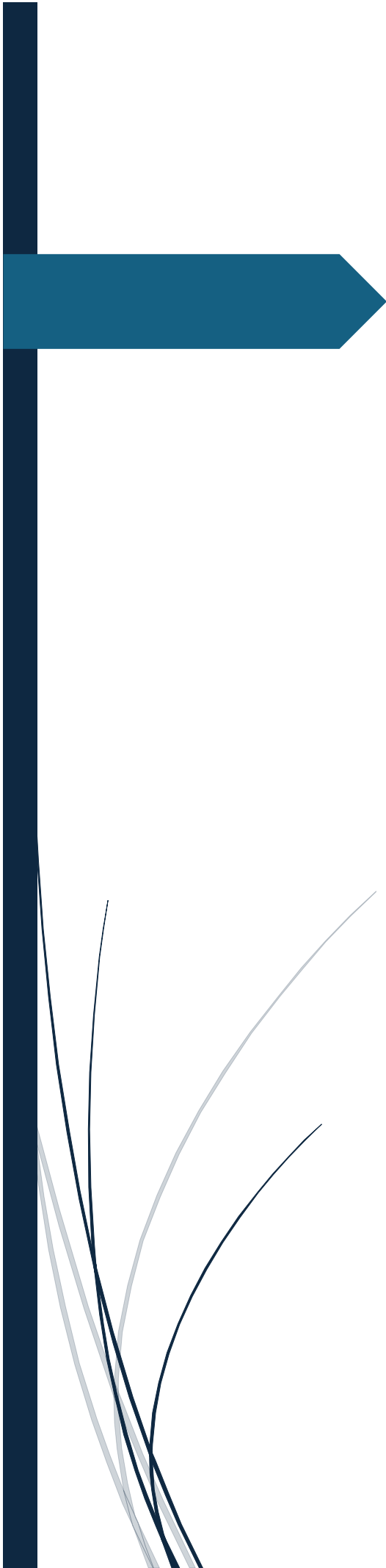




Data Centres in Ireland

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Garry Keegan
IPC

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As of June 2025, there are 89 data centres in Ireland, and according to EirGrid the national electricity demand for these centres has increased from 5% of usage in 2015 to 22% in 2024. Along with other new technology-related energy demand, this will rise to 34% by 2034.

Ireland's effective moratorium on connecting new data centres to the grid, in place since 2021, has ended as of late 2025/early 2026, replaced by strict new rules under the Large Energy Action Plan (LEAP) requiring on-site generation, significant renewable energy use, and grid support, aiming to balance growth with climate goals. LEAP, published by the Irish Government in January 2026, identifies building data centres as an important component in the approximate €19 billion in public and private required investment in the electricity network over the next five to ten years. The plan envisages upgrading the network to accommodate large users, while the Commission for Regulation of Utilities (CRU) places an obligation of large users to identify renewable sources to power their centres and plants. The CRU made a decision in December 2025 to require data centres to meet at least 80% of their annual demand with additional renewable energy generated in the Republic of Ireland. They justified this

based on national renewable energy targets, security of supply considerations and grid constraints. Industry groups broadly welcomed the CRU's decision as bringing clarity and unlocking investment; these included Cloud Infrastructure Ireland, Digital Infrastructure Ireland, American Chamber of Commerce and Wind Energy Ireland. There was less enthusiasm for the CRU's policy requiring developers of new data centres to provide electricity to homes and businesses through the wholesale market in return for grid connections. It is believed this will add a degree of operational complexity and may disadvantage smaller players in the sector. Not only do they build a data centre, they now have to build a power plant and get involved in the market.

The Government want to see Ireland as a global leader for locating data centres where they already employ 21,000 people directly, and their presence affected over 180,000 jobs in the ICT sector. However, the Accelerating Infrastructure Taskforce has said the lack of electricity was a problem that has deteriorated for 10-15 years. Both it and IDA Ireland welcome the investment in addressing grid constraints, the IDA stating previously it found the delivery of energy investment was not providing confidence or certainty to FDI and said large energy users such as data centres were not considering Ireland as a

viable location. In January 2026, the IDA warned Government that the State risks losing out on multinational projects due to constraints with the power grid.

The importance of data centres?

Data centres are crucial because they are the physical backbone of the digital world, providing secure, centralised locations to store, process, and distribute the vast amounts of data powering everything from streaming services and online banking to AI, cloud computing, and Information and Communications (ICT) companies. They ensure reliable access to critical applications, enable innovation, and support the fundamental operations of the modern digital economy, offering scalability, security, and efficiency for businesses and individuals.

Key reasons data centres are important:

- **Power Digital Services:** They host the servers for websites, social media, e-commerce, and streaming, making our digital lives possible.
- **Secure Data:** They offer secure, controlled environments with backup power and physical security to protect sensitive data from loss or cyber threats.
- **Support Business Operations:** They centralize IT, allowing businesses in healthcare, finance, and manufacturing to run core operations efficiently and reliably.
- **Provide Scalability & Efficiency:** They offer scalable infrastructure, allowing organizations to grow their IT resources as needed, and improve performance with centralized management.
- **Enable Innovation:** They provide the immense computing power and storage needed for advanced technologies like Artificial Intelligence, Machine Learning, and Quantum Computing.
- **Drive the Economy:** They are vital for economic growth, serving as the foundation for digital transformation and supporting industries globally.

In essence, data centres are the silent, powerful engines behind the digital age, ensuring the constant flow of data that underpins modern society and future technological advancements.