

Best Effort.

The weekday briefing on Australian telecommunications, data centres and AI infrastructure.

TODAY'S BRIEFING

Monday 26 October 2026

- NextDC shares fell 41.7 per cent on Wednesday 21 October 2026 after grid upgrade delays at its M3 Melbourne site cut FY27 guidance and froze new projects, putting community opposition and financing risk in focus.
- Macquarie strategists say the AI investment cycle is entering a harder phase, citing the collapsed Firmus listing.
- AARNet has pushed its Perth–Singapore cable restoration estimate into mid November.

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NextDC loses 42% in a day as power pole dispute exposes community risk to data centre funding

NextDC shares fell 41.7 per cent on Wednesday 21 October 2026 after delays to grid upgrades at its M3 Melbourne site cut FY27 guidance, froze new projects and raised questions about financing. Analysts say community opposition is now a real risk to the timing of contracted capacity.

Best Effort desk · Mon 26 Oct 2026 · 5 sources · 2 min read

WHY IT MATTERS

For Australian data centre operators and their lenders, the episode shows that local opposition to grid works can delay billing of contracted capacity and feed through to guidance, debt access and asset values. Morningstar analysts said community concerns may raise costs and push new sites further from built-up areas, but would affect all developers.

NextDC shares closed down 41.7 per cent on Wednesday, erasing about A\$3 billion of market value in the operator's worst trading day since it listed. The company told investors that electricity network delays at M3, its West Footscray site in Melbourne, would push back about A\$140 million of contracted customer revenue this financial year. It also shelved all new development projects and land acquisitions for the foreseeable future.

Net revenue guidance for FY27 fell to between \$475 million and \$500 million, from \$615 million to \$640 million. Underlying EBITDA guidance dropped to between \$245 million and \$265 million, from \$385 million to \$410 million. The revised figures exclude revenue and attributable EBITDA from the affected M3 contracts, and NextDC has not quantified potential service-level credits, which could push underlying EBITDA below the new range. Capital expenditure guidance was lowered to between A\$4.5 billion and A\$5 billion, from A\$5.25 billion to A\$5.75 billion, and the board has begun a detailed spending review. The board plans to announce the outcome by its 20 November annual general meeting.

The cause is Jemena's suspension of parts of the work needed to lift M3's grid supply, citing safety concerns, community opposition and pending local council consent. Residents of Yarraville had blocked equipment with cars and bins in September, and the crews filled their holes and left. Jemena does not expect to restart before February 2027, and NextDC now expects the next supply increase during fiscal 2028. A planning decision on the final stages of the

campus is expected in 2027, and approvals are also delayed by the Victorian election on 28 November.

The delay reaches beyond earnings. NextDC acknowledged that delayed customer billing could affect its ability to draw on \$6.7 billion in available debt facilities, and warned property valuations could also be affected, with the impact unknown. Citi flagged customer termination rights and the potential effect of service credits on a debt covenant as added uncertainty. Macquarie analysts said later grid supply delays M3's final capacity stages by several years.

RBC Capital Markets analyst Tom Beadle said that while the delays were out of the company's control, they were evidence that community concerns present a real risk to the timing of contracted capacity. Citi kept its buy rating and \$21.15 target, and RBC kept outperform with a \$22 target. Shares rebounded about 7 per cent to \$5.70 on Thursday.

The sell-off came less than two weeks after Firmus Technologies withdrew its ASX listing, which would have valued it at about \$44 billion. The ABC reported that large investors refused to pay \$11 a share, and also cited community opposition among other factors. Luke Laretive of Seneca Financial Solutions said the NEXTDC case likely does not say much about AI demand, but urged caution on how much future growth is priced into valuations. University of Sydney analyst Olivia Shen said not every data centre investor was likely to make their money back, though she did not read the Firmus setback as the end of the boom.

REPORTING FROM

- 1 **SBS News** · A \$3 billion downgrade could send a ripple through a surging ...
- 2 **abc.net.au** · NEXTDC slump and Firmus float flop signal investor doubts over AI boom
- 3 **The Motley Fool Australia** · NextDC shares rebound 7% from an 8-year low: Here's what brokers tip next
- 4 **TokenPost** · NEXTDC Pauses New Projects, Cuts FY27 Spending After Power Delay
- 5 **investing.com** · Australian AI data centre operator NextDC shares shed 42% on revenue delay, future plans on hold By Reuters

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

AARNet says Perth–Singapore cable repairs will run into mid November

AARNet has pushed back its restoration estimate for international traffic to Asia and Europe, with Indigo West repairs due to start on 25 October and ASC repairs on 3 November. Two subsea cables off Perth are affected, and customers are still seeing higher latency.

Best Effort desk · Mon 26 Oct 2026 · 3 sources · 2 min read

WHY IT MATTERS

The revised schedule means research and education traffic to Asia and Europe will stay on rerouted paths into November, with repairs dependent on vessels, permits and weather. Commentary on the incident points to unclear government responsibility for cable protection and to all of Australia's subsea cables being privately owned.

