

AI Inquiry Submission

Submitter Contact details:

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Currently across Australia, whilst these currently proposed and currently under construction AI data centres are being planned/built, the public in general are not being included in the discussions surrounding the multiple issues that are arising from the current mass wave of data centres across the United States of America. Due to the now very well known nationwide public outrage across the USA, these global AI corporations have now made their way over to Australia, including Tasmania. They are currently utilising our space and “smaller” population to continue developing further data centres on a mass scale without any regards to our people, our communities nor our environment and all of the fauna and flora and aquatic life that we share our environment with. These companies are all international companies, including Firmus, which “sells themselves” as an Australian company but they are a Singaporean-Australian company, which is made clear on their own website, including having a head-quarters in Singapore.

Firmus is a Singapore-domiciled, largely foreign-institution-funded company that is on track to become Tasmania's single biggest electricity user — raising an open question for the inquiry: what royalties or resource-rent payments, if any, will flow back to Tasmania in return for reserving hundreds of megawatts of the state's power supply, beyond the jobs and voluntary renewable-energy commitments the company has offered? Source - [Cryptobriefing — "Firmus seeks to raise \\$5B in IPO on Australian Securities Exchange"](#)

Across Australia and Tasmania, and specifically Firmus with the Bells Bay proposed site, they were not required to get a formal environmental assessment, instead they were required to conduct a self-finding risk, which was done by themselves, which determined that they were of low risk of serious harm to the surrounding environment around the Bells Bay Area including the Tamar river that is directly next to the site. The Bells Bay site is documented to be running 276 diesel back-up generators, where diesel exhaust contains nitrous oxide and will produce fine particle matter (FPM) that is more concentrated than the gas equivalent power station FPM and nitrous oxygen byproducts, and they are well known and documented to be carcinogenic. Source - [Federation of American Scientists — "Advance AI with Cleaner Air and Healthier Outcomes"](#)

Data centres are energy intensive, and are therefore well paired with diesel back-up energy sources that rapidly degrade air quality through emissions of air pollutants and cause and exacerbate health conditions including respiratory and cardiac conditions like asthma, chronic obstructive pulmonary disease, heart failure and lung cancers. Diesel generators will provide uninterrupted power to the Bells Bay site located in the north east of Tasmania, which is a well known area of Tasmania that regularly experiences black outs. This means that these generators will be utilised more than what was “expected” in the planning scheme provided by Firmus to the George Town Council, where they stated that they will only need the generators when high temperature days are occurring in Tasmania, which was “estimated” to be only 10 days per year. Source - [Pulse Tasmania — "George Town Council approves 288-megawatt AI data centre at Bell Bay"](#)

Within weeks of the George Town Council signing off the Bells Bay Firmus proposal, with set conditions to be met, Firmus lodged an appeal to the Tasmanian Civil and Administrative Tribunal (TASCAT) calling the council's restriction on backup-generator operating hours “unreasonable” — an early sign that even the limited noise conditions imposed are being contested by the operator rather than treated as a firm reasonable set conditions. Source - [Data Centre News \(via HeadTopics\) — "Data centre company lodges appeal against 'unreasonable' restricted generator use"](#)

The Centre for Safe Air – the National Health and Medical Research Council (NHMRC) Centre of Research Excellence, whose submission to this inquiry was co-authored by Dr Bill Dodd and Professor Fay Johnston of the University of Tasmania's own Menzies Institute for Medical Research – told the NSW Parliamentary Inquiry into Data Centres that diesel back-up generators are one of Australia's “most significantly unregulated source of harmful air pollution” in Australia. Diesel FPM is classified as carcinogenic by the

World Health Organisation, with no known safe level of exposure and short term Nitrous di-oxygen NO₂ exposure has been found to increase cardiovascular disease mortality by 2.2% and respiratory disease mortality by 4.5% 10.7 µg/m³ increase. The community members that will be impacted the hardest will be children, pregnant people, older adults and people with already pre-existing conditions. Tasmania has the oldest mean age population in Australia and currently has one of the most stressed public health services in Australia currently. Australia is an outlier among other nations on this point – Australia planning frameworks – including fast-track pathways like the one used to approve Bell Bay, does not require cumulative emissions modelling for generator clusters or model worst-case scenarios such as prolonged generator operations during an extended grid outage. Source - [Centre for Safe Air \(Dodd, Green, Johnston et al.\) — Submission No. 108, NSW Parliamentary Inquiry into Data Centres \(April 2026\)](#)

