

SHUTE MIHALY
& WEINBERGER LLP

396 HAYES STREET, SAN FRANCISCO, CA 94102
T: (415) 552-7272 F: (415) 552-5816
www.smwlaw.com

KEVIN P. BUNDY
Attorney
bundy@smwlaw.com

December 17, 2022

Via Electronic Mail Only

ATTN: GSNR Scoping Comment
Golden State Finance Authority
1215 K Street, Suite 1650
Sacramento, CA 95814
E-Mail: gsnr@gsnrnet.org

Re: Comments on Notice of Preparation of an Environmental Impact Report for the Golden State Natural Resources Forest Resiliency Demonstration Project

To Whom it May Concern:

This firm represents the Natural Resources Defense Council (“NRDC”) in matters related to the Golden State Natural Resources (“GSNR”) Forest Resiliency Demonstration Project (the “Project”). The following comments address the Golden State Finance Authority’s (“GSFA” or “the Authority”) Notice of Preparation (“NOP”) of an Environmental Impact Report (“EIR”) for the Project. The following organizations also have reviewed and join in these comments: Biofuelwatch, Center for Biological Diversity, Dogwood Alliance, Partnership for Policy Integrity, Sierra Club California, and Southern Environmental Law Center.

As detailed below, the NOP fails to provide the minimum information required by the California Environmental Quality Act, Public Resources Code section 21000 et seq., and the CEQA Guidelines, codified at title 14, California Code of Regulations, section 15000 et seq. The NOP must be revised and recirculated so that agencies and the public can provide meaningful input on the Project’s numerous potential significant environmental impacts and the proper scope of the EIR.

Following recirculation of an adequate NOP, the Authority must prepare an EIR that accurately and comprehensively addresses the Project’s impacts. This Project—which would create a massive long-term demand for increased timber harvesting in order to support production of wood pellets for international export and combustion in power

plants—threatens devastating impacts on forests, wildlife habitat, biodiversity, and the climate. The Project also would have substantial air pollution, noise, and other impacts related to transportation of feedstocks and finished pellets through communities across California, construction and operation of the pellet manufacturing facilities, and construction and operation of port facilities.

NRDC and the other organizations joining in these comments are strongly opposed to any proposal that would turn California's forests into an export market for wood pellets. Similar schemes in the Southeastern United States, British Columbia and elsewhere have devastated native forests, reduced terrestrial carbon stocks, and transferred millions of tons of carbon from forests and soils to the atmosphere. Bringing that model to California flies in the face of the state's climate and biodiversity goals. If the Authority proceeds with this Project, it should expect vigorous opposition.

Please include these comments in the administrative record of proceedings for this Project. Please also direct notice of any further actions related to this Project to my attention at the address above and by email to bundy@smwlaw.com.

I. Introduction

This Project would represent a significant expansion of the wood pellet industry in California. The proposed Lassen County facility would be one of the largest in the country, with a greater capacity than some of the largest Enviva and Drax plants in the Southeast. Together, the Lassen and Tuolumne facilities would generate a massive, ongoing demand for feedstock that could transform California's forests at the expense of biodiversity, water quality, and climate resiliency.

NRDC and its partner organizations are very familiar with the pellet industry in the Southeastern U.S. Pellet plants have been associated with major environmental damage and loss of forest carbon stocks. Native forests are routinely logged and even clearcut to meet feedstock demand from pellet facilities. Like similar facilities in the Southeast, the facilities proposed here would not be limited to using forest residuals or other waste materials. Rather, the facilities could use *roundwood* from nearly any conceivable source or timber operation, ranging from fuel reduction to commercial thinning to timber harvest for the express purpose of supplying feedstock.

Construction of these facilities, and opening California as a major market for pellet exports, would cause major shifts in forest management throughout a large portion of the state, with adverse consequences for wildlife, habitat, and water quality. These changes would shift economic incentives away from forest management based on the best

available science—including management regimes informed by traditional cultural practices and incorporating prescribed fire—toward management based on maximizing extraction of woody material for pellet feedstock. These changes also would undermine California’s “30x30” biodiversity protection goals.