AARNet has revised its restoration timeline for the subsea cable faults off Perth, saying repairs on the two affected Perth–Singapore systems will finish in early to mid November. The update, posted on 22 October 2026, goes beyond the late-October estimate the research network had advised earlier the same day.

Repair of Indigo West is scheduled to begin on 25 October, with completion estimated for early November. Repair of the ASC system is scheduled to begin on 3 November, with completion estimated for mid November. AARNet said the timelines were provided by its cable partners.

Until then, AARNet customers may continue to see higher latency or degraded performance on international connectivity to Asia and Europe, because traffic is being carried over alternate paths. AARNet said services are expected to be restored progressively as each cable repair is completed. It said its engineers are monitoring and managing international traffic flows to limit the impact on customers. Institutions facing an urgent impact are asked to contact the AARNet NOC or their customer representative.

AARNet first flagged the problem on 14 October 2026, when it reported an ongoing international subsea cable fault and said it was working with cable and carrier partners to assess it and confirm restoration timelines. By its later update, fault locations were known and repair work was scheduled. The network said it would provide weekly updates until full restoration.

AARNet cautioned that restoration times remain subject to vessel availability, weather, permits and the complexity of subsea repair work.

Commentary published by Custommapposter on 21 and 22 October 2026 linked the Perth damage to wider concerns about cable security. It cited Dr David Brewster, a senior researcher at the National Security College, as saying Australia's subsea cables carry 99 per cent of the country's international communications. It also reported his view that the cables sit in a protected zone yet were still damaged, and that responsibility is split across several government departments. The commentary said Subco chief executive Bevan Slattery called for an urgent investigation. The AARNet notices do not give a cause for the faults.

REPORTING FROM

- 1 **Custommapposter** · Perth's Subsea Cable Crisis: Australia's Internet at Risk? (2026)
- 2 **Custommapposter** · Two Subsea Cables Damaged Off Perth Coast: Sabotage Concerns & Global Impact (2026)
- 3 **status.aarnet.edu.au** · AARNet Service Status

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

DATA CENTRES 3 OF 13

GreenSquare brings reworked 1995 Sydney data centre online for Sharon AI GPUs

GreenSquare has switched on stage one of its SYD1 campus in Norwest, Western Sydney, after converting a building opened in 1995 in eight months. Sharon AI is the first tenant, with approximately 8,200 Nvidia Blackwell Ultra GPUs.

Best Effort desk · Mon 26 Oct 2026 · 3 sources · 2 min read

WHY IT MATTERS

The project shows an older Western Sydney building being converted to host liquid-cooled AI capacity, giving GPU operators such as Sharon AI another option beside Equinix, NextDC and CDC. The proposed 80 MW second stage, which has NSW endorsement, points to further capacity at the site.

GreenSquare has brought the first stage of SYD1, its Norwest Business Park campus in Western Sydney, into operation. The company converted a building that first opened as a data centre in 1995, finishing the job in eight months and fitting it out for dense AI workloads with liquid-to-chip cooling.

Sharon AI, a Nasdaq-listed NVIDIA Cloud Partner, is the first customer and plans to install approximately 8,200 NVIDIA Blackwell Ultra GPUs on site. GreenSquare calls it a significant deployment of NVIDIA HGX B300 infrastructure in Australia. Sharon AI already uses Equinix in Sydney and NextDC in Melbourne, is also working with CDC, and has said it has 212MW of capacity online or in development.

Rather than demolish the building, GreenSquare kept the slab and much of the structure. Moving the data halls to the ground floor meant the building could carry high-density compute without added structural reinforcement. GreenSquare said IT capacity within the original footprint rose by 275 per cent. Chief Technology Officer Joshua Martens said GreenSquare "saw an opportunity to give a 30-year-old data centre a completely new purpose".

GreenSquare projects a power usage effectiveness of 1.20 for SYD1, and potable water usage effectiveness below 0.1 litres per kilowatt-hour. The NSW Government guideline benchmarks for those measures are 1.25 and 1.0. A closed-loop system took the place of the original cooling towers and avoids evaporative cooling for about 96 per cent of the year. Rainwater harvesting is expected to cover about 10 per cent of annual cooling water demand.

Engineering consultants TTW carried out an independent assessment and concluded that 92 per cent of the existing structural carbon was retained. According to GreenSquare, reuse plus low-carbon concrete cut structural upfront carbon by 76 per cent per square metre and carbon by 93 per cent per kilowatt of IT capacity, against a new build.

Main works started in February 2026, peaking at around 400 people on site, and the project logged more than 350,000 hours without a lost-time injury. Erilyan constructed and delivered the facility, while Fredon handled electrical infrastructure and commissioning.

