State of California **California Natural Resources Agency**

M e m o r a n d u m

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Date : March 30, 2018

From: Rizaldo Aldas
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Subject: California Environmental Quality Act Analysis for EPC-17-042, ICF Incorporated, L.L.C.'s (d.b.a. ICF Consulting, L.L.C.) Camptonville Biomass-to-Energy Project (a.k.a. Forest Biomass Business Center Bioenergy Facility)

I am a Supervisor in the Research and Development Division, California Energy Commission, and the Commission's Agreement Manager for proposed Agreement EPC-17-042 (GFO-15-325-32) ("Agreement").

Pursuant to my work in developing the Agreement, including the Scope of Work for the Agreement, I have reviewed the lead agency County of Yuba Community Development and Services Agency's ("County") California Environmental Quality Act ("CEQA") documents for the Camptonville Biomass-to-Energy Project (a.k.a. Forest Biomass Business Center Bioenergy Facility), which include: (1) an Initial Study/Mitigated Negative Declaration, including a Mitigation Monitoring Plan; (2) Planning Commission Resolution No. 2018-0001, adopting the Mitigated Declaration and Mitigation Monitoring Plan, and approving Conditional Use Permit 2017-0003, subject to the incorporated conditions of approval (adopted February 21, 2018); (3) the County's Notice of Determination; and the Planning Department's Staff Report. I have also reviewed the proposed Agreement EPC-17-042. The Camptonville Community Partnership (CCP) is proposing to develop a community-scale 3-megawatt (MW) net biomass power generation facility located in Yuba County. During the initial study of the project, the County found that no potential impacts to the environment were identified that could not be reduced through mitigation measures to a level that is less than significant. Therefore, a Mitigated Negative Declaration was prepared and noticed pursuant to all CEQA guidelines as part of the project processing.

Based on my review and consideration of the above documents, it is my independent and professional opinion that no environmental impacts would occur that could not be reduced through mitigation measures to a level that is less than significant. Furthermore, I have not identified any new information which would change the conclusions of the County's CEQA documents, or render those conclusions inadequate.

It is also my independent and professional opinion that the work to be performed under the proposed Agreement falls within the scope of the County's CEQA documents, and that the Agreement will not result in any new significant environmental impacts or substantially more severe environmental impacts beyond those already considered. Finally, I have not identified any new mitigation measures,

within the Energy Commission's authority, that would lessen or further mitigate the impacts of the Camptonville Biomass-to-Energy Project.

The reasons for my conclusions are as follows:

The proposed agreement includes the installation of a community-scale 3-megawatt (MW) biomass combined heat and power facility on a 28.96-acre parcel and will include a small office building, a building to house the biomass power generation systems, outdoor storage for woody biomass chips, an evaporation pond for excess water, and the needed access roads. The site is the former Sierra Mountain Mill. The bioenergy facility proposed for this Agreement will be developed by Phoenix Biomass Energy, Inc. and the Camptonville Community Partnership and will produce electricity and heat. Electricity is intended to be sold to PG&E on its distribution-level circuit. When operational, the facility will utilize some electricity for internal operations of the project. Thermal energy, available as off-heat from the boiler, will be available for neighboring enterprises. There are currently no neighboring enterprises that are planning to utilize the on-site heat. However, if the site grows into a small business forest products center, it is anticipated that the off-heat could possibly be used for wood product production and other purposes requiring heat. The biomass combined heat and power system addresses the Governor's 10-30-2015 Proclamation of a State of Emergency to Protect communities against unprecedented tree die-off by utilizing tree mortality feedstock from Tier I and Tier II High Hazard Zones as described by CalFire.

The County of Yuba Planning Commission found that none of the conditions calling for preparation of an Environmental Impact Report have occurred, and that the Mitigated Negative Declaration prepared for the proposed project reflects the Community Development and Services Agency's independent Judgment.

All of the construction, operation and other activities described in the scope of work of the proposed Agreement fall within the activities evaluated by the County's CEQA documents identified above.

Aesthetics:

The project has been found to not have a substantial adverse impact on a scenic vista degrading the existing visual character or quality of the surroundings or substantially damage scenic resources, including, but not limited to, tree, rock outcroppings, and historic buildings within a State scenic highway. The proposed biomass facility would also have no lighting that would create a new source of substantial light or glare.

Mitigation measures include: if exterior lighting is needed in the future, then directing exterior lighting downwards and away from adjacent properties and rights of way, requiring shielded lighting, and not allowing lighting to spill across property lines.

Agricultural Resources:

The proposed Agreement will not have any impact on agricultural resources, and will not change the impacts identified in the County's CEQA documents.

Air Quality

The County found less than significant air quality impacts from this project. The project and the Agreement would not conflict with or obstruct implementation of the applicable air quality plan with mitigation measures incorporated. Emissions related to construction and operation of the bioenergy facility were estimated to be below significance threshold levels.

Mitigation measures include: reducing dust emissions and implementing Feather River Air Quality Management District (FRAQMD) standard construction phase mitigation measures.

Biological Resources

Costella Environmental Consulting (Nevada City, CA) performed a complete biological inventory and assessment in August 2016. They identified no protected special status species or protected resources found on the relatively small parcel. The proposed Agreement will not have any significant impacts on biological resources, and will not change the impacts identified in the County's CEQA documents.

The proposed project site is not located in the Yuba-Sutter Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) boundary. The Yuba-Sutter NCCP/HCP plans are in the process of being prepared, however, no conservation strategies have been proposed to date which would be in conflict with the project. Therefore, the project will have no impact to conservation plans.

