

Appendix A

Documented Community Involvement and Feedback

Community Involvement

On August 22, 2013 a Community Meeting was held at the Foresthill Veterans Memorial Hall to discuss the concept of potentially locating a biomass energy facility in Foresthill. The event was hosted by the Foresthill Chamber of Commerce in partnership with the Sierra Nevada Conservancy.

Elisa Noble of the Placer Resource Conservation District (Placer RCD) facilitated the meeting, and identified the two meeting objectives: 1) document community perspectives and questions re: the possibility of locating a biomass facility in the Foresthill area, and 2) establish an exploratory committee of interested community members to meet next and lead the discussion moving forward.

Questions and the associated answers from that meeting are included below. The general consensus following this meeting was that there was enough interest in exploring the concept of a biomass facility to pursue funding for a feasibility study.

Following the meeting, Robyn Husmann of the Foresthill Chamber of Commerce facilitated the forming of the Foresthill Bioenergy Steering Committee. With Duane Frink as Chair, this Committee began meeting monthly. The Placer RCD and the Sierra Nevada Conservancy signed a Memorandum of Agreement with the Steering Committee to outline the shared goals of the partners in pursuing a feasibility study (see Appendix B).

The Placer County Air Pollution Control District's (PCAPCD) Technology Assessment Program (TAP) grant program was identified as the most viable source of potential funding for a feasibility study. With assistance from technical experts Brett Storey at the Placer County Planning Department and Bruce Springsteen at PCAPCD, a proposal was drafted for a "Foresthill Biomass Utilization Feasibility Study." The PCAPCD Board approved \$30,000 in funding for the feasibility study.

The collaborators also initiated a complementary study to investigate the "Value-Added Forest Material Products and Uses for an Integrated Product Yard in the Foresthill Area," (Value-Added Product Yard Study). This study explored the potential economic and community development benefits of a product yard or "campus" to the Foresthill area. The Sierra Nevada Conservancy contributed \$10,000 to fund this study.

The Value-Added Product Yard Study was coordinated with the Foresthill Biomass Utilization Feasibility Study, so that both studies used consistent information and complemented one another. Placer RCD served as the fiscal sponsor and project coordinator. Their role was to serve as a liaison between the technical teams writing the two studies and the Foresthill Bioenergy Steering Committee. The Placer County Planning Department contributed \$7,460 to cover Placer RCD expenses for these tasks.

On October 29, 2014, a Foresthill Community Stakeholder Meeting was held to introduce the two studies to the community, and to initiate communication between the project team and the community.

On March 18, 2015, when both studies were near completion, the draft results were shared with the Foresthill Bioenergy Steering Committee and other members of the community.

Throughout the process, the Foresthill community was encouraged to provide any feedback regarding the concept of locating a biomass facility in Foresthill. Placer RCD captured feedback that was provided at both the August 22, 2013 and October 29, 2014 community meetings. Placer RCD also documented feedback received in seven emails from community members.

Most of the feedback received related to potential health and safety issues that will be addressed in an environmental assessment (under the California Environmental Quality Act) if a biomass facility is actually funded and proposed for construction sometime in the future. Therefore, most of the feedback was well outside the scope of the Foresthill Biomass Utilization Feasibility study or the Value-Added Product Yard Study.

However, Placer RCD did document all of the community feedback received, and it can be found below, categorized by subject. Feedback received at the two community meetings is in a question and answer format, where one of the technical team members in attendance provided the response. Answers to questions have been updated to reflect current available information. All other feedback is listed under general comments.

Documented Community Feedback

Air Quality / Odor

Note: All air quality issues would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

Q: Will odor be a problem from fuel piles at a biomass facility?

A: Odor of chips is usually not a problem, and would be dealt with during any permitting and mitigation process.

