



Joint Oireachtas Committee on Artificial Intelligence

Friends of the Earth Ireland Opening Statement

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Friends of the Earth campaigns for a healthy, pollution-free world and for a fair and fast transition away from fossil fuels.

We welcome the opportunity to address the committee today on the topic of AI and the Environment.

We begin at the offset by noting that AI as a whole means a number of different tools and applications, with varying degrees of public benefit.

AI meets pollution and climate policy most directly through data centres. As the International Energy Agency has acknowledged, the main driver of data centre demand is inefficient and bloated Generative AI models.¹ The model of hyperscale data centre expansion in Ireland comes with real costs for our electricity system, our climate, our energy bills, our ability to decarbonise our public services, and crucially, the communities who have to live beside these developments. It is our view that these risks are being exacerbated by current Government policy, but with political will, we can mitigate against them.

Before we detail these risks, we will briefly speak to three immediate recommendations: Firstly, it is our view that a moratorium on new data centre development is an urgent and legitimate policy measure, justifiable in the interests of energy security, reducing bills, and fulfilling our decarbonisation and climate objectives. Secondly, we recommend that a prioritisation framework for electricity connections based on societal need is introduced, similar to that of Denmark. This framework would prioritise connections that reduce emissions in line with our climate action plan as well as housing and public services. Thirdly, the European Efficiency Directive should be transposed with urgency in order to provide greater transparency on the resource use and impacts of existing data centres. Ireland is now an active infringement case in the EU due to our failure to transpose this Directive, and operators face no penalties for failing to submit data. Fourthly, looking ahead to the future, data centres should only be permitted where they meet strict conditions around bringing additional 24/7 hourly matched additional renewables, with significant limitations on local water use, overall size and clear justification for buildout.

¹ <https://www.iea.org/reports/key-questions-on-energy-and-ai>

Ireland is currently regarded as a “cautionary tale” by the UN when it comes to data centre development, with data centres now using 23% of our electricity. Despite this, we are now entering a worrying era of hyperscale build out in Ireland. At time of writing, there is over 700MW of data centre development in planning stages across the country. Data centre applications in the planning process represent a potential 11% increase to the country’s peak electricity demand. This is the same as adding a county the size of Cork to our grid in the next 2 to 3 years. The C.R.U’s market intelligence exercise suggests a further potential demand of 5.8GW from data centres, potentially doubling peak demand of the island.

It is not clear that this additional demand is needed, and there is mounting evidence that many existing data centres are not at capacity. As European think tank, SOMO pointed out, “the assumption that Europe faces an imminent shortage of data centre capacity remains contested,”² pointing to figures from Europe and the Netherlands which indicate that providers may in some cases be less than 2/3rds full.³⁴ Furthermore, the European Commission has noted that “the ongoing expansion of data centre capacity in the EU is driven by non-European CSPs [Cloud Service Providers].”⁵ Not only is the rationale for this level of buildout highly speculative, but it is unlikely that this demand is being created solely for the needs of communities or services in Europe.

This model of data centre development is fundamentally oppositional to our climate targets. Hyperscale development is locking in a new era of fossil gas in Ireland, a relationship baked into recent policies.

Gas Network Ireland’s own projections confirm that industrial demand, driven primarily by data centres, is now the main source of sustained gas reliance. A further 17 Industrial Customers, many of whom are data centres, are seeking connections to the gas network.⁶ This demand represents a similar capacity to Whitegate, whose emissions license provided by the E.P.A indicates permitted annual emissions of close to 750,000 tonnes CO2 equivalent.⁷ The most serious impact of this gas demand is the push towards new expensive fossil infrastructure such as the LNG terminal planned for Shannon, which will have serious costs to environmental health and energy independence. Some proposed data centre developments, such as Red Admiral in Rochfortbridge, are being located next to fossil gas plants built by the same operator.

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<https://www.somo.nl/eus-data-centre-expansion-will-fast-track-profits-and-power-for-us-big-tech-and-investors/>.