The Project also would have a significant adverse impact on greenhouse gas emissions and climate change. California law requires a 40% reduction in emissions from 1990 levels by 2030 and an 85% reduction in anthropogenic emissions by 2045. Yet this Project would *increase* greenhouse gas emissions and *decrease* forest carbon stocks. Timber harvest results in an immediate reduction in both above-ground and below-ground terrestrial carbon stocks and produces emissions from logging equipment. Processing wood into pellets requires energy and generates waste, producing additional emissions. Transportation by truck, rail, and ship contribute further emissions. Finally, because all trees harvested as a result of this Project would be used to make pellets specifically for the purpose of combustion in power plants, each ton of carbon removed from the forest would be converted to CO₂ and transferred to the atmosphere on a short time scale.

Burning wood for energy is both carbon-intensive and highly inefficient. As a result, wood combustion generally emits more CO₂ at the smokestack than coal per megawatt of energy produced. Accordingly, even if pellets from this Project replace coal combustion elsewhere, overall emissions from the power sector will increase, not decrease, particularly on timescales relevant to international, national, and California climate goals. Measured against existing conditions, as CEQA requires, the Project would produce a dramatic increase in climate pollution and reduce terrestrial carbon sequestration. The Project therefore conflicts with and undermines California climate policy.

The Project would have a range of other impacts as well. Air pollution from pellet production would affect neighboring residences. Pollution (including toxic diesel particulate matter) from truck and rail transportation would increase in countless communities along highways and rail lines throughout the state. Noise would increase from pellet production and transportation. The proposed pellet facilities also would be located within 100 miles of many of California’s most popular recreational destinations: Yosemite National Park, Lake Tahoe, Mono Lake, June Lake, Mammoth, Lassen Volcanic National Park, Mount Shasta, and Shasta Lake. Impacts from forest management, transportation, and water quality degradation on these icons of California’s environment must be disclosed and analyzed honestly and comprehensively.

In sum, this Project gravely threatens California’s forests and biodiversity while undercutting its climate and biodiversity goals. The Authority must fully comply with CEQA in considering this Project—and after doing so, the Authority should deny approval due to the unacceptable environmental damage the Project would entail.

II. The NOP Lacks Necessary Information Regarding the Project and its Probable Environmental Impacts.

The primary purpose of a NOP is to solicit guidance from public agencies as to the scope and content of the environmental information to be included in the EIR. CEQA Guidelines § 15375. In order to effectively solicit such guidance, the NOP “shall provide . . . sufficient information describing the project and the potential environmental effects to enable the responsible agencies to make a meaningful response.” CEQA Guidelines § 15082(a)(1). “At a minimum,” the NOP must contain a description of the project, the location of the project, and a description of the project’s “[p]robable environmental effects.” *Id.*; see also *City of Maywood v. Los Angeles Unified School Dist.* (2012) 208 Cal.App.4th 362, 372 fn. 1; Practice Under the California Environmental Quality Act (2d ed Cal CEB) § 8.16 (“The notice of preparation should describe the project’s probable environmental effects in some detail.”).

The NOP does not even attempt to describe the Project’s probable environmental effects and thus fails to meet CEQA’s requirements. Instead, it provides only a list of issue areas that will be analyzed in the EIR—essentially a checklist of the topics required for *any* CEQA analysis. The NOP makes no effort to identify what the probable effects within these areas might be, to identify what resources, conditions, or people might be affected, or how these effects will be addressed in the EIR. The NOP likewise provides no indication as to the extent or severity of impacts to the environment and affected communities. Without more information, reviewing agencies and other interested parties cannot provide a “meaningful response” to the NOP, the Project’s likely impacts, or the scope of the EIR. CEQA Guidelines §15082(a)(1).

The Authority must correct these deficiencies first by preparing and recirculating a sufficient NOP for public and agency comment, and then by preparing a thorough and adequate EIR to inform stakeholders of the Project’s impacts. Areas that must be addressed in the EIR are discussed further below.¹

¹ The discussion below is not intended to be exclusive of other potential environmental impacts and issues that must be addressed in accordance with CEQA.

