



**New South Wales Government**  
Independent Planning Commission

## **TRANSCRIPT OF PROCEEDINGS**

RE: TALAVERA ROAD DATA CENTRE CAMPUS EXPANSION  
(SSD-24299707)

### **APPLICANT MEETING**

COMMISSION PANEL: MS. JULIET GRANT (CHAIR)  
DR. BRONWYN EVANS AM

OFFICE OF THE IPC: JANE ANDERSON  
TAHLIA SEXTON

APPLICANT MICHAEL GOLD  
PAUL CHRISTENSEN  
DAVID HIRST

LOCATION: ZOOM VIDEO CONFERENCE

DATE: FRIDAY, 8TH DECEMBER 2023,  
3.30PM – 4.30PM

**TRANSCRIBED BY LAW IN ORDER**

MS GRANT: Before we begin, I would like to acknowledge that I'm speaking to you from Gadigal Land, and I acknowledge the traditional owners of all the country from which we virtually meet today and pay my respects to their elders, past and present. Welcome to the meeting today to discuss the Talavera Road Data Centre campus expansion project SSD 2429 9707 currently before the Commission for  
5 determination. Macquarie Data Centres Proprietary Limited proposes the expansion to an existing data centre located at 17 to 23 Talavera Road, Macquarie Park. The site has an area of approximately two hectares and is currently occupied by a data centre campus, which has been in operation since 2012. The SSD application seeks  
10 development consent to construct and operate an expansion to the existing data centre comprising additional data halls, associated office space, supporting infrastructure, new hardstand areas including relocated driveways and parking areas, and landscaping. My name is Juliet Grant and I'm the chair of this commission panel. I'm joined by my fellow commissioner, Doctor Bronwyn Evans. We're also joined by  
15 Jane Anderson and Talia Sexton from the office of the Independent Planning Commission.

In the interest of openness and transparency and to ensure the full capture of information, today's meeting is being recorded and a complete transcript will be  
20 produced and made available on the Commission's website. This meeting is one part of the Commission's consideration of this matter and will form one of several sources of information upon which the Commission will base its advice. We have also today met with the Council and with the Department of Planning, and yesterday we undertook a site inspection as well. So we're familiar with the site and the location.  
25 It's important for the commissioners to ask questions of attendees and to clarify issues whenever it is considered appropriate. If you are asked a question and are not in a position to answer, please feel free to take the question on notice and provide any additional information in writing which we'll then put up on our website. I request that you introduce yourselves before you speak for the first time today, and  
30 please don't speak over on top of anybody to ensure accuracy of the transcript. We'll now begin. Who's taking the lead in the conversations from your end?

MR GOLD: Yeah. Well, good afternoon. So, I'm Michael Gold, so I'm in our data centres team, and I'm joined here today by Paul Christensen, who has a lot of  
35 technical and the IT related experience to running a data centre and David Hirst behind me here, who's our executive in the data centre team. So effectively, it's David's business and Paul is the applicant for Macquarie Data Centres, and yeah, we're here to be as much help as we can today.

MS GRANT: Fantastic. Thank. Thank you for making the time this afternoon on a  
40 Friday afternoon. I presume that you've received the draft agenda that we put together. We've kind of just flagged, I guess the key issues that have been raised through the Department's assessment. I think at the presentation they gave this morning, most of the matters were probably covered off. So, I will check in a  
45 moment with Bronwyn, but whether there's anything else that particularly we need clarification, but the one point of conversation that we did have, which was not so much to do with the quantity of noise, but in terms of the potential impact on the

tertiary facility, Excelsior College, located behind you and the Departments desire to potentially restrict some construction hours. So interested for your views on that and whether you've had the opportunity to engage with your neighbour to understand their method of operation and whether there is a, in fact, a potential for impact. The  
5 other matters that Council have raised was to do with the voluntary planning agreement which we might get you to speak to and how that the interaction of how they consider their clause 6.9 in the Ryde LEP. That sort of statutory planning provision that allowed you to go to 45m. So there probably be the key things that we're interested in hearing from you. Bronwyn, was there anything else you want to  
10 foreshadow that I've missed off that list?

DR EVANS: No, that's a good starting point. And I think we've set out sort of the primary areas of focus. So thank you.

15 MS GRANT: So if I could hand over to you gentlemen just to perhaps touch on some of those things. We, as I said, we did have a full presentation on the actual project itself and so we're across what's involved.

