



FREQUENTLY ASKED QUESTIONS (FAQS)

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Q1. Who is Golden State Natural Resources (GSNR)?

GSNR is a California nonprofit public benefit corporation created as a joint initiative of Golden State Finance Authority (GSFA) and Rural County Representatives of California (RCRC) for the purpose of promoting public safety, forest resiliency, wildfire risk reduction, and related public purposes.

GSFA is a governmental entity that has led numerous project financing efforts within California and provided the initial startup funds for GSNR. RCRC is a forty-member county service organization that champions policies on behalf of California's rural counties. The Board of Directors for both GSFA and RCRC are comprised of elected County Supervisors from each of its member counties.

While established by GSFA and RCRC, GSNR is a separate public benefit corporation operating as a forest resiliency organization. The work of GSNR is directed and overseen by the GSNR Board, which consists of elected County Supervisors responsible to the GSFA and RCRC Boards. As GSNR's Forest Resiliency

Demonstration Project progresses, GSNR will continue to strive in all aspects to enhance the quality of life, public safety, economic development, and the environment in California.

Q2. What is the purpose and mission of GSNR?

Golden State Natural Resources (GSNR) was created with the mission to enhance quality of life, public safety, economic development, and the environment in California. GSNR's directive is to reduce excess natural materials in California forested areas using best practices as part of an overarching strategy to **build wildfire and forest resilience in the state and spur economic opportunities in rural communities.**

Q3. Why is GSNR's forest resiliency work so important?

California's forests are experiencing longer fire seasons, drought, invasive species, tree mortality, climate change, and the consequences of a century of unnatural fire suppression. The result is overgrown and under-managed forests that have led to an excessive amount of fuel to burn when a fire ignites. This accumulated fire fuel presents a growing danger to life and property, and the state's natural resources.¹

With limited outlets and uses for this vegetation overgrowth, many forest health projects are unable to succeed in removing this material. GSNR directly addresses this critical need by creating a sustainable and economically viable use from the generated woody biomass.

Q4. How will GSNR's forest resiliency project work?

GSNR's proposed forest resiliency project will primarily source woody biomass from forest thinning projects, orchards, and sawmills, and process the material into a pelletized fuel product at two developed facilities in rural California. GSNR will then export the wood pellets to international markets.

Specifically, GSNR's program can be broken down into three primary phases:

1. **Utilize excess fire fuels:** GSNR will undertake sustainable forest management projects to remove excess fire fuels from overgrown stands, and will provide an outlet for fire fuels material removed by similar sustainable projects undertaken by other forest managers. In addition, this program will utilize residuals from orchards and sawmills, preventing it from going to waste or being burned. These materials will then be transported by truck to the wood pellet processing facility.
2. **Produce industrial wood pellets:** GSNR will create much-needed stable, skilled occupations in California rural communities at state-of-the-art facilities that will convert excess fire fuels into wood pellets. The fire fuels will be received at two GSNR-owned wood pellet production facilities to be located in the Northern California (Lassen County) and Central Sierra (Tuolumne County) regions. GSNR has obtained these sites, with development plans underway.

¹ Community Wildfire Prevention & Mitigation Report (in response to Executive Order N-05-019): 45-day plan (ca.gov)

3. **Market pellets:** GSNR will fund its own operation by selling industrial wood pellets to international markets for renewable energy generation. The finished pellets will transport to a dedicated purpose-built terminal proposed at the Port of Stockton. At the terminal, the pellets are unloaded and stored in large domes, where they are continuously monitored before being loaded into dedicated cargo ships for delivery to international energy markets.

Q5. Where will the woody biomass come from and what types of material will be collected?

With forest resiliency as GSNR's primary objective, the type, size, and amount of woody biomass removed and collected by GSNR would all be conducted in accordance with strict environmental standards developed through public process under the California Environmental Quality Act, and in compliance with state and federal regulations.

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Q6. What are the benefits?

Forest Resiliency and Community Health and Safety

Wildfires are burning at a higher severity than ever before, resulting in significant ecological impacts including changes in forest structure, species composition, carbon storage, wildlife habitat, ecosystem services, and resilience.² These impacts also fall on our communities, threatening public health and safety.

The 2021 Dixie Fire, the second largest in state history, decimated the town of Greenville in Plumas County, burned over 960,000 acres of land, and demolished 1,329 homes and structures, while also upending the lives of thousands forced to evacuate.³ Additionally, the smoke impacts from wildfires such as these are a growing health risk across the United States, increasing in frequency and the number of people exposed.⁴

² [High-severity burned area and proportion exceed historic conditions in Sierra Nevada, California, and adjacent ranges - Williams - 2023 - Ecosphere - Wiley Online Library](#)

[Confronting the Wildfire Crisis \(usda.gov\)](#)

³ [Dixie Fire Incident Report \(ca.gov\)](#)

⁴ [Daily Local-Level Estimates of Ambient Wildfire Smoke PM2.5 for the Contiguous US | Environmental Science & Technology \(acs.org\)](#)

To tackle this growing threat, researchers point to a greater emphasis on proactive fuel reduction and increased forest resilience.⁵ By removing accumulated fire fuels, the potential for catastrophic wildfires in California is reduced, thus protecting rural communities, property, critical infrastructure, and the natural habitats that surround them, as well as reducing smoke-related air quality issues⁶ and enhancing watershed performance.⁷

GSNR's proposed project would complement and help to advance the wildfire and forest resiliency targets called for by the State of California and the United State Forest Service. Additionally, GSNR will be a source of diversion for other forms of wood waste that meet GSNR's environmental standards. The utilization of orchard wood and no-value forest biomass can help divert such biomass away from other forms of disposal such as landfills or open burn piles.