³ <https://leitmotiv.digital/publications/tripling-eu-data-center-capacity#>

⁴ Filings from Digital Realty, a co-location provider with a significant base in Ireland state that it has an average occupancy rate in Europe of 76.8 %, Source: p.58,

<https://investor.digitalrealty.com/static-files/9c97db3d-b365-4b5f-bad9-8e11fa3344d6>

⁵ p.16, “Impact Assessment Report,, Accompanying the document

Proposal for a Regulation of the European Parliament and of the Council establishing a framework of measures for strengthening Europe’s cloud and AI ecosystem (Cloud and AI Development Act)”, published 3rd June 2026

⁶ <https://www.gasnetworks.ie/sites/default/files/2025-09/Network-Development-Plan-2024.pdf>.
<https://consult.cru.ie/en/consultation/cru-proposed-direction-related-interruptible-gas-connections>.
<https://www.oireachtas.ie/en/debates/question/2025-03-19/148/speech/570/>

⁷ p.19, <https://www.epa.ie/publications/licensing--permitting/climate-change/IE-GHG163-10428-3.pdf>



The current scale and pace of data centre development prevents renewables from displacing gas on the system. As the Climate Change Advisory Council notes, data centres are at risk of “cannibalising” renewables on the grid. Research referenced already in this committee by Professor Hannah Daly emphasises that even with the new CRU Large Energy Users Connection Policy, demand from data centres is so large that it risks lowering the final amount of renewables share available on the grid overall.⁸ There is no mechanism currently by which clean energy can be prioritised for housing, hospitals, school and transport over data centres.

While we have heard the narrative of the “twin transition”, we question how other European countries can build out renewables without the trade off of allowing data centres to consume a quarter of the national grid. This unchecked expansion without democratic consent has consequences for public faith in the energy transition, and in our experience of working directly with communities facing large data centre build out, it is exacerbating fears regarding renewables compounding underlying anxiety about loss of farmland or access to nature. This could ultimately lead to further delays to renewables.

A final point on data centres and gas lock-in; much has been made of the claim that AI as a whole can reduce emissions, but the International Energy Agency has stated categorically that is not the case. Further research has shown that claims around the supposed benefits of AI largely revolve around very small scale models of traditional AI, not Generative AI which as mentioned is the dominant rationale for big buildout.⁹ Organisations such as Enabled Emissions have shown that AI is being used to increase fossil fuel extraction and oil drilling, increasing emissions globally.¹⁰ Expanding data centre build-out on the basis of supposed benefits from AI, without regulatory clarity and significant constraints on what this AI is ultimately being used for, has a serious cost.

We conclude with a point on wider economic impacts; recent research by Dr. Seán Fearon has shown how data centres have added €715 million cumulatively to household bills over the past 10 years, with each household paying an average €360 worth of additional costs on their bill which would not be there had data centre demand been less intense on the grid, and grown at a much slower pace.

Without urgent policy intervention to limit data centre demand into the future, this figure is projected to rise to between €1.4 and €1.6 billion over the next 10 years. In no scenario modelled in Dr. Fearon’s research, were current and projected renewable pathways sufficient on their own to mitigate against additional costs for households. The key determinant of how much extra every household will pay is data centre demand itself.

⁸ <https://zenodo.org/records/20585450>

⁹ <https://ketanjoshi.co/2026/02/17/big-tech-greenwashing-report/>

¹⁰ <https://www.enabledemissions.com/publications>

We often hear various figures justifying the build out from the point of view of job creation. But taking this metric on its own, the Department of Enterprise has itself admitted that data centres create very few permanent jobs, with some sources stating there are less than 3,500 people directly employed in data centres in Ireland today, less than 0.1% of the national workforce.¹¹

In summary, Minister O'Brien himself has stated Ireland is "committed to the transition away from fossil fuels and towards clean energy." And yet the Government's model for data centre expansion delivers the very opposite. We have a huge opportunity to decarbonise our economy and build a healthy pollution-free country with clean energy for public good. But this ambition, supported by the vast majority of people, is being significantly undermined by unchecked data centre growth. We urge the committee to consider the recommendations outlined above.

¹¹ <https://enterprise.gov.ie/en/publications/the-value-of-data-centres-to-ireland.html>