Irish Independent, 19th February 2026.

Microsoft claims data centres aren't using energy at 'expense of' homes

Company is now preparing to switch over to new zero-water cooling structure

Microsoft says its total electricity usage has now been equalled by renewable energy deals it has entered into, claiming to represent one of the biggest 'clean energy' achievements in the tech multinational world.

It comes as the software and cloud giant, which employs 6,800 people in Ireland, briefly opened up its data centre campus in Dublin in a bid to explain what the facility does and how much power it consumes. The West Dublin campus houses 13 buildings, each of which contains several 'data halls' with equipment and facilities to power and process trillions of information flows that represent everyday internet usage.

Microsoft Azure, the company's cloud service, is the second largest in the world after Amazon Web Services. It is used by over 90pc of large businesses, the company says. The company's Irish data centre campus represents one of the largest such facilities operated by Microsoft across Europe, the Middle East and Africa, measuring over 1km from end to end.

The power requirement of the campus is the equivalent to that of tens of thousands of standard Irish homes. Figures from the Central Statistics Office show the amount of metered electricity consumed by data centres overtook the total required by Irish urban residences in 2023.

The giant facilities, which power everything from email and Netflix to online payments and AI, are expected to exceed the energy consumption of all Irish domestic homes within the next five years.

However, the company's Irish-born president of cloud operations, Noelle Walsh, disputed the narrative that data centres are in competition with residential developments for energy. She claimed Microsoft's long-term contracts for renewable energy contracts, through power purchase agreements (PPAs), might expand the sum total of energy available in Ireland.

"There is no special grid for data centres [that is] only dedicated for us," she said. "Renewable energy feeds the grid and the grid feeds us all. I'd like to think that in some ways, we've helped encourage it through PPAs. It will be complex going forward and highly dependent on wind and on renewable energy. But it's not going to data centres at the expense of residential areas."

Ms Walsh said Microsoft was on track to double its data centre capacity in Europe across 200 facilities.

Microsoft says its goal to become "carbon negative" by 2030 has hit an intermediate milestone where all of the energy it uses globally is now cumulatively matched by the wind and solar energy it now buys, although it did not give percentages for Ireland.

This, the company suggests, should be taken into account in heated national and international debates over whether data centres use too much energy, relative to their function in society.

"We just turned 50, so it's really focused on how we erase that historical emissions we have emitted since the founding of our business [in 1975]," said Melanie Nakagawa, the tech giant's chief sustainability officer, at the Microsoft campus this week.

"Back in 2020, Microsoft announced a set of ambitious sustainability goals to be carbon negative, water positive, with zero waste and to protect ecosystems by the year 2030. We also pledged that by 2050 we would remove from the atmosphere the equivalent of our operational emissions from electricity since our founding in 1975."

The company has reached its "midpoint", in these pledges, she said. "That was that by 2025, we would match 100pc of our annual global electricity consumption with renewable energy. What that means is that every kilowatt of electricity we have used has been matched with renewable energy."

Ms Nakagawa claimed while the company is only announcing the milestone now, the goal was reached last year and has been in an auditing process since then. While data centres use the equivalent energy of thousands and sometimes tens of thousands, of homes, water usage for cooling the facilities - another controversial aspect of data centre operations - is now being radically cut, she said.

She said that one of the 13 data centre buildings on campus used "roughly the same amount of water as 45 Irish homes "in the hottest months" of the year.

"In general, we're starting to switch to a new type of cooling structure, particularly for the AI data centres, which uses zero water for cooling," she said.

Asked by the Irish Independent whether, as a big US tech company in the Trump era, Microsoft may rethink its sustainability policies as the US pivots back toward oil and coal, Ms Nakagawa said that the company would "follow the science" and maintain its current course. "As a global company, we operate like it's a global stage," she said.

"And so, regardless of, you know … we focus on a science-based approach, so we're going to focus on reducing emissions because it's a global target and we're going to do that regardless of the country."

Later, she expanded on the theme. "We've been through many cycles of geopolitical shifts and turns," she said. "I've been really keen to ensure that we have a strategy that is durable and enduring beyond any political cycle."

Ms Nakagawa said Microsoft has government affairs divisions that "continually … track the policy and the politics". "We want to work closely to shape the regulations that allow us to

continue our growth, but do so in a way that is enduring beyond any one political cycle," she said.

Enterprise Minister Peter Burke claimed data centres are central to Big Tech investment in Ireland. "I don't think anyone that knows the system would say there's any ambiguity towards that," he said. "If we lose sight of that as an economy, we'll be in serious trouble. Multinationals want their power and data centres and sovereignty over their data close to where they're expanding their operations. And that's been the case very significantly here."

He said recently-announced plans by the Government to increase capital expenditure from €8bn to €18bn meant a boost for the country's grid investment.

Mr Burke also said the combination of the State's new Large Energy Action Plan (Leap) - encouraging co-location of energy-sucking giants such as data centres to be established closer to renewable energy sources to avoid draining the national grid - and new framework rules from the Commission for Regulation of Utilities added "certainty" for multinationals planning investments here.

"I think we have to be in agreement that data centres are an anchor for our digital economy," he said.

"We have about 180,000 people who are employed right across our economy reliant on the digital sector. Data centres are very much a strong anchor for the growth in those jobs."

An analyst from UK-based research agency Baringa, Mark Turner, claimed computer services exports reached €278bn in 2024, accounting for 58pc of all Irish services exports. He said the ICT sector now contributes 18pc of Ireland's total Gross Value Added (GVA), employing 7pc of the workforce, with job creation in this space growing four times faster than the national average.

He also claimed data centres are "the leading commercial backers of Ireland's 41pc renewable electricity share, providing the bankability needed to help support the 2030 target of 80pc".