General Comments

- Existing air quality in Sacramento and Placerville is already poor, therefore it would not be good to deteriorate Foresthill's air quality as well
- There are numerous medical issues with non-smokers that directly correlates with poor air quality
- Where would the emissions blow to?
- Will emissions be measured with monitors or sensors?
- Belief that if this facility is created, people will quit burning brush and bring it to the biomass facility instead
- A residential biomass pickup service with a small \$40 charge should be considered
- Concern over consideration of burning restrictions and EPA rules regarding wood burning
- Concern about smell produced by potential biomass facility

- Does the predicted particulate matter size meet acceptable level per medical experts?

Biomass Supply

Note: All biomass supply issues not addressed in the Foresthill Biomass Utilization Feasibility Study would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

- Q: How many acres would be needed to produce 10,000 bone dry tons (BDT) per year?
A: The sustainable feedstock supply analysis addresses this.
- Q: Would the operation shut down during the winter?
A: No. Some supply sources are accessible year round, and there will also be some stockpiling of chips to allow for any periods of limited access to supply.
- Q: Why focus on wood products for biomass supply? Why not municipal waste?
A: The County has generally been exploring the idea of using other sources of fuel, but wood from fuels reduction projects are the most obvious current option. Use of municipal waste involves complexities not addressed in this feasibility analysis.
- Q: Who would be the main supplier of wood biomass?
A: Contracts could be developed with the U.S. Forest Service, timber operators, and fuel reduction on private/public land to try and meet any projected demand.
- Q: Will the study be looking at how to interact with federal contracts for biomass supply?
A: Yes, and future studies would deal with this in more detail if a project were to move forward.
- Q: How much material is needed to run a biomass facility?
A: Approximately 7,000-9,000 bone dry tons (BDT) per megawatt
- Q: Can yard waste be used? Can homeowners who need an alternative to burning bring their material to the facility?
A: Typically not, due to issues with the control of the material and the projected desire to have 100% forest waste. Cost would also be a factor with such small amounts.

General Comments

- Comment that materials would be stockpiled throughout the summer to ensure continued production through the winter
- What happens when the 30-mile radius for supply is reached?
- Sawmill owner currently burns leftover trimmings, but would offer customers the option to recycle waste in a more sustainable manner through biomass facility
- Could the facility process things other than wood?
- Would poison oak be an issue in slash piles?

Economic Feasibility

Note: All economic feasibility issues would be dealt with during any environmental review and permitting process if a project were to move forward. In addition, it would be the project developer's responsibility to determine what economic feasibility means to specific investors.

Questions & Answers

Q: Do biomass facilities operate full time?

A: Yes, they need to operate 24/7 to be cost-effective. However, there are predictable times when they do go offline for maintenance functions.

Q: Are the biomass facilities that are running now economically feasible?

A: There are economically feasible facilities now in operation. Some are larger than anything that would be feasible for Foresthill.

Q: How big are facilities that have operated or shut down?

A: Many existing facilities in California, both active and currently inactive, are larger—most are over 10 megawatts in capacity.

Q: Do you use a timeframe of 10 or 25 years for cost analysis?

A: Typically, facility plans look at 10 to 15 year intervals for supply and demand contracting to assure a secure investment. Fuel supplies are cyclical so plans use conservative supply estimates. Many facilities can operate for decades with upgrades, but it depends upon the initial technology and other factors.

Economic Development / Jobs

Note: All economic development/jobs issues would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

Q: How much employment would be at the facility and in the forest (fuel reduction work)?

A: The feasibility study will discuss this, and it will depend on the size and scope of the facility. General studies indicate a gasification facility supports about 5 to 7 jobs per megawatt capacity.

General Comments

- Support for project's potential to create improved jobs within the area
- Feasibility Study should consider impacts on small timber landowners who could be subject to Timber Harvest Plans
- Feasibility Study should consider ownership and management opportunities for public, private and nonprofit organizations
- Opportunity for facility to collaborate with educational institutions; local high school interested in opportunities for internships, job skills development, and pipeline for jobs

Funding a Potential Biomass Facility

Note: It would be the project developer's responsibility to determine what type of funding is necessary, and what it would mean to that group of investors. The typical model would be a privately based investment group. Currently there are no plans by any government agency to build a facility in the region. This feasibility report contains no direct link to issues regarding potential funding that are described below in the form of comments.

