

**NOTICE OF PREPARATION
OF A DRAFT ENVIRONMENTAL IMPACT REPORT
Golden State Natural Resources
Forest Resiliency Demonstration Project**

Date: November 18 2022

Subject: Notice of Preparation of a Draft Environmental Impact Report for the Golden State Natural Resources Forest Resiliency Demonstration Project

Review Period: November 18, 2022 to December 19, 2022

The Golden State Finance Authority (GSFA) is the Lead Agency for the Golden State Natural Resources (GSNR) Forest Resiliency Demonstration Project (proposed project) and intends to prepare an Environmental Impact Report (EIR) for the proposed project. This Notice of Preparation (NOP) initiates the environmental scoping process in accordance with the California Environmental Quality Act (CEQA) Guidelines (14 California Code of Regulations [CCR] Section 15082). The purpose of a NOP is to provide sufficient information about the proposed project and its potential environmental effects to allow public agencies, organizations, tribes and interested members of the public the opportunity to provide a meaningful response related to the scope and content of the EIR, including feasible mitigation measures and project alternatives that should be considered in the EIR (CEQA Guidelines, 14 CCR 15082[a]). The proposed project and location are briefly described below.

PROJECT DESCRIPTION

The proposed project is a response to the growing rate of wildfires in California, which has been exacerbated by hazardous excess fuel loads in forests, and the need to promote economic activity within California's rural counties. The proposed project would improve the resiliency of California's forestlands by sustainably procuring and processing excess biomass into a pelletized fuel source for use in renewable energy generation overseas. The proposed project components include the vegetation treatment activities (feedstock source); the transportation and storage of feedstock, and subsequent processing at two pellet processing facilities (one in the foothills of the Central Sierra Nevada Mountain range (Tuolumne facility) and one in the Modoc Plateau of Northern California (Lassen facility)); and the transportation of the finished product to a storage and shipping facility to be constructed at a suitable deepwater port in California for export to international markets.

The proposed project can be broken down into three primary phases:

1. **Feedstock.** Feedstock consists of the underutilized and unmarketable forest material used to produce industrial wood pellets. There would be two primary feedstock types: roundwood and residuals. Roundwood consists of wood in its natural state that is not suitable for use as commercial lumber due to its condition (e.g. age, fire damage), size, or economic factors (e.g. wood type, transportation costs). Roundwood for the proposed project would be procured through vegetation treatment activities, including prescribed thinning, occurring on public and private lands within a 100 mile radius of each production facility. Residuals include material (bark, shavings, sawdust and wood chips) left over from the milling process. Residuals may also include "forest slash," which is material left following timber harvesting and treatments (such as the limbs and the tops of trees), and vegetation from fire management activities performed by utilities (such as

PG&E) or public agencies. The feedstock is transported by truck to the wood pellet processing facility or an aggregation, distribution and/or sales yard for utilization by other wood processing facilities.

Unmarketable forest material may come from public or private lands. In October 2019, GSFA executed a 20-year Master Stewardship Agreement (MSA) with the US Forest Service (USFS) to provide for the mutual benefit and interests of GSFA and the USFS in achieving resilient forests within US Forest Service Region 5, which includes all of the eighteen national forests located in California. The MSA would allow GSFA to undertake forest thinning and fuel reduction activities identified in individual Supplemental Project Agreements (SPAs). The MSA provides for a potential source of feedstock while meeting USFS forest management objectives. The proposed project may also receive roundwood resulting from vegetation treatment activities undertaken by other entities (such as Fire Safe Councils, Resource Conservation Districts, and public utilities). Feedstock would be transported to the wood pellet production facilities, or to storage yards located nearby.