MR GOLD: Okay yeah. So we, we sent through a few slides, but we don't need to  
20 talk to them. It sounds like you're already up to speed. I guess we can go to any of that if you want, but -

MS GRANT: Oh, well. You're welcome. Sorry, I did forget that. I did see that. You're very welcome to run through that, if you would prefer.

25 MR GOLD: Oh well, look, we can just kind of hit the high notes, I think, without taking up too much time. I mean, the key point is that, you know, Macquarie Park has always been a Technology Centre. It's got a lot of innovation, health sciences, technology businesses, and it's become a real hub for data centres. And we opened  
30 our first data centre on the site in 2012, and it's been a very successful location.

The Macquarie Park area is very dense in fibre and it means that you can get really high performance data centres, all located in this area that connect to each other and connect with other parts of the world through all the fibre in there. And we then  
35 undertook our second development on the site, which we call IC3 East, which you would have seen the big blue building. And that was also a huge success. So, you know, we're now lucky that we have two of the world's biggest hyperscale customers on that site, as well as 42% of government agencies. And I guess that kind of plays to our offering a little bit - that we're an Australian company, we're listed for customers  
40 that really value security and sovereignty, we're a slightly different, you know, we have a slightly different go to market strategy from other data centres. And as a result, you know, we've got a lot of government workloads and we were lucky enough with this development to get support of Infrastructure New South Wales. And really, our SSD kicked off at a time when New South Wales was sort of  
45 recovering from some of the effects of Covid. We completed the Covid lockdowns. We completed our last build at the tail end of the pandemic and managed to navigate that. And there had been so much growth in the work from home, sort of market that,

you know, applications like using today, other office applications, they all need to live somewhere.

5 And as a result, there was a huge demand and capacity needed for these software  
companies, (indistinct) companies. And so basically our, you know, second  
development sold out very quickly and we thought, actually, there's a really good  
opportunity here to bring in some of the innovation and that's the genesis for this  
state significant development. So, you would have seen that we already have a DA to  
10 do, slightly smaller scale, and it's really just making the most of this last opportunity  
we've got at the site. So then I guess going to the, you know, the issues with Council,  
it's been, you know, it's been a long journey for us. We've been really grateful to  
have, you know, the Department travelling with us with this stage of our  
development. The previous DA wasn't a state significant development application  
15 because the thresholds were increased along the way, so we came in this new  
channel and I think it means that we haven't had to do it all ourselves that, you know,  
the Department has been, you know, very objective, very helpful and, you know,  
getting the parties to work through the various issues we've had. And, I guess the  
solution that we have at the moment that appears everyone's reasonably happy with,  
20 you know, we're not aware of any significant issues that are left on the table and we'll  
obviously talk to those points that you've raised. The stormwater has been a really  
significant issue in this process. And, you know, there's been a lot of, you know,  
change of personnel at Council as well. So it's been a really interesting journey to get  
where we've got to. But basically the last six months, we're about documenting a  
25 solution where the previous arrangements would be turned on the head, we'd pay for  
this infrastructure and basically, you know, we're able to do that because, you know,  
we did a bit of redesign along the way and actually thought, oh, well, there's  
probably a better good opportunity here to get this stormwater pipe out of the way  
once, once and for all. And that's been quite successful. And DPE have been really  
quite helpful in coming up with some of those solutions. So yeah, so where we stand,  
30 we think we're at the end of a very long race. And, you know, the issue about, you  
know, engaging with the neighbours. So we've obviously had a lot of engagement.  
We're not new to the site. We've got Stockland on one side that we're, you know,  
very good friends with. We've got a private landowner at the back who's in our  
industry, who we know very well. And, one of their tenants is the college who, you  
35 know, we've built two data centres on the site.

We've never had any sort of noise issues or noise complaints. Also in the operation,  
you know, we've always operated within our, you know, conditions. We've been a  
good, member of the Macquarie Park community, and we're quite happy to go and  
40 engage with them and see what we can do. We haven't engaged with them yet we  
wanted to, we obviously got the report, had the report for just over a week or so, and  
we wanted to make sure that we were all on a sort of same page as to what suitable  
engagement would be. We think it will go and understand, well what are the key, you  
know, times, when noise would be disruptive for the college, maybe try and do some  
45 of our noisier work in periods either when the students aren't there, you know, and  
look at ways that we can mitigate the noise by, you know, good design and the way  
we set up our site. So we're completely open to that engagement, and we'll start that

straight away. Bearing in mind that they'll all be heading off on their school holidays very shortly. But, yeah, we don't have a problem. It was a little bit of a surprise condition, just kind of a twist and turn. But we've had a lot of those in this journey, so there's no problem at all. We think it's a very reasonable ask of us.