A. Environmental Setting

“An EIR must include a description of the physical environmental conditions in the vicinity of the project. This environmental setting will normally constitute the baseline physical conditions by which a Lead Agency determines whether an impact is significant.” CEQA Guidelines § 15125(a). An accurate determination and description of existing baseline conditions is essential to meaningful assessment of environmental impacts. *See, e.g., Save Our Peninsula Committee v. Board of Supervisors* (2001) 87 Cal.App.4th 99.

This Project has the potential to affect a wide range of landscapes, habitats, and communities across the entire northern half of California. A comprehensive and accurate depiction of existing conditions is therefore essential to meaningful disclosure and analysis of impacts in the EIR.

For example, the EIR must describe existing conditions in the communities where the proposed pellet facilities would be located. The EIR should disclose the locations and characteristics of residences and other sensitive receptors. The EIR also must describe existing and cumulative environmental impacts from past, present, and reasonably foreseeable future projects in these communities. Existing sources of contamination and other community environmental burdens must be described. The Office of Environmental Health Hazard Assessment’s CalEnviroScreen 4.0 indicator maps show, for example, that Nubieber in Lassen County is in the 81st percentile statewide for existing groundwater contamination.²

The EIR similarly must disclose existing conditions in communities that will be affected by transportation and port operations associated with the Project. These communities may include areas (including the ports of Richmond and Stockton, as well as communities along highways and rail lines used by Project trucks and trains) where residents already bear disproportionate economic and environmental burdens. In order to consider the Project’s environmental justice impacts, the EIR must accurately and

² Office of Environmental Health Hazard Assessment, *CalEnviroScreen 4.0*, at <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>. EIR preparers also should consult additional environmental justice screening tools, such as the SB 535 Disadvantaged Communities datasets (<http://calepa.ca.gov/EnvJustice/GHGInvest/>) and the California Air Resources Board’s California Climate Investments Priority Populations maps (<https://webmaps.arb.ca.gov/PriorityPopulations/>).

completely disclose the location, nature, and extent of existing burdens on affected communities.

The EIR also must disclose existing conditions in forest areas affected by Project-related logging operations. The “woodsheds” for the pellet facilities—described in the NOP as a 100-mile radius around each facility—encompass a broad range of forest types, age classes, and management regimes. Federal forest lands within these woodsheds may contain mature, old-growth, and late-seral forests and trees, as well as other rare habitats. These woodsheds also encompass designated wilderness, two National Parks, the Tahoe Basin, and thousands of acres of private forestland managed for timber production. In order to permit meaningful assessment of Project impacts, existing forest characteristics and management regimes must be described in detail.

Forests and waters affected by the Project also provide habitat for a broad range of endangered, threatened, and special-status species. The EIR must describe existing habitat range and suitability for fish, wildlife and plants across the range of affected landscapes. In addition to reliance on datasets like the California Natural Diversity Database,³ surveys of particularly sensitive habitat types should be conducted.

The EIR also must disclose existing conditions relevant to the entire range of environmental impacts expected from this Project. For example, disclosure of existing applicable General Plan provisions and zoning requirements, as well as local and other responsible agency permitting requirements, is essential to analysis of land use impacts. Disclosure of existing attainment status for criteria air pollutants and existing toxic air contaminant exposures, including diesel particulate matter, is essential to analysis of air quality impacts. Existing water quality and hydrology also must be disclosed, including surface and groundwater contamination and existing water quality in waters that may be affected by any component of the project (including forest activities, construction and operation of pellet facilities and shipping terminals, storage of feedstocks, and transportation). Existing ambient noise conditions at sensitive receptors that could be affected by noise from any portion of the project—timber operations, trucking, pellet production, rail transportation, and port operations—must be disclosed. Finally, the EIR must disclose existing water demand and available supply.

³ California Department of Fish & Wildlife, *California Natural Diversity Database*, at <https://wildlife.ca.gov/Data/CNDDDB>.

