



PRESS RELEASE – 29 January 2025

## **Major Electricity Users' Group (MEUG) welcomes Datagrid as latest MEUG Member**

The Major Electricity Users' Group (MEUG) welcomes Datagrid New Zealand to its growing membership of New Zealand's most significant electricity users.

Datagrid plans to develop a new \$3.5 billion NZD sustainable AI data centre park in Makarewa, 7 kilometres north of Invercargill, and position Southland as an international location for AI Training. In connection with this project, Datagrid has recently entered into an exclusive Memorandum of Understanding with Chorus to explore a trans-Tasman subsea cable named Tasman Ring Network, that would provide greater internet capacity and resilience to New Zealand and offer much needed diversity to the South Island.

MEUG Executive Director Karen Boyes says affordable and reliable electricity is a key input for Datagrid's business and will ensure its competitiveness in the global data center market.

"We look forward to continuing our strong advocacy for fair electricity prices and forward-looking energy policy to ensure firms like Datagrid can compete, grow, and create jobs in New Zealand. It highlights the massive economic progress that major electricity users can drive for New Zealand if the conditions are met."

International TMT consultants, Analysys Mason, have estimated that Datagrid's project could support GDP gains of up to \$3.7 billion NZD annually, as well as supporting up to 10,000 jobs through construction and operation of the completed project. Datagrid CEO Perrine Dhalluin says that as the firm becomes a significant electricity user, access to an affordable and reliable renewable energy supply will be crucial.

"As we grow our operations and renewable energy use in New Zealand, we recognise the importance of MEUG's advocacy for policy that promotes reliable, affordable, and renewable electricity supply."

The construction of a new power substation will directly connect the data centre to Transpower's 220kv high-voltage power lines allowing Datagrid's data centre park to be supported by up to 280 MW of renewable energy in phase one, with the ultimate objective to reach 1 Gigawatt.

By taking advantage of Southland's extensive land, cool climate, green power and safe environment, Datagrid's data centre will be New Zealand's first hyperscale data centre for AI training."

MEUG continues to expand its membership to represent New Zealand's most significant electricity users. It draws from a diverse group of companies that contribute over \$11 billion to the national GDP and employ over 25,000 Kiwis.

ENDS

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