2. **Wood pellet production.** Wood pellet production facilities will be located in the Central Sierra (Tuolumne) and Northern California (Lassen) regions. In general, the roundwood received would be processed through a debarker and chipper. The processed chips would be conveyed to a radial stacker reclaimer where they would be combined with material received in residual (reduced size) form for the next processing phase. The bark from the roundwood would be conveyed separately to a storage pile for use as fuel for the furnace used to heat the dryer. The wood chips would then be screened for the appropriate size and continue to the dryer. Chips that do not pass through the screens would be directed to an array of hammer mills to be reduced to the appropriate size. The chips would then be dried, passed through another stage of size reduction by way of hammer mills, and then sent through the pellet mill. The pellets would be cooled to ambient air temperature and sent through a final screen, after which they would be stored in silos awaiting loading for off-site transportation. The planned capacity of the Tuolumne site is 300,000 tons per year (dry pellets). The planned capacity of the Lassen site is 700,000 tons per year.
3. **Transport to market.** The finished pellets are loaded onto rail cars for transport to a dedicated purpose built export terminal at a deepwater port. A rail spur would be required at each production facility. At the port terminal, the pellets are unloaded and stored in large domes or silos, where the temperature and moisture are continuously monitored while awaiting final load out. The pellets are gravity fed onto conveyors, which transport the pellets from the domes to a shiploader where the pellets are loaded into dedicated cargo ships for delivery to international energy markets. The preferred port location is currently being selected, and will be either the Port of Stockton, West Complex (Edwards Ave at Lipes Dr., Stockton CA) or the Levin-Richmond Terminal (402 Wright Ave, Richmond, CA). (Only one of these ports will be selected and used as part of the proposed project.)

PROJECT LOCATION

The proposed Tuolumne wood pellet processing site is located at 12001 La Grange Road approximately 9 miles southwest of the community of Jamestown in Central Sierra (Tuolumne), California and in the western foothills of the Sierra Nevada Mountain Range (see Figure 1, Tuolumne Site). The Tuolumne site consists of APNs 063-190-056, 063-350-004, and 063-350-005. The site was previously used as a bark facility by Sierra Pacific Industries.

The proposed Lassen wood pellet processing site is located in Nubieber, California (Lassen County), approximately 3 miles southwest of the census-designated place of Bieber in northwestern Lassen County

(see Figure 2, Lassen Site). The Lassen site is located immediately at 551000 Roosevelt Avenue (sometimes spelled Roosevelt Avenue), Nubieber, CA within Assessor's Parcel Number (APN) 001-270-080-000. The site is a portion of a larger property that included a mill site (which is not part of the proposed project site) and an area used by the mill operators to load rail cars.

Storage of feedstock prior to processing will occur at the production facility site or in yards located within a 10-mile radius of the proposed facilities. Approximately 50-200 acres of storage space will be required for each facility. Specific sites under consideration include Lassen County APNs 001-370-05-11, 001-400-02-11, 001-400-03-11, 001-130-11, 001-130-47, 001-130-61, 001-130-62, 001-130-73, 001-130-74, 001-150-24, 001-150-33, 001-150-34, 001-270-026-11, 013-040-13-11, 001-270-29-11, 001-270-81-11, 001-270-79, 001-270-32, 001-270-33, 001-270-34, and 001-270-57-11, and any storage yard sites ultimately selected will have physical and regulatory characteristics similar to foregoing. (Figures 3 and 4 depict the 10-mile radius within which the storage sites will be located.)

The finished pellets will be transported by rail to a suitable deepwater port at either the Port of Stockton, West Complex (Edwards Ave at Lipes Dr., Stockton CA) or the Levin-Richmond Terminal (402 Wright Ave, Richmond, CA), for transport via cargo ship. (Figure 5 depicts the potential port locations.)

