100 km south of Daly Waters. It is 683 kilometres south of Darwin.

Off-grid: The project includes at least, but not limited to, off-grid infrastructure of: 1038 MW fracked gas-fired generation; fossil-gas storage (capacity not specified); 3000 MW of solar panels across 7000 hectares of land to be cleared and 16 GWh of Battery Energy Storage Systems (BESS).

For scale: The gas plant for the project is alone (1038 MW), roughly 1.75× the entire Territory Generation fleet (~593 MW) and about three times the size of Channel Island, the NT's main power station. Hence, this is an extremely large proposal that warrants extremely serious consideration.

Water: The proposal estimates annual use of up to 4GL of groundwater when operation (from year 4), to be extracted from the Montejinni Limestone Aquifer within the Wiso Basin.

Land & Infrastructure: The project forecasts a 19,150 hectare disturbance footprint inside a 186,000 hectare project area. The data campus would be nearly a square kilometre (90 hectares) and includes data halls, cooling infrastructure, operations and administration facilities.

Associated infrastructure includes a significant network of access and internal roads, width unspecified, a 2 km sealed airstrip, laydown areas, workshops, a rail siding to the Tarcoola-Darwin Railway, workers accommodations, a borefield with water supply, treatment, storage and reticulation infrastructure, waste management and more.

The solar panels would cover potentially a third of the footprint.

Outside the 186,000 ha boundary, it is relevant to assess the impacts from the stated associated land uses, such as the pipeline, that transports the fracked gas; the required telecommunications infrastructure (i.e. transmission and distribution networks, substations, transformers, interconnectors, substations, transformers, high-voltage transmission lines supported by steel towers and battery storage systems), and the impacts on roads, highways and local communities of a significant increase in trucks, heavy duty machinery and general traffic.

Lifetime: The data centre operational life is 25 years, with an overall project lifespan of 30+ years.

It might surprise the NT EPA that top level cutting edge GPUs (Graphic Processor Unit chips) only have only a 1 to 2 year product cycle and that this proposed data centre is designed for previous-generation GPUs with life expectancies under 5 years.

This facility is configured for '*high Tier 3 maintainability*', indicating processor churn or a very high turnover of components. A Tier 3 data centre uses more power, expecting under 1.6 hours downtime a year. It requires multiple independent cooling distribution paths, and cross-connected uninterruptible power supply (UPS) systems supporting path switching, dual fuel connections for generators in most designs, and physically separated distribution routes to prevent common-mode failures.²

Expansion: Whilst advertised to the investors as scaling to "5 GW+"; the referral assesses for only 1 GW. This is a statement that needs to be interrogated and explained in full for proper assessment to take place.

Energy North is also proposing to develop Project Sol, a proposed large-scale (4.7 Mtpa) green ammonia production for export, co-located on Murrarji Station. Mention of expansion into a world-scale green hydrogen production is cause for further interrogation by the NT EPA. Approving one development, may be the thin edge of the wedge and facilitate, or at worst, lock in the NT and Australia to further developments that would never pass approval if presented in full at the outset for approval.

In all sincerity, it is frightening that this proposal assumes that the environmental impacts are anticipated to be insubstantial. For a multinational company to waive the adverse impacts on Australia's water resources, air quality, biodiversity, natural capital for future generations and global climate, as insubstantial is frankly irresponsible and offensive. Such arrogance and cowboy approach to another nation and its people is grounds for the proposal to be rejected.

Recommendation 1: The ToR needs to require assessment of the whole anticipated Ares project. Require detailed explanation of the company's flagged potential to expand from a 1GW to a 5+GW facility.

Recommendation 2: The ToR needs to require assessment of indirect and cumulative impacts from Energy North's Project Sol, and a potentially new world-scale green hydrogen production facility and highlight potential long term adverse costs and impacts.

