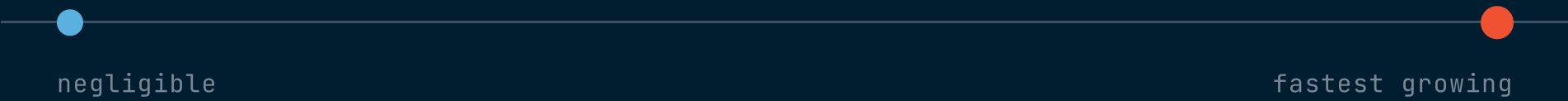


Data centres and water:

two numbers,
and both are true.

NATIONALLY

IN SYDNEY



Nationally data centre water use is negligible. In Sydney it is the fastest growing industrial demand on the network. The two published forecasts differ by an order of magnitude.

Every figure sourced. Swipe.



Australian data centres use about 5.5 gigalitres of water a year directly on site

0.04%

— OF AUSTRALIA'S TOTAL WATER USE

That is roughly one seventh of what Australia's public swimming pools consume in a year. Agriculture accounts for around two thirds of national use.

Sources 1, 2, 3



Sydney holds around 60% of national data centre capacity

So the national average understates the local picture.
Measured today, data centres draw:

0.7%

OF SYDNEY'S SUPPLY

0.2%

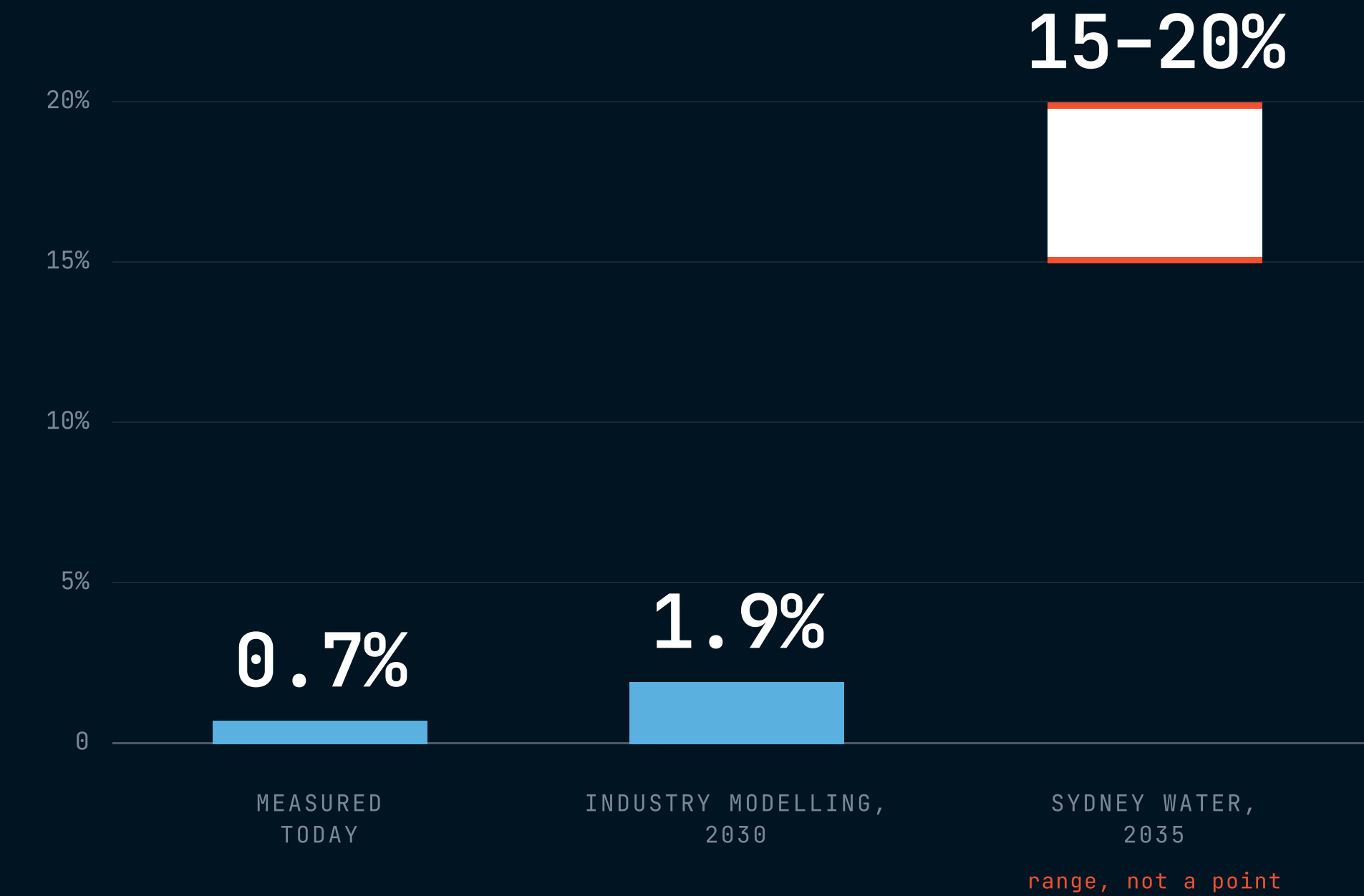
OF MELBOURNE'S SUPPLY

Small numbers. The disagreement is not about today. It is about 2035.

Sources 1, 4

Two forecasts for Sydney.

One order of magnitude apart.



Data centres as a share of Sydney's water supply. The 2035 range comes from live connection applications, not modelling.

Sources 1, 5, 6



The forecasts are not arguing about arithmetic.

They are arguing about how many proposed facilities get built, and which cooling design each one chooses.

250

ML/day

What Sydney Water told the NSW inquiry cumulative demand could reach by 2035

5–40

ML/day

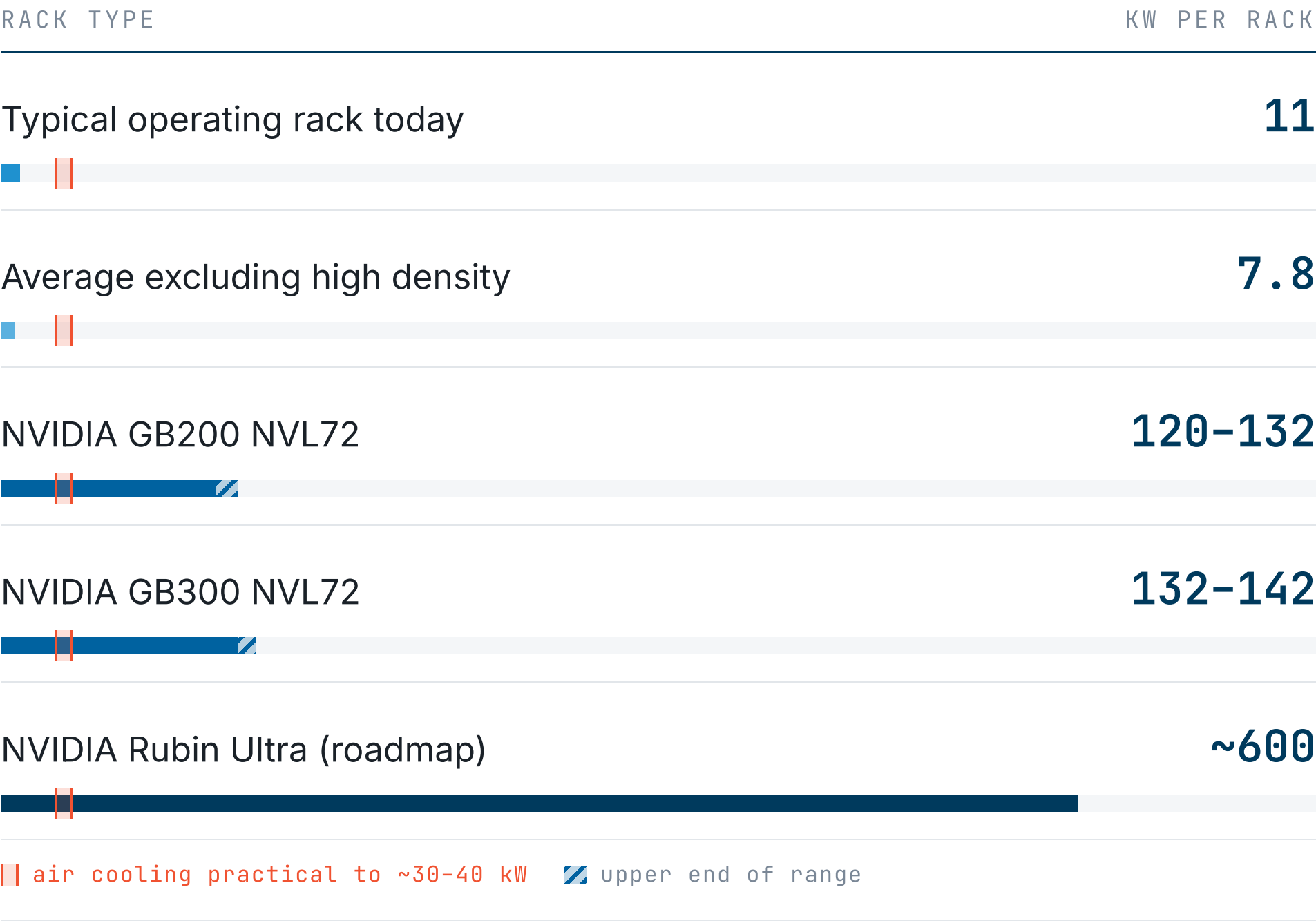
Size of individual connection requests utilities are already fielding