POTENTIAL ENVIRONMENTAL IMPACTS

Pursuant to the CEQA Guidelines, 14 CCR 15063, the GSFA is preparing an EIR to determine if the proposed project may have a significant effect on the environment. The purpose of the EIR is to provide the public agencies and the public with information on environmental effects that would result from construction and operation of the proposed project. The GSFA anticipates that the proposed project may result in potentially significant impacts related to :

- Aesthetics
- Air Quality
- Biological Resources
- Cultural Resources
- Energy
- Forestry Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Noise
- Population and Housing
- Public Services
- Transportation
- Tribal Cultural Resources
- Utilities and Service Systems
- Wildfire

The proposed project is not anticipated to significantly impact the following:

- Agriculture (Farmland)
- Mineral Resources
- Recreation

PROVIDING COMMENTS

GSFA is soliciting written comments from public agencies, organizations, and individuals regarding the scope and content of the environmental document. Comments should be provided by December 19, 2022. Please send comments to:

Golden State Finance Authority
Attn: GSNR Scoping Comment
1215 K Street, Suite 1650
Sacramento, CA 95814
Email: gsnr@gsnrnet.org

Website: <https://goldenstatenaturalresources.com/local-forest-resilience-projects/>

Agencies that will rely upon the EIR when considering permits or other approvals for the proposed project should provide the name of a contact person, phone number, and email address in their comment. Comments provided by email should include "GSNR Forest Resiliency NOP Comment" in the subject line, and the name and physical address of the commenter in the body of the email.

SCOPING MEETINGS

Four scoping meetings for the proposed project will be held to receive comments:

Tuolumne County Scoping Meeting

Monday, November 28, 2022
3:00 – 5:00 p.m.
Tuolumne County
Board of Supervisors Office
2 South Green Street
Sonora, CA 95370

Wednesday, November 30, 2022
4:00 – 6:00 p.m.
Lassen County
Board of Supervisors Office
707 Nevada Street
Susanville, CA 96130