B. Project Description

An EIR must contain an accurate and complete project description. *See County of Inyo v. City of Los Angeles* (1977) 71 Cal.App.3d 185; *see also* CEQA Guidelines § 15124. An accurate, stable and finite project description is the “*sine qua non* of an informative and legally sufficient EIR.” *San Joaquin Raptor/Wildlife Rescue Center v. County of Stanislaus* (1994) 27 Cal.App.4th 713, 727. Without it, the public cannot be assured that the environmental impacts of the entire Project have been considered in the EIR.

The Project description in the NOP does not provide sufficient detail to allow meaningful comment on potential environmental impacts. Several critical aspects of the Project remain undefined. For example, the NOP describes the forest management operations that would produce feedstock in terms so general as to encompass virtually any type or intensity of logging. The NOP also does not describe the final location of the port facility and the modifications necessary to accommodate pellet shipments.⁴ Nor does the NOP describe the location or characteristics of necessary rail spurs. Finally, the NOP does not describe the location or characteristics of potential feedstock storage areas, other than to provide a list of APN numbers in Lassen County.⁵ The NOP must be revised to include an adequate project description and recirculated.

Moreover, the EIR must include the “precise location and boundaries of the proposed project,” as well as a description of the Project’s “technical, economic, and environmental characteristics” sufficient to facilitate informed analysis of environmental impacts. CEQA Guidelines § 15124(a), (c). This description must address all aspects and phases of the Project, including forest management operations in each of the forest types and ownerships affected; in-forest collection and processing of feedstocks; transportation of feedstocks; storage of feedstocks; construction and operation of pellet production facilities; storage of pellets; rail transportation of pellets; and construction and operation of pellet storage and shipping terminal facilities at the port. The EIR also must contain a comprehensive list of responsible agencies, necessary permits, and consultation requirements for all aspects of the Project. CEQA Guidelines § 15124(d)(1). In particular,

⁴ According to the October 20, 2022 GSFA/GSNR Joint Special Meeting Board Packet (“October Board Packet”) (available at https://www.rcrcnet.org/sites/default/files/useruploads/Meetings/Misc/2022/October_20_2022_GSNR_GSFA_Joint_Special_Meeting_Packet.pdf), the Project may entail substantial construction of “storage and handling facilities” at the port, including a “dedicated purpose-built terminal.” *Id.* at 5, 13.

⁵ NOP at 4.

the EIR should disclose whether federal agency partners such as the U.S. Forest Service may be required to consult with federal wildlife agencies pursuant to the Endangered Species Act in connection with any Project-related activities. *See* 16 U.S.C. § 1636(a)(2).

Finally, the EIR may not engage in “piecemeal” analysis of Project impacts. CEQA requires evaluation of “the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.” CEQA Guidelines § 15378(a). Breaking the project into smaller sub-projects in order to diminish the significance of environmental impacts is impermissible. *See, e.g., Bozung v. Local Agency Formation Comm’n* (1975) 13 Cal.3d 263, 283-84 (CEQA mandates that “environmental considerations do not become submerged by chopping a large project into many little ones”). Here, the NOP discloses that the Authority has entered into a Master Stewardship Agreement (“MSA”) with the U.S. Forest Service and that it expects to undertake projects on federal lands pursuant to individual Supplemental Project Agreements.⁶ It does not appear that the Authority has conducted any CEQA analysis of these activities in a lead agency role.⁷ Nor would such separate, piecemeal analysis be proper in any event. Any such activities are clearly encompassed within the scope of this Project and must be addressed in the EIR.

C. Environmental Impacts

1. Forests and Biodiversity

The Project is clearly intended to provide economic incentives for new logging operations that might not otherwise occur.⁸ The Project also will create a substantial long-term demand for feedstock, and thus will cause additional logging operations to occur for

⁶ NOP at 2.

⁷ A search of the CEQANet database maintained by the Office of Planning and Research (<https://ceqanet.opr.ca.gov/>) as of December 15, 2022 revealed only one posting from the Authority in a lead agency capacity: this NOP. *See* <https://ceqanet.opr.ca.gov/2022110466>.