20x

How that compares to the largest single existing customer on the network

Water enters through heat

The denser the rack, the harder it is to cool with air alone. Global benchmarks are provided, since no Australian dataset is published.



Air cooling stays practical to roughly 30 to 40 kW. That still covers the overwhelming majority of racks running today.

Sources 8, 9, 10



Less water usually means more energy

WATER ON SITE

down

ELECTRICITY DEMAND

up

In Australia's climate the cheapest way to reject heat is evaporative cooling, which consumes water on site continuously.

Closed and dry systems cut that water use and raise electricity demand in exchange. Cooling design is a choice between two resources, not a free efficiency gain.

Sources 2, 6, 11



Three things worth knowing about cooling

30 to 91%

The range by which immersion cooling reduces on-site water. Where a site lands depends on its design, not the technology label.

Not zero

"Closed loop" still rejects heat to a building loop. If that loop is evaporative, the site consumes water anyway.

~43%

Share of the liquid cooling market taken by direct-to-chip in 2025. Immersion is being adopted selectively, not by default.

Sources 6, 11, 12

The number that settles this does not exist yet

Both Sydney forecasts rest on assumptions about how many applications become operating facilities, because sites are not yet required to report water use consistently. The NSW consultation paper concedes the two estimates differ drastically.

Federal expectations released in March 2026 point toward standardised water and power effectiveness reporting.

Measurement will replace the estimates.

Until then, any figure quoted in this debate, including ours, should carry its source.

Sources 7, 13

Forecasts age badly

Both projections assume today's technology and today's build pipeline hold for the best part of a decade. That is a lot to assume.

Cooling design is moving quickly. What is standard now may not be standard by 2030.

Processor efficiency per unit of compute continues to improve

AI is increasingly being used to optimise both its own models and the infrastructure they run on

Efficiency has historically increased total consumption rather than reducing it, because cheaper compute gets used more. The uncertainty runs in both directions.

Where do you think this lands by 2035?

We work from metered data, not forecasts

Independent advice on energy, water and carbon exposure for large Australian energy users.

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