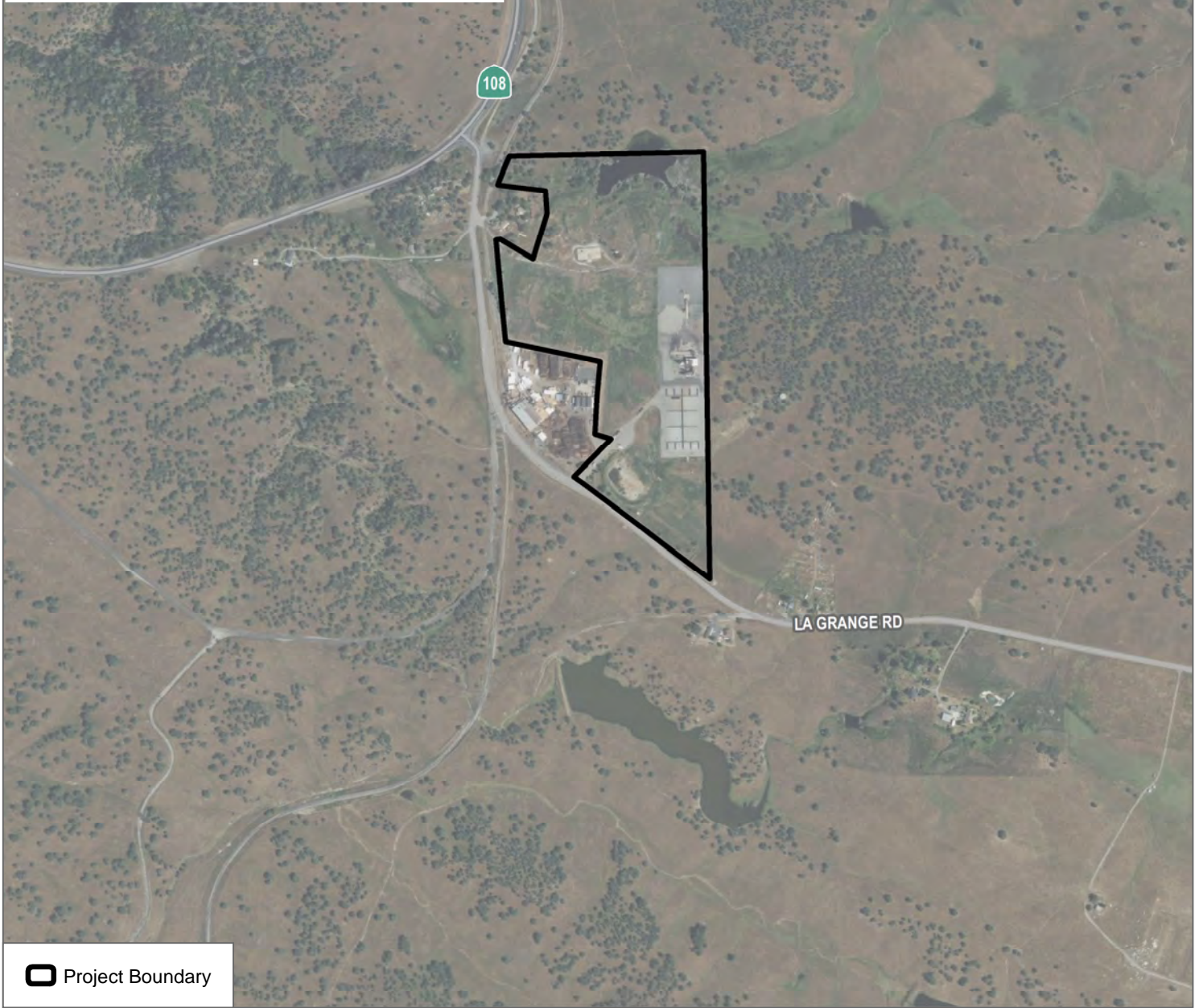
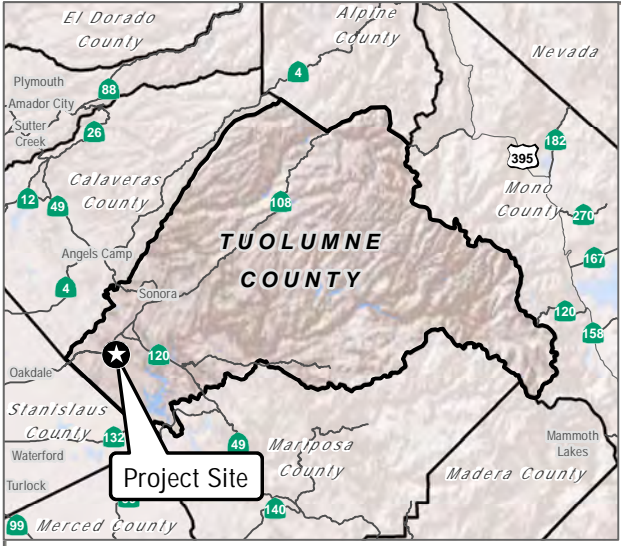
Lassen County Scoping Meetings


Tuesday, November 29, 2022
4:00 – 6:00 p.m.
Bieber Veterans Memorial Hall
657-575 Bridge Street
Bieber, CA 96009

Virtual Scoping Meeting

Tuesday, December 6, 2022
6:00 – 8:00 p.m.
Register at:
<https://goldenstatenaturalresources.com/local-forest-resilience-projects/>

For additional information regarding scoping meetings or the proposed project, please visit <https://goldenstatenaturalresources.com/local-forest-resilience-projects/> or email at gsnr@gsnrnet.org.



