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The House of Assembly Standing Committee on Government Administration A has resolved to inquire into and report upon the construction and operation of AI data centres in Tasmania, including recommending future legislation and regulations necessary to:

Terms of Reference:

1. Protect public resources and the environment

Tasmania's natural environment, renewable energy resources, and water supplies are among the State's greatest assets. Elected representatives and planning authorities have a responsibility to protect these resources from overuse and ensure that new developments do not place unreasonable pressure on them.

The substantial electricity requirements of large-scale data centres are well documented. However, the means of supplying this level of demand in Tasmania remains uncertain. Public reporting indicates that Hydro Tasmania has not yet determined Firmus' request for up to 450 MW of electricity, a figure reported to be equivalent to as much as 30 per cent of Tasmania's current energy consumption.

While renewable energy projects are proposed to support future demand, the development and commissioning of this infrastructure will take considerable time. In contrast, data centre approvals and construction appear to be progressing more rapidly than the delivery of the generation and transmission infrastructure required to support them. This raises legitimate questions about how these facilities will be powered in the interim and what impacts this may have on Tasmania's existing energy users and resources.

The proposal also involves continuous industrial cooling systems and a large number of backup diesel generators. These have the potential to generate both noise and exhaust emissions. Notably, the applicant's own noise consultants acknowledge that aspects of the acoustic modelling remain unresolved and recommend further assessment and mitigation measures before the design is finalised.

This creates a fundamental concern. If additional modelling and mitigation measures are still required, how can Council be confident that the relevant noise standards will ultimately be achieved?

The application also provides limited information regarding the frequency and duration of routine testing of the proposed backup diesel generators, despite such testing being necessary for operational reliability.

Before any approval is granted, Council and the community should have confidence that the full environmental impacts of the development, including energy demand, noise emissions, air quality impacts and resource consumption, have been comprehensively assessed and demonstrated to be acceptable.

2. Ensure Tasmania's Resource Management and Planning System adequately recognises and addresses the specific impacts of AI and data centre developments

Tasmania's Resource Management and Planning System (RMPS) was established in 1993, long before the emergence of large-scale artificial intelligence facilities and hyperscale data centres. While the existing framework provides a general basis for assessing development proposals, it was not specifically designed to evaluate developments that combine exceptionally high energy consumption, extensive cooling infrastructure, large battery installations, backup diesel generation, and complex environmental impacts.

As a result, there is a legitimate concern that the current planning framework does not adequately recognise or assess the unique risks and cumulative impacts associated with these developments. Areas of potential concern include the management of large-scale lithium battery systems and diesel fuel storage, continuous cooling-system noise, significant electricity demand, water consumption, greenhouse gas emissions, and the broader environmental footprint of AI and data infrastructure.

The Tasmanian Government's draft Statement of Expectations for Artificial Intelligence is a welcome acknowledgement of the opportunities and challenges presented by AI technologies. However, it is primarily a policy document and does not establish a regulatory framework for managing the substantial physical infrastructure required to support AI operations. In particular, it does not address how the enormous energy demands of future AI facilities will be met, nor does it establish environmental safeguards or development standards specific to these forms of infrastructure.

Given the scale of the proposed development and the likelihood of further data centre projects within Tasmania, there is a strong case for introducing planning and environmental assessment requirements specifically tailored to AI and data centre developments. Such requirements should ensure that impacts on energy supply, infrastructure capacity, water resources, noise, air quality, community amenity, and environmental values are comprehensively assessed before approvals are granted.

At a minimum, consideration should be given to requiring new data centres to provide additional renewable generation and energy storage capacity equivalent to their projected electricity demand, rather than relying solely on existing generation resources. Any renewable energy commitments should be directly linked to development staging and grid connection arrangements to ensure that infrastructure delivery keeps pace with demand.

Without updated planning controls and environmental standards, there is a risk that developments of this scale will be assessed using a framework that was never intended to evaluate their unique impacts. Given the potentially significant consequences for Tasmania's energy system, environment and local communities, a precautionary approach is warranted until a more comprehensive regulatory framework is established.

3. Provide Parliamentary oversight and accountability for new facility construction and resource allocation

Large-scale data centre and AI infrastructure projects have implications that extend well beyond the matters traditionally considered through the planning approval process. Their impacts can affect energy supply, water resources, environmental values, public infrastructure, land use, community health and wellbeing, and the long-term economic interests of Tasmania. Given the scale of these developments and their potential cumulative impacts, there is a strong case for a higher level of public accountability and oversight than is currently required through conventional planning processes alone. Decisions regarding the allocation of significant public

resources, particularly electricity generation capacity, network infrastructure and water resources, have consequences that may affect communities and industries across the State for decades.