Back-up generator sites store large volumes of diesel fuel on-site (10,000 – 50,000 litres per generator) and accidental spills or leaks can cause localised soil, surface-water and ground water contamination requiring costly remediation. A risk multiplied across facilities running dozens to hundreds of generators. Both the Bells Bay site and St Leonards site are located extremely close to the Tamar river and North Esk river, both fresh water rivers that lead out to the north and exits into the Tasman sea region. Source - [Air Quality and GHG Emissions Assessment of Data Centers in Texas \(arXiv preprint\)](#)

In mid September, there was a recent diesel leak in the US where an estimated 5000 gallons leaked at an AI data centre site and an immeasurable amount went into the nearby Hackensack River near the centre site. 5000 gallons of diesel converted to litres is roughly 18,927 litres. This is enough fuel to fill up over 320< average sedan passenger cars in Australia.

Source - <https://www.cbsnews.com/newyork/news/secaucus-nj-data-center-fuel-spill/>

Data centre health impact research has also flagged PFAS (forever chemicals) contamination as a documented risk alongside air, water and noise emissions from large-scale digital infrastructure – a combination of regulators have historically assessed these separately rather than a single cumulative approval. Nine of the worlds biggest PFAS producers are now expanding their production to specifically meet AI data centre demands, including the two-phase immersion cooling, where digital servers are submerged directly into PFAS fluids. PFAS are linked to cancers, birth defects, reduced fertility, kidney damage and over serious health problems, and do not break down in the environment. ChemSec's executive director has warned that this expansion risks unleashing a tidal wave of forever chemicals that could overwhelm the partial PFAS restrictions that are only now just being introduced into the EU, UK and USA. Firmus is currently selling themselves as a company that will be utilising water and glycol 20% to cool their servers but this may change in the future, and a large number of data centres across Australia are also looking into alternative cooling options outside of water to cool down their digital servers. Currently Australia has minimal regulations in place for PFAS. Sources - [The Guardian — "'Tidal wave' of Pfas being launched to satisfy AI industry, campaigners warn"](#), [Environmental Health Sciences — "AI Data Center Health Impacts"](#)

Recently Firmus was found by the ABC via their own website to have leaked FAQ material online that revealed that the company planned to draw on Tasmanian irrigation water for cooling – with an internal note reading “we do not want to highlight this yet” – which was interpreted that Firmus did not want the public or the agricultural sector know this information yet. Tasmanian Irrigation subsequently confirmed publicly that it had given Firmus no undertaking to supply water to them and that its scheme was intended for agricultural use and hydrogen production only, not AI data centres. This company is actively doing whatever it wants without any consultation or discussion with local community or business opinion and involvement. The reported value of Tasmania's agri-food exports totalled \$906 million in 2023-24. Processed products made up the majority of this value at \$887 million (\$824 million in food products and \$63 million in non-food products), while unprocessed commodity exports contributed \$19 million. The agricultural sector of Tasmania has a large value but also actively employs 13,992 in 2025. The average salary of an employee is estimated to be \$60,000 - \$80,000 per year. This means (before tax) that this industry across Tasmania is circulating part of their profits back into the Tasmanian community roughly \$839,520,000 per year back into our local Tasmanian economy. When we compare the current estimated jobs that may be provided by an average AI data centre, the numbers are easily comparable to which industry will benefit our Tasmania economy the most. What also should be kept in mind that the Tasmanian agricultural business is actively already present in Tasmania, unlike these proposed AI data centres, which are minimal and should be kept minimal. Sources – <https://nre.tas.gov.au/Documents/AgriGrowth%20Scorecard%202023-24.PDF>,

ABC News — "'We do not want to highlight this yet': AI data centre's FAQ slip-up",
<https://fairworkmate.com.au/tools/pay-rates/farm-worker-tas>,
<https://economy.id.com.au/tasmania/employment-by-industry>

Firmus's own figures work out to roughly half a job per megawatt: about 52 ongoing roles at St Leonards and 115–144 ongoing roles at the 288MW Bell Bay site (reports vary slightly), against a combined power draw approaching 450MW across its three proposed Tasmanian sites. Firmus's own jobs projections have been publicly disputed by an independent expert. AI researcher Professor Toby Walsh has said modern, highly automated data centres “rarely require that level of labour” Firmus claims — and Firmus's reliance on specialised liquid immersion cooling adds a further complication, since the global pool of technicians trained to maintain that technology is, by most accounts, extremely limited. The headline pitch for Firmus's first stage was up to \$2.1 billion in investment for around 100 direct jobs — a ratio critics say reflects the fact that AI data centres are, by design, among the most capital-intensive, least labour-intensive infrastructure that can be built. Sources - The Point / Australia Institute (Louise Morris) — "Tasmania's renewable energy is being handed to an AI startup while local industry left waiting", Cessnock Advertiser (AAP) — "AI data centre approved despite community concerns"