⁸ October Board Packet at 43 (“GSNR will increase the number of acres of California forestland treated for fire mitigation over the next two decades”); *see also, e.g., id.* at 13 (“Many forest health projects are unable to succeed simply because there are limited outlets and uses for low- to no-value biomass resulting from these projects. GSNR seeks to directly address this critical need by creating a sustainable and economically viable use from the generated woody biomass”), 14 (envisioning “greatly enhanced wood product industry sector” resulting from Project), 37 (table showing anticipated increases in production of woody biomass from numerous suppliers).

many years to come.⁹ Moreover, the NOP states that the Project will use “roundwood”—which may include whole, live trees—for pellet feedstock, not just residuals and slash.¹⁰ The NOP states that Project feedstocks may *include* materials from prescribed thinning, but it does not limit the Project to these materials.¹¹ Accordingly, it is reasonably foreseeable not only that the Project will facilitate forest management actions that otherwise would not have occurred, but also that the Project could result in additional logging for the purpose of providing feedstock as demand for wood pellets grows.

The EIR must evaluate the impacts of these changes relative to existing conditions on all affected forest types, ownerships, management regimes, and habitats. Logging results in destruction and fragmentation of forest habitat, soil compaction, and water pollution, among other impacts. The EIR also must evaluate impacts on forest resources and productivity. Studies from the Southeastern U.S. have shown dramatic increases in logging in forests in the vicinity of pellet facilities, including at rates that exceed forest growth.¹²

Impacts on federal lands are of particular concern. The MSA envisions that the Authority will “undertake forest management, restoration treatments, and fuel reduction activities” in “all eighteen national forests in Region 5 (covering much of California).”¹³ Federal forest lands contain essential forest habitat, including old-growth and mature forests and roadless areas. The EIR must address potential impacts on these forests and the habitat they provide. The EIR also must consider potential inconsistencies with any applicable federal, state, local, or tribal plans to implement traditional cultural forest management practices and/or prescribed burning as alternatives to mechanical thinning treatments.

The EIR also must address cumulative impacts of thinning and other Project-related forest activities in the context of other past, present, and reasonably foreseeable

⁹ See *id.* at 10 (describing “pellet production ramp-up”)

¹⁰ NOP at 1-2.

¹¹ *Id.* at 1.

¹² See, e.g., Christopher Williams, *Forest Clearing Rates in the Sourcing Region for Enviva Pellet Mills in Virginia and North Carolina, U.S.A.* (Dec. 2021), at <https://southernenvironment.sharefile.com/share/view/s322e5dc731984235ab391a16115a7d21>; Southern Environmental Law Center, *Satellite images show link between wood pellet demand and increased hardwood forest harvesting* (March 2022), at <https://www.southernenvironment.org/wp-content/uploads/2022/03/Biomass-White-Page.pdf>.

¹³ *Id.* at 14.

future timber harvest and management projects. A large proportion of the “woodshed” for the pellet facilities has been managed intensively for industrial timber production for many decades, with significant cumulative degradation to watersheds throughout the region. Cumulative impacts should be assessed with locational specificity at geographically meaningful scales (i.e., at the planning watershed and subwatershed level).

Finally, the EIR must comprehensively address the impacts of increased logging on biodiversity, wildlife, and special-status species. California has adopted a “30x30” goal—i.e., a goal of conserving at least 30 percent of the state’s land and coastal waters by 2030—to protect biodiversity. Executive Order No. N-82-20; Stats. 2022, ch. 349, A.B. 2278 (adding Pub. Resources Code § 71450 et seq.). By expanding long-term industrial forest management operations across a wide swath of California’s forests, this Project not only poses substantial threats to biodiversity, but also may conflict with California’s 30x30 goal.

2. Lost Carbon Sequestration, Greenhouse Gas Emissions, and Climate Change

This Project effectuates a massive transfer of carbon from terrestrial stocks to the atmosphere. The Project will facilitate reductions in forest carbon stocks (both above- and below-ground) for the express purpose of combusting that carbon in power plants. Converted to CO₂ and other greenhouse gases, that carbon will exacerbate climate disruption during a critical period when California and other governments are endeavoring to reduce emissions dramatically. By increasing the harvest of roundwood—live trees—the Project also will result in forgone future carbon sequestration that otherwise would have occurred.

