Data centres

What They Mean for Growth Area Councils

Presentation prepared for NGAA

ASTROLABE GROUP

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Today's session

1 **What this means for local government**
- Exploring the tensions of land use, infrastrucure, jobs and regional development vs local impact
- Case Study: Blacktown City Council

2 **Breakout session**
Breakout rooms to discuss in more depth your experience and knowledge:
- Current state and positioning
- Exploring the tensions
- Advocacy

3 **Report back and next steps**

Emerging themes from your questions

Council role - policy settings and strategic planning

Energy and water - including renewable energy and sustainability

Understanding data centre requirements - how and where they are built, impact on local infrastructure, challenges pre/post development

Understanding economic value and local benefit

What are long-term trends and future needs - including how to plan for contingencies

We've heard the investor view.

Here's what it looks like when you're the council hosting it.

"Growth area councils are in the forefront of Australia's government-incentivised, investor-driven data centre development at the same time as they are delivering 26% of the National Housing Accord targets primarily in greenfield, residential developments.

While the federal and state governments are actively attracting and expediting data centre investment1, growth area councils are bearing the brunt of community concerns, while managing the social, economic and environmental implications of these new developments."

National Growth Areas Alliance

Key tensions

Land use — data centres take up large areas of employment and industrial land. Despite their scale and systemic importance, data centres are currently planned and assessed on an individual, ad-hoc basis

Infrastructure — data centres are energy intensive and produce high emissions and require significant water for cooling

Jobs — providing large labour force during construction, lasting job opportunities are insignificant

Regional benefit vs local impact — Data centres, like other forms of critical infrastructure, create an inherent tension between where value is generated and where the impacts are most acutely felt.

Putting it in context: Greater Sydney experience

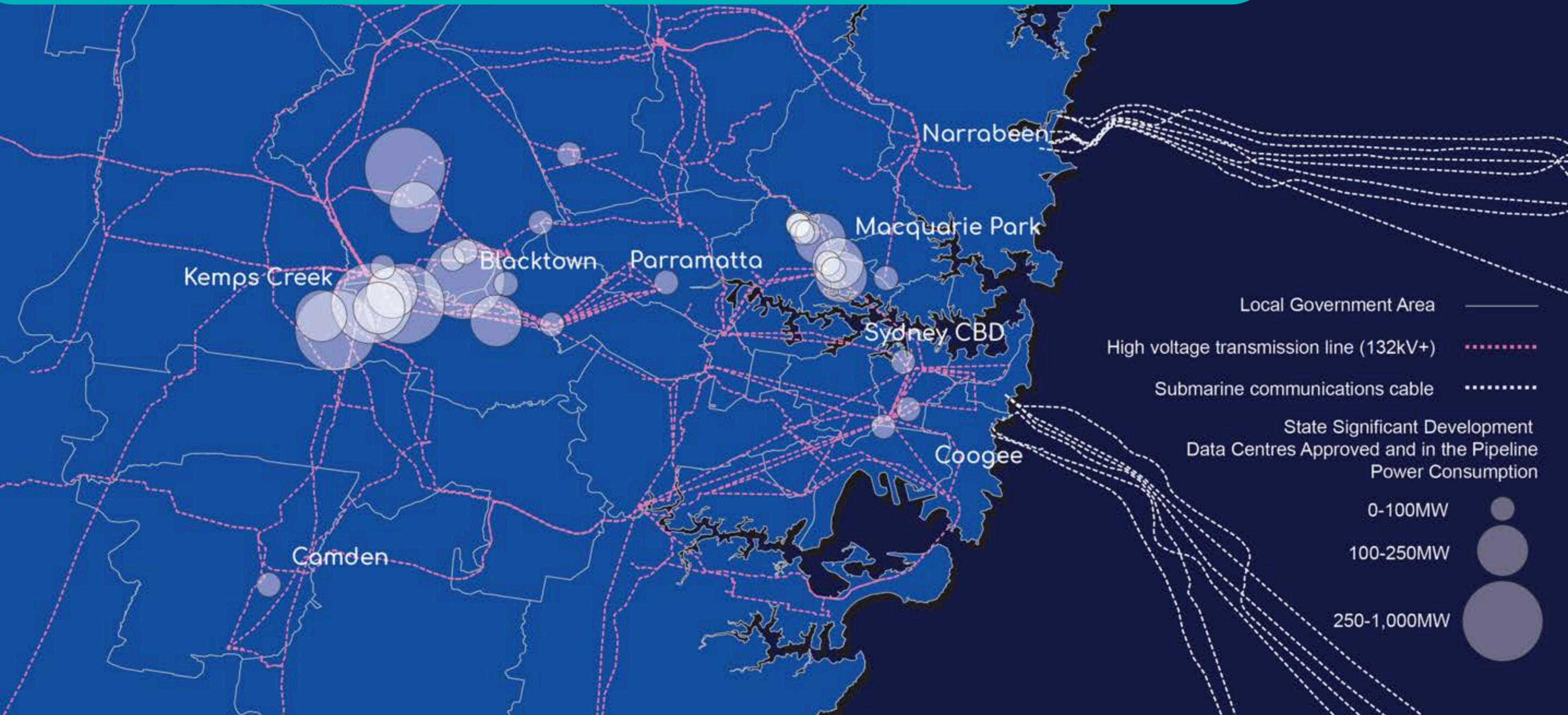18 state significant data centres in Sydney's growth areas

