

Data Centres

Yallourn Energy Security Precinct

EnergyAustralia recognises that the Yallourn Energy Security Precinct is proposed on the traditional lands of the Brayakaulung people of the Gunaikurnai nation. We recognise their continued connection to land, waterways and community and we pay our respects to Elders past and present.

Summary

- EnergyAustralia is proposing to make land available for two 1-Gigawatt data centres as part of the Yallourn Energy Security Precinct, with plans to supply energy to these facilities.
- Data centres represent a major economic opportunity for the Latrobe Valley, with the potential for hundreds of jobs and tens of billions in investment.

The Yallourn site's retirement in mid-2028 creates an opportunity to bring new development to the Latrobe Valley. EnergyAustralia is investigating a range of proposals at the site under the Yallourn Energy Security Precinct (YESP), including attracting data centre operators, utility-scale battery storage and gas-powered generation. These proposals would make use of the site's existing grid connections, gas pipelines and skilled local workforce. As part of the Precinct, EnergyAustralia is proposing to make land available for two 1-Gigawatt data centres. We would also supply energy to the data centres. These projects have the potential to create hundreds of jobs during construction and operation, and represent tens of billions of dollars of investment in the local economy.

What does a data centre do?

A data centre is a facility that houses computer systems, servers, storage infrastructure, and networking equipment. Data centres process, store, and distribute the vast amounts of data that underpin modern digital services — from cloud computing and streaming platforms to financial transactions and artificial intelligence applications. They are essential infrastructure for the digital economy.

What are the advantages of data centres to the region?

Economic growth and jobs – Data centres create significant employment opportunities both during construction and in ongoing operations, spanning roles in engineering, cybersecurity, facilities management, and technology. They attract investment and stimulate local supply chains, helping to diversify the Latrobe Valley's economy.

Digital infrastructure for Victoria – As demand for digital services, cloud computing, and artificial intelligence continues to grow, reliable data centre capacity is critical. Locating facilities in the Latrobe Valley helps ensure Victoria has the digital infrastructure it needs to support businesses, government services, and households well into the future.

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Repurposing industrial land – The Yallourn site has a long history as an energy hub for Victoria. Bringing new industrial uses to this land means it continues to play a role in the region's economy beyond the power station's closure.

Will EnergyAustralia own or operate the proposed data centres?

No. EnergyAustralia's role is as a land owner and energy supplier. We're working with experienced data centre developers and operators who would own and run the facilities. Our expertise is in energy supply, grid connection and large-scale infrastructure, and that's where we'd focus our contribution to the precinct.

Next steps

EnergyAustralia will shortly lodge planning applications with the Victorian Government to develop a number of projects across the precinct. EnergyAustralia will continue consultation with key stakeholders such as Latrobe City Council and the Gunaikurnai Land and Waters Aboriginal Corporation (GLaWAC) to ensure we have Traditional Owner input and respect Country and culture. We will continue to engage with members of the community about the Yallourn Energy Security Precinct as plans develop.

Need more information?

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