 Project Boundary

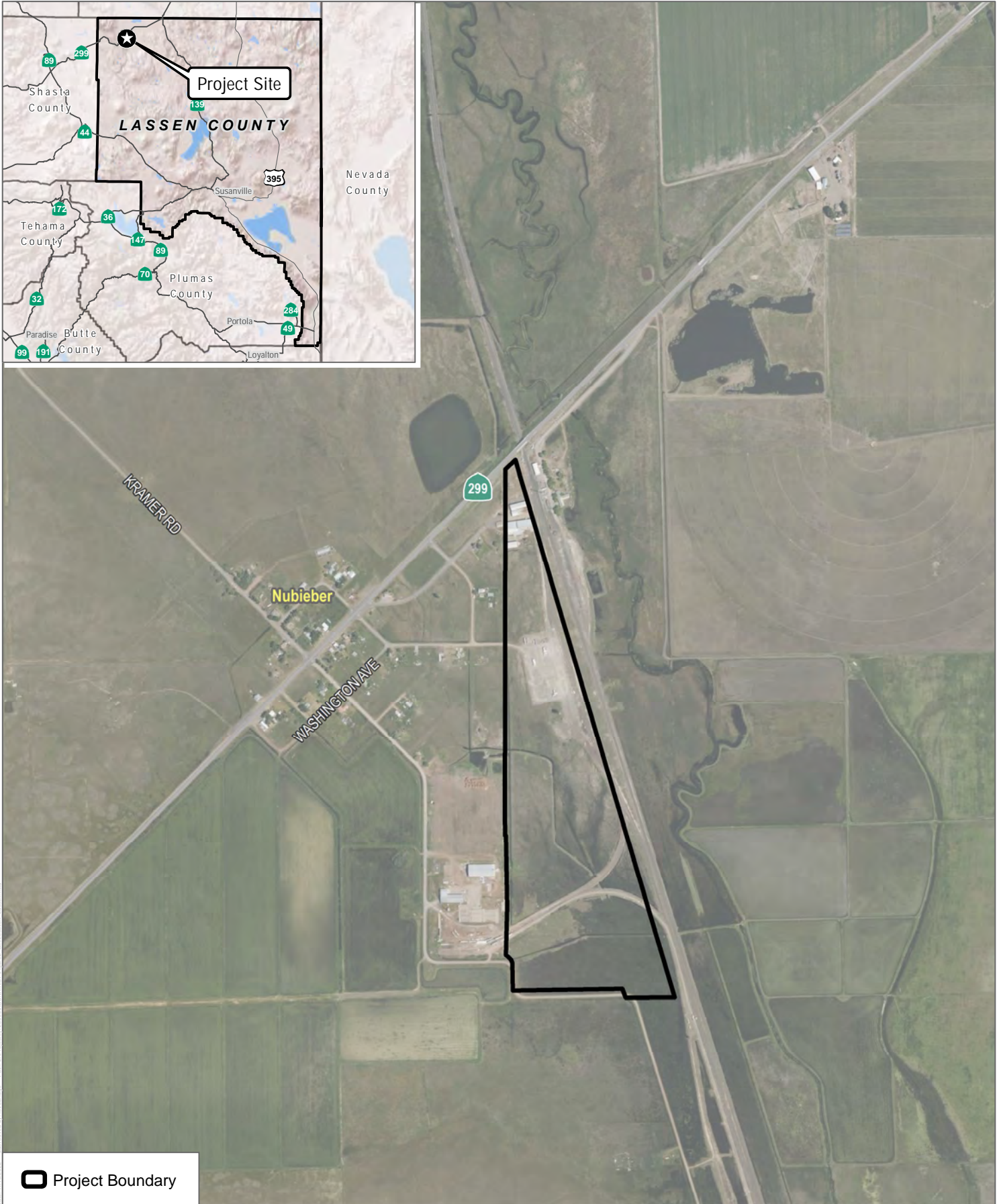
SOURCE: Bing Maps 2021



FIGURE 1

Tuolumne Site Location

Golden State Natural Resources Forest Resiliency Demonstration Project