Hydro Tasmania has not yet decided whether to grant Firmus's request — the state-owned utility says it is still assessing the application and expects to make a decision by the end of 2026. Firmus currently holds only a 3-year, 104MW contract for its Launceston site; it needs an entirely new, long-term deal to secure power for all three proposed Tasmanian facilities. The 450MW request equals roughly 30% of Tasmania's total current energy use and would make Firmus the state's single biggest power user by a wide margin, well ahead of Bell Bay Aluminium's 355MW. Hydro has confirmed it would not fund, build or maintain the new wind/solar generation such a deal would require — that risk would sit with Firmus or third-party developers. Currently the proposed 450 MW of power comparatively would power the entire 200,000+ homes located across the entire state of Tasmania. This energy resource, once again comparing this to the already established agricultural sector, has been unable to provide enough details in regards to jobs or economic financial benefits, but would like to utilise 30% of the state's energy resources to an industry that comparatively will provide minimal back to the state. Tasmania's own trajectory is worse than the national average: the Climate Council's data centre analysis found that while national data centre electricity demand is set to triple by 2030, in Tasmania specifically “energy use is predicted to increase by 400% by 2030” — from around 20 GWh currently to roughly 90 GWh (AEMO figures). Climate Council modelling by Baringa and the CEFC found that if this demand is not matched with new renewable energy and storage, it flows through to higher wholesale power prices in Tasmania as well as neighbouring states, even though Tasmania's own generation is largely hydro. Climate Council CEO Amanda McKenzie has said “out-of-control construction of data centres would hit Australians in the hip pocket” and called for governments to urgently introduce strict rules requiring new data centres to bring their own renewable's and storage. Sources –
<https://www.abc.net.au/news/2026-09-04/hydro-tasmania-assess-firmus-450-mw-energy-request/107116852>, Climate Council — "Data Centres: The Three Non-Negotiables to Protect Our Climate and Power Bills" (Tasmania state-of-play briefing)

In parliament on 9 September 2026, Greens MP Vica Bayley put the maths directly to Premier Rockliff: Tasmania's AI and data centre pipeline has a potential energy demand of over 1,150MW, while Hydro Tasmania's business case for the Marinus Link export cable is built on mass energy exports delivering an estimated \$470 million in “super-profits” to offset local power prices. Asked twice how both mass local AI demand and mass export could be delivered simultaneously, and whether he had advice from Hydro Tasmania confirming the super-profits were still achievable, the Premier did not answer either question directly — his first response called the question “scaremongering,” and his second ran out the clock without addressing it, according to the official House of Assembly Hansard record. This means that our state parliament either has no actual realistic plan to ensure that both options of our energy is available to these areas, not even including our own residential state energy needs, or that the state parliament has a plan but is not willing to provide any information in regards to their plan, including both other members of parliament AND to the residents of Tasmania. Source - Tasmanian Greens (Vica Bayley MP) — Question to the Premier, House of Assembly Hansard (9 September 2026)

This isn't a recent uptake — it has been Tasmanian government policy for eight years. The Office of the Coordinator-General's 2018 “Data Centre Action Strategy” set out a deliberate plan to court data centre investors with cheap hydro power, low water costs and streamlined approvals, years before AI turned this into a global speculative rush. Greens MP Tabatha Badger has told parliament the Office of the Coordinator-General has been courting AI facilities since 2018 with no public consultation process Tasmanian's have ever seen, raising a basic question: which companies were engaged under that strategy, and through what process? Source - [Tabatha Badger MP — "AI Factories and Datacentres" speech, House of Assembly \(25 March 2026\)](#),

https://www.cg.tas.gov.au/__data/assets/pdf_file/0007/399481/Data_Centre_Action_Strategy_UPD_ATE_2018.pdf

Please consider this letter as a formal record of my concerns and requests. Please place your community, both local and state, above large local-international based AI data companies that do not care for us, our people, our communities or our stunning Tasmanian environment. Please be the voice of reason for the ones that cannot speak, including our Tasmanian flora and fauna. Please be the voice of your community.

Thank you for your attention and time to this matter. I look forward to your timely and thorough response both in writing and in person in council.

Yours faithfully,

Kayla J. Thompson

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