² [Uptime Institute Tier Classification System](#)

2.The customer that makes fracking the Beetaloo proceed

This proposal has variously been presented as a renewable project, which is inaccurate and misleading. This deception aims for public approval and a social license, but is duplicitous as the proponent's own figures show that solar energy cannot run it, and that fossil-gas can. To run it, the company wants a dedicated filthy gas-fired power station bigger than the entire Top End grid. Yet the gas has to come from somewhere, and in this region new gas means fracking the Beetaloo. A data centre in the “desert” becomes, in effect, the customer that finally makes the extraordinarily expensive proposition of fracking the Beetaloo, pay.

What the project really changes for Beetaloo is bankability, not molecules. Tamboran's problem hasn't been about finding fossil-gas in the ground, so much as finding a buyer big enough to finance production-scale drilling. A hyperscale data centre is a captive, 25 year, price-insensitive anchor customer. It manufactures the domestic demand case for fracking that has never otherwise closed.

The proposed Suncable solar array on the other side of Elliott might be over three times bigger than the solar proposed at Ares, and there are bigger batteries, so it is clear they are choosing not to use the fracked gas as an incidental firming, but as the main game.

The increasingly harsh weather is apparently already impacting pastoralism.³ The trend to see pasture country as ripe for any other use, might be partially due to its increasingly tenuous productivity in a rapidly warming climate. Making it even more unlivable isn't a viable answer.

3. Hyperscale data centres involve enormous risks

Hyperscale data centres demand huge amounts of energy, water and generate enormous amounts of environmental damage. They mean a climate bomb. The recently announced plans barely hint at the extent of *only some* of these risks.

NNGC are concerned the Ares proposal may:

- give the Beetaloo fracking a boost;
- turbocharge polluting our already over-polluted climate;
- crush our chances of meeting Paris Agreement;
- slow the speed of our renewables rollout;
- use too much precious water;
- pollute the air;
- cause a decline in the vulnerable flora and fauna in the district; and
- make the Outback ugly.

³ [The impacts of climate change on livestock: A review of health, production, adaptation strategies ScienceDirect](#)

4. The gas machine: A fracking demand-engine wearing a solar face

Despite posturing towards renewables, the big tech industry's huge energy demands are throwing the fossil fuel industry a lifeline.⁴ AI-driven electricity demand *"is arriving faster than clean generation can be built and connected, and gas is unfortunately the quickest generation technology available to close the gap."*⁵

The Ares gas is not, so called 'backup'. Let's be crystal clear.

The referral calls the gas a *"reliability mechanism and independent backup."* But it is sized at providing pretty much the whole site's demand. The referral concedes that renewables and batteries *"cannot"* provide the firm power the design needs. Gas is what actually keeps the site running every time the sun is down. On the project's own capacities, it would run a third to a half of the year, burning in the order of 30–40 petajoules of gas per annum. If it proceeds this would be one of the biggest industrial gas loads the Territory has ever had.

There is conflicting advice in the company's documents regarding the two phases of development from 500MW to 1GW. This refers specifically as to whether or not the full solar plan is built. There is a foreseeable stage, perhaps permanent, where only half the solar is built so the reliance on gas is greater. This can only have significant and serious detrimental impacts.

Recommendation 3: Require limits to gas use. If the proponent cannot run profitably without using gas nearly all the time, then it should not be in business; the costs to the NT, Australia and the world in terms of a warming planet (not to mention a raft of other adverse impacts) are too high.

5. The gas has to be new, and new here means fracking the Beetaloo

The whole of the NT's domestic gas market is roughly the size of just this one project!. The gas the proponents want cannot come from the existing supply, hence has to come from another source. The only credible source is new Beetaloo development, which means fracking.

Interesting that the referral offers no source for the "firming and backup" gas supply. It is vital that the whole plan be laid out.

Recommendation 4: Identify the source of the gas supply, potential pipeline locations and their impacts. The ToR needs to provide for all the likely and possible energy sources.

6. Warnings by the Pepper Inquiry are credible and we ignore them at our peril.

The 2018 Pepper Inquiry into Hydraulic Fracturing in the NT found that, if the Government were to lift the moratorium and mitigate to acceptable levels the identified risks associated with onshore shale gas development, **all 135 Recommendations must be adopted and**

⁴ <https://foe.org/news/report-exposes-big-techs-ai-climate-hoax/>

⁵ [EXCLUSIVE: Meta thrown off key global clean energy scheme over gas spree | Recharge](#)

implemented in full.⁶ It is apparent that the critically important Pepper recommendations are not being taken seriously, nor adhered to.

