It is difficult to respond to the Draft Expectations for Data Centres and AI Infrastructure Developers: Tasmania (the document) because the Government has made it clear that it supports the development of data centres and AI infrastructure projects, and is not seeking a social licence for approval, merely feedback on the construction of such infrastructure.

My personal concern with the implications of the development of such infrastructure is with energy security.

Firmus Technologies has established itself in Tasmania to take advantage of our perceived cheap renewable energy, and is rushing the approvals process through local councils before any binding legislation around security of our hydro power resources can be made. I dispute the claim made in the document that Tasmania has an 'established regulatory framework' for this kind of development, because we have no other industry which requires such a significant supply of energy. The document makes the claim that 'suitable investment in data centre and AI infrastructure projects *can help bring forward* new renewable energy generation, storage and telecommunications infrastructure where proponents fund the demand and infrastructure they require.' The document does not make clear **how** this will be achieved. How can the proponent (Firmus) fund the 444MW required, when our power generation cannot currently support that demand?

The commitment that Firmus has made is simply to 'use its retail or wholesale energy agreements to require counterparties of these agreements to support development of at least 2MW of new-build renewable generation capacity for every 1MW of Firmus contracted capacity.' In other words, Firmus will 'contractually oblige' Hydro Tasmania to commit to providing this additional capacity. However Hydro Tasmania cannot do that:

"444MW is a significant increase in demand. Meeting Firmus' request would require more generation to be built in the state, including through new wind and solar developments which would be owned and managed by third-party private businesses. Hydro Tasmania would not be involved in funding, constructing or maintaining these new developments. Any new developments would be required to go through the external RMPS process." (https://www.hydro.com.au/hydro-tasmania-and-firmus-technologies#hydro-tasmanias-role)

The idea that Firmus will pay or underwrite agreements to build new renewable power generation projects at some unspecified time in the future does not address the question of where the 'significant increase' in power would come from in the present, and my question is how can we approve the development of additional AI factories (additional to the St Leonards factory, which has a retail agreement with Aurora) ***before*** we have brought online the additional power generation projects required?

Deborah Cooke

12 September, 2026