21 September 2026

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

Our ref:
Your ref:

Attn: To whom it concerns

Inquiry into AI Data Centres in Tasmania

With reference to the Terms of Reference for the Inquiry into AI data Centres in Tasmania please find below a submission for consideration by the committee.

I wish to comment on two of the Terms of Reference items as follows:

> **1. Protect public resources and the environment;**
>
> **6. Ensures the Tasmanian community receive tangible benefits from all AI and data facilities constructed in the state;**

The terms of reference provide scope to consider the broader benefit or otherwise of AI data Centres, and I wish to draw attention to the potential positives of such development.

I draw upon my experience with working within and seeing the transformation of regional areas through the TI (Tasmanian Irrigation) schemes developed around the state.

I feel the committee needs to investigate and consider the potential to transform the state by use of revenue through the provision of power being sold to AI vs traditional industrial users.

While controversial to consider allowing a long term business who have invested and been part of the community for a long period of time, there needs to be an assessment of what is best for the state, ie low cost power to supplement traditional industrial customers or invest in infrastructure funded by the additional revenue from a customer who has the capacity to pay more for green / renewable energy (AI).

While I don't have specific financial advice to provide the committee I can estimate that from the 300MW estimated capacity of the Bell Bay facility that revenue to Hydro Tasmania could increase by circa $80M to $160M per year based on power pricing that is suggested in the media and other sources (ie 2 to 3 times what the traditional industrial users pay). While it is unknown if this is correct or of the right magnitude, its critical to understand the real magnitude to fully consider the benefits or otherwise to the state. While this information may sit behind commercial in confidence agreements, the Committee will need to have access to this information to enable an accurate assessment.

If this revenue or part of per year was invested in infrastructure such as TI, then significant economic growth and value can be created. As an example the east coast of Tasmania holds significant potential as being a viticulture super power due to its climate (dry and warm) but is held back as there is limited water and weak power networks to support processing and the like.

With infrastructure to bring water to the region, coupled with mini hydros such as the Midlands Irrigation scheme or Scottsdale Irrigation scheme would improve water reliability and increase the resilience of the power network.

Through the TI experience I estimate 1000's of jobs can be crated through the development phase (assuming the same investment approach as current TI schemes, use ie 1/3 Federal Government, 1/3 State Government and 1/3 Irrigators).

Long term the jobs growth would be at least 1000 new jobs in viticulture, tourism and support services for the region. While all based on "gut feel" TI could provide real and informed estimates of the benefit they have on regions.

While it's a very hard balance and decision to forgo a long term, good corporate citizen business over support of a new "shinny" thing; that is ultimately the role of government to make the hard decisions of what is best in the long-term interest of the state.

I would encourage the committee to seriously consider my submission and seriously investigate the potential of using new revenue to invest into the support and growth of new opportunities.

If you need anything further in support of my submission, please don't hesitate to contact me on Mob: [redacted] or [redacted]

Yours faithfully
IPD Consulting Pty Ltd

[redacted]

Mark Walters

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