The Beetaloo basin is expected to pollute up to 1.4 billion tonnes of greenhouse gas over its lifetime, equivalent to 2.5 times Australia's total annual emissions in 2023.⁷ Operating a gas plant from this fracked gas would cause significant greenhouse gas emissions.

Pepper Inquiry recommendation 9.8 stated: *"That the NT and Australian governments seek to ensure that there is no net increase in the life cycle GHG emissions emitted in Australia from any onshore shale gas produced in the NT."* The then NT government abandoned a proposal to set net zero rules for direct emissions from new onshore gas projects after companies including Santos and Inpex objected.⁸ A controversial outcome is that this item has been assessed by the NT Government as "100% implemented, Complete. Approved by decision makers. Recommendation implemented."⁹

Please take note that claims that the NT Government has implemented all recommendations from the Pepper Inquiry, including 9.8, are untrue. There is no requirement or agreement to offset emissions from burning the gas in Australia.¹⁰

This recommendation essentially pushed the fracked gas to be exported, as using it domestically and following this requirement is very expensive. Using Australian Government projections of the price of greenhouse gas emissions, the cost of offsetting the emissions from fracking the NT could be up to \$4.3 billion in the year 2030 alone. The cumulative cost of offsets from likely operational life of gas fields (2030 to 2040) could be up to \$146 billion.¹¹

One way to ameliorate these costs was to explore creative accounting. For example, when determining that the greenhouse gases were mitigatable, a CSIRO led report was found to have underestimated this serious climate pollution by about half.¹² There is a whole list of calculations deemed dubious and therefore unreliable in the GISERA/CSIRO report that the NT government used to justify dropping the fracking moratorium.¹³

Another issue around Government avoiding robust accounting, was to have future goals that do not need to address the immediate term (0-20 years). The Greenhouse Gas Emissions Policy Statement requires all onshore gas producers to demonstrate they will, at a minimum, achieve net zero emissions across their Northern Territory operations by 2050.

*"The NT and Australian governments will work together to seek to ensure that Australia's greenhouse gas emissions don't increase as a result of onshore petroleum production in the Northern Territory and to achieve Australia's emissions target of net zero by 2050."*¹⁴

6 <https://frackinginquiry.nt.gov.au/inquiry-reports/final-remarks-from-honourable-justice-rachel-pepper>

7 https://www.reputex.com/wp-content/uploads/2021/10/REPUTEX_Analysis-of-Beetaloo-Gas-Basin-Emissions-and-Carbon-Costs_Oct21F.pdf

8 [Betrayed': NT communities angered after learning only industry was consulted on scrapped net zero policy | Energy | The Guardian](#)

9 [9.8 | Hydraulic Fracturing in the Northern Territory](#)

10 <https://australiainstitute.org.au/post/disappointing-nt-minister-nicole-manison-denigrates-scientists-backs-beetaloo-fracking/>

11 <https://australiainstitute.org.au/report/options-for-the-implementation-of-recommendation-9-8-of-nt-fracking-inquiry/>

12 https://www.nurrdalinji.org.au/the_conversation_the_beetaloo_gas_field_is_a_climate_bomb

13 <https://climateanalytics.org/publications/emissions-impossible>

14 <https://hydraulicfracturing.nt.gov.au/action-items/9.8>

The No New Gas Coalition are yet to hear or see any reference as to how this can be achieved. Meanwhile the Australian Government refused to install a climate trigger, at the same time they 'hope' to achieve climate neutrality by 2050.

The short cuts, creative accounting and head in sand approach to informed scientific evidence is of grave concern. Arguments by No New Gas on the contrary are based on scientific evidence and long term sustainability for Australia and the globe.

The best way to ensure a safe climate is to leave the gas safely in the ground.

Recommendation 5: The ToR need to identify projected greenhouse gas emissions from all sources and efforts to minimise and offset them.