The community is entitled to understand what commitments have been made, what resources are being consumed, what benefits are being delivered in return, and whether the impacts predicted during the approval process are occurring in practice. Transparency is particularly important where developments rely upon finite public resources or where the cumulative effects of multiple facilities may not be adequately assessed through individual development applications.

Accordingly, consideration should be given to the establishment of a publicly accessible reporting and accountability framework for major data centre and AI developments. Such a framework could include:

- Public reporting of electricity and water consumption;
- Disclosure of renewable energy commitments and their delivery status;
- Reporting on backup generator testing, fuel use and emissions;
- Monitoring of noise, environmental and community amenity impacts;
- Reporting on employment outcomes and economic benefits;
- Assessment of cumulative impacts where multiple facilities operate within Tasmania; and
- Regular review by Parliament or an independent statutory body.

A public register would help ensure that commitments made during the approval process can be independently verified and that the ongoing impacts of these developments remain subject to public scrutiny. It would also provide greater confidence that Tasmania's natural resources, infrastructure and communities are being protected while enabling informed discussion about the role of data centres and AI infrastructure in the State's future.

Projects of this scale should not simply be assessed at the point of approval and then left largely unexamined. Ongoing parliamentary oversight and transparent public reporting would promote accountability, improve public trust, and ensure that decisions made today continue to serve Tasmania's long-term interests.

4. Ensure transparent public disclosure of resource consumption

The public is only now beginning to understand the potential cumulative impacts that large-scale data centre developments may have on Tasmania's energy system, water resources, infrastructure and environment. While it has been reported that proposed and prospective data centres could collectively require up to 1,150 MW of electricity, there remains limited publicly available information about the location, scale and resource requirements of many of these projects.

This lack of transparency makes it difficult for communities, local governments and decision-makers to understand the full implications of current and future developments. Individual applications are often assessed in isolation, yet the cumulative demand placed on Tasmania's electricity network, renewable energy resources, water supplies and public infrastructure may be significant when considered across multiple facilities.

The public has a legitimate interest in knowing how much energy and water these facilities are expected to consume, where they are proposed to be located, what infrastructure upgrades may be required to support them, and how their impacts will be managed over time. Without

this information, it is difficult to evaluate whether Tasmania's resources are being allocated sustainably and whether the long-term benefits of these developments outweigh their costs. Greater transparency would also support better planning outcomes. Public disclosure of resource requirements and operational impacts would enable governments, communities and infrastructure providers to identify emerging pressures early, assess cumulative effects across regions, and make more informed decisions about future development.

Accordingly, major data centre and AI developments should be subject to clear and consistent reporting requirements. This should include publicly available information on energy demand, water consumption, generation and storage commitments, emissions, and other key operational metrics. Information should be reported in a form that allows cumulative impacts to be understood at both regional and state-wide levels.

Transparent public disclosure would improve community confidence, support evidence-based decision-making, and ensure that the management of Tasmania's natural resources and infrastructure remains subject to appropriate public scrutiny. As proposals continue to emerge, openness and accountability will be critical to ensuring that the community can fully understand the consequences of these developments and participate meaningfully in decisions that may affect Tasmania for generations to come

5. Provide the Tasmanian community with adequate opportunities for consultation;

The lack of community consultation by the Liberal Government and local Councils, so far, is disappointing, and has caused immense mistrust of government. Only recently have submissions from the public been invited. Where were these invitations before the approval of the St Leonards data centre?

6. Ensure the Tasmanian community receive tangible benefits from all AI and data facilities constructed in the state;

While some have suggested employment benefits, people are justifiably concerned over massive energy and water consumption relative to the low number of long-term jobs created. It has been reported that Bell Bay Aluminium supports roughly 20 times more jobs per MW of power used than the proposed Long Reach AI Data Centre.

7. Any other matter incidental.

Responsible development of AI data centres is what is needed. Although the Georgetown council approved a proposal from Firmus Technologies, it included 15 conditions, such as restricting the use of 276 backup diesel generators to emergencies, power failures, and limited testing times. Firmus' appeal against this restriction fuels mistrust, and no amount of sports sponsorship will repair that.

Opposition to the rapid expansion of these facilities is gaining momentum. This issue is capturing the attention of voters who were previously content to leave decisions in the hands of the elected parliamentarians. Word is spreading about who is listening, and acting, to truly represent their community, and who is not. **People who have never signed a petition are signing. People who have never written to a politician are writing.**

Support of a moratorium on AI and data centre facilities, until guardrails are established, will gain our votes, our trust and our respect.