

DATA CENTRE STRATEGY



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PREMIER'S FOREWORD



Global data centre investment is expected to reach \$3 trillion over the next five years.

South Australia is at a point unlike any in our state's history.

We are at the forefront of a series of generational economic opportunities: AUKUS, the renewable energy transition, copper and critical minerals and the artificial intelligence revolution.

Capturing this opportunity requires more than just observation. It requires action.

The AI revolution is underpinned by data centres. They provide the computing power AI models need to operate.

Data centres represent a significant economic opportunity, which can bring high-quality jobs, stronger renewable energy infrastructure and new opportunities for regional communities.

South Australia's leadership in renewable energy, our record investment in higher education, our unshamed pro-jobs and pro-business outlook and appointing the nation's first dedicated Minister for Artificial Intelligence means we are uniquely placed to seize the opportunities of AI.

Over recent years the South Australian Government has been developing this strategy – actively engaging with the private sector and coordinating across government – to place us at the forefront of this opportunity.

In order to receive South Australia Government support and community social licence, data centre development must be properly coordinated - this means ensuring new energy supply is brought online and water is used sustainably.

The strategy sets out a plan to ensure responsible data centre development, unlocking opportunity while safeguarding our state's interests.

Put simply, we are talking about billions of dollars' worth of investment and thousands of jobs.

My government is committed to acting and seizing this opportunity for the benefit of all South Australians.



DATA CENTRE ACTION PLAN

1

Introduce a Data Centre and AI Infrastructure Act

We are developing legislation to enable, regulate, and future-proof data centre and AI infrastructure - positioning South Australia as a national leader in responsible development.

This legislation will facilitate streamlined data centre development while requiring proper coordination to ensure water is used sustainably and new energy is brought online.

2

Activate the Coordinator General

We have activated the Coordinator General to lead and accelerate data centre development, using its statutory powers to coordinate across government.

This includes empowering the Coordinator General to declare data centres as 'designated projects' - enlivening powers to take over decision making, change timeframes, acquire land and modify or exclude regulations.

3

Stand up a dedicated planning pathway

We have designated data centres as essential infrastructure - enlivening a streamlined approvals pathway where the State Government can actively drive and de-risk project delivery through a Crown Sponsorship model.

4

Deploy renewable energy at scale

We are activating our renewable energy land releases and pipeline through a coordinated large scale energy planning that ensures reliability, sustainability and investment certainty.

5

Secure strategic industry partnerships

We are proactively engaging global and domestic AI companies and data centre developers to land major investments, build capability, and create high-value jobs for South Australians.

6

Scale AI research and development

We are expanding AI research and commercialisation through the Office for Artificial Intelligence and partnerships with the Australian Institute for Machine Learning to drive innovation and industry growth.

A GENERATIONAL OPPORTUNITY FOR SOUTH AUSTRALIA

South Australia has a once-in-a-generation opportunity to build the infrastructure that will power artificial intelligence.

NEW JOBS AND SKILLS

Data centres need highly skilled technical roles, alongside hundreds of construction and electrical workforce jobs.

This type of development will increase demand for well-paying jobs including:

- Critical environment technicians
- Cloud and infrastructure engineers
- Cyber security specialists
- AI compute and GPU infrastructure engineers

ENERGY NETWORK IMPROVEMENTS

Data centres are a significant industrial baseload – this has the potential to create long-term demand certainty, which can drive investment in energy infrastructure and generation.

This can unlock additional wind, solar, storage and other firming infrastructure, alongside opportunities to support grid-wide stability management.

By bringing on more firming capacity, such as long-duration batteries, data centres can also help improve the resilience of our energy system.

MORE LOCAL INNOVATION

High-capacity computing infrastructure is increasingly important in modern industry. There are significant applications and opportunities across defence, financial technology, health and biotech, digital media, manufacturing and cyber security.

Local data centre capacity can improve access to the critical computing and digital infrastructure increasingly required by these industries – giving us a competitive edge.

Large-scale AI training infrastructure is a strategic opportunity, enabling the sovereign development of advanced models and anchoring high-value digital industries in South Australia.

REGIONAL ECONOMIC BOOST

Regional data centre developments can boost local economic diversification and stability through new construction work, infrastructure investment and increased demand for engineering, electrical, telecommunications and maintenance services.

Additionally, responsible data centre developers are known to make long-term investments in community infrastructure and programs over the life of their projects – providing prosperity and stability to regional communities.