Recommendation 6: The ToR need to ensure the comprehensive adoption of the 135 recommendations of **the Pepper Inquiry**.

Recommendation 7: The ToR need to adopt a robust framework around evidence-based decision making. All relevant information needs to be considered and referenced. Missed relevant information will be identified by scrutineering stakeholders including community groups.

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7. "Hydrogen-ready" is not a plan

The plant is called hydrogen-ready, but there is no date, no trigger, no commitment and no penalty for not ever converting to this energy source. On the referral's logic (gas is the "only viable" firm option), there is no driver to ever switch.

Green hydrogen produced with solar power is acceptable, but blue hydrogen made with fossil gas is intolerably polluting. Entering into a dual-path technology under a 'transition' banner that ends up locking us into gas, is not an acceptable option.

This sort of greenwashing is in play at the proposed Middle Arm development, but it is a mistake that would lock in fracking. It may be much lower in carbon dioxide than the filthy Barossa gas being pumped from offshore, but the Beetaloo still contains loads of extremely foul methane, a potent greenhouse gas, currently safe underground. Methane is responsible for nearly 30% of the rise in global average temperatures. Leaving the methane in the ground, and thereby cutting fossil fuel emissions, offers some of the fastest, largest, and cheapest ways to minimise methane pollution.

Recommendation 9: The ToR needs to include explicit explanation by the proponent about hydrogen energy use. Any hydrogen plans to be green energy and not blue.

8. Water: Mining aquifers that can only recharge in 1000+ years, if ever.

Water usage of up to 4GL each year would be detrimental to the country and regionally further water stress this arid environment. Using water comes at a cost and this cost is not detailed nor being taken seriously.

The water rules in the NT are in need of improvement to be in line with increasing scientific evidence, and best practise from around Australia and the world. The Arid Zone has contradictory rules: the first rule that licensed extractions should have no detrimental impacts on groundwater dependent ecosystems (GDEs) contradicts the second rule that depletion of 80% of total pre-development groundwater storage over a 100-year timeframe is permitted. It is not possible for the first aim to be achieved if the second part is permitted.

The Pepper Inquiry found that water extraction in the southern Sub-basin, where Project Ares is planned, should be *prohibited* until groundwater resources and recharge rates are quantified.¹⁵ Read: no significant water use or extraction should be approved until independent determinations of the resource are available and from which an informed decision can then be made.

Using storage volumes to calculate sustainable yields is not in line with ecologically sustainable development and risks harm to groundwater dependent values. Aquifers should not be described in terms of total storage when considering sustainable yields or 'safe' extraction rates. The correct measure is residence time, how long the water takes to recharge. In the arid zone this is thousands of years. This is the context: all water used will not be recharged for thousands of years, hence water is being mined. Such water is gone and unavailable for any other use or environmental service that it has provided for thousands of years.

There is also an error estimating recharge in the aquifer as the vast majority of estimated recharge to the Wiso basin is associated with a single event in 1974 (Cyclone Tracy). Serious drawdown of the aquifer could occur under the current proposal.¹⁶

NT water allocation plans are not binding, lack legal protection for water allocations for the environment, and in many circumstances the water is not paid for, but given away.¹⁷

There is an increasing number of water users, now placing precious water reserves under stress. A pastoral company has a licence for over 10,000ML, there's a cotton application nearby, and a 10,000 ML/yr fracking reserve all draw on the same system feeding the same catchment. Now they want to add Ares, and next, on the same borefield, the co-located Project Sol.

None of it is assessed together, but the water is not limitless. Ares 4,000 ML/yr operational draw exceeds the entire 3,142 ML/yr Aboriginal Water Reserve for the entire water plan area.

¹⁵ https://www.edo.org.au/wp-content/uploads/2023/05/230428-Media-Points-on-Pepper-Inquiry_2023-04-28-Final.pdf

¹⁶ https://assets.pc.gov.au/_data/assets/pdf_file/0003/378660/sub54-water-reform-2024-attachment2.pdf

¹⁷ Page 18: <https://assets.pc.gov.au/2025-10/Water%20refrom%20overview.pdf>

Recommendation 10: The ToR needs to assess cumulative groundwater drawdown and the impact on aquifers within the Wiso Basin and between neighbouring and connected groundwater bodies of water.