The NSW Government's Investment Delivery Authority has endorsed support for a proposed 80 MW second stage, which would take the site to 110MW. GreenSquare is backed by programs managed by Partners Group, which acquired it in March 2025, and is planning a large-scale development in Melbourne after dropping its Perth project earlier this year.

REPORTING FROM

- 1 **GreenSquare DC** · GreenSquare SYD1 now operational following adaptive reuse of 1995 data centre
- 2 **news.goalfore.com** · GreenSquare launches first phase of data center campus in Sydney ...
- 3 **intelligentcio.com** · GreenSquare turns 30-year-old Sydney data centre into new AI facility in eight months

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

Data centres top Australia's private non-residential construction starts at \$18.2bn

Green.com.au analysis of ABS building data puts data centre-related construction starts at \$18.2 billion in 2025-26, with \$18.3 billion of work still to be completed. NSW and Victoria account for most of it as AEMO expects demand to triple.

Best Effort desk · Mon 26 Oct 2026 · 3 sources · 2 min read

WHY IT MATTERS

Electricity access is becoming a key factor in whether data centre sites are feasible, and the research expects competition for zoned land with high-capacity connections in NSW and Victoria. With most unfinished work concentrated in those two states as major coal plants retire, grid, transmission and network investment will shape how much of the pipeline gets built.

Construction starts in the ABS category that includes data centres reached \$18.2 billion in 2025-26, more than three times the previous year and the largest category of private non-residential building commencements in Australia, according to Green.com.au analysis of Australian Bureau of Statistics data. The analysis estimates \$18.3 billion of building work in the category is still to be completed. The category ranked 14th of 15 building types six years earlier and fourth the year before.

News24 reported that this exceeds the \$10 billion of warehouse and \$7.3 billion of office construction that began in the same period, and compares with \$361 million of data centre construction started in 2019-20. News24 describes the \$18.3 billion as work that began in the 2026 financial year, while Green.com.au puts new starts at \$18.2 billion and the \$18.3 billion as work yet to be completed. The ABS figures do not separately identify the value attributable only to data centres.

The build cycle is long: \$6.4 billion of work was completed in 2025-26, almost double the prior year. That equates to 13 cents for every dollar of new work started, against 72 cents for private non-residential building generally. Green.com.au estimates about \$9 billion could be completed in the current financial year if construction continues at its current pace.

NSW and Victoria account for about 91 per cent of the activity, with NSW at 46.6 per cent and Victoria at 44.3 per cent. The research says the two states also account for about 96 per cent of current data centre electricity demand. NSW represents 66 per cent of that demand and Victoria 30 per cent, so Victoria's share of construction is well above its share of consumption, which suggests it

could take a growing share of future demand.

AEMO expects data centre electricity consumption in the National Electricity Market to triple by 2029-30 and to reach 13 per cent of total demand by 2035-36. The growth coincides with the planned retirement of Victoria's Yallourn coal plant in 2028 and NSW's Eraring in 2029. Dave Green, founder of Green.com.au, said, "Government, business and the public all have to think about what supplying an industry like this does to the grid".

REPORTING FROM

- 1 **Elite Agent** · Data centres leapfrog offices in \$18.3bn construction pipeline
- 2 **Green.com.au** · \$18.3 billion of data centre construction remains uncommitted in Australia, more than the entire pipeline for offices and warehouses combined.
- 3 **news24.com.au** · Massive price tag of data centres larger than offices and warehouses combined

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

DATA CENTRES 5 OF 13

Consultants cold-calling Tasmanian landowners over 200–300MW AI data centre, inquiry told

A Tasmanian parliamentary committee heard on Wednesday 21 October 2026 that consultants have approached north-west landowners about buying land for an AI data centre. The coordinator-general's office confirmed the proposal is at feasibility stage, and the government said no final site has been confirmed.

Best Effort desk · Mon 26 Oct 2026 · 1 source · 2 min read

WHY IT MATTERS

The hearing shows how land acquisition for data centres can move ahead of public disclosure, with the government not naming the proponents of six proposals while landowners are approached directly. Planning approval, agricultural land use and access to upgraded transmission infrastructure may become points of contention for large projects in Tasmania.

The Greens say consultants acting for an AI data centre company have been phoning north-west Tasmanian residents to ask whether they would sell their land. Greens MP Vica Bayley put the issue to the acting coordinator-general at a state parliamentary energy committee hearing, asking if an AI data centre was

planned for Nook, near Sheffield.

Bayley said a Sydney consultancy had approached locals who own agricultural land beside a substation, which was recently upgraded as part of the north-west transmission line. He said the purchase was allegedly for a large data centre, and he questioned whether residents should hear about it from a consultancy.

Acting Coordinator-General Dennis Hendriks said there was "probably not a lot I can say about that". He confirmed that the proposal Bayley described was project B, a 200–300 megawatt data centre at feasibility stage in the north-west. Hendriks told the committee the project was at an early stage of development and that his office had made introductions to the planning authority, but it held only a "very limited amount of information". A question about who the proponent is was taken on notice.