In 2025, data centres in Sydney consumed 2.6 TWh of electricity (equivalent to powering approximately 338,000 homes) and 3.5 billion litres of drinking water over the year.

Looking ahead, 135 GL of projected annual data centre water demand by 2030 and 11% of total energy grid supply use by 2035.

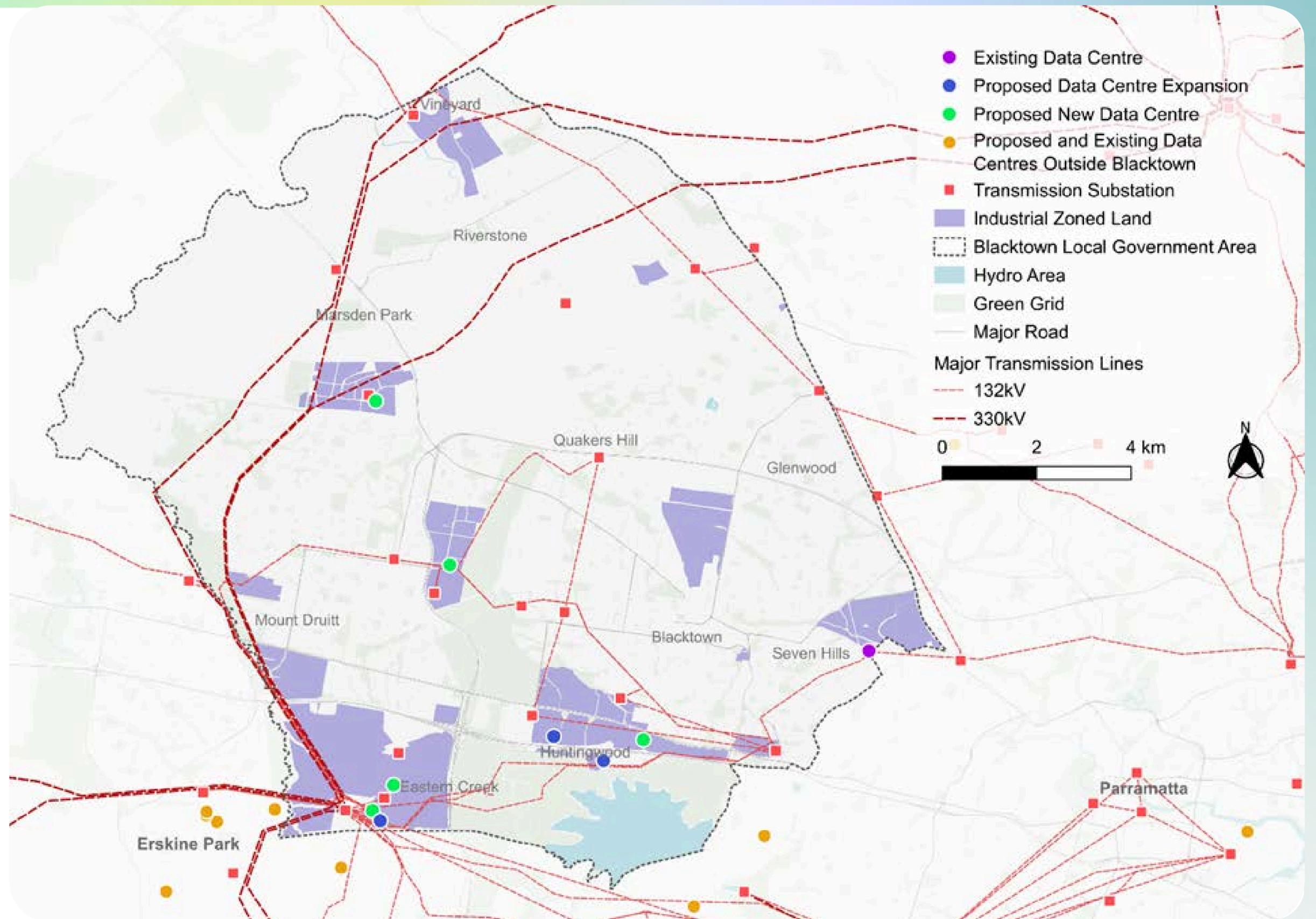Legislative Council Inquiry into scale and trajectory of data centres