1 GW
data centre



\$6.8 billion
est. capital
expenditure



500-1,000
construction jobs
over 6-7 years

200-300
ongoing jobs

300MW
data centre



\$2 billion
est. capital
expenditure



500-1,000
construction jobs
over 2-3 years

60-100
ongoing jobs



DATA CENTRE AND AI INFRASTRUCTURE ACT

We will draft nation-leading legislation to manage the development and operation of data centres, ensuring they deliver an overall benefit to the people of South Australia.

We will consult with industry and the public to develop this legislation. This process will consider opportunities to:

MANAGE ENERGY USE

- Ensure no adverse impact on consumer power bills
- Match demand growth with new, firm supply
- Require operational adjustments for network stability
- Transparency on energy use
- Maintain reliability through clear technical standards
- Ensure network costs are allocated fairly

STREAMLINE DEVELOPMENT

- Support staged approvals and connections
- Coordinate assessment pathways
- Reduce duplication and improve certainty for proponents

SECURE WATER SUSTAINABILITY

- Require clear water supply planning
- Monitor material changes in water use
- Require efficient cooling and fit-for-purpose supply

WE WILL SEEK:



Coordinated development



New energy for new demand



Responsible water use



National interest alignment

STRENGTHEN TRUST AND SECURITY

- Support alignment with national interest priorities
- Facilitate necessary cyber security practices
- Enable appropriate information sharing with Commonwealth agencies



DELIVER BENEFITS FOR SOUTH AUSTRALIANS

Data centre developers will also be required to act ethically and in the best interests of the state.

We have developed key principles we will expect the industry to uphold.



LOCAL INNOVATION AND BUSINESS

- Invest in local AI industry and capacity
- Provide access for South Australians to compute on favourable terms
- Support local supply chains



LOCAL JOBS AND SKILLS

- Commit to creating sustainable, well-paying local jobs
- Support South Australian skills and workforce development
- Provide long-term benefits to local communities



NATIONAL INTEREST

- Ensure alignment with national interest projects like AUKUS, the Whyalla Steelworks transformation, and the Northern Water project
- Implement best-in-class cyber and data security practices
- Ensure end-customers align with the national interest





ACTIVATING THE COORDINATOR GENERAL

The Coordinator General is our one-stop-shop for large data centre development.

The Coordinator-General has the power to:

- Take over decision making functions
- Change assessment and approval timeframes
- Acquire and deal with land
- Streamline assessment pathways
- Modify or exclude parts of the process

The Coordinator General is playing an active role in South Australia's management of data centres. To facilitate this, the State Government is empowering the Coordinator General to declare data centres as 'designated projects' – enlivening a suite of development powers to responsibly manage the rollout.

DEDICATED PLANNING PATHWAY

We have developed strong, centralised processes through the *State Development Coordination and Facilitation Act 2025* and the *Planning, Development and Infrastructure Act 2016* to streamline data centre development.

This includes **designating data centres as essential infrastructure**, providing access to a streamlined approvals pathway, subject to meeting rigorous upfront energy and water requirements and assessments.

We have also established a **Crown Sponsorship scheme**, where the State Government actively participates in the development approval process.

DEPLOYING RENEWABLE ENERGY

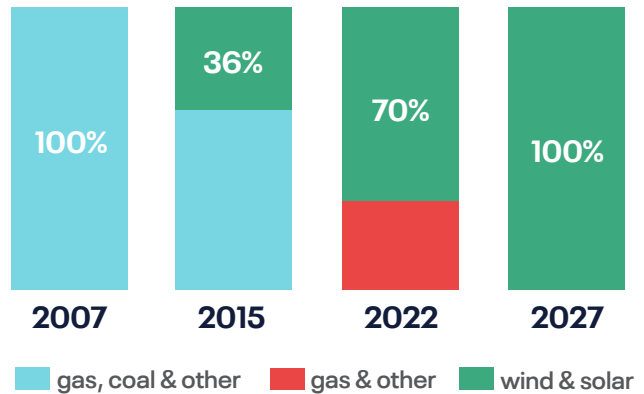
Data centres need power. South Australia is a global renewable energy powerhouse.

We are on track to hit net 100 per cent renewables by 2027 and can deliver cutting-edge clean energy at unmatched pace and scale.