The EIR must disclose and evaluate the significance of carbon stock reductions and greenhouse gas emissions from all aspects of this Project, including but not limited to the following:

- Removal of forest carbon stocks
- Lost future carbon sequestration resulting from removal of live trees
- Harvest, processing, and feedstock transportation emissions
- Emissions from decomposition in feedstock storage piles¹⁴ (CO₂ and methane)

¹⁴ Project materials indicate that at least a 90-day supply of feedstocks must be maintained and stored at all times to ensure continuous operation. October Board Packet at 4, fn. 4.

- Emissions from pellet production
- Emissions from rail transportation¹⁵
- Emissions from port operations

The EIR also must disclose and evaluate the significance of greenhouse gas emissions from combustion of Project-produced wood pellets in power plants. Eventual combustion is not just reasonably foreseeable, but entirely certain; indeed, wood pellets have no other purpose.¹⁶ Because these “downstream” emissions are a foreseeable and direct consequence of the Project, they must be evaluated in the EIR.¹⁷

To the extent the Authority claims that emissions from additional timber harvest, pellet production, transportation and combustion of pellets may be “offset” by avoided coal combustion, forest regrowth, avoided wildfire emissions, or other factors, those claims must be supported by specific, quantitative substantial evidence.¹⁸ Measured at the stack, biomass combustion emissions can exceed emissions from coal combustion per megawatt of power produced.¹⁹ As a result, replacing coal with wood pellets in European

¹⁵ As a California state entity undertaking this Project, the Authority must comply with CEQA in connection with Project-related rail operations. *See generally Friends of the Eel River v. North Coast Rail Authority* (2017) 3 Cal.5th 677.

¹⁶ *See* October Board Packet at 13 (pellets would be supplied to “select foreign countries” in Asia and Europe to “co-fire or replace coal-fired power plants”).

¹⁷ *See, e.g., Sierra Club v. Federal Energy Regulatory Com.* (D.C. Cir. 2017) 867 F.3d 1357; *Mid States Coalition for Progress v. Surface Transportation Bd.* (8th Cir. 2003) 345 F.3d 520.

¹⁸ *See Center for Biological Diversity v. Dept. of Fish & Wildlife* (2015) 62 Cal.4th 204, 227-28 (agency’s quantitative conclusions regarding significance of greenhouse gas emissions must be supported by quantitative evidence and analysis).

¹⁹ “[B]urning any kind of wood for electricity or heat will produce more CO₂ than if fossil fuels are used to generate the same amount of energy (with a few exceptions for certain types of coal). For the same energy output, burning wood releases about 10-15 per cent more CO₂ than anthracite and about 100 per cent more than gas (under laboratory conditions, with the complete combustion of the fuel in the presence of oxygen). Biomass stations tend to have lower thermal and electrical efficiencies than coal or gas plants, so the real world differences will be larger.” Duncan Brack, Richard Birdsey and Wayne Walker, *Greenhouse gas emissions from burning US-sourced woody biomass in the UK and EU* (Chatham House Environment and Society Programme Research Paper, October 2021), at <https://www.chathamhouse.org/2021/10/greenhouse-gas-emissions-burning-us-sourced-woody-biomass-eu-and-uk/annex-emissions-wood>.

and Asian power plants will increase immediate greenhouse gas emissions to the atmosphere. Moreover, even if it is assumed that the immediate reduction in forest carbon stocks will be offset over time by new forest growth, the time period for paying off this “carbon debt” may span decades or even centuries.²⁰ Finally, the occurrence and severity of wildfire (and associated emissions) at any given location is highly uncertain and inherently speculative. Accordingly, even if the Project’s emissions are assumed to be offset at some point—an assumption that the EIR must substantiate with quantitative evidence specific to each forest type, feedstock source, and harvest method—the Project’s increases in greenhouse gas emissions will conflict with the sharp near-term reductions mandated in California climate legislation.²¹

The EIR must disclose and analyze the significance of all greenhouse gas emissions and carbon stock changes associated with this Project relative to existing conditions. The EIR also must disclose its methods and assumptions, and it must support any conclusions regarding emissions “offsets” with specific, quantitative evidence relevant to the range of forest types, harvest methods, feedstock materials, and combustion practices this Project would entail.