The government revealed in parliament last month that six new data centres had been proposed, without naming who was behind them. Firmus Technologies has previously said none of those six confidential proposals are its own. Firmus is running three Tasmanian projects: one under construction in Launceston, one approved at Long Reach in the Bell Bay Advanced Manufacturing Zone, and one awaiting approval at Wesley Vale in the north-west.

Bayley asked Business, Resources and Industry Minister Felix Ellis whether farmland should host AI data centres. Ellis said there was a statutory planning process and environmental regulation, and that every proponent would go through them as normal. A government spokesperson said the proposal was among information already tabled in parliament and that the proponent was still considering it. The spokesperson added that no final site had been confirmed, and urged the proponent to engage openly and early with the community.

Wade Rockliff, a Sheffield farmer, said he had heard consultants were seeking farmland for AI data centres. He said he thought buyers were offering "way more than the land's worth" and predicted the project would "cause huge tension with their neighbours". Rockliff also doubted that data centres would employ many locals once operating.

REPORTING FROM

1 **ABC News** · AI data centre company cold calling about buying land, inquiry told

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

Australian AI infrastructure boom shows signs of cooling as funding pressures build

Macquarie strategists say the AI investment cycle is entering a harder phase as developers lean on outside funding while borrowing costs stay high, with the collapsed Firmus listing cited as a warning sign.

Best Effort desk · Mon 26 Oct 2026 · 1 source · 1 min read

WHY IT MATTERS

Tighter funding and limited grid capacity, particularly around Sydney, could influence which Australian data centre projects proceed and when, favouring operators with existing capacity over developers reliant on external capital.

Australia's AI infrastructure boom is showing signs of slowing, according to a report published on 21 October 2026, as investors become warier of data centre valuations, higher borrowing costs and the large sums needed to build proposed projects. Macquarie strategists say the global AI investment cycle is moving into a tougher stage, because developers rely more on external funding while interest rates and credit costs stay high.

The report treats the failed Firmus sharemarket listing as one of the clearest Australian warning signs. It also notes growing uncertainty over how fast other large data centre projects can lock in finance, electricity and construction capacity.

Spending tied to AI is still huge, but investors are increasingly asking when the hundreds of billions of dollars going into computing infrastructure will deliver lasting returns. Chips are only part of the bill: developers also need generation, transmission lines, cooling, land, fibre and long-term customer contracts, and these can lift costs considerably. The report names electricity supply as among the main constraints in Australia, with Sydney singled out because grid operators have cautioned that spare transmission capacity there is shrinking.

The report says the slowdown does not necessarily spell the end of the boom. It describes investors moving away from backing nearly any AI-linked expansion plan and towards requiring projects to show workable funding and realistic returns. For Australian investors, it says, this could alter which sectors gain most, with reliable infrastructure, utilities and existing data centre capacity potentially outperforming speculative developers that still need substantial outside capital.

REPORTING FROM

1 The Markets · AI investment boom begins to cool as funding pressures rise

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

FIBRE, SUBSEA & INTERCONNECT 7 OF 13

US-backed MViSTA cable to pick NEC or ASN as supplier by end of October

The developers of MViSTA, a 16-fibre-pair cable between Malaysia, Vietnam, Singapore and Thailand, are choosing between NEC and Alcatel Submarine Networks. A project executive put the cost at about \$400 million and said Chinese suppliers were shut out of the tender.

Best Effort desk · Mon 26 Oct 2026 · 2 sources · 2 min read

WHY IT MATTERS

The project adds a route among four APAC markets and links supplier choice to US-China technology competition, which bears on capacity and vendor risk for operators and investors in the region.

The group building MViSTA, a US-backed undersea cable connecting Malaysia, Vietnam, Singapore and Thailand, plans to name its supplier later in October, with Japan's NEC and France's Alcatel Submarine Networks (ASN) the remaining candidates. Mark Procter, deputy head of Stavian High Tech Infrastructure (SHT) and chief operating officer of the project's special purpose vehicle, outlined the plan to Reuters.

Procter said the system will carry 16 fibre pairs, cost an estimated \$400 million or so, and begin service in late 2028. LitUp Network, a subsidiary of Malaysia's OMS Group, is responsible for laying the 2,500-kilometre cable. The other shareholders are Stavian Group, the parent of SHT, and the Tokyo-based investor Midas Capital.

According to Procter, the backers barred Chinese suppliers from the tender and planned a route that stays clear of the wide area of the South China Sea that Beijing claims. He said the US cable maker SubCom was asked to bid but turned the invitation down because of other commitments. ASN declined to comment on a live tender, while NEC did not reply to a request for comment.

SHT later said Procter's remarks were his personal views. It said it was assessing the capabilities of global vendors and, in picking partners, it "does not discriminate against or exclude any provider based on their geographical origin or nationality."