5

MS GRANT: Out of curiosity the reduction in construction time proposed by the Department versus what you were seeking. What do you think that would do to your overall construction period. Is it impact - Days? Weeks? Months?

10 MR GOLD: Yeah. Look, I might pass over to Paul because he's sort of led that led that journey. But it really came about that Stockland and AWS have built a large data centre just a couple, two doors down, and they were able to take the benefit of these extended hours, which worked really well for their project. So when we were negotiating, you know, the ups and downs of all this process with the DPE and  
15 Council, we thought that was a reasonable thing to ask for based on the, you know, having been achieved and the other site. But maybe, Paul, you could talk to the time and cost impact of it.

MR CHRISTENSEN: Yes, certainly. I think one of the changes that pushed back, the  
20 start time on a daily basis from 6 a.m., which was the previous time under discussion to a 7 a.m. start, realistically, we see that as probably the biggest limitation in terms of impact to the project. Only because construction workers typically start earlier in the day and end up finishing earlier in the day. So we see that as potentially one of the challenges with the project. But we do note that the Department has put a  
25 condition in the report or as noted, that there is opportunity to work with the Department on specific aspects or specific requirements that may be conducted without that will not impact local receivers or the operation of or disturb our neighbours. We certainly are very mindful of the hours of operation which are noted in the report of Excelsior College and have done some preliminary investigation on  
30 timetabling for their students classes, which are advertised on their website. It appears at face value that none of the classes do indeed start before 8:30 am, so it's certainly worthy of a more detailed conversation with the with the college about mitigations and how we might work more closely with them on that. And in terms of impact to the project, that's probably the largest one. And we see that as really just a  
35 little bit of a coordination with our main contractors. The hours of operation that we've requested, certainly around the extension and weekend operation, we saw as beneficial to the project and of low impact to the surrounding community, given that most business operations within the area notwithstanding residential areas, which sort of the closest point is located about 300m away, would be unlikely to be affected  
40 by ongoing construction activities or fit out activities within the facility itself. So in summary, I think, the largest impact we see is around the start of day and it'd be linked to specific activities that are conducted during various stages of construction, which we'd hope to take advantage of further discussion with the Department on those activities as needed.

45

MS GRANT: Oh thank you that that's really interesting. And we also talked to Council about what their standard hours were because they differ again, and they

would have permitted 8 to 4 on a Saturday. They wouldn't, that - their standard hours Monday to Friday, 7 to 7. So that wouldn't have got you the early start either. So that's interesting. That seems to be a bit of agreement on that 7 a.m. start time. But that's interesting. Thank you.

5

The other, I think the other point that we were interested in, in understanding a bit more is the - and I should say thank you, I understand that the work that you've undertaken over the last six months with Council and Department to resolve that stormwater issue, yeah, is a significant breakthrough. So thank you for working through that. There's--- Council raised with us also the question of the VPA. And I understand that an offer, voluntary planning agreement had been offered, but in recent times you've withdrawn - that is that the case?

