



CANNABIS & ENERGY FACT SHEET

Energy accounts for 25%-30% of cannabis production costs. Producers must take control of their energy use and costs in order to remain competitive and manage operational risk.

International Cannabis Solutions, in partnership with **Solar Guard Energy**, provides a full range of energy advisory services to assist with the planning, design and implementation of comprehensive energy management strategies for new and existing cannabis production facilities.

Energy Demands of Cannabis Cultivation:

- Lighting levels matching those found in hospital operating rooms
- Est. 30 hourly air changes (6-times the rate of a high-tech lab, and 60 times the rate of a home)
- Power densities of 2000W/m², on par with modern datacenters
- Energy represents 1% of the value of pharmaceutical shipments vs. up to **50%** of the value of Cannabis wholesale prices.
- Cannabis production requires 8x as much energy per sqft as a typical commercial building

Energy Challenges in Ontario:

- Ensuring adequately sized hydro service. Potential costly hydro infrastructure upgrades
- Continuing steep increases in energy costs via the Global Adjustment
- Increasing demand charges, targeting energy-intensive industries
- Mandatory Energy and Water Reporting and Benchmarking (EWRB) for buildings over 50,000 sf

Energy Opportunities & Solutions:

- Low-Energy and Net-Zero Building Designs
- Building Energy Optimization
- Energy Retrofits for upgraded energy performance.
- On-Site Renewable Generation and Energy Storage
- Load Shifting & Peak Load Shaving
- Technology Optimization/Real Time Data Collection
- Material and Equipment Selection Recommendations
- Negotiations with utilities for infrastructure upgrades
- Rate and service selection and disputes.
- Securing of government incentives, tax credits and grants
- Government reimbursement of energy study costs.

The Benefits of Energy Management and Self-Generation:

- ✓ Instant electricity cost savings and lower operating expenses
- ✓ Energy cost and budget predictability
- ✓ Protection against utility rate increases
- ✓ Favourable tax treatment
- ✓ Attractive return on investment