3. Air Quality

The Project will cause air pollution from a variety of sources and activities. The EIR must, for example, consider construction and operational air pollutant emissions from harvest and processing of forest materials and from construction and operation of the pellet facilities.

The EIR also must address emissions from transportation. It is our understanding that at the December 6, 2022 scoping meeting, the Authority stated that the Project will generate 285 truck trips per day. The October Board Packet similarly states that “GSNR recognizes that the forest trucking infrastructure in the rural areas will need to grow significantly” as a result of the Project.²² Heavy-duty trucks generate criteria pollutants as well as toxic diesel particulate emissions. The Project also will likely generate numerous

²⁰ See, e.g., John Sterman et al., *Does wood bioenergy help or harm the climate?*, *Bulletin of the Atomic Scientists* (May 10, 2022), at <https://thebulletin.org/premium/2022-05/does-wood-bioenergy-help-or-harm-the-climate/>.

²¹ See Health & Safety Code § 38566 (requiring reductions of 40% below 1990 levels by 2030); Stats. 2022, ch. 337 (A.B. 1279, adding Health & Safety Code § 38562.2(c) effective 1/1/23) (requiring reductions in anthropogenic emissions of 85% below 1990 levels, and “net zero” greenhouse gas emissions overall, by 2045).

²² October Board Packet at 6.

passenger car and truck trips associated with both forest and pellet facility operations. Rail shipments of pellets will generate air pollution through communities along rail lines. Construction and operation of pellet handling and shipping facilities at the port locations will emit air pollutants. Finally, the EIR must consider potential odors from the pellet facilities as well as from storage of feedstocks and pellets at all storage locations.

4. Hydrology and Water Quality

The EIR must address the Project's range of potentially significant impacts on water quality and hydrology. Logging and forest management operations often entail construction and use of roads, skid trails, and landings that can contribute sediment and other pollutants to creeks, rivers and lakes. Timber operations and road networks can also destabilize landslides and trigger mass wasting events.

Construction and operation of pellet facilities, feedstock storage sites, and port facilities may also have significant impacts on water quality. The EIR must evaluate stormwater pollution at all of these locations during both construction and operation. The EIR also must disclose and evaluate any water quality impacts associated with discharges of operational wastewater from the pellet facilities.

Finally, the EIR must evaluate impacts to water quality and other environmental values in the Tahoe Basin and similarly important ecological and recreational locations that may result from truck traffic and other activities generated by the Project.²³

5. Water Supply

California's water supplies are diminishing during the current historic drought. The EIR must disclose water demand for the pellet facilities, storage facilities, and port facilities, and must assess the impacts associated with providing water supply for the Project.

6. Land Use

The EIR must disclose and evaluate the significance of land use impacts, including General Plan and zoning consistency. The EIR also must address potential inconsistencies with other applicable plans. *See* CEQA Guidelines § 15125(d).

²³ *See, e.g., League to Save Lake Tahoe v. County of Placer* (2022) 75 Cal.App.5th 63; *Sierra Watch v. County of Placer* (2021) 69 Cal.App.5th 86.

7. Noise

The Project may generate significant noise from timber operations, pellet and port facility construction and operations, and transportation by rail and truck. Large pellet facilities in the Southeastern United States have produced significant noise pollution, and these Project facilities likely will be no different.

The EIR must assess not only the Project's consistency with applicable maximum noise standards, but also the significance of increases in noise over existing ambient conditions, even where maximum noise standards are satisfied.²⁴ The EIR also must assess the potential for "single-event" noise and sleep disturbances associated with nighttime trucking, rail shipment, processing, loading, and unloading operations. The EIR must evaluate potential noise impacts at all affected sites (including timber harvest sites, truck and rail transportation routes, pellet facilities, and port facilities).

