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QUEENSLAND SYNOD

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Feeding the Hungry Beast – The demands of data centres

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> Then he said to them, "Watch out! Be on your guard against wanting to have more and more things. Life is not made up of how much a person has."
>
> Luke 12:15

Our increasing use of the online world, especially the development of artificial intelligence (AI), has created an ever-growing demand for data centres to process our requests and store our data.

Data centres that store information or handle AI requests can be built as standalone facilities. However, training AI models requires a cluster of data centres located close together. The people who build AI do not understand how it works, so the AI model needs to be "trained". Training involves feeding in data to try to get answers from the AI that are useful. If the answers obtained are not useful, more data needs to be fed into the AI model.

Data centres have high energy and cooling demands and can generate significant local noise pollution. The energy demands could put Australia's plans to reach net-zero emissions by 2050 at risk if fossil-fuel power plants need to be built to meet data centre demand. Water usage can also affect the water needs of other people who need access to the same source.

Australia ranked second globally for data centre investments in 2025. Microsoft has committed $25 billion to Australian data centres, and Amazon Web Services has committed another $20 billion.

Currently, data centres already make up 3% of Australia's electricity use. There are currently 162 data centres, with another 90 planned, of which 74 are in NSW and Victoria. Morgan Stanley analysts forecast that data centres could account for 6% of Australia's total electricity use by 2030. Meeting the extra electricity demand by 2030 will require the construction of an additional $8 billion to $24 billion in electricity generation.

Data centre corporation NextDC has purchased 169 hectares of land near Geelong that had been earmarked for a residential development of 2,000 new homes. Syncline is planning on building Australia's largest data centre on 350 hectares in Plumpton, in Melbourne's outer north-west.

The Australian Energy Market Operator has forecast that data centres will account for 10% of Australia's electricity consumption by 2050. The Clean Energy Investor Group has stated that it will be a struggle to meet that level of extra demand from renewable energy. Assistant Minister Andrew Charlton said gas power plants may be needed to meet demand. The increased electricity demand from data centres also puts at risk the Government's plan to have 82% of the grid powered by renewable energy by 2030.

Major electricity transmission corporations, including Transgrid, Ausnet and Vicgrid, have warned that the rush to install data centres risks blackouts.

Commitments from the Prime Minister

On 15 July, Prime Minister Anthony Albanese announced a new policy direction for the Australian Government to manage AI. The Prime Minister stated that new standards will set out clear rules for large data centres, "including a legal obligation to underwrite their own new power supply, pay their full share of connection costs so energy bills are not impacted, reduce power when needed to strengthen the grid, and be as water efficient as possible.

The Prime Minister promised that the Federal Government will also work with the States and Territories to ensure large data centres are built in the most appropriate locations, with input from local communities.

The Prime Minister stated that the Federal Government will also ensure the strongest possible protection for Australian artists and media. He stated, “Our approach will ensure Australian artists and journalists retain ownership over their work, meaning no company should use Australian creative works to train AI without the artist’s control.”

He stated that, “The implementation of these standards will deliver a simple, consistent regulatory framework for large data centres and AI training and be the first to be legislated by a government worldwide.”

The Prime Minister promised the standards would be legislated in early 2027.

The Federal Government and all State Governments, except the Queensland Government, have agreed that data centres should invest in additional renewables and batteries to offset their power demand. However, it is not clear at this stage if the new renewable energy generation needs to be in place before the data centre comes online and starts using electricity.

It is helpful to write letters to the Prime Minister urging him to implement his announcements, as some data centre corporations have made no secret of their efforts to water down the commitments.

Why not just oppose data centres in Australia?
There are those calling for a moratorium on the construction of data centres in Australia. Unfortunately, if the Australian Government were to refuse to allow data centres to be built, they would be built somewhere else. They may be built in ways that have a greater impact on global warming and greater negative impacts on local communities. It is simply likely to push the problems elsewhere.

By hosting AI data centres, the Australian Government will gain greater influence over AI corporations and require them to comply with Australian laws.

What You Can Do
Write polite and respectful letters to:

The Hon Anthony Albanese MP
Prime Minister
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

Salutation: Dear Prime Minister

Points to make in your letters:

- Welcome the Prime Minister’s commitment to legal obligations on the construction of data centres in Australia.
- Urge that the Australian Government ensure that any data centre construction in Australia does not result in an increase in Australia’s greenhouse gas emissions or delay plans to reach net-zero emissions.
- Ask that the Government ensure that any cooling needs for data centres do not negatively impact other people who need the same water source.

Please send any replies to your letters to jim@victas.uca.org.au