



June 30, 2023
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To: Golden State Finance Authority
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Scoping Comments on the Reissued Notice of Preparation of a Draft Environmental Impact Report for the Golden State Natural Resources Forest Resiliency Demonstration Project

We hereby submit comments regarding unacceptability of this project, the need to understand boundaries to its impacts, and the scope of the Environmental Impact Report.

We share a vision of a world in which thriving natural forests play a significant role in tackling climate change and contribute to a clean, healthy, just and sustainable future for all life on earth. Burning forest wood for large-scale energy production cannot be part of that future. Instead we must protect and restore natural forests, thereby reducing emissions and removing atmospheric carbon dioxide while supporting biodiversity, resilience and well-being. The reasons for our opposition to large-scale forest biomass energy are contained in the [Biomass Delusion statement](#) signed by 204 organisations which calls on governments, financiers, companies and civil society to avoid expansion of the forest biomass based energy industry and move away from its use.

The proposed project is based on use of biomass from natural forests, allegedly as some sort of fire reduction measure and with the concurrent aim of thinning forests to remove trees and understory plants to engineer a production forest quite different to the natural ecosystem. Use of the term “resilience” bears no relationship to ecological resilience but appears to be a marketing concept. To confer resilience to climate change and to fire, the science tells us that the most effective action is to protect carbon rich ecosystems such as forests, and after that to restore degraded natural ecosystems. That is not what this project is doing. Neither is it taking into account the science on reducing fire risk which shows that intact old forests are much better buffers to fire than are degraded secondary forests, which in turn are more effective than monoculture plantations. Removing all that biomass so that it can be processed and burnt elsewhere is not reducing greenhouse gas emissions in any way either, it is simply ensuring they go to the atmosphere quite rapidly whilst adding further emissions along the transport and processing chain.

Exclude Natural Forests from the Scope of the Project

The scope of this project should be restricted in light of world's best practice as demonstrated by Australia whose policy declares that native forest biomass is not a renewable energy source under the national Renewable Energy Target (RET), implemented by regulation on 16 December 2022 thereby excluding such energy from government incentives and tradeable certificates. The Australian Government earlier justified this position, saying "***This amendment was made to ensure that the RET did not provide an incentive for the burning of native forest wood waste for bio-energy, which could lead to unintended outcomes for biodiversity and the destruction of intact carbon stores.***"

It is exactly this problem of impacts on biodiversity, at a time when the world is attempting to address the global biodiversity crisis, and the destruction of intact natural carbon stores which will inevitably exacerbate global warming through large immediate emissions whilst depleting sequestration, at a time when the world is also attempting to address the climate crisis, which is at the heart of the unsuitability of large-scale energy generation from forest biomass. California, or at the least the proponents and financial supporters of this project, should review the scope of its biomass sourcing and reject its application to natural forests.

Include Carbon Dioxide Emissions of Combustion of the Wood Pellets Produced by the Project

International carbon accounting rules provide that emissions responsibility for biomass energy is with the producer of the biomass and not with the consumer who burns that biomass for energy. It is to be calculated in relation to the stock change it generates in the land and forests sector, whilst emissions of combustion will not be calculated in the energy sector of whichever country burns the pellets. This means that although the wood pellets may be used elsewhere, including overseas in Asia or Europe, the greenhouse gas emissions it generates are the responsibility of the United States of America. Therefore, carbon dioxide that will be released to the atmosphere by the pellets produced by this project must be calculated and applied as a future stock change (depletion) to carbon stocks in the forests in a transparent manner that allows the annual emissions impact on the atmosphere as a result of this project to become clear. It is not good science for biomass advocates to claim that forests growing somewhere else will make up for the biomass burning emissions. Those forests were growing anyway, whether wood was logged and burnt for bioenergy or not. The IPCC was very clear about this, saying:

*"If bioenergy production is to generate a net reduction in emissions, it must do so by offsetting those emissions through **increased net carbon uptake of biota and soils**"* (emphasis added).

Failure to clearly identify emissions impacts in producing countries coupled with the lack of any requirement to account for the carbon emissions when burnt in other places has led to erroneous assumptions of zero carbon or carbon neutrality, when the fact is that emissions have simply been ignored. This should not be the case for California which regards itself as a climate leader.

Consider that Wood Pellets will be used to Co-Fire with Coal, assisting to entrench rather than transition away from coal-fired energy generation

In Europe and increasingly in Japan, co-firing coal with wood in large generators is occurring under a pretext of "abating" emissions. The carbon accounting rules outlined above, in which no emissions of combustion are recorded in the energy sector, allow the misunderstanding that emissions have been abated simply because they are not recorded alongside fossil fuel emissions in the energy sector, not

because the emissions have actually been reduced. We have argued that since the USA takes emissions responsibility as the producer of the wood, you should clearly show the annual quantum of those carbon releases to atmosphere. You should also be aware that use of your product would involve the accounting sleight of hand that sees that actual emitting facilities claim emissions reductions that magically make their coal burning appear more efficient. That is, your pellets will likely be used to entrench the use of coal-fired power in your markets. This also falls within the scope of your project impacts and should form part of its assessment.

Many other more localised issues have been raised regarding the proposed project and its assessment. We seek to add to those important considerations with this input from an international perspective. We agree that the Environmental Impact Report must consider project alternatives, including the “no action” alternative, which must assess carbon sequestration and ecological benefits of leaving forests standing.

Thank you for the opportunity to provide scoping comments on the proposed project.

Yours sincerely,



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