The US connection runs through APTelecom, a consultancy that works with the US government on cable infrastructure. Procter said the firm helped assemble the shareholders, carried out the feasibility study, and is working to line up customers for both the cable and a data-centre campus.

Stavian intends to link the cable to a new campus in southern Vietnam. A September statement from the US Trade and Development Agency (USTDA) described the site as designed for "hyperscale cloud and AI infrastructure operators". The USTDA is paying for a feasibility study due in March 2027. Procter said the study will look at trusted technology and at whether US limits on advanced semiconductor exports could affect the planned one-gigawatt facility. He added that investment will also hinge on Vietnam's regulatory framework, where cross-border data flow restrictions are often named by industry bodies as a key barrier.

Vietnam suffers repeated cable outages and aims to have at least 15 submarine cables by 2030, up from six now. Procter said the government accelerated approvals for the project. Last year Vietnam gave Huawei and ZTE contracts for parts of its 5G rollout, even as Washington urges Hanoi to avoid Chinese vendors in cables, telecoms and AI.

REPORTING FROM

- 1 **Baird Maritime / Work Boat World** · US-backed subsea data cable to link four Southeast Asian nations
- 2 **Asean Coverage Technology** · MViSTA undersea cable supplier decision due in October

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

Vocus plans six-dish Telesat Lightspeed ground station at Murray Bridge North

A satellite ground station off Mannum Road at Murray Bridge North would link South Australian clients to the Telesat Lightspeed network via Vocus fibre. Public consultation on the proposal closes on 28 October 2026.

Best Effort desk · Mon 26 Oct 2026 · 1 source · 1 min read

WHY IT MATTERS

The proposal adds another Vocus ground station to its national footprint and gives South Australian government and corporate clients a prospective satellite path that bypasses the public internet.

A satellite ground station has been proposed for Murray Bridge North in South Australia's Murraylands, to connect to the Telesat Lightspeed communications network. Three technology companies would partner on the project, with Vocus and Mirait Technologies named as the other two. Vocus operates an independent fibre-optic data network across Australia, while Mirait Technologies builds telecommunications infrastructure.

The facility, off Mannum Road, would have six satellite dishes, each about five metres high. It would reach clients around South Australia over Vocus' cable network. Vocus has built, or is building, 30 of the ground stations across Australia.

Murray Bridge News reported that Telesat Lightspeed would offer high-end government and corporate clients data relay speeds well above those available over the NBN. It also said the satellite network could carry information around the world without it touching the public internet.

Planning documents address the safety of transmissions from the site. According to those documents, even 10 metres from the antennas the electromagnetic energy level would be 50 times lower than the legal maximum.

Public consultation on the development closes at 11.59pm on Wednesday 28 October 2026, with submissions made through plan.sa.gov.au.

REPORTING FROM

1 **Murray Bridge News** · Satellite ground station planned at Murray Bridge North

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

Singtel fined S\$1 million over March mobile outages hitting 720,000 subscribers

Singapore's IMDA has penalised Singtel after a chiller failure and a follow-on traffic overload disrupted mobile service on three days in March. The regulator found the outages were preventable.

Best Effort desk · Mon 26 Oct 2026 · 1 source · 2 min read

WHY IT MATTERS

The finding shows a regulator treating a single maintenance lapse and inadequate failover capacity at a Singtel exchange as preventable failures, at a time when Optus, Singtel's Australian subsidiary, is under scrutiny for outages that disrupted emergency calls.

Singtel has been hit with a S\$1 million penalty by Singapore's telecoms regulator for a run of mobile disruptions in March that reached around 720,000 consumer and business subscribers. In a statement on Tuesday (Oct 20), the Infocomm Media Development Authority (IMDA) said its investigations concluded that the outages on Mar 16, 18 and 19 were preventable and within the telco's control.

The first outage, on Mar 16, began with a chiller failure at one of Singtel's exchanges, which led mobile network equipment to overheat and switch off, IMDA found. A vendor working on scheduled maintenance had not followed standard operating procedures to reopen a manual valve controlling water flow. Singtel was also not actively monitoring those valves or the water flow to the chiller.

Once 5G traffic was moved to a different Singtel exchange after that incident, further outages followed on Mar 18 and 19. A disabled network packet optimiser and a software bug at the second exchange, together with the higher load, left some subscribers with patchy connectivity in the evenings of both days. IMDA said better monitoring of chiller operations, and ensuring the second exchange could cope with the extra traffic, would have averted the incidents. The regulator ruled out a cyberattack.

IMDA said it weighed the "significant" scale and impact of the outages against Singtel's "full cooperation" with investigations and its progressive restoration of services. Singtel brought 4G back first and then restored 5G in stages. Affected subscribers were given goodwill rebates of S\$5 to S\$10, which came to about S\$8 million across consumer and business customers. Since then, the company

has tightened its maintenance and chiller monitoring, corrected the problems at the second exchange and carried out failover exercises.

