May 11, 2021

S.6243 (Hinchey)/A.6543 (Fahy)

Summary: Requires applicants for a license to grow adult-use or medical cannabis to submit an energy efficiency plan to the department of agriculture and markets; sets resource efficiency requirements for such cannabis growers.

Statement of Support: The legalization of production, distribution, and sale of cannabis products in New York will generate millions of dollars in sales tax revenues, boost the state economy, create new jobs, and address past injustices of marijuana related arrests and incarceration, especially in communities of color. While there are many tangible benefits associated with legalization, it is critically important to address the impacts of cannabis growing facilities on our energy grid, water resources, and environment.

Indoor cannabis cultivation is an incredibly energy-intensive industry, requiring special lighting, ventilation, dehumidification, and air conditioning systems. In Oregon, California, and Colorado, increased energy demand has placed an unexpected strain on the energy grid. This has led to major power outages due to huge electrical loads and blown transformers in areas that did not anticipate the energy consumption from indoor cannabis facilities. In Denver, indoor cultivation facilities alone are responsible for 4% of the total energy use in the city. Indoor operations are also a significant source of carbon emissions. In Colorado, researchers estimate that 2.6 million tons of carbon are emitted from indoor cannabis operations each year, which is equivalent to the annual emissions from 520,000 vehicles. The production of marijuana requires significant water use. A recent study found that by 2025, total water use of the legal cannabis market is expected to increase by 86%. Improving water use efficiency in cannabis cultivation will become increasingly important as legal production surges in response to rising consumer demand.

This legislation aims to prevent the kinds of energy and water usage issues already observed in other states. Specifically, it requires applicants for cannabis cultivation licenses to provide a plan detailing their expected water and energy use needs, and sets energy efficiency standards for the equipment used in cultivation.

Enacting energy and environmental safeguards to mitigate the negative effects of the cannabis industry is imperative. New York should issue conditions upon any adult-use cultivator license that set energy efficiency standards; renewable energy procurement requirements; limits to CO\textsubscript{2} inputs, pesticides, and chemical fertilizers; water conservation standards, and plans to reduce the significant amount of plastic that presents waste challenges from production to post consumption. Through observing obstacles faced in other states, New York now has the opportunity to design a system that aligns with both our climate goals and environmental values.

The Sierra Club Atlantic Chapter Strongly Urges Your Support of S.6243/A.6543

1 https://pubs.acs.org/doi/pdf/10.1021/acs.estlett.0c00844
2 https://www.nature.com/articles/s41893-021-00691-w