



Energy & Environmental Sustainability Overview

OVERVIEW

Protecting the environment and improving the State’s resiliency to climate change are two key intentions of the [Marihuana Regulation & Taxation Act \(MRTA\)](#), which legalized adult-use cannabis in New York State (NYS) and brought the Medical Cannabis Program within the regulatory authority of the Office of Cannabis Management (the Office). The Office has circulated regulations for both medical and adult-use licensees designed to minimize the adverse environmental impacts of the cannabis industry within the State. With an initial focus on energy use standards and carbon and other greenhouse gas (GHG) emissions management, waste minimization, and the protection of air, water, and land, amongst other things. These regulations form an overall approach to environmental sustainability that is in alignment with the State’s [Climate Leadership and Community Protection Act \(CLCPA\)](#). Additionally, they bolster the three pillars of sustainability: **economic sustainability**, **environmental sustainability**, and **social sustainability**.

The Office supports an environmentally sustainable cannabis industry in New York State through initiatives including:

ENERGY USE STANDARDS AND EMISSIONS MANAGEMENT

Energy use and the associated emissions can be a primary source of environmental impact, particularly in indoor and controlled environment cannabis production. Both medical and adult-use licensees are required to maintain and submit plans related to their environmental impact, manage resource consumption, and control emissions of carbon and other GHGs.

Energy use and associated emissions regulations include, but are not limited to:

- The installation of energy meters;
- Efficiency standards for horticultural lighting equipment;
- Nation-leading limitations on the use of refrigerants in heating, ventilation and air conditioning (HVAC) and dehumidification equipment; and
- Prohibitions on the use of fossil fuel combustion as a primary energy source.

WASTE MINIMIZATION

After energy use and emissions generation, waste generation ranks among the top areas of concern for adverse environmental impact of the cannabis industry. Waste streams are targeted by the Office’s approach to limiting the level of waste sent to landfills by licensees as well as the requirements laid out in the [Packaging, Labeling, Marketing and Advertising Act \(PLMA\)](#) regulations. The State’s PLMA regulations require a greater focus on sustainable packaging and post-consumer recycling than in other states and industries.

The Office has taken a two-tiered approach to minimizing the amount of waste generated by the State industry by focusing on the two primary sources of waste:

- Waste generated through cultivation and processing; and
- Waste generated by consumer packaging.

WASTE MINIMIZATION (CONTINUED)

Regulations will limit the total waste generated by requiring low-THC waste to be repurposed or sold to secondary markets as applicable and limit the total waste landfilled by refraining from low-THC waste to 50/50 mix restrictions and mandating THC waste only be landfilled if no other options exist.

The Environmental Sustainability Product Packaging Plan required through the PLMA regulations includes a retail packaging sustainability program that may include, but is not limited to, reuse strategies for collecting cannabis packaging to be refilled or reused.

PROTECTION OF AIR, WATER AND LAND

The Office's energy and environmental standards take a holistic approach to resource protection and land stewardship. It accomplishes this by building on the State's existing environmental regulations and emphasizing best management practices identified by regulators and businesses in other legal states and grey markets. This approach includes crafting cultivation tiers to encourage lower energy-use outdoor and mixed light production over more energy-intensive indoor production.

Licensees in both medical and adult-use cannabis markets are required to engage in resource tracking and reporting to develop a benchmark of their energy, water, and associated emissions use. Licensees authorized to cultivate will meet these requirements using PowerScore. The [State-specific PowerScore platform](#) will help the Office ensure the cannabis industry stays in line with State climate goals, while providing licensees a better understanding of their resource consumption and the relationship between their operating costs and their yield. Licensees will not have to pay to use the PowerScore platform.

PROMOTING EQUITY

The Office's adult-use energy and environmental sustainability regulations were developed with consideration to legacy growers and less capitalized licensees. This includes aspects like holding smaller-scale cultivation licensees to less stringent standards and allowing them two licensing periods to come into compliance with some energy and environmental regulations. [For more information on how the Office is prioritizing Social and Economic Equity \(SEE\) visit here.](#)

RESEARCH

Continuous improvement over the status quo is a cornerstone of sustainability. The Office's [research license](#) provides the State cannabis industry the opportunity to examine novel methods for minimizing the adverse environmental impacts of the cannabis supply chain while using cannabis as a tool to improve the state's resiliency to climate change.

Areas of research that could support the cannabis industry's sustainability include, but are not limited to:

- Sustainable packaging innovation including hemp-based, compostable, reusable and recyclable packaging and localized supply chain development;
- Novel waste management approaches that reduce plastic packaging, lower the environmental impact of vaporizer batteries and hardware, and address secondary uses for spent grow media and biowaste;
- Cannabis resource efficiency, including lighting and energy efficiency, water usage, emissions reductions, grow media and regenerative methods, and the use of supplemental carbon dioxide; and
- Projects that examine the role of cannabis in climate justice and foster economic development, job creation or technology advancements that can be translated to other State industries.

Please email info@ocm.ny.gov if you have any further questions or call us at **1-888-OCM-5151 (1-888-626-5151)**.