Recommendation 11: The ToR needs to assess the impact of the proposal to essentially give away gigalitres of water in an underassessed and improperly managed water resources.

9. Water is life, there's a wetland downstream

Cumulative and downstream impacts cannot be ignored. The Ares project's eastern works cross the headwaters of Bucket and Goohegoochena Creeks, which the referral admits drain "ultimately into Lake Woods, approximately 80 km downstream".

Lake Woods is a spectacular wetland of national importance, with up to 116,000 waterbirds. The referral assesses impacts only at the footprint, never downstream. The impacts of drawing down the watertable so the lake is diminished should not be ignored.

The impact of a vast array of solar panels in the vicinity of a glass-like water body may be detrimental to birds.

Recommendation 12: The ToR needs to assess the surface-water pathway to Lake Woods.

Recommendation 13: The ToR needs to describe all migratory and waterbird species that can be found at Lake Woods. If the proposal cannot ensure that such species will always be protected by the National and International laws and policies, then there are grounds for rejection of the project..

Recommendation 14: The ToR needs to evaluate the 'Lake Effect' as an ecological trap for Lake Woods species.

10. Alternatives to, and ramifications of water guzzling

Although the proponent is 'considering' ways to conserve water, it is not clear what these alternatives are. No explanation is provided leaving the hollow comments to mean nothing. The water is ancient, poorly understood, potentially over-allocated and the risks of mis-use are immense for this arid environment. The current gift from the NT Government to provide the proponent with water, amply and freely, results in zero expectation, requirement, nor incentive for them to conserve water, adopt water efficiency practices or research new water saving and cooling technologies.

Another matter that has not been given proper consideration is heat. It gets very very hot in this region: 45 degree days are getting more common around Elliott. How can a proposal that requires massive cooling be viable or even considered in such a climate? Not to mention on a rapidly warming planet. It is best not to situate machines that require cooling by water, in an extremely arid and hot part of the planet. Elliott is an extremely hot place and it is getting even hotter. For seven months of the year the mean maximum temperature in Elliott is over

35 degrees.¹⁸ For eight months of 2025, the hottest temperature was over 40 degrees and for three of those months, it was over 45 degrees celsius.¹⁹ There were a total of **sixty days over 40 degrees** in 2025, and that's becoming the norm.

These figures are projected to potentially *double* within the lifetime of the proposed project.²⁰ It is going to be increasingly onerous to conserve precious water whilst attempting to perpetually cool hot machines. Could the groundwater supply run out?

The climate change prediction for the NT is that the time in drought is forecast to increase, and this is even more so under a high emissions pathway for the central and southern parts of the NT. That's what fracking the Beetaloo could mean, more extremely hot days and possibly long intense droughts. With all the other uses of these finite aquifers, it is not impossible that this finite resource runs dry.

Not only would the Ares use the water, but the fracked gas powering the centre is also a water guzzling activity.

If we are to have a new data centre built it must have best practice water efficiency and be required to conserve vital water resources. Comprehensive surveying and modelling is necessary to assess detailed water requirements, options for water use alternatives during extended droughts and all impacts to the environment especially the GDEs, riparian and aquatic biota, and downstream wetlands.

Recommendation 15: The ToR needs to require details of use of groundwater at all phases of the project.

Recommendation 16: The ToR needs to specify limits to water use during construction and phased operations.

Recommendation 17: The ToR needs to require worlds best water conservation measures and water efficiency standards.

Recommendation 18: The ToR needs to require the company to

(a) state the extent of dewatering of the Montejinni Limestone Aquifer in each year of the projects operation;

(b) state the impact of water use by the project in the next 50 years on the pastoral stations, the Indigenous communities, and ecosystems, in the region that rely on this groundwater;

(c) specify how the project's water use from the Montejinni Limestone Aquifer may impact other aquifers within the Wiso Basin, and those that may be connected.

