Illinois Energy Efficiency Stakeholder Advisory Group Open Cannabis Questions for Discussion (final draft – March 6, 2020)

Initial Priority Questions Highlighted in Yellow Updated with March 10 SAG Meeting Responses from IL Dept. of Agriculture

Canopy Space and Facility Questions

- 1. What does the Dept of Agriculture consider "canopy space" in a facility (flower, vegetative, propagation, mother; all or only flower and veg, etc.)?
 - a. Does this include clone areas?
 - b. If the clones are in a vertical shelf stack, will they add each individual shelf to the total canopy area?
 - c. Note: For information on "canopy space", see the answers to question #8 and question #17 under "Craft Growers" on the IL Department of Agriculture website: <u>https://www2.illinois.gov/sites/agr/Plants/Pages/Second-Round-Application-</u> <u>Questions.aspx#CG</u>

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- Includes all space within boundaries
- Anticipated area is leaves of mature plants but could include stacking
- In terms of meeting the lighting power density, how is "active and growing space canopy" defined, or at what point is that measured if it's taking into account all plant stages? The plants size expands over time and will change the total canopy square footage as they mature.
 - a. In the second round of "Application Questions and Answers" posted on the IL Department of Agriculture website (https://www2.illinois.gov/sites/agr/Plants/Pages/Second-Round-Application-Questions.aspx#CG), question 8 asked about calculating canopy space and the answer stated "canopy space is measured from the outermost point of a mature flowering plant in a designated growing area and continuing around the outside of all mature flowering plants in that designated growing area, but not including space allocated for walkways or ancillary equipment. This space may be spread over a single level or multiple levels. Each level of mature flowering plants is considered in calculating canopy space". Question 17 asked about the lighting power density calculation and if canopy space is defined across all plant rooms, the answer stated "total canopy space" and pointed to the answer to question 8 for more clarification, but question 8 only defined calculating canopy space for mature flowering plants. How is canopy space in non-flowering rooms being measured as the plants mature over time?
 - b. Note: Utilities are interested in confirming this information during the preliminary design and project application phase.
- 3. Does the Department anticipate any distinction in rules or requirements between production in a greenhouse style building envelope vs a grow operation that is fully enclosed? (i.e., is a traditional translucent greenhouse structure subject to the same rules as a warehouse or other opaque building envelope?)

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• Do not anticipate

4. After the initial licensing/plan submission, can a producer make significant changes to their facilities? If so, do they need to go through the licensing process again? Or are they free to make changes to energy using equipment without submitting a new plan, etc.?

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- Changes have to be submitted and approved including submitting new documents
- 5. How often will the grower need to provide reports on production weights?

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- Constant seed-to-sale electronic monitoring through BioTrack
- 6. Can the Department share a list of facilities applying or permitted to grow cannabis with the utilities (specifically craft growers)?
 - a. Note: It would be beneficial for utilities to know where these facilities are located before cultivation begins, in order to help identify energy efficiency opportunities (ideally before the license is awarded).

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• The Department will grant 40 craft licenses by July 1, 2020, and that info will be public at that time

Energy Efficiency Equipment Questions

- 7. How is the "other more energy efficient equipment" pathway for HVAC compliance being interpreted?
 - a. Does the Department have guidance to share on what types of equipment will (or will not) comply with that option?
 - b. Will the Department review installed technologies to determine what meets or exceeds the efficiency baseline of a 'ductless split HVAC unit or variable refrigerant flow (VRF) system'?
 - c. Has the Department explicitly laid out which variables will be assessed in determining "more efficient equipment"? (new question added after March 10 meeting)

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- This is important for application scoring, therefore cannot go into detail at this time.
- 8. Since the law calls out system types only (ductless mini-splits or VRF systems) in lieu of actual efficiencies, we are interpreting the efficiency requirements to be the corresponding IECC code minimums (2018 version adopted in IL) for the specific system type and size. For example, If a <6,000 sq ft customer is installing a 10 Ton unit, the efficiency of their equipment must be equal to or exceed the efficiencies of a 10 Ton ductless mini-split unit (which has efficiency ratings of 11.0 EER and 11.2 IEER per 2018 IECC), regardless of the type of system the customer actually installs. As long as the installed equipment has efficacies greater than 11.0 EER and 11.2 IEER (in this scenario), will they meet the requirement? Is this how the Department will also be interpreting those efficiency requirements?</p>

d. Note: This is of interest to utilities wanting to assist customers in their territory with HVAC system design. Understanding how different systems will be evaluated on an apples-to-apples comparison for efficiency levels will help utilities ensure they are not recommending equipment that would be considered non-compliant by the Department.

March 11 SAG Meeting:

- This is important for application scoring, therefore cannot go into detail at this time.
- 9. Will there be any type of ongoing monitoring of the energy efficiency requirements in the legislation? We understand (this is, of course, paraphrasing) that the emergency rule requires that a plan to meet these requirements be provided as part of the application process, and that the application is a binding agreement to implement that plan, but we have not seen any information that suggests that there would be any further monitoring or enforcement beyond those initial licensing requirements.
 - e. For example, would there be any site visits by inspectors or submission of energy consumption data required?
 - f. If there are site visits, how often will they occur and by whom?
 - g. Are inspectors knowledgeable in the building energy code and able to recognize whether equipment installed is compliant?
 - h. Are there any penalties for non-compliance?
 - *i.* Note: Utilities are interested in this information in both the short term (e.g., right now) as well as in the long term (are there future plans to institute some type of enforcement/inspections that simply can't be done right now for logistical reasons)?

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- Must meet requirements of application and enforcement is at discretion of Dept.
- Current hiring ramp-up for on the ground oversight

10. Medical vs. Recreational Facilities

- a. How does the Department differentiate between medical vs recreational for facilities that produce both?
- b. Do the requirements apply to every cannabis cultivation facility or do the medical facilities get extra time?
- c. Can the Department share information on any guidelines for current medical producers that are expanding in to the recreational side of the market?
 - i. Specifically, to confirm if/how requirements will change for medical producers' lighting and HVAC equipment and the timeline for those changes to be implemented. We interpret the timeline to be 2022 for existing medical producers to begin complying with the lighting and HVAC specifications, if they are awarded an Adult Use Cultivation Center License after their Early Approval Adult Use Cultivation Center License expires.

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- There are two Acts that cover this.
- Department has licenses for 21 Compassionate Use of Cannabis Act growers they got ability to an early application license for recreational. All 21 did apply.

Requirements were based on the CUCA which meant there were not new requirements under these licenses.

- Craft grow facilities cannot produce for medical.
- Guidelines for medical are part of the rules through the Compassionate Use Act so no change at this point.
- 11. Can the Department provide insight on water capture and usage, related to data collection requirements?
 - a. Does the Department have a draft form or template for getting that data?
 - b. Is reporting that information an annual requirement or more frequent?
 - i. Note: Utility evaluators are interested in seeing data on the volume of water captured from dehumidification, for example.

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- Licensees must meet requirements of application.
- 12. What happens with the HVAC requirement if a smaller craft grower expands and total canopy area increases beyond the 6,000 sq. feet limit for ductless mini-splits?
 - a. Does the VRF requirement only apply to the new area? Or do does the grower have to upgrade HVAC equipment that might be only a few years old?

March 11 SAG Meeting:

• Must be approved and meet requirements of law