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Minister for Business, Industry and Resources
Minister for Jobs and Skills
Minister for Innovation, Science and the Digital Economy

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Mr Michael Ferguson MP
Liberal Member for Bass
Email: haprocedure@parliament.tas.gov.au

Dear Mr Ferguson

Thank you for your constituent question asked on 8 September 2026 in Parliament, regarding the AI data centres and the economic and social benefits they can deliver to communities across your electorate Bass.

Data centres are a growing global industry and Tasmania is attracting interest due to our renewable energy advantages, cool climate and strong digital connectivity. The Tasmanian Government's position is clear: any major development must provide a net benefit to Tasmania and meet the same planning, environmental and infrastructure requirements as any other project.

Firmus Technologies' proposed developments have the potential to deliver significant economic benefits for Tasmania and Northern Tasmania in particular. In addition to substantial investment and construction activity, the projects are expected to create ongoing skilled jobs in technology, engineering, maintenance, security and operations. They also have the potential to support local suppliers, strengthen Tasmania's digital capability and help grow related industries across the State.

The Tasmanian Government's approach to energy is straightforward. Growth in major new electricity demand should be matched by growth in renewable energy supply. New large electricity users can help create the long-term demand needed to bring forward investment in wind, solar, storage and network infrastructure. Our objective is to ensure Tasmania can support existing industries while also attracting and benefitting from new investment and employment opportunities.

The Tasmanian Government recognises the strong community interest in data centre and AI infrastructure developments and the importance of ensuring that these projects are developed and operated in a way that delivers benefits for Tasmania while addressing community expectations. To support this, the Government has recently released a [Draft Statement of Expectations for Data Centres and AI Infrastructure Developers](#) for public consultation. I encourage your interested constituents to review the document and make a submission before the consultation period closes on 12 October 2026.

With regard to water use, any water required for Firmus' operations would need to be secured through arrangements with the relevant water infrastructure provider. Based on

publicly available information, the facilities are expected to have relatively low water requirements due to Tasmania's temperate climate and the use of water-efficient cooling technology.

The Draft Statement of Expectations also addresses transparency and community engagement. Proponents are expected to comply with all statutory reporting and information-sharing obligations. Beyond these requirements, the Government encourages industry best practice in transparency, community engagement and public reporting so that Tasmanians can have confidence that developments are operating responsibly and in the State's best interests.

Further information regarding the St Leonards AI Factory can be found on Firmus' website: <https://firmus.co/tasmaniancommunity>.

Thank you for raising these matters in Parliament, I trust this information is helpful.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Felix Ellis', is positioned above the printed name.

Felix Ellis MP

Minister for Business, Industry and Resources

28/9/2026