Questions & Answers

Q: Is financing for a bioenergy facility sustainable? Is there a mechanism to ensure stable funding?

A: The feasibility study will provide some guidance to this question, but any potential facility developer would need to look at this carefully.

Q: Will taxpayers/ratepayers be left “holding the bag” if failure or unsecure funding?

A: The typical model would be a privately based investment group. Currently there are no plans by any government agency to build a facility in the region. Any private facility would need to address any issues of this nature.

Q: Who provides oversight for private investment?

A: Private investors have to comply with all applicable state and federal laws. They would be required to follow the permitting and environmental process by the local and state agencies. If the project had a direct tie to federal land or funding, then an additional requirement of federal process would be required.

General Comments

- Opinion that funding for development of a facility would be through public and private entity partnerships
- Will the Feasibility Study cover opportunities for local residents to participate through crowdfunding?
- Would taxes or fees be assessed in any way to fund a bio-utilization facility?
- Where would funding for this project come from? Is the financing sustainable?
- Is there an investment opportunity for the County in placing a biomass facility in Foresthill? If yes, what is that investment opportunity, i.e. a master stewardship agreement, and will there be any discussion of that opportunity in the Feasibility Study?

Health Concerns (General)

Note: All health issues would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

Q: How were health effects analyzed for the Cabin Creek project?

A: The Cabin Creek Project went through an environmental process that provided a full environmental study resulting in an Environmental Impact Report that satisfied the California Environmental Quality Act purposes, and a review by the Department of Energy resulting in a Categorical Exclusion satisfying the National Environmental Policy Act. In addition, the project performed a Health Impact Assessment with California Department of Public Health participation.

General Comments

- Technology comment on filtration advances/safeguards
- Concern over the potential health impacts from a biomass facility
 - Why is the American Lung Association and Heart Association opposed to bioenergy?
 - Will the environmental analysis consider American Heart Association and Department of Energy studies that don't support biomass facilities because of their emission levels?

Light

Note: All lighting issues would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

Q: How much light would a facility shine on surrounding areas?

A: Lights can be site directional, so that impacts to the surroundings are minimized. Lights are another factor that must be addressed in the environmental analysis and permitting process.

General Comments

- Concern about the light produced from a potential facility

Location of Potential Facility

Note: All location issues would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

Q: Potential location of biomass facility? Is it appropriate to locate near residences?

A: Facility siting was addressed in the feasibility study along with criteria for suitability. The environmental process would consider multiple questions with regard to public related issues.

Q: What were the three possible Foresthill locations identified in a previous study?

A: Any feasibility study will consider what sites are zoned for the appropriate usage for a project. Until a project is actually created all sites are simply illustrative.

Q: Is there a concern about locations next to a school?

A: For cost of mitigation, emissions, and safety, or even perception of these issues, investors don't typically build facilities next to schools.

Q: Would the old mill site be considered as a potential location?

A: The old mill site is located next to the high school. For reasons stated above investors don't typically build facilities next to schools.

Q: Where is an appropriate site in Foresthill?

A: The feasibility study assessed the factors necessary for an appropriate site.

General Comments

- Concern over a bioenergy facility close to city and populated areas
- Concern about the distance a potential facility might be located from populated areas
- Buildings are required to be unseen from Foresthill Road (designated historic road)
- Would those residents living adjacent to a selected site be contacted?
- Suggestion to incorporate a collection site for homeowners who wish to find an alternative to burning
- Suggestion to build off-site storage
- Request for more significant discussions with Foresthill Public Utilities District (FPUD) about the potential use of their facilities for a bioenergy site
 - Use of their facilities could substantially benefit Foresthill ratepayers

- Belief that schools located near biomass facilities benefit greatly
- Suggests discussion with local schools about placement of facility next to a school
- Was the site recommended in the draft Feasibility Study selected because it was chosen from the previous study?
 - Will the public have access to that prior grant study?
- Is the current property owner of the site recommended in the draft Feasibility Study part of the County's investor group?
 - Have there been any prior commitments to that property owner?