15 MR GOLD: Yes. So that's correct. So, there's a long story. I'll try and give you the (indistinct) version. So, obviously this is the third data centre we built on the site and the first data centre wasn't impacted by the large stormwater pipe that runs diagonally through the site. So it runs through from the John Holland corner, where they're undertaking their development through to Talavera Road. And it's in a really inconvenient place. But the first building managed to be far enough forward that it wasn't impacted. Our second building was really designed as two twins, and that was 20 one DA built in two stages of two buildings that would sit, next to each other, but effectively be independent buildings for our resiliency and for our operations wouldn't have shared infrastructure. But they sat right next to each other, and they were designed to have a large, we call it a cathedral, so a large ceiling on the ground 25 floor that enabled a decent size excavator to get in there and to access that stormwater pipe if need be. When we did the second development, we also entered into an agreement with Council where they said, well, we're happy with that solution but at some point in time, you know, there might be more development upstream from us, or we might find that, although we all agreed the asset was perfectly good, 30 they might want to get in and replace that pipe. So the agreement we reached with Council in 2018 was that they would have an amendment to their existing rights as owner of that pipe to be able to relocate it around the building that we hadn't then built around the old version of the third data centre. And Council would just nominate when they wanted to do that work. They had a long window of time to be 35 able to do it because they didn't have any funding available to undertake a work. And so we said, that's fine. Anytime you want in the next 20 years, you're most welcome to come back and do it. And, you know, operationally, it'll be a little bit of some issues to navigate, but we'll work with you and agreed all the procedures for that. And that work would be done at Council's own cost once it had had time to save up 40 for the work. So when we, and that was all agreed, documented, it's all registered on the title. So then when we came along to do this third development, at the start of our process, we were dealing with all the same people that we dealt with directly at Council for the second development. And we approached it on the basis that, well, we'd be very keen just to roll over that arrangement and just move the location of the 45 pipe for a third time so that it's right on the boundary and we can get our new footprint in. And look, we were genuinely surprised that we met a lot of resistance with that plan. Council, through those negotiations, you know, we thought the

Council perhaps had anchored us high and we're just going to, you know, work on us a bit because, we always recognise that time is important for, you know, people like us doing a development, but Council can kind of wait us out. So, Council then really dug in and said, you know, we can't afford to do this work. You're making it more difficult, you're making it more expensive. And where we got to after approximately, 5 it would have been, you know, 9 to 12 months of negotiation was that it was all about the funding for Council and having a VPA agreement provided money that Council could then recycle and we would we then looked at ways that we could share the cost of putting that pipe in so that everyone was happy. We reached 10 agreement in principle with Council that that was the way forward. And then there was a change of leadership at Council and sort of all bets were off. So when we had proposed the VPA, it was all about a under a commercial construct where that VPA money would be recycled back to us to be as Council's contribution for the work. Over the last, you know, the fast forward over the last six months, we've now 15 negotiated a different solution with Council where we'll just pay for all the work up front. But the two were no longer connected, that we weren't offering to pay the VPA, because we've got this significant cost, which is, you know, upwards of \$5 million to relocate this pipe now. So it cost that under the 2018 deal was always Council's. So, as part of finalising the report, you know, we spoke to DPE about this 20 aspect and, you know, ultimately they are the consent authority and they looked at the two, you know, the key financial aspects of the consent, which are the section 711 contributions, which, you know, we've paid, look, an eye watering amount to Council under the works in kind agreement for upgrading the footpath. So we did that under stage two. It was sort of (indistinct) at roughly \$2 million. And as I said, it 25 became an eye watering amount when we did that work. And there were a lot of services buried in the footpath, which all needed to be relocated. We were sort of left holding the baby on that cost. So, I guess it's a balance. You know, at the end of the day, you know, we have contributed, a lot in terms of the infrastructure for the pipe. We've contributed for the granite footpaths, the new light poles and, you know, DPE 30 saw that our works in kind were far in excess of the 711s, which would apply for our third data centre. And at the end of the day, you know, there is benefit for Council in getting a brand new piece of infrastructure, in terms of the stormwater pipe. So they no longer need to allow for that cost and their forward estimate of when they'll do it. And DPE has conceded authority, thought it was the right outcome that, you know, 35 the VPA wasn't required and they could use as consent authority they could grant the over height in recognition of the journey that we've all been on.

MS GRANT: Thank you. I think that accords with what we understood to be the 40 situation. And I guess the query that Council had raised was that there are two separate streams of consideration. There is the Council as the landowner, the Council as the asset manager, stormwater consideration and then there's the statutory clause 6.9 consideration about gaining the bonus height to 45m, and they saw that there is an element of consideration and an element of voluntary planning agreement that they didn't believe had been satisfied for that component. That's obviously something 45 that we will need to work through in terms of making our decision. I think I probably have that clear in my head. Bronwyn, is there anything that you want to ask? Anything further on that?

DR EVANS: No, I'd certainly like to consider it some more too, and just understand the overall context. So thank you for that explanation.

5 MS GRANT: In terms of the remainder of the conditions. I think obviously noting the hours of construction, are there any other particular conditions, if we were of a mind to approve this, that you would like us to look at more closely or consider?