Environment

Forests and woodlands represent the largest contributors to annual wildfire CO₂ emissions as these landscapes exhibit higher fuel loads than lands dominated by shrubs or grasses. Removing excess fire fuels from the forest can help reduce risk of catastrophic fire, thus reducing the greenhouse gas emissions and atmospheric carbon they produce that put reaching California's carbon emissions goals at risk.⁸ This work also creates the conditions that will result in a forest ecosystem more closely resembling the forests' natural status prior to climate change, disease, and unnatural fire suppression threw California's forests into crisis.

Additionally, the wood pellets created by GSNR serve as a renewable energy resource that could either co-fire or replace coal-fired power plants, helping to advance climate change carbon reduction goals.

Rural Infrastructure and Economic Development

Through the development of pellet production facilities in rural California, GSNR will also create living wage employment opportunities, aiding the economic growth and community development in underserved rural communities. Each of GSNR's pellet processing facilities will support approximately 55 stable, skilled jobs in rural counties, and multiples of that number in supply chain jobs such as trucking and in-forest workers.

⁵ [High-severity burned area and proportion exceed historic conditions in Sierra Nevada, California, and adjacent ranges - Williams - 2023 - Ecosphere - Wiley Online Library](#)

[Up in Smoke: California's Greenhouse Gas Reductions Could be Wiped Out by 2020 Wildfires | EPIC \(uchicago.edu\)](#)

⁶ [Health and social impacts of California wildfires and the deficiencies in current recovery resources: An exploratory qualitative study of systems-level issues | PLOS ONE](#)

[What Is the Health Impact of Wildfire Smoke? | UC Davis Magazine](#)

⁷ [Fire and climate change: conserving seasonally dry forests is still possible - Stephens - 2020 - Frontiers in Ecology and the Environment - Wiley Online Library](#)

⁸ [Up in Smoke: California's Greenhouse Gas Reductions Could be Wiped Out by 2020 Wildfires | EPIC \(uchicago.edu\)](#)

GSNR intends to partner and contract with trade organizations and industry businesses to perform pre-planned, best practice forest treatments and to transport the woody biomass to the processing facility, providing for additional jobs and economic development. Additionally, GSNR plans to partner with community colleges to train or upskill local students to perform in forestry and transportation jobs and will help promote the expansion of broadband infrastructure and other public services and benefits to nearby rural communities.

Q7. What are the environmental impacts?

Like all industrial activities, the collection, processing, transportation, and combustion of tree biomass will produce emissions. However, GSNR's project will help avoid the uncontrolled emissions resulting from catastrophic wildfires. Moreover, in many cases, this renewable energy resource may either co-fire or replace coal-fired power plants, helping advance broader environmental goals. GSNR intends that the iterative process of removing dangerous fuels from the forest will help California's forests burn with less frequency and less intensity over the long term, which would be a major climate emissions win. Further, within the working radius of the two pellet production sites, there is expected to be a reduction in the number of burn piles, further reducing harmful emissions.

Overall, this program has both profound environmental benefits and potential environmental challenges requiring careful management. GSNR is committed to a long-term focus on benefits to rural communities, public safety, the forest, and the environment, including water and air quality impacts. GSNR will also conduct this work in accordance with the robust environmental protection laws of the State of California.

For a full description of the environmental benefits of GSNR's forest resiliency projects, see Q6: *Environment*.

Q8. What are the community impacts?

The wildfire and forest resiliency work of GSNR will benefit communities across the state of California from improved public safety and reduced smoke impacts to reinvestment in the local economies of underserved and often overlooked rural communities.

Alongside these benefits, like all industrial activities, the collection, processing, transportation, and combustion of tree biomass will produce emissions. GSNR is committed to utilizing the best available control technology (BACT) to ensure overall safety in the creation, transportation and storage of the wood pellets generated and to mitigate any potential emissions from its two pellet production facilities in accordance with strict state and federal standards.

GSNR's proposed forest resiliency project is also currently undergoing a thorough review through the California Environmental Quality Act (CEQA), to ensure any and all potential impacts are communicated and addressed.

Q9. Is GSNR's project supported by the U.S. Forest Service?

Yes. GSNR's forest resiliency project is supported through a 20-year Master Stewardship Agreement signed with the U.S. Forest Service (USFS) for all eighteen national forests in Region 5 (covering much

of California) to undertake forest management, restoration treatments, and fuel reduction activities. In this Agreement, USFS expressly acknowledged that this project will have all of the following benefits:

- Increase the number of acres of forest land treated substantially over the next twenty years.
- Decrease forest fuel loadings, resulting in enhancing forest resiliency and reducing the risk of uncharacteristic catastrophic wildfires and improving air quality.
- Limit the other environmental harms caused by uncontrolled wildfire.
- Restore ecological/watershed functions through forest restoration activities resulting in improved watershed conditions resulting in cleaner and more plentiful water.
- Enhance wildlife habitat.
- Reduce firefighting costs and enhance safety for firefighters.
- Revitalize the wood products industry and encourage innovation in rural California resulting in jobs, investment, and improved economies.
- Enhance public safety for residents, visitors, communities, and infrastructure.
- Preserve recreation and tourism areas.
- Provide an economical solution to the largescale removal of biomass from the state's forests.
- Accelerate excess biomass removal from our forests by mobilizing and deploying market-based solutions, therefore decreasing impacts on the Forest Service budget and staffing.
- Provide an innovative public-private partnership solution spearheaded by a government entity, with a public purpose mandate.
- Promote international trade through increasing U.S. exports.
- Enhance carbon sequestration.