The regulator said it "will not hesitate to take strong action under the Telecommunications Act, including imposing financial penalties, should any lapses be identified". It added that providers must plan, design and run resilient networks and have measures for quick recovery with minimal inconvenience to users.

The penalty arrives while Singtel's Australian subsidiary Optus is under scrutiny over network reliability following outages that disrupted emergency calls. In September, Optus apologised for a 76-minute outage that affected calls to emergency services in parts of Australia. Singtel shares closed S\$0.05, or 1.2 per cent, higher at S\$4.23 on Tuesday.

REPORTING FROM

1 www.singaporelawwatch.sg · Singtel fined S\$1 million over March outages affecting...

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

AI INFRASTRUCTURE 10 OF 13

Nvidia in talks to put hundreds of millions more into Firmus after pulled IPO

Nvidia is reportedly discussing a fresh investment of hundreds of millions of dollars in Australian AI cloud operator Firmus, weeks after Firmus withdrew a listing that would have raised about \$5 billion. The talks sit alongside an Information analysis putting Nvidia's support for neoclouds and other large customers at more than \$170 billion.

Best Effort desk · Mon 26 Oct 2026 · 5 sources · 2 min read

WHY IT MATTERS

Firmus is an Australian-founded AI cloud builder, and the failed float shows public investors balking at valuations for capacity that is contracted but largely not yet built. Continued Nvidia funding would let it keep building across Asia without returning to public markets, though it would not resolve the valuation gap that sank the IPO.

Nvidia is in talks to invest hundreds of millions of dollars in Firmus, the Australian AI cloud company that abandoned its initial public offering this month, according to a report by The Information citing people familiar with the

discussions. No formal terms or valuations have been disclosed, and TNW said it had not independently verified the reports. Nvidia is already a Firmus investor.

Firmus pulled the float on 9 October 2026 after failing to win enough institutional support for an offering of about US\$5 billion at a US\$30.6 billion valuation, according to Entrepreneur Asia Pacific. That target was nearly three times the valuation of more than US\$10.5 billion set in August, when Firmus closed a US\$2 billion equity round backed by Nvidia, Coatue, Blackstone-managed funds and Jane Street. The company said its board concluded that proceeding was "not in the best interests of the company and its shareholders" and that it would pursue private capital. Bloomberg reported that Firmus is seeking US\$2 billion to US\$3 billion privately.

Investors questioned the pricing. John Pearce, chief investment officer of one of Australia's largest pension funds, told Axios his fund stayed out of the offering. Pearce said, "It just doesn't have a compelling valuation," after saying the fund thought Firmus had a compelling story. Entrepreneur Asia Pacific reported that the offering's structure, which would have let existing shareholders exit, also drew scrutiny.

Demand is not the problem so much as conversion to earnings. Firmus said in September that contracted capacity had passed 900 MW, including OpenAI agreements for two AI factories in Malaysia, and it has named Thinking Machines Lab as an anchor customer for its Asian cloud region. Fund managers noted, however, that only about 46 MW was operating. Wells Fargo estimates that building 900 MW of compute would need about US\$41 billion of capital spending.

Nvidia's ties to Firmus run deep. The two announced a computing partnership through 2034 in June, centred on a planned 360 MW campus at Batam, Indonesia, covering up to 170,000 Nvidia accelerators. DayOne is developing that campus, and Firmus expects US\$25 billion to US\$30 billion of offtake over the first six years based on customer commitments. Under the arrangement Nvidia provides credit support for equipment purchases and earns hardware revenue plus a share of cloud revenue from the supported capacity. CDC Data Centres CEO Greg Boorer noted that Firmus would need to raise tens of billions of dollars to scale as planned, after the two parted ways shortly before the IPO withdrawal.

The talks come as The Information's analysis of Nvidia's filings found more than US\$170 billion put behind neoclouds and other large customers, including up to US\$164.5 billion in guarantees and other commitments. Nvidia has also invested or agreed to invest more than US\$7 billion directly in AI cloud providers. Jensen Huang, Nvidia's chief executive, told CNBC that, "The demand for the neoclouds is off the charts." He said the sector's constraint is capital rather than customers.

REPORTING FROM

- 1 **Entrepreneur Asia Pacific** · AI Bubble Fears Mount as DayOne Weighs IPO Cut, Firmus Turns to Nvidia
- 2 **TNW | Nvidia** · Nvidia has put \$170bn on the line for neoclouds, The Information reports
- 3 **IDCNOVA** · Nvidia in Talks to Invest Hundreds of Millions in Neocloud Firmus After IPO Withdrawal
- 4 **IDCNOVA** · Nvidia Backs AI Data Center Buildout With Up to \$164.5 Billion in Guarantees and Commitments
- 5 **AI Weekly** · Nvidia in Talks to Invest Hundreds of Millions in Firmus After Australian AI Cloud Pulled Its IPO

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

POLICY & REGULATION 11 OF 13

Five submissions urge NZ regulator to reject One NZ-2degrees network joint venture

Economists, former TūanZ leaders and an ISP body have told the Commerce Commission that pooling One NZ and 2degrees radio networks into Ranco would weaken competition. Monopoly Watch NZ backs the deal, and the Commission is due to decide by 23 November.