Noise

Note: All noise issues would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

Q: Would the facility make a lot of noise?

A: Noise is a factor that must be addressed in the environmental analysis and permitting process.

Q: How much noise would come from the facility, machines, and vehicles?

A: Noise is a factor that must be addressed in the environmental analysis and permitting process.

General Comments

- Concern about the noise produced by a potential facility. Will noise be addressed in the environmental analysis?

Potential Products

Note: All product issues would be dealt with by the project team and investors if a project were to move forward.

Questions & Answers

Q: Is there a viable market for biochar?

A: The biochar market is very new and still difficult to assess.

Q: Other than bioenergy, what other biomass uses have been explored?

A: Biogas is another option.

General Comments

- Interest in products other than energy being produced from a biomass facility (i.e. firewood, biochar, etc.)
- Suggest exploring the potential use of heat, steam and electricity for the benefit of the community
- Suggest a facility produce both bioenergy and biofuel – opinion that it would:
 - Make off-site storage location more practical
 - Minimize the footprint for a facility

- Allow more space for additional private businesses
- Smaller haulers could use biofuel to transport biomass feedstock, which would be easier and less disruptive to community
- Concern over PG&E's disinclination to pay a fair price for electricity not generated from its own facilities

Potential Value-Added Products

Note: All value-added product issues would be dealt with by the project team and investors if a project were to move forward.

Questions & Answers

Q: Are there products other than energy being considered at the North Fork Project?

A: Yes, the idea is that other products could be produced according to what there is a market for, i.e. firewood, bio-char, etc.

General Comments

- Suggestion to produce a flavored wood chip
- Suggestion to use facility to produce dehydrated products (i.e. fruit)

Transportation of Biomass

Note: All transportation issues would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

Q: Who would maintain the roads and transportation routes?

A: Road maintenance, as well as mitigation for any other impacts of a facility, would have to be addressed in the environmental analysis. If a project is proposed at some point in the future, all potential impacts must be addressed ahead of time in the environmental analysis.

General Comments

- Concern over the maintaining of roads and transportation routes
- Support because truck traffic for a biomass plant would be significantly less than it was when two mills were operating in Foresthill
- Impact of truck traffic on Foresthill Road may require building a road to the site to lessen impact of truck traffic
- Concern that the cut-off from Mosquito Ridge Road to Lowe/Soap Street in a residential area might be used by truck traffic
 - Can the County mandate that the "short-cut" not be used?

Water Usage

Note: All water issues would be dealt with during any environmental review and permitting process if a project were to move forward.

General Comments

- Where would water be disposed of? Would it be burnt off as steam?
- Concern over possible water pollution
- Concern over possible waste water leaching into well water
- Would the amount of water used for the facility take away from the public's amount of available water?
- Concern over the possibility of raised water prices for those on utility water
- How much water would a 1 to 2 MW system use?

Other

Note: All other issues would be dealt with during any environmental review and permitting process if a project were to move forward.

Questions & Answers

- Q: Is this Feasibility Study an effort to comply with the biomass conversion state law re: solid waste?
A: No. This effort is to complete an initial study to determine basic feasibility of a biomass to energy facility in the Foresthill region.
- Q: There was a similar meeting 10 years ago – what has happened since then? Is this meeting going to go anywhere?
A: This effort is to complete an initial study to determine basic feasibility of a biomass to energy facility in the Foresthill region.
- Q: What will come out of this meeting?
A: Future outcomes and actions are outside the scope of this feasibility report, which simply assessed basic feasibility for a biomass facility.
- Q: What is the estimated time for next meeting?
A: Sometime in the next three months, and led by the Foresthill Chamber.
- Q: How do environment groups feel about bioenergy facilities?
A: Environment groups have been willing to discuss the merits of small biomass projects. Some projects have been able to move forward without litigation due to these discussions. Each individual environmental group will formulate their own opinion and decision process with each proposed project.