Recommendation 19: The ToR needs to require the company to state how it will remunerate the NT and Australia for the loss of a significant portion of an important aquifer, an ancient

¹⁸ https://www.bom.gov.au/climate/averages/tables/cw_015131.shtml

¹⁹ <https://www.bom.gov.au/jsp/ncc/cdio/weatherData/av>

²⁰ <https://environment.nt.gov.au/media/docs/climate-change-response/state-of-the-science-and-climate-change-impacts-final-report.pdf> Page 40

and invaluable water resource and its associated values and services? What costs have governments imposed on the company for a fair return on their water use?

11. Stygofauna have lived here for many 1000's of years

A widespread but often unstated groundwater-dependent ecosystem (GDE) are the tiny animals which live within aquifers known as stygofauna communities. The referral dismisses groundwater-dependent ecosystems because the water is deep.

At the same time they admit that subterranean fauna "have not been analysed" in an aquifer it calls "karstic and cavernous." Surveys in the wider Beetaloo sub-basin have identified a diverse range of stygofauna species, dominated by crustaceans, including the blind shrimp *Parisia unguis*.²¹

The plan aims to annually extract up to 4GL of the habitat of this cryptic community, without considering any impacts. Many more studies need to be done to confirm their diversity and vulnerability before approving their potential demise.

Recommendation 20: The ToR must require field-sampling of stygofauna across potential groundwater sources..

Recommendation 21: The ToR needs to assess the karstic Montejinni Limestone as subterranean habitat and ecosystem components, and include the impacts on this environment from the entire proposal.

12. Environmental nurture is necessary

The cumulative impacts of lots of landclearing in the NT are rarely considered, but add up to considerable degradation. The costs in other places, where landclearing has nearly completely removed native plant communities includes local, regional and national species extinctions.

The area is not 'barren', vacant land. It is degraded from poorly managed pastoralism, but it is generally sparsely covered in native grasses, bushes and small trees that provide habitat for wildlife and a diverse complexity of organisms. Acacia shrubland and hummock grasslands are dominant in the south, and Corymbia/Eucalyptus open woodland is dominant in the north.

A relatively higher diversity of vegetation groups exist within the eastern and north-western portions of the study area. Perhaps half of the project area may support trees with large hollows suitable for fauna. Old trees take a long time to grow in this harsh arid climate, and are diminished by regular fire, meaning the animals that depend on them perish.

²¹ [Review of the Northern Territory Cambrian Limestone Aquifer - Environment Centre NT \(ECNT\)](#)

The 16 GWh battery bank carries fire and hazardous-materials risk. In addition, it is frequently seen that remote developments tend towards *overburning* the surrounding environs to prevent wildfires, further diminishing native biodiversity.

Recommendation 22: Require battery fire scenarios assessed for environmental pathways.

The environment in the project region and the catchment downstream of it are home to vulnerable and migratory wildlife, much of it in country the ecology report never surveyed; where the project would actually be built. A solely desktop Ecology Assessment Report, used in an attempt to identify terrestrial ecological values and constraints contained within Murrarji Station is seriously inadequate.

Comprehensive surveys and project impact assessments, not only of the area to be directly disturbed, but consideration of the wider impacts is vital. For instance, what will be the impacts of the noise and vibrations on the surrounding biota? Developments like these tend to light themselves up all night making them both ugly and impacting on the animals that rely on darkness.

Recommendation 23: The ToR needs to require comprehensive field surveys of all species, their populations and ecosystems.

Recommendation 24: The ToR needs to specify how land clearing will be reduced to an absolute minimum.

Recommendation 25: The ToR needs to require assessment of noise, vibration and light pollution during construction and phased operations. These all impact on wildlife and vegetation and is a must consideration for the proposal.

Recommendation 26: The ToR needs to require the proponent to fund recovery support for all the vulnerable species they may impact. This recommendation is vitally important.