Best Effort desk · Mon 26 Oct 2026 · 3 sources · 3 min read

WHY IT MATTERS

The case tests how a New Zealand regulator treats shared mobile radio networks in a market with a thin reseller sector, with Macquarie Asset Management and Aware Super holding the majority of 2degrees. Any clearance conditions on wholesale access or rural coverage, which B2B News flags as the outcome to watch, will be read by operators weighing network sharing elsewhere in the region.

Five submissions to New Zealand's Commerce Commission oppose the planned One NZ and 2degrees radio access network joint venture, known as Ranco, arguing it could undo past telecommunications reforms and harm consumers. The Commission expects to decide by 23 November.

Under the proposal, both companies would place their radio access network assets in a 50/50 joint venture that sells access back to each of them, according to RNZ as cited by B2B News. Each would keep its own spectrum, core network and retail pricing. The Commission is testing whether the venture could raise

prices, cut quality or make tacit coordination between the partners more likely.

The submitters raise four concerns. The first is the move from three independently run radio networks to two, which former TūanZ chief executive Ernie Newman and former chair Judy Speight say would create a duopoly. Economic reports from Compass Lexecon and HoustonKemp, both commissioned by law firm Chapman Tripp, argue that removing competition between the radio networks would reduce the operators' ability to differentiate on quality. The second concern is weaker incentives to invest, because Compass Lexecon says any Ranco investment could only win customers from Spark. Third, HoustonKemp and Compass Lexecon say the expected savings are largely fixed-cost savings more likely to reward shareholders than cut bills. They also warn that usage-based charging of the owners could create a common wholesale price floor and make price coordination easier. The fourth concern is systemic risk, since shared infrastructure leaves consumers with fewer backup options during failures or severe weather.

Ispanz, which represents smaller players, says relying on mobile virtual network operators to protect competition is "fatuous". It says New Zealand's unregulated MVNO segment accounts for around three per cent of connections, against around 20 per cent across the OECD, and lacks the scale to constrain pricing without open access mandates. Ispanz wants MVNO regulation in place before any further consolidation.

Monopoly Watch NZ, led by 2degrees founder Tex Edwards, is the only third-party submitter backing the venture. It argues that the cost of continually upgrading radio equipment is a major disadvantage for smaller operators, and that Ranco would cut the capital 2degrees must spend. It says the Commission should approve the deal provided One NZ and 2degrees keep strict independence over spectrum, core networks and retail strategies.

One NZ chief executive Nick Judd said sharing radio access equipment is common overseas and allows more efficient investment. Judd said, "This proposal would deliver real benefits for customers by enabling us to deliver better connectivity." 2degrees chief executive Mark Callander promised "better coverage, greater capacity, stronger resilience and faster access to new technology". Spark chief executive Jolie Hodson did not oppose the move, saying only that going from three networks to two needs careful consideration.

The Post noted that Chapman Tripp has a history of major legal work for Spark and said it had asked the firm whether it is acting for Spark on the application. Because 2degrees is majority owned by Macquarie Asset Management and Aware Super, B2B News reports the deal also needs Overseas Investment Office sign-off.

REPORTING FROM

- 1 **scoop.co.nz** · Ranco joint venture opponents warn of weaker mobile competition
- 2 **B2B News** · One NZ and 2degrees JV takes NZ from three networks to two
- 3 **thepost.co.nz** · Competition advocates at odds over 2degrees-One NZ partnership

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

POLICY & REGULATION 12 OF 13

Malaysia plans data centre bill as approved projects reach RM225.97 billion

Malaysia is preparing a Digital Infrastructure (Data Centre) Bill, and ministers want developers to pay for grid upgrades and for power they reserve but do not use, with 27 approved projects carrying estimated investment of RM225.97 billion.

Best Effort desk · Mon 26 Oct 2026 · 1 source · 2 min read

WHY IT MATTERS

Malaysia is shifting from courting data centre investment to attaching costs to reserved power and grid upgrades, which affects operators and investors building across Johor and the wider region.

Malaysia is preparing a Digital Infrastructure (Data Centre) Bill to regulate the sector, and developers are expected to face tougher checks on how much capacity they reserve and a bigger share of utility costs. The bill is due to go to Cabinet in 2027, and the National Economic Action Council, which the prime minister heads, has already endorsed it. W.Media, which reported the story on 21 October 2026, expects Parliament to pass it, likely by 2027, and regards that outcome as practically certain.

