



California Department of Conservation's Forest Biomass to Carbon-Negative Biofuels Pilot Program Program Fact Sheet – Summer 2023

Project Description: The Department of Conservation received a \$50M budget allocation in the FY21-22 budget focused on creating carbon-negative hydrogen and/or liquid fuel from forest biomass coming from forest vegetation management. All projects funded via this program must be located within California's Sierra Nevada.

The Department is administering this grant program in close coordination with the California Energy Resources Conservation and Development Commission and the California Air Resources Board, as well as the California Department of Forestry and Fire Protection, Governor's Office of Planning and Research, California Public Utilities Commission, U.S. Forest Service, Governor's Office of Business and Economic Development, and California Infrastructure and Economic Development Bank.

The impetus behind this program is to address serious and significant issues of forest health and wildfire risk in the Sierra Nevada, as well as to provide a model for sustainable rural economic opportunity combined with environmental health, fossil fuel replacement, community safety, forest resilience, carbon storage, and many other complementary co-benefits. The rates and severity of catastrophic wildfire have been growing throughout the Sierra, costing lives and damaging habitat, watershed health, financial resources, homes, and communities. Further, the impact of wildfire smoke has been felt around the state, worsening air quality in many areas that can least afford it. This pilot program focuses on the Sierra with the objective of addressing these high-profile needs and benefiting the entire state.

The funds for this program will be dispersed in two phases, Phase 1 (project development), and Phase 2 (implementation):

Phase 1: With input from the interagency team identified above, the Department of Conservation [awarded Phase 1 funding to eight applicants](#) in spring of 2023. The Phase 1 awards will run through March 2024, supporting a diverse range of development and planning activities across the state.

If successfully constructed and operated, the biofuels facilities proposed by the Phase 1 grantees have the potential to utilize more than 800,000 bone-dry tons of forest waste woody biomass annually, which would result in approximately 80,000 acres of forest managed for environmental health and wildfire resilience.

Phase 2: The Phase 2 Solicitation development will commence this summer in a collaborative process with numerous opportunities for stakeholder and Tribal input. The solicitation is anticipated to be released no sooner than Winter 2023/2024 and Phase 2 selections made Spring 2024. Phase 2 will offer funding for facility construction, and will include financial commitments to up to four individual projects of up to \$20 million. The DOC expects top applicants to have detailed engineering complete, relevant permits in hand, and site agreements in place. Applicants do not need to have received a Phase 1 award to be eligible for Phase 2.

Next steps: The Department of Conservation is planning to schedule Request for Information Workshops with stakeholders and Tribes this summer. To stay informed about the program please [join our listserv](#).

If you have questions or have additional input you'd like to provide, we welcome your written comments. These may be sent to our program email address (DOCForestBiofuelsPilot@conservation.ca.gov).