13. Bilby country should be protected

The NT once had two species of bilbies, we've already lost one to extinction, and now our Greater Bilby *Macrotis lagotis* is rated as Vulnerable. There is a high chance it will become extinct in the wild in the medium term if we keep ignoring its threatening processes. They once ranged over three-quarters of mainland Australia, but in the last century have contracted to only 20% of this original distribution. Bilbies are threatened by habitat loss, fragmentation and degradation, uniform frequent fire, competition with other animals and feral predation.²²

The Bilby stronghold is in the Northern Territory. They are under increasing threat from increasing human activities. Cattle grazing already reduces resources for Bilbies. Project Ares is a major threatening activity to this vulnerable native iconic animal.

²² [Greater bilby - DCCEEW](#)



Figure 1. Distribution of the Greater Bilby (*Macrotis lagotis*). The proposed hyperscale data centre, Ares, is within the northern part of the Bilby's current distribution in the NT. Source: ²³

This proposed project is on the northern edge of the current range and therefore should be treated with extra caution to prevent diminishing their range even further. There have been Bilby burrows found on the proposed site and lack of recent sign does not mean they aren't still in use as Bilbies have been recorded using up to 18 burrows concurrently over several months, and construct on average a new burrow every few weeks.²⁴

Many remote developments burn around their activities to prevent wildfires later. More humans often means more fires. High frequency of fires is highly detrimental to bilbies, their habitat and foraging resources.

The train track is already a disturbing feature to the Bilbies, with many on one side and few on the other. Increasing the disturbance with even more removal of habitat and more infrastructure is detrimental to this vulnerable animal. More roads and pipelines means more fragmentation, habitat degradation and increasing chance of roadkill.

Predation by feral cats is considered the greatest threat to Australia's terrestrial mammals, including bilbies. It is vital to ensure cats are banned as pets in all new ventures, and cat trapping be conducted regularly. Dogs can kill bilbies too.

Recommendation 27: The ToR needs to provide for restrictions to bulldozing habitat of vulnerable species, including major buffer zones.

Recommendation 28: The ToR needs to require assessment of fire management regimes and fire risks during construction and phased operation.

²³ https://www.legislation.gov.au/F2023L00432/asmade/2023-04-11/text/original/epub/OEBPS/document_1/document_1.html

²⁴ https://www.legislation.gov.au/F2023L00432/asmade/2023-04-11/text/original/epub/OEBPS/document_1/document_1.html

Recommendation 29: The ToR needs to explain how predatory animals including pets will be restricted from access and managed if found.

14. Data centre e-waste must be recycled

Just as we expect there to be excellence in addressing the immense climate pollution from the fracked gas and the materials and the vast distances of transport for all the materials and humans, the waste streams from the data centre and its footprint need to be properly dealt with.

Hyperscale data centres can be expected to generate vast levels of e-waste due to significant ongoing replacement of components. The data centre spins through mountains of chips and computers. There's also the 40-year solar panel and 15-year battery replacement cycles generate large recurring e-waste.

A comprehensive reuse and recycling system needs to be created. It should be repurposed in this country and not dumped on Asia. As closed a loop as possible. If a mess is too nasty or difficult to clean up, it might be best not to make such a mess in the first place.

A detailed peer reviewed analysis of the waste stream generated by the proposal is necessary. Waste management is often the last consideration of large developments, with costs often borne by the host country and in this case, tax payers of the NT and Australia. This matter highlights how in reality Data Centres are not ready to be built - the externalities or ongoing costs and impacts are regarded as acceptable, because it is not the company that is covering these costs and impacts but the host environment and host nation. Not until the waste stream can be massively reduced should this proposal be put forward.

It isn't forward thinking for Australia and NT to pursue 'critical mineral' development without effort towards retention and recycling.

Recommendation 30: The ToR needs to ensure reuse and recycling occurs in Australia for the e-waste and energy materials.

Recommendation 31: The ToR needs to require the Government commission a detailed peer reviewed analysis of the waste generated by the proposal: where it goes; how it is transported; how much is recycled or not; the health, economic and environmental impacts of un-recovered waste; and who pays for the waste stream projects? What is the e-waste plan to ensure it is not dumped on site or buried away somewhere else in the NT with costs borne by government/taxpayers.