According to W.Media, Singapore passed its Digital Infrastructure Act two weeks earlier, while a comparable Thai law is still under consideration after being introduced in Parliament.

The size of the pipeline explains the urgency. By July, the Data Centre Task Force had cleared 27 projects with estimated investment of RM225.97 billion. Johor has 16 of them, Selangor 10 and Negeri Sembilan one, and every project except one is under construction.

Power is the main pressure point. In August, the 45 operating facilities were drawing about 1.37GW, against a combined maximum load of 6GW. Investment, Trade and Industry Minister Johari Abdul Ghani told Parliament developers should pay for the transmission upgrades their projects require. He also proposed that operators be billed for committed electricity capacity they leave unused. W.Media pointed to a tension, since developers need headroom to grow while utilities cannot freely reassign capacity that is already reserved.

Separately, Deputy Prime Minister Fadillah Yusof proposed user-pays electricity pricing and higher Connected Load Charges to deter excessive reservations. He also referred to work on guidelines for independent generation, and self-generation is strongly encouraged. Fadillah said approved electricity supply capacity stood at 12.3GW in August, compared with projected maximum sector demand of 8.39GW by 2030. W.Media cautioned that neither number describes operating IT capacity now.

Water and local content are also in scope. Approved water demand across Johor, Selangor and Negeri Sembilan is about 445.04 million litres a day over 2025 to 2030, and operators must now account for their own use. Task force approvals carry a minimum 30 per cent local content requirement, tracked through six-monthly implementation reports. The 27 projects are expected to create 4,053 jobs, 3,523 of them highly skilled, with Malaysians projected to fill 89.21 per cent.

REPORTING FROM

1 **W.Media** · Malaysia tightens rules amid its data center boom

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

Data centre rules tighten across Australia as federal and state measures stack up

Canberra and the states are layering new requirements on data centre energy, water, land and air quality, and consultation on a tiered national AI infrastructure standard closed on 9 October 2026, according to consultancy PJRA.

Best Effort desk · Mon 26 Oct 2026 · 1 source · 2 min read

WHY IT MATTERS

For data centre builders and investors in Australia, overlapping federal standards, state rules and grid cost-recovery changes add approval risk and cost, particularly for facilities above 30MW and sites seeking grid connections.

Governments at every level in Australia are reworking how data centres are approved, and developers face heavier duties on planning, land, water, power access and environmental checks, according to consultancy PJRA. PJRA, which sells environmental services to developers, said many proponents are unclear on when the new laws start and what they mean for projects already underway.

The Department of Industry, Science and Resources issued guidance in March 2026 titled Expectations of data centres and AI infrastructure developers, setting out expectations that are not binding. On 26 August, National Cabinet backed the development of mandatory national standards for large data centres, spanning energy, water and land use, with Commonwealth legislation aimed at early 2027. The Commonwealth then began consultation on 26 September on a tiered national standard for AI infrastructure. Under the proposed model, sites with under 30MW of connection capacity would fall outside the standard, sites from 30MW to 100MW would meet baseline requirements, and larger sites, or those with a portfolio equivalent of 150MW, would face tougher obligations. Submissions closed on 9 October 2026.

On energy, the Australian Energy Market Commission advised the Energy and Climate Change Ministerial Council on pathways that would make data centres offset all of their electricity demand with new renewable generation and proof of firmed capacity. The council agreed in July 2026 to advance the arrangements, with Queensland and the Northern Territory opposed, and related changes to the National Electricity Rules were slated for its consideration in September 2026. Energy Minister Chris Bowen separately lodged two rule change requests with the AEMC, aimed at making data centres pay towards network costs their connections cause or speed up, instead of existing consumers.

States have acted before the federal legislation arrives. New South Wales released the Electricity Infrastructure Investment Amendment Bill 2026, which would give the state energy minister power over grid access and make data centres fund network infrastructure. On 22 September, Victoria introduced what PJRA calls the strictest state data centre rules in the country, under its Sustainable Data Centre Action Plan. New facilities there must supply their own renewable energy and storage, sit 150m from residential buildings and cool with recycled or non-drinking water.

PJRA said diesel backup generators are drawing more attention in air quality assessments, with regulators asking for modelling of combustion emissions and, where facilities cluster, cumulative impacts. Victoria limits backup diesel use to emergencies and mandatory testing and requires ongoing monitoring and reporting of runtime and emissions. On water, NSW guidelines set design targets for both power and water usage effectiveness, and PJRA said proposals lacking an early, credible water strategy meet more scrutiny and delay.

The consultancy also flagged emissions inventories, health and safety planning for fuel, batteries and refrigerants, and contamination checks on sites as areas attracting approval conditions. It said much of the legislation is not yet enforceable, yet planning authorities already apply scrutiny beyond that of an ordinary commercial or industrial project.

REPORTING FROM

1 pjra.com.au · Keeping pace with Australia's data centre laws

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.