



Department of Conservation's Pilot Forest Biofuels Gasification Program Funds

Program Fact Sheet – March 2022

While early in the process, this fact sheet is meant to provide stakeholders a snapshot of the effort to date and expectations of what is to come.

Project Description: The Department of Conservation received a \$50M budget allocation in the FY21-22 budget – to be made available in July 2022 – focused on creating carbon-negative hydrogen and/or liquid fuel from forest biomass coming from forest vegetation management. Funding awards will be made to sites located within the Sierra Nevada. 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. 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 hopes of addressing these high-profile needs.

Projects funded under this program are expected to be fully supported by the communities that (will) host them, sponsored by project proponents, local governments, tribes, and community advocates. While the program is not closed to any particular stakeholders or industries, community support and participation in the proposed project is mandatory, and community leadership is encouraged.

These funds will be offered through a competitive solicitation; the DOC is working to offer this solicitation in 2022, consistent with the dire need for forest management and wildfire risk mitigation. The DOC is working closely with sibling agencies, boards, departments, and commissions – including federal agencies – with aligned interest.

SB 155 (2021; Committee on Budget): SEC. 50: Upon appropriation by the Legislature, fifty million dollars (\$50,000,000) shall be available in the 2022–23 fiscal year to the Department of Conservation, in coordination with the State Air Resources Board and the State Energy Resources Conservation and Development Commission, for pilot projects in the Sierra Nevadas to create carbon-negative fuels from materials resulting from forest vegetation management. All eligible projects shall identify a California use of the hydrogen or liquid fuel to be created and have a lifecycle analysis of the carbon emitted and sequestered from the project, including any emissions from related transportation needs of bringing the feedstock materials to the facility and delivering resulting fuels and carbon dioxide to its end uses. The Department of Conservation shall notify the Joint Legislative Budget Committee of proposed projects to be funded 30 days prior to the funds being issued.

Request for Information Workshop: the RFI Workshop is an opportunity for project proponents and members of the public to inform the DOC's solicitation development. This structure is meant to provide for maximum public input and benefits to the final program. Workshop objectives are as follows:

1. Receive input from potential applicants and the public regarding allocation of the Pilot Forest Biofuels Gasification Program funds, in order to inform the DOC in grant solicitation development;
2. Share current information from state agencies regarding the expenditure of these funds; and
3. Understand potential environmental justice and community priorities associated with implementation of this pilot program.

This workshop is NOT meant to deliberate the merits of any specific technologies or carbon-negative protocol or methodology, particular project, or any other site-specific considerations. We encourage participants to ask clarifying questions and submit written comments. We appreciate public input on the particular questions being asked, agenda topics being addressed, and other considerations that will help the DOC in drafting the solicitation.

Program Timeline and Public Input: These funds will be offered as a competitive solicitation. Following the RFI Workshop and Tribal outreach, the DOC will develop the draft solicitation and make this available for public review. This is expected to occur in late May 2022. The public comment window will be 30 days, after which the DOC will respond to public comments and incorporate edits as appropriate. The final solicitation is expected to be made live in July/August.



Summary of public input opportunities:

1. Public RFI workshop (April 5, 2022);
2. Tribal RFI workshop (open to tribal citizens and representatives only; April 7, 2022);
3. Draft solicitation review (estimated May-June 2022); and
4. Project development and CEQA process (on the schedule of each individual project).

Carbon Negative Biofuels: The 21-22 budget language prescribed the development of carbon-negative¹ liquid fuels or hydrogen as a product of projects funded under this program. The DOC anticipates that the geologic sequestration of CO₂ (often identified as “carbon capture and sequestration,” or CCS) coming from biofuels development is likely to be a pathway to reach carbon negativity, and hopes to hear more at the RFI workshop about other proposed pathways to reach permanent, verifiable carbon negativity.

¹ The term “carbon negative” means that less carbon dioxide and other greenhouse gasses (CO₂ equivalent, or CO₂e) are emitted to the air in the development of these biofuels than are sequestered or avoided by the process.