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Lots of interest in \$2bn Canberra computing site

Ben Woodhead

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Data centre developer Technical Real Estate has inked more than 12 conditional agreements with government and private sector organisations interested in taking up space in the company's planned \$2 billion Canberra computing site.

The agreements, if they become binding, would account for much of the space in the data centre, which is one of at least four facilities that TRE and partner Galileo Connect plan to build in the region.

TRE director and former CB Richard Ellis Australia and New Zealand chief executive Stephen Ellis said the company hoped to receive formal development approval by the end of next month.

The company is also pursuing development applications for similar operations in Sydney's Norwest Business Park, as well as Singapore and an unnamed site in Japan.

TRE director Andrew Campbell said the proposed Canberra data centre had drawn interest from a number of government and private sector organisations in Australia and the Asia Pacific.

"The interest that we've received essentially is greater than what we can build," Mr Campbell said. "It's about 50 per cent federal and state governments and 50 per cent financial institutions and other privates that currently are in Canberra.

"We've marketed this project to the entire Asia-Pacific region. So we've gone to big financial institutions and banks that might sit in Europe, Singapore, Tokyo or Hong Kong and [are] looking for a regional hub."

He said Australian banks had also expressed interest in the centre, the first phase of which TRE hopes to complete by July next year.

But the developer would not be able to sign contracts with prospective clients until it received formal development approval for the \$2 billion project, which includes the construction of several data centre buildings and a gas-fired power plant.

"We've issued in excess of 12 heads of agreement on this site," Mr Campbell said.

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"We're in commercial in confidence negotiations with a number of parties but what we can't do yet on Canberra is actually get into a legally binding contract until we get approval for the project."

Mr Campbell said TRE had to work through a number of steps with clients before formal contracts were signed, including working out how data centre halls would be tailored to the needs of clients. He said the company was looking at a handful of construction firms that had the capability to build the facility.

Once the first Canberra data centre was finished, the company planned to build a second, back-up facility on a nearby site.

It was also eyeing potential development opportunities in Australia and the region.

"In Brisbane, Sydney, Canberra, Melbourne and Perth we know where we can build data centres," Mr Campbell said.

"We have irons in the fire in each of those locations."

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