

Indoor Cannabis Cultivation

Equipment incentives for your business

Indoor cultivation facilities are energy intensive. Let SMUD help you reduce operating costs in your facility with our incentive programs.

Lighting Fixture Incentives

Lighting accounts for up to 60% of an indoor cultivation facility's annual energy consumption. SMUD's studies found LED fixtures to be an effective replacement for traditional High Pressure Sodium (HPS) fixtures, reducing monthly energy costs by 20%. That's why we're offering a \$200 per-fixture incentive for retrofitting HPS fixtures with high efficiency LED fixtures.

Case Study: Amplified Farms



HPS fixtures installed in room 1.



LED fixtures installed in room 2.

SMUD monitored two flowering rooms at Amplified Farms throughout the flowering cycles, one room lit by HPS fixtures and the other by LED fixtures. The grower realized 20% overall energy savings after the HPS fixtures were replaced with LED fixtures. The yield remained consistent across both lighting types.

Here's how SMUD's incentive on installing LED light fixtures breaks down:

Existing	Proposed	SMUD Incentive
1000W HPS	600W LED	\$200 per fixture

HVAC and Process Equipment Retrofit Incentives

For retrofits of existing systems, high efficiency air conditioning and dehumidification equipment may also be eligible for incentives. Due to the inherent complexity of these systems, SMUD will use a calculated approach to determine the incentive.

In addition, retrofitting extraction and manufacturing process equipment may qualify for potential incentives.



Conditions for Participation

- **For system retrofits, customers must submit a signed incentive application and receive SMUD's approval before purchasing any equipment and starting any work on the project. Funds are limited and are paid first-come, first-served. Only projects receiving a signed reservation of funds and approval to proceed, and that are completed within the timeline specified, are guaranteed incentives.**
- This offering is open to SMUD commercial customers only. All projects are subject to site inspections by SMUD before and after installation.
- LED fixtures replace HPS one-for-one. (Other configurations are eligible for different incentives.)
- All fixtures must satisfy the technical requirements and must be listed on the Design Lights Consortium's Horticultural Lighting Qualified Products List (QPL) at designlights.org.
- Fixture types that are not categorized on the QPL may still be eligible. Contact the Cannabis Operations team for further details.
- Mixed light (greenhouse) facilities are excluded from the \$200/fixture incentive. SMUD will use a calculated approach to determine the incentive using \$0.10/kWh.
- Incentives are limited to 50% of the project cost. The maximum available incentive is \$50,000 for indoor horticultural LED lighting. HVAC and additional process equipment are eligible for an incentive up to \$100,000. The maximum available combined energy efficiency incentive is \$100,000 per project.

Contact

For more information, or to request an incentive application, contact SMUD's Cannabis Operations team:

- CannabisOperations@smud.org
- 916-732-7682 | smud.org/Cannabis