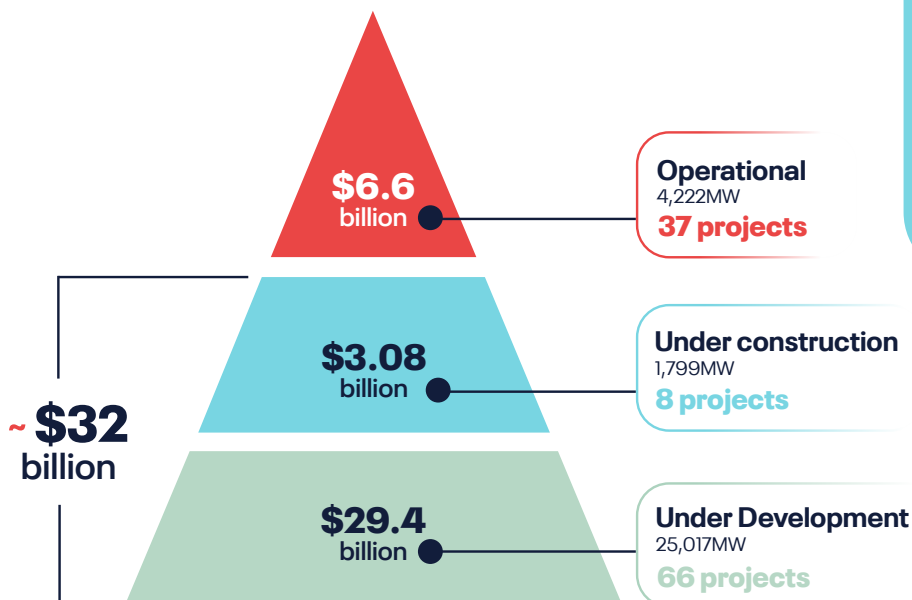
We have a significant development-ready renewable energy pipeline and a world-class regulatory scheme under the *Hydrogen and Renewable Energy Act 2023*.


South Australia can produce the clean energy needed, at scale and on time, to power the artificial intelligence revolution.

We are on track for net 100% renewables by 2027



RENEWABLE ENERGY PIPELINE





74 projects

\$32bn investment over 25GW of capacity

RENEWABLE POTENTIAL AREAS

Legend

- Rail
- High Renewable Potential

Western Region

28 projects
with up to
9.5GW
power
2.0GW
battery

Eastern Region

99 projects
with up to
9.4GW
power
13.9GW
battery

Olympic Dam ●
Oak Dam ●
Carrapateena ●
Woomera ●

Port Augusta ●
Whyalla ●
Port Pirie ●

Adelaide ●

COORDINATED ENERGY AND LAND

The *Hydrogen and Renewable Energy Act 2023* establishes dedicated release areas – pastoral land, certain crown land and waters which are declared for renewable energy development.

This involves government working with Native Title groups, pastoralists and other landowners, representative organisations, and communities, to identify land that can sustainably host large-scale renewable energy development.

Two release areas with multi-GW energy generation potential have been declared, with an ongoing call for tenders closing on 28 June 2026:

- ▶ **Whyalla West release area** which spans approximately 6,500 km² in the Upper Spencer Gulf Region
- ▶ **Gawler Ranges East release area** which spans approximately 5,200 km² on the Upper Eyre Peninsula

Average demand in SA:
1.3 GW

Peak demand in SA:
3.3GW

25GW
renewable energy pipeline



SOUTH AUSTRALIA IS READY FOR THE FUTURE

We are at the forefront of a transformational opportunity, driven by artificial intelligence and the digital economy.

SECURING STRATEGIC PARTNERSHIPS

We will continue to engage with data centre proponents and AI companies to reach agreements which deliver tangible economic, social and technological benefits to South Australians.

This will include a focus on local investment, job creation, skills, and access to advanced digital capabilities.

SCALING AI RESEARCH AND DEVELOPMENT

We are home to the internationally recognised **Australian Institute for Machine Learning** and have proactively moved to boost our homegrown AI capability by:

- **Investing \$28 million** to establish the nation's **first government Office for Artificial Intelligence**
- Appointing the nation's **first dedicated Minister for Artificial Intelligence** and the Digital Economy
- Creating a **\$20 million Responsible AI Research Centre**
- Commissioning a **statewide AI strategy** to guide the responsible use of artificial intelligence and large language models for our community, economy and public sector

We'll leverage new partnerships with data centre and AI companies to build on these nation-leading foundations, further elevating South Australia's status as a driver of responsible data centre and AI jobs, investment, and research.

South Australia is uniquely placed to seize this generational opportunity.