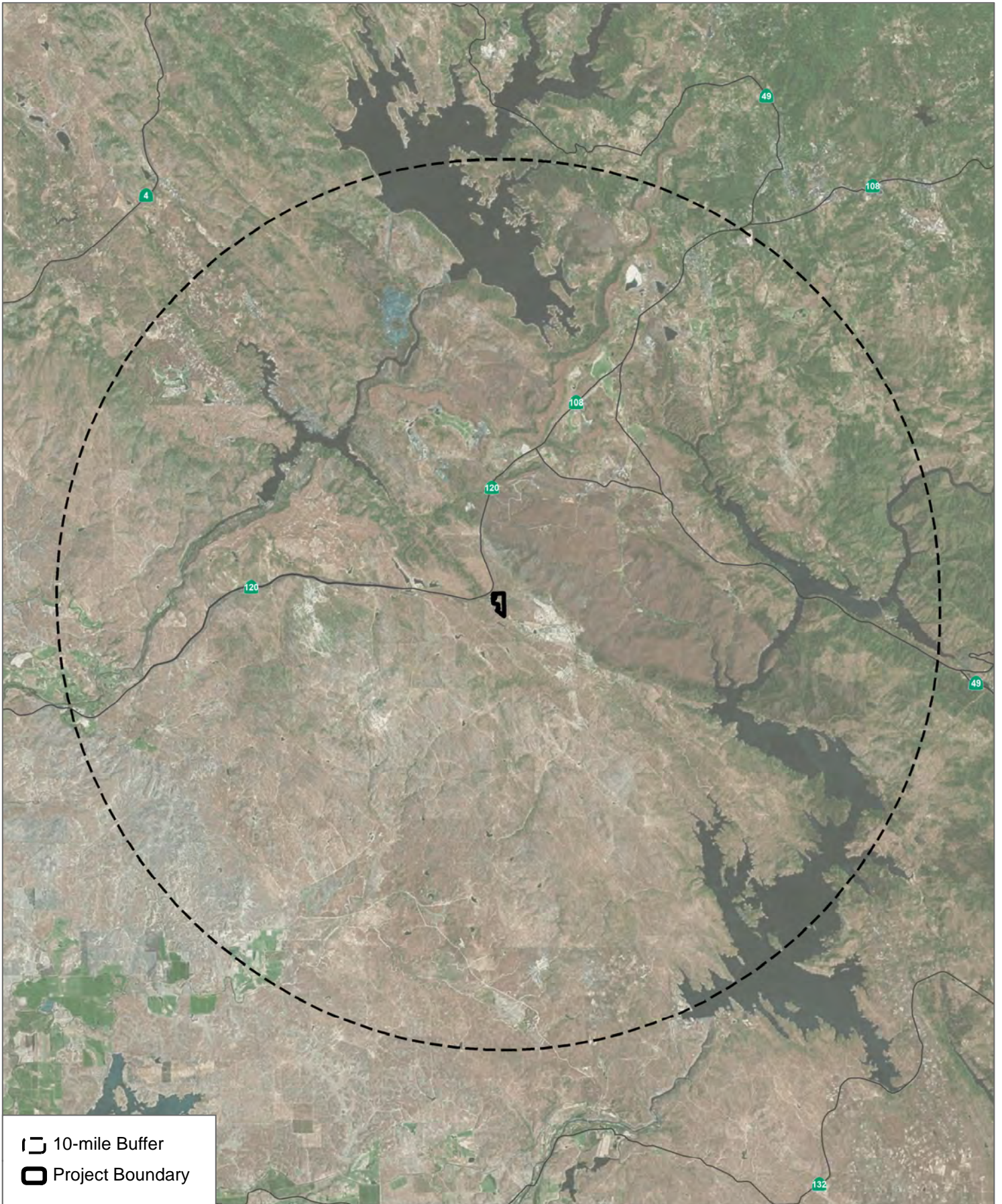


SOURCE: Bing Maps 2020, Lassen County 2015

FIGURE 2

Lassen Site Location

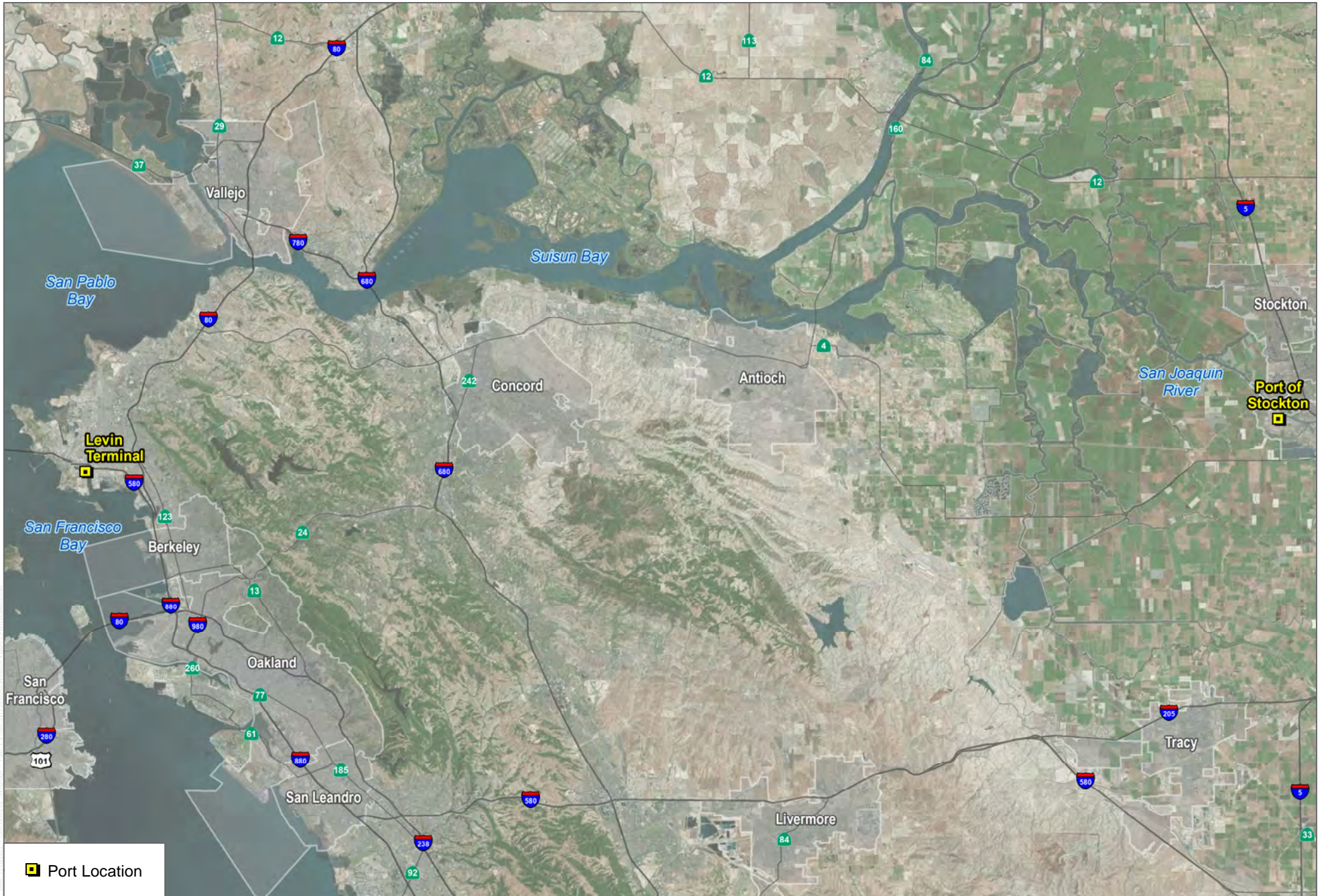
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SOURCE: Bing Maps 2021

FIGURE 3

Tuolumne Site Location with 10-mile Radius
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SOURCE: Bing Maps 2021

FIGURE 5

Port Locations