



December 19, 2022

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

Re: Scoping Comments on the Notice of Preparation of a Draft Environmental Impact Report for the “Golden State Natural Resources Forest Resiliency Demonstration Project.”

The undersigned organizations, Center for Biological Diversity, Partnership for Policy Integrity, Biofuelwatch, Natural Resources Defense Council, Greenpeace USA, Central California Environmental Justice Network, Central Valley Air Quality Coalition, Friends of the Earth, John

Muir Project, Dogwood Alliance, Sunflower Alliance, California Communities Against Toxics, Environmental Protection Information Center, Standing Trees, Conservation Congress, Wild Nature Institute, Families for Clean Air, Environmental Justice Coalition for Water, 350 Bay Area, 350 Sonoma, Forest Unlimited, Pivot Point, Doctors and Scientists Against Wood Smoke Pollution, Families Advocating for Chemical & Toxics Safety, Mighty Earth, Sonoma County Climate Activist Network, Public Lands Media, Madera Coalition for Community Justice, West Berkeley Alliance for Clean Air and Safe Jobs, Del Amo Action Committee, Sonoma County Pachamama Alliance, Climate Action Santa Monica, and Friends of Lafferty Park submit these comments on behalf of our organizations, representing tens of thousands of members across California and the United States. We strongly oppose the proposed wood pellet project, which we believe will irrevocably harm our climate, communities, and forests, and urge that the best available science be utilized in assessing the impacts of this project.

Wood pellets are a highly polluting, expensive, and inefficient energy source that have no place in a clean energy future. Burning wood for electricity releases more carbon emissions at the smokestack than fossil fuels, including coal, per unit of energy produced.¹ Numerous studies show that it takes many decades – to a century or more (if ever) – for cut forests to re-sequester the amount of carbon that is emitted from logging and burning woody biomass for energy, even when forest “residues” (*i.e.* “waste”) are burned.² Producing wood pellets is extremely carbon-intensive because the wood must be debarked, chipped, dried, pulverized, and compressed into pellets. This process emits far more greenhouse gas emissions than wood chip production.³ Wood pellet production facilities also emit toxic air pollution that harms public health. These facilities are often concentrated in communities of color and low-income communities, worsening environmental injustice.

The Golden State Natural Resources project – which proposes to build two of the country's largest wood pellet production facilities in California and ship the pellets overseas to be burned in converted coal-fired power plants – would worsen the climate crisis, and harm public health at every stage of the harvest, production, transport, and combustion process. The project would incentivize a massive ramp-up of logging of California’s forests, releasing their stored carbon, at a time when it is critical to increase forest protection and forest carbon storage. Significant greenhouse gas emissions and air pollution would be emitted at every step – from cutting forests, trucking cut trees long distances in hundreds of daily trips, chipping wood and producing pellets, transporting pellets by rail hundreds of miles to ports, and then shipping pellets overseas to

¹ See *e.g.* Mary S. Booth, *Trees, Trash, and Toxics: How Biomass Energy Has Become the New Coal*, Partnership for Policy Integrity (Apr. 2014), Table 1 at 16, <https://www.pfpi.net/wp-content/uploads/2014/04/PFPI-Biomass-is-the-New-Coal-April-2-2014.pdf>

² See *generally* Mary Booth, *Not carbon neutral: Assessing the net emissions impact of residues burned for bioenergy*, *Environ. Res. Lett.* 13 (2018), <https://iopscience.iop.org/article/10.1088/1748-9326/aaac88>

³ Jerome Laganier et al., *Range and uncertainties in estimating delays in greenhouse gas mitigation potential of forest bioenergy sourced from Canadian forests*, *GCB Bioenergy* 9: 358-369 (2017), <https://doi.org/10.1111/gcbb.12327>

countries that currently incentivize woody biomass as “carbon neutral” and “renewable.” It is worth noting that there is a scientific consensus in the U.S. and internationally that burning wood is not categorically “carbon neutral,” and many states and countries are revising their biomass energy policies to reduce or eliminate these incentives.⁴ As climate policies catch up with the science, there is no guarantee that international markets for wood pellets will continue to exist.

The proposed wood pellet production facilities are projected to produce *one million metric tons* of wood pellets each year (700,000 tons/year at the Lassen facility and 300,000 tons/year at the Tuolumne facility) – making these two facilities as big as the polluting Enviva facilities in the Eastern United States. The wood pellet industry in the Eastern U.S. has already caused enormous devastation to forests, and has likewise negatively impacted the climate and community health, particularly for low-income communities and communities of color.⁵ We should not be promoting this dirty, unjust industry in a climate-forward state like California.

The Environmental Impact Report Must Fully Evaluate the Many Significant Lifecycle Impacts from the Proposed Project.

Greenhouse Gases and Air Quality: The Environmental Impact Report (EIR), which is required under the California Environmental Quality Act (CEQA), must fully evaluate the substantial greenhouse gas and air pollution that will occur from the project, across its lifecycle. The EIR analysis must account for “upstream” biogenic and fossil fuel emissions from cutting forests, wood transportation, and production of wood pellets, as well as “downstream” combustion emissions from burning those wood pellets for electricity. Upstream and downstream emissions that must be analyzed include greenhouse gases (*e.g.* CO₂, N₂O, and CH₄), criteria pollutants (*e.g.* PM, NO_x, SO_x, and CO), heavy metals (*e.g.* lead, mercury), hazardous air pollutants (*e.g.* benzene, toluene, formaldehyde, dioxins), as well as dust and ash.