8. Recreation

The NOP states that the Authority does not anticipate any significant impacts on recreation from the Project.²⁵ However, in this instance, the EIR must go beyond the standard thresholds of significance in CEQA Guidelines Appendix G regarding recreational impacts. There are numerous extremely high-value, iconic recreational resources within the "woodshed" of each pellet facility, including Yosemite and Lassen Volcanic National Parks, the Lake Tahoe basin, Mono Lake, and the June Lake/Mammoth area. Logging operations may affect recreational opportunities on public lands throughout the area affected by the Project. Increased truck traffic may affect access to recreational areas as well as the experience of hiking, biking, and camping in the forest. The EIR should disclose and evaluate any and all such impacts.

9. Safety and Hazards

The EIR must evaluate the potential for impacts related to public safety and hazardous materials. For example, the EIR must disclose whether any portion of the Project will be located on a contaminated site. The EIR also must disclose and evaluate impacts related to the use, handling, and storage of hazardous materials throughout all phases of the Project. Stored feedstocks—piles of wood chips—also are prone to spontaneous combustion; the EIR should evaluate this risk as well. Finally, the EIR must

²⁴ See *King and Gardiner Farms, LLC v. County of Kern* (2020) 45 Cal.App.5th 814, 883-94.

²⁵ NOP at 3.

disclose and evaluate the potential for any aspect of the Project to interfere with emergency response or evacuation plans.

10. Energy Impacts

The EIR must disclose and evaluate impacts related to energy use in all aspects of the Project, including construction, operation, and transportation. CEQA Guidelines § 15126.2(b), Appendix F; *Ukiah Citizens for Safety First v. City of Ukiah* (2016) 248 Cal.App.4th 256; *California Clean Energy Committee v. City of Woodland* (2014) 225 Cal.App.4th 173.

D. Alternatives

CEQA requires that an EIR analyze a range of reasonable alternatives to the project. The alternatives must feasibly attain most of the basic project objectives while avoiding or substantially lessening the project's environmental impacts. Public Resources Code § 21100(b)(4); *see also* CEQA Guidelines § 15126.6(a). The CEQA Guidelines state that the selection and discussion of alternatives should foster informed decision-making and informed public participation. CEQA Guidelines § 15126(d)(5). A project proponent may not define objectives so narrowly as to preclude meaningful analysis of alternatives. *See, e.g., We Advocate Through Environmental Review v. County of Siskiyou* (2022) 78 Cal.App.4th 683.

The EIR must include and analyze a range of reasonable alternatives that could avoid or reduce the Project's significant impacts. Such alternatives should include, at a minimum, (1) prioritizing prescribed burning and traditional cultural forest management practices over mechanical treatments, (2) creating incentives for non-combustion alternative uses of lumber and wood from thinning projects, and (3) exploring opportunities for producing truly clean energy.

III. Conclusion

This Project would transform a vast swath of California's forest landscape into an export market for wood pellets, with dramatic consequences for forest and ecosystem health, biodiversity, climate change, air and water quality, noise, and other values. This is a dangerous and damaging Project, and we strongly urge the Authority not to pursue it.

Moreover, the NOP fails to meet CEQA's standards and must be revised and recirculated. It fails to identify any of the Project's impacts beyond a cursory listing of potentially affected issue areas. The NOP also fails to describe the Project and its settings in sufficient detail to permit meaningful agency comment.

Finally, should the Authority proceed with this Project, any EIR must comprehensively disclose, evaluate the significance of, and provide enforceable mitigation for the substantial range of significant environmental impacts that can be expected to occur.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP



Kevin P. Bundy

Signatories and contact information for additional organizations joining these comments:

Gary Graham Hughes, M.Sc.
Biofuelwatch
(707) 223-5434
garyhughes.bfw@gmail.com

Shaye Wolf, Ph.D.
Climate Science Director
Center for Biological Diversity
(415) 385-5746
swolf@biologicaldiversity.org

Rita Frost
Campaigns Director
Dogwood Alliance
(828) 251-2525 ext. 26
rita@dogwoodalliance.org

Luke May
Staff Attorney
Partnership for Policy Integrity
Lmay@PFPI.net

Daniel Barad
Associate Director
Sierra Club California
(719) 229-3071
daniel.barad@sierraclub.org

David Carr
General Counsel
Southern Environmental Law Center
(434) 977-4090
dcarr@selcva.org