General Comments

- Understand that most issues should be addressed within an Environmental Impact Report (EIR). If an EIR is not required, how will issues be addressed?
- The second largest private landowner in the area is interested in some kind of biomass facility
- Support for a bioenergy facility because of the need to reduce the fuel load

- Does any portion of the Feasibility Study (technical or value-added) address other substantial and direct benefits (besides cleaner air and fire prevention) that the Foresthill community might realize per Policy 3.C.10-4 of the Community Plan?
- Has Placer County and/or PCWA considered Community Choice Aggregation (CCA) as a possible option for the electricity generated thru the Middle Fork Project and the potential biomass facilities proposed within the County? Will the Feasibility Study address in any form the legislative pros and cons for a CCA and the required green energy that a biomass facility could produce as part of completing Task 3(c) of the TAP Grant Proposal?

Appendix B

Memorandum of Agreement (MOA)

Between

Foresthill BioEnergy Steering Committee
Placer County Resource Conservation District
Sierra Nevada Conservancy

Purpose

The purpose of this MOA is to document a shared understanding of the intentions and commitments by partners interested in the procurement of a biomass utilization project on the Foresthill Divide. The partners view the feasibility study as the first step to achieve multiple goals including: improved air quality, local job creation, community benefits, improved safety, forest health, and watershed stewardship on the Foresthill Divide.

Statement of Mutual Benefits and Interests

It is in the interest of all partners to work together on this project in order to best utilize the strengths and relationships of each partner. This will ensure the most comprehensive and useful outcome.

Roles of Partners

Foresthill BioEnergy Steering Committee:

- Assist with identifying the need for economic, social and environmental benefits consistent with the community's goals and objectives.
- Assist with facilitating outreach to, and involvement of, the Foresthill community throughout the process

Placer Resource Conservation District:

- Prepare applications/proposals for grant funds from prospective grantors.
- Fiscal and Technical Management agent – will manage all funding and reporting associated with the project
- Coordinator – will help organize meetings and facilitate communication between partners throughout the project

Sierra Nevada Conservancy:

- Funder - Up to \$10,000 for facilitating research of economic and community development opportunities associated with a biomass facility (pending ability to execute appropriate contract per state contracting guidelines).
- Subject matter expertise
- Support project by providing technical assistance when possible.
- Assist in researching and applying for additional funds as appropriate.

Decision Making

All partners agree to reach consensus on decisions that represent the goals of the project as a whole. Decisions will not be reached through a popular vote. Issues that present conflicts must be resolved through negotiation.

Availability for Consultation

All partners will make themselves available at mutually agreeable times, for continuing consultation to discuss the conditions covered by the MOA and agree to action essential to fulfill its purposes.

Modification

Modifications within the scope of this MOA shall be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being made. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change.

Commencement/Expiration Date

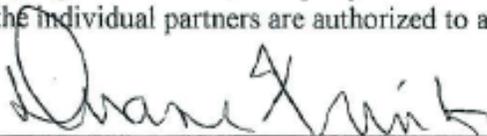
This MOA is executed as of the date of the last signature and is effective through March 31, 2015 at which time it will expire, unless extended by an executed modification, signed and dated by all properly authorized, signatory officials.

Termination by Mutual Agreement

This MOA may be terminated, in whole or in part, as follows: By mutual agreement of the above parties, expressed in writing. *(Needs to be completed and made agreeable to everyone.)*

Authorized Representatives

By signature below, each party certifies that the individuals listed in this document as representative of the individual partners are authorized to act in their respective areas for matters related to this MOA.



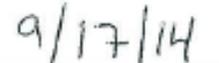
Duane Frink - Foresthill Bioenergy Steering Committee



Date



Elisa Noble - Placer Resource Conservation District



Date



Jami Barbhan - Sierra Nevada Conservancy



Date

