

Pat McConville



Secretary
Inquiry into AI Data Centres in Tasmania
Parliament House
HOBART lutruwita TAS 7000

Dear Secretary,

Thank you for this opportunity to make a submission to this inquiry on AI data centres in lutruwita Tasmania.

Data centres have been part of a mostly uncontroversial class of infrastructure which has enabled the widespread accessibility of information and communications technology, with demonstrated benefits. I note that the Tasmanian Government released a Data Centre Action Strategy in 2018. I also note that this strategy is focused exclusively on attracting investment, and not on ensuring that investment translates into social benefit. Only recently has the Tasmanian Government unveiled a consultation draft of Expectations for Data Centres and AI Infrastructure Developers. Although clearer expectations ought to be welcomed, it is disappointing that the Government missed the opportunity to develop these in parallel with securing investment.

Issues such as those contemplated by this Parliamentary inquiry have always been of concern to local communities. However, the potential scale of the emerging wave of data centre development makes these concerns particularly salient and non-localised. Powered by the widespread rollout of generative artificial intelligence – a set of technologies with as-yet unproven social or economic benefits – there is a pressing need to ensure that the regulatory framework is adequate to these challenges.

Already, Tasmanians have found that planning processes at the level of local government have been insufficient to effectively register concerns about the impact of data centre development in their local areas. The public, and especially local communities, ought to be able to make representations on traditional planning grounds, and also on the basis of other genuine concerns about how infrastructure may affect the amenity of areas.

Data centres are very resource-intensive, especially with respect to their use of electricity and water. Developments which draw significantly from the power grid should be required to ensure that not only is their infrastructure reasonably efficient, but also that the power grid is not unreasonably depleted. Electricity should be drawn

from renewable sources, and without shifting non-renewable energy use onto other consumers. Similarly, water use should be expected to be highly efficient, and water use ought not unreasonably deplete or burden other consumers.

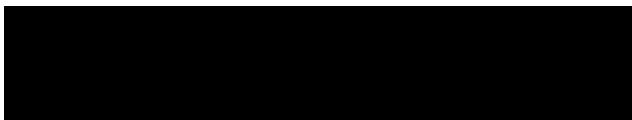
Resource use (and waste) does not only affect other consumers, but also the environment. Data centres ought not to make unreasonable demands or contribute to the degradation of the environment. An important measure of this is the carbon output and likely contribution to climate change of data centres.

Although there will be necessary limitations on data centres in these respects, which may limit the scale of some facilities, perhaps the most important feature of regulation should be the mandatory disclosure of use of, for example, power and water. Similarly, the impact in terms of waste, likely impact of operations on local air and water temperatures, and other measures. These disclosures must be mandatory, not voluntary, and should be enforced and inspected by a robust regulatory authority. To that end, it may be necessary to strengthen, for example, the EPA both in terms of statutory inspection powers and staff and technical resources.

I think it is unlikely that data centres will ever provide significant local economic benefits beyond the short-term. They employ a relatively small number of workers, and their products provide little tangible benefit to local communities.

It is important that the Government and the Parliament takes a cautious and conservative approach to data centres and enacts a regulatory regime that errs on the side of empowering Tasmanians rather than developers. Already, significant experience overseas shows that communities suffer when insufficient guardrails are erected for large technology developments.

Yours faithfully,

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Pat McConville PhD