Infrastructure NSW released (last week) NSW Data Centre Consultation Paper

Narrabeen

Macquarie Park

Blacktown   Parramatta

Kemps Creek

Sydney CBD

Coogee

Camden

Local Government Area

High voltage transmission line (132kV+)

Submarine communications cable

State Significant Development
Data Centres Approved and in the Pipeline
Power Consumption

0-100MW

100-250MW

250-1,000MW

Case study

Blacktown
City Council

Case study

Land Use and Infrastructure

Blacktown's established industrial precincts, proximity to high-voltage transmission infrastructure and large available sites have made it a natural home for this critical digital infrastructure.

Blacktown LGA currently hosts five operational data centres with one under construction.

There are also two centre expansions and three new centres proposed for development.
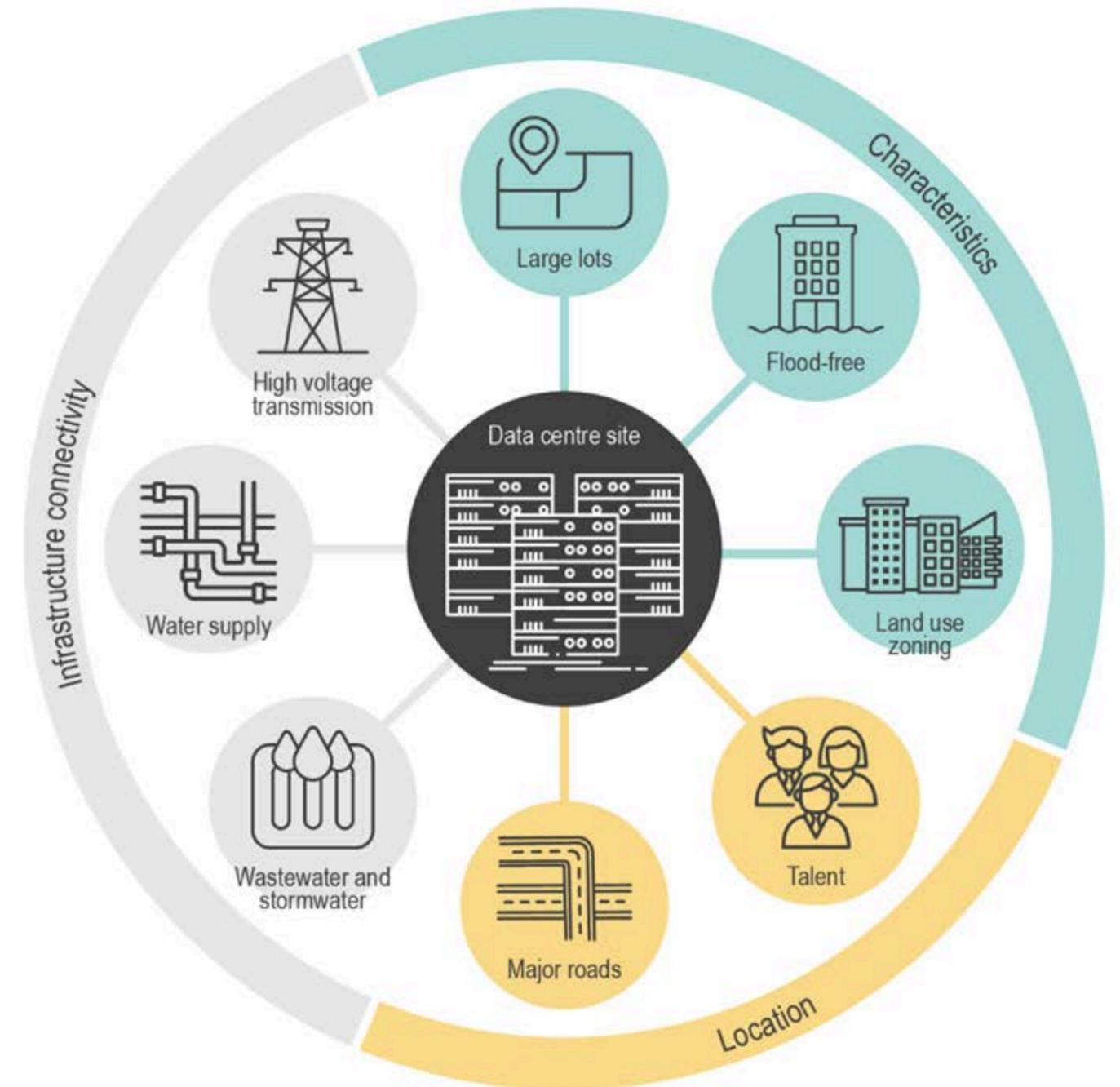
The existing state significant assessment pathway has been developed **without meaningful input from Councils** that are experiencing the highest levels of concentrated development. This leaves them without the ability to guide the delivery of development that will materially impact its economy and local community.

Case study

Jobs

- While data centres **require a large labour force during construction, the number of full-time operational roles are often insignificant**.
- As data centres are being developed in areas zoned for industrial activities, they are competing with other uses that have traditionally generated significantly more job opportunities, such as warehousing, manufacturing and logistics.
- The loss of industrial land to data centres, reduces the ability for businesses to locate in Western Sydney and local employment opportunities for the community.

Local benefits vs impacts

- Although data centres provide benefits to consumers far beyond their location, they also negatively impact local communities and result in a range of trade-offs
- The local community are left to bear the environmental, economic and social costs.
- Local residents in Blacktown have raised concerns regarding a number of other issues such as traffic congestion, pollution and noise.

Breakout session questions to explore

Current state and positioning

- What is the experience of your local government area and do you have a clear position about the role of data centres in your LGA?
- What advocacy have you done with State and Federal government?

Exploring the tensions

- Planning and land use
- Infrastructure and servicing
- Jobs
- local benefits and impacts

Advocacy

- What do Councils need from State and Federal Government?
- What do you need from each other?

Breakout format:
15 minutes to discuss

Report back:
Share 2 insights
per group

Thank you

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