Greenhouse gas and air pollution emissions will be emitted during project construction, including construction of wood pellet production facilities, storage silos, rail spurs (connecting facilities to rail lines), and any purpose-built export terminals at deep-water ports. The long-term operation of the project will emit significant daily greenhouse gas and air pollution emissions from:

- Cutting trees and other forest growth (which terminates their carbon storage, and also releases soil carbon in the process), including salvage logging;

⁴ See *e.g.* IPCC Task Force on National Greenhouse Gas Inventories, Frequently Asked Questions, Q2-10, <https://www.ipcc-nggip.iges.or.jp/faq/faq.html>; Commentary by the European Academies’ Science Advisory Council on Forest Bioenergy and Carbon Neutrality (June 2018), <https://ecasac.eu/publications/details/commentary-on-forest-bioenergy-and-carbon-neutrality/>; EPA Science Advisory Board (SAB), SAB Review of EPA’s Accounting Framework for Biogenic CO₂ Emissions from Stationary Sources (September 2011), SAB-12-011 (September 28, 2012), <https://nepis.epa.gov/Exe/ZyPURL.cgi?Dockey=P100RNZG.TXT>

⁵ Stefan Koester and Sam Davis, Siting of wood pellet production facilities in Environmental Justice communities in the Southeastern United States, *Environmental Justice* 11: 64-70 (2018), <http://doi.org/10.1089/env.2017.0025>

- Chipping trees and other forest materials on site, or at wood chipping facilities;
- Trucking forest materials, with an estimated 285 daily truck trips to feed pellet facilities, traveling within a 100-mile radius from facilities;
- Storing woody materials (which releases methane emissions, dust, and fine particles);
- Drying and processing wood to make pellets;
- Transporting pellets by rail hundreds of miles to port (Stockton or Richmond);
- Storage and loading operations at the ports, where stored pellets will release methane and other emissions;
- Shipping pellets thousands of miles overseas to markets in Asia or Europe;
- Combusting pellets to generate electricity, which releases their carbon and other co-pollutants to the atmosphere.

In order to assess the full greenhouse gas emissions impact of this project, the EIR must analyze the anticipated loss of forest carbon stocks at a landscape level resulting from removing materials to produce wood pellets, and how this will impact California’s forest carbon flux and its ability to achieve its net zero climate goals.

Environmental Justice: The EIR must evaluate project impacts to communities of color and low-income communities. The two proposed deep-water port sites, the Port of Stockton and Levin-Richmond terminal, have some of the highest pollution burdens in the state according to CalEnviroScreen, with high exposure to particulate matter; high rates of asthma, low birth weight, and cardiovascular disease; high poverty rates; and majority Hispanic populations. The Tuolumne wood pellet production site has a higher-than-average pollution burden, with a high poverty rate, and high rates of asthma and cardiovascular disease.

Biological Resources: The project proposes to cut and remove trees and other forest materials, of *any* type and size, under the category of “roundwood,” within a 100-mile radius of each pellet facility. The EIR must fully evaluate the harms to forest ecosystems from cutting and clearing trees and other habitat, and how this habitat clearance will impact sensitive, threatened, and endangered species and forest ecosystems.

Wildfire: The project is justified as a way to reduce “the growing rate of wildfires in California.” The EIR must evaluate the full breadth of research, which demonstrates that thinning forests is not effective for reducing wildfire “rate” or intensity, protecting communities during wildfire, or cutting climate-heating emissions. Instead, broad-scale thinning releases more carbon emissions than it prevents from being released in a wildfire, while degrading forests.

Hazards and Hazardous Materials: The EIR must analyze the risks to workers and nearby communities from fires and explosions resulting from wood pellet facility operations, pellet storage, and transportation, including at the proposed port facility

Noise: As noted in the public scoping meeting, GSNR indicated that it expects a combined 285 daily truck trips – given that the facilities are expected to be operated nearly continuously. The EIR must evaluate the potential noise impacts on local communities – including on environmental justice communities – that would arise from 285 daily truck commutes through small rural communities. In addition to this large number of truck trips, the EIR must evaluate noise impacts from facility operations, as well as noise impacts from extra railcars and train trips.

Energy: The EIR must fully evaluate the potential impacts that the proposed facilities will have on the electrical grid. The factual record is currently unclear as to the expected electric demand that is necessary to operate the two facilities continuously; however, given their large size, it is likely that they will require significant energy inputs. The EIR should evaluate the total energy needs for the two facilities, the appropriate transmission connection and whether additional demand will result in transmission congestion (or otherwise have the potential to overload transmission lines), and should also evaluate whether a substation must be constructed.

Hydrology and Water Quality: The EIR must fully evaluate impacts to hydrology and water quality – including but not limited to: whether the facilities’ operation (including logging activities) would impact ground-water levels or aquifer recharge rates; whether the facilities’ operation (including logging activities) would result in impacts to surface and ground-water quality; the expected water demand (if the facilities will require water in their production processes); and whether special contracts with the counties are necessary to ensure that that water demand would not impact overall water supply for local communities.

Cumulative Impacts: The EIR must take into account all existing and proposed projects and developments in their geographic proximity. Section 15355 of CEQA defines a cumulative impact as the condition under which “two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts.” The EIR must seriously consider any potential cumulative impacts that the construction and operation of two wood pellet facilities would have on the local environment. The EIR should also examine the cumulative impacts of extra truck, rail, and port use.

The Environmental Impact Report Must Consider Project Alternatives.

The EIR must consider project alternatives, including the “no action” alternative (which must assess carbon sequestration and ecological benefits of leaving forests standing), and alternative end-uses for wood waste – including gardening mulch and wood chips for landscape cover, animal bedding, particleboard and wood composite wood products.

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

Sincerely,

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