10 MR GOLD: No, look, we think it's a balance at the end of the day. You know, it's a, you know, having two data centres on the site, having operated successfully. It's really interesting where you track the evolution of the conditions as time has gone on, each development's had its own, and that's fine. We've kind of worked through them. You know, there's nothing in there that's particularly onerous for us. You know, we're really conscious that, you know, the diesel generators, for example, are  
15 there for emergency backup and they, you know, attract, you know, attention from the conditions in relation to the (indistinct) noise when they're operating. But also, you know, the other controls that are in there, but I think that just a fair balance, you know, the, you know, on the one side, you've got the economic drivers for the digital economy and on the other side, you've got making sure that, you know, if data  
20 centres are going to be in these types of areas where there is a technology precinct that, you know, I think those conditions are a fair balance. We, you know, we don't expect we're going to get everything we ask for, but, we feel pretty happy with the outcome at the moment.

25 MS GRANT: It's nice to hear that you don't often, don't often hear that. And from a statutory point of view, the way I understand it, the two consents will operate on the site. You're not seeking to amend your first one, this is running in parallel. So from your operational perspective, there's no issues in terms of conflict with those conditions, in terms of limiting generator test periods or anything between the two. I  
30 haven't looked at the original consent conditions. But just from your operational perspective at this stage.

MR GOLD: Yeah.

35 MR CHRISTENSEN: Yeah, we've looked very closely at the two and compared them because obviously we needed to weigh that up and make sure that we had a full appreciation of current and new. And we think that they do work in harmony. We also had quite extensive collaboration with the Department, through the establishment of the proposed conditions, which was obviously very beneficial to  
40 allow us time to consider the impact to the current operation and also the requirements during the construction phase and where required, or where necessary (indistinct) further clarification. So we're quite comfortable that, both the past and the and the future have been considered and that they will work (indistinct)

45 MS GRANT: Fantastic. Is there anything else that you would like to mention or raise with us?



MR GOLD: No that's, I think we've hit all the high notes and the truncated version, we just, I think we just can't emphasise enough that we're, just so grateful, having done, progressed this DAs as a state significant development that we've had just really quality people working with us from DPE that, you know, it's very clear that  
5 they are, you know, data centre experts. They see a lot more of these development projects than we do. We just sort of, you know, turn our mind to it once every 3 to 5 years. But it's been a different approach. Hasn't been faster, didn't quite get all the policy objectives that they set out to. But look, it's been an enjoyable experience for us. We feel like we're on the final leg about to cross the finish line. Fingers crossed.

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MR CHRISTENSEN: And just want to say thank you for your time Juliet and Bronwyn. So---

DR EVANS: Thank you.

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MR CHRISTENSEN: And in terms of next steps, is that something you covered here, or do you come back to us at a further date?

MS GRANT: So, we have the chair of the IPC sets some KPI's and set some  
20 parameters for us to endeavour to follow. It is Bronwyn and my sincere goal that we would have this resolved before Christmas, noting that that is only two weeks away. We have asked Council for a little bit of clarification in terms of some of the queries they raised with us today about the conditions. So subject to being able to receive their advice, ideally, we would like to be able to wrap this up in the next couple of  
25 weeks. It may unfortunately collide with Christmas. Our best intentions. But we certainly don't wish to drag this on any longer than it needs to make sure that we've got a robust determination for you.

MR CHRISTENSEN: And Juliet, one last question. So, is Council held to a time  
30 frame in terms of when they need to respond by back to you?

MS GRANT: Yes. We've asked them to, well, we only had the conversation an hour or so, two hours ago, but we when we put it formally to them, we will ask them to have it have their comments back to us by Friday next week, I think is where we  
35 asked and if they come back and say that's not reasonable, then we'll have to make a further call at that point. But they were also aware that, you know, Christmas was our goal. So, yeah, we will do our best endeavours to meet that. And the IPC staff, the office obviously shuts on that Friday - Thursday, Friday? So, we'll endeavour to get it out by then. But administratively I'm looking at Jane and Talia. Yeah, it's certainly-  
40 -- it's certainly our goal. And we will all work as hard as we can to try and achieve that.

MR GOLD: We really appreciate that. And we really appreciate your time. And  
45 thank you for the consideration.

MS GRANT: You're very welcome.

DR EVANS: Thank you.

MS GRANT: Well, enjoy the rest of your Friday afternoon. And yes, stay cool over the hot weekend.

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MR CHRISTENSEN: Yes, you too, indeed.

MS GRANT: Thank you.

10 MEETING CONCLUDED