15. The bet that could be walked away from

Almost everything is asserted in the proposed project, not secured. There is no named customer, no disclosed gas supplier, no shown funding, land not yet converted from pastoral lease. The proponent is a Singapore-registered shell company. If the AI bet sours, who is left holding a 19,150 hectare site, a gas plant and 16 GWh of batteries? Who pays to clean it up??

Recommendation 32: The ToR needs to robustly consider robust decommissioning fees that are paid up front, and regularly reassessed. Require all options for reuse and recycling are pursued.

16. One of a dozen

The NT government is secretly negotiating with hyperscale datacentre companies, putting environments and communities at risk. Ares is only one of around a dozen data-centre proposals reported in the NT. Is it first come first served, or are we really expected to be able to bear the burden of a dozen Ares?

An overall plan for what we want the NT to be like in 25 years would be useful before we lock in heavy loads. Could these unnecessary projects see the demise of both the cattle and the mango industries in the Northern Territory? A huge loss of springs, rivers and water-dependent ecosystems and so besides stressing the traditional custodians, see a huge degradation to the tourism industry? Do we really want near wall to wall solar farms and data factories lining up the highway in the outback?

The question is regional, not one project. Decisions on data centres are being made ad hoc. Despite secret negotiations with companies there has been no public consultation on a plan or design standards.

17. Lacking transparency

Australians expect our governments to work for us. We do not approve of backroom deals with industry or non-disclosure agreements. Globally non-disclosure agreements are being used to silence public scrutiny and privately negotiate generous incentives.²⁵ The NT Government has entered into at least twelve non-disclosure agreements.²⁶

Data centres are built using different approaches with very different environmental impacts. Without rules, design decisions will be based on minimising cost. The NT has no environmental standards or guidelines for data centres, only a brochure promoting the opportunity to investors.²⁷

The Territory Coordinator Act 2025 allows bypassing of many NT statutory processes or statutory decisions which could mitigate environmental impacts.

The NT Government is actively spruiking fossil gas from the Beetaloo Basin as a power source. Although the rest of the country follows the new grid connection rules for data centres, the NT hasn't adopted them.²⁸ Indeed the NT government asserts that fracking for gas is an essential part of their climate plan.²⁹

The idea that industry holds the cards and we will 'miss out' if we don't dance to their tune is ridiculous. We have what they want and we can make decisions in our own time. Or we can

²⁵ [Data Centers and the Abuse of Secrecy](#)

²⁶ <https://www.abc.net.au/news/2026-07-13/data-centre-hyperscalers-target-northern-territory/106898282>

²⁷ https://australiasnorthernterritory.com.au/_resources/documents/invest/investment-opportunities/digital/hyper-scale-data-ai-centres-flyer.pdf

²⁸ <https://repowernt.com/nt-data-centre-grid-rules-gap/>

²⁹ https://environment.nt.gov.au/_data/assets/pdf_file/0008/1618064/northern-territory-climate-resilience-plan.pdf

decide we would rather protect the NT. Developers prioritise lenient regulatory frameworks favouring rapid deployment, and they focus on gas.³⁰ Supply of solar power at the scale required will also have terrible environmental consequences.³¹

A moratorium on data centres until the rules and plans are in place, and the Senate Inquiry completed is sensible,

Conclusion: Ares is not suitable for the outback

No New Gas Coalition reject the proposal

Unprecedented proposals like Project Ares, which would rely on significant fossil- gas powered generation and result in greenhouse gas emissions and other detrimental impacts on the environment, should not be progressing.

Obtaining binding regulations to limit the impacts of AI data centres on our communities and environment, would still inevitably involve broadscale landclearing, encourage the fracking of the Beetaloo, bring huge impacts to the NT's climate, devastate precious water resources and limit the survival of vulnerable animals like the Bilby. It would also make the outback ugly and unlivable.

No decisions should be made in regards to data centres before the findings of the **Senate Inquiry into Artificial Intelligence and Data Centres** are announced. The recommendations of the Senate Inquiry should be fully considered.

³⁰ [Why wind loses out – for now: 'Speed to power is all that developers care about' | Recharge](#)

³¹ <https://www.lettersfortheenvironment.com/wp-content/uploads/2025/11/Suncable-Nov-2025.pdf>