Mitigation measures include: requiring any fencing constructed as a perimeter barrier around the project site to adhere to design requirements to preserve the site for wildlife, such as a fencing height no greater than 38 inches above the ground to the top of the top wire or rail, and wood or similar material for top rails, and either wood rails or wire strands as horizontal elements in the fence. The wire strands would be smooth or barbless.

Cultural Resources

A portion of the project site adjacent to Oregon Creek site is identified in the 2030 General Plan as an area of high concern for cultural or historical significance. A Cultural Resource Assessment was conducted for the project by Peak and Associates, Inc. in July 2017. The study searched State and other databases at the North Central Information Center (NCIC) for historic site/survey records within ½ mile of the project site. An in-field cultural resources investigation was conducted to identify potential historic sites or cultural issues of concern.

The Bioenergy Facility and approximately 29-acre project area do not contain any significant or important historic period cultural resources under California Register criteria. No prehistoric period resources were found during the current inspection. The likelihood for the presence of buried prehistoric sites is low due to the intense disturbance of the region for mining exploration and mineral recovery. The proposed Agreement is not anticipated to have any impact on Cultural resources, and will not change the impacts identified in the County's CEQA documents.

Mitigation measures include: ceasing work and contacting a professionally qualified archeologist if unusual amounts of non-native stone, bone, shell, or prehistoric or historic period artifacts are discovered during construction activities, and ceasing excavation or disturbance of the site in the event of discovery or recognition of any human remains.

Based on the above mitigation measures, the proposed Agreement will not have any impact on Cultural resources and will not change the impacts identified in the County's CEQA documents.

Geology and Soils

All impacts related to Geology and Soils are considered less than significant, and the Agreement will not change the impacts identified in the County's CEQA documents.

Greenhouse Gas Emissions

Combustion of woody biomass for generation of electricity is considered by many state, federal, and international agencies as "carbon neutral." The project would not generate significant GHG emissions that would result in cumulative considerable contributions to climate change impacts. The project will have a less than significant impact above existing pollution levels.

Hazards and Hazardous Materials

During proposed construction and operational phases of the proposed project, common hazardous materials, including gasoline and other motor vehicle fuels, propane, solvents, lubricating oils, welding gases, and acids and bases may be present on site. The proposed facility, once operating, would complete and submit the Hazardous Material Business Plan to the Yuba County Environmental Health/CUPA if handling or storing a hazardous material equal to or greater than the minimum reportable quantities. Furthermore, the project is located in a high fire hazard severity zone, as reported by the Cal Fire 2007 Fire Hazard Severity Zones map. The facility will comply with the California Public Resources Code Section 4291(b), which requires the removal of all brush, flammable vegetation and/or combustible growth to be cleared within 100 feet of all structures.

Therefore, this Agreement will not change the impacts identified in the County's CEQA documents. The impact would be less than significant with mitigation incorporated.

Mitigation measures include: vegetation clearance of vegetation, brush, and combustible growth around any new construction and up to 100 feet from structures or to the property line, whichever is closer.

Hydrology and Water Quality

The proposed biomass facility is located near Oregon Creek, a perennial stream that drains southwesterly along the western edge of the project site. The project will not impact a stream bank or cause a loss of stream waters. The power plant will neither use waters from Oregon Creek for its operation, nor deposit water or wastewater into Oregon Creek. Water for this use will be obtained from wells located on the subject property. All wastewater will be piped to the evaporation pond. Therefore, the project is anticipated to have no impact.

Land Use and Planning

The proposed Agreement will not have any impact on Land Use and Planning, and will not change the impacts identified in the County's CEQA documents.

Mineral Resources

The project will not result in the loss of availability of a known mineral resource that would be of value to the region, therefore there will be no impact.

Noise

There are two sensitive residences adjacent to the proposed project, a residence approximately 400 feet west and another residence approximately 900 feet to the south-southeast of the power plant. Preliminary noise calculations indicated that the noise levels at these residences would exceed the nighttime hourly levels. The implementation of multiple noise reduction measures could result in a noise reduction that would not exceed the County's daytime and nighttime noise standards. Therefore, the exposure to noise generated from the project would be a less than significant impact with mitigation incorporated.

Mitigation measures include, but are not limited to: selecting low-noise generating equipment, constructing a sound barrier along the sides of the biomass facility, and having the County select and hire at the project applicant's expense a qualified acoustic engineer to verify the effectiveness of all selected noise reduction measures and confirm that the noise standards are not exceeded at nearby residences.

Population and Housing

The project does not include any destruction of existing housing nor does it involve the displacement of people. Therefore, there are no impacts related to Population and Housing for this project.

Public Services

The proposed project may provide a net benefit in the reduction o forest fuels and wildfire risk as it relates to fire protection. All impacts related to Public Services are considered less than significant.

Recreation

The proposed Agreement will not have any impact on Recreation, and will not change the impacts identified in the County’s CEQA documents.

Transportation and Traffic

The proposed Agreement will not have any significant impacts on Transportation and Traffic.

Tribal Cultural Resources

The County was contacted by the United Auburn Indian Community (UAIC) on November 23, 2015 requesting formal notification and information on proposed projects for which the County will serve as the lead agency under the California Environmental Quality Act. On July 19, 2017, the UAIC provided email correspondence to Yuba County that they did not request a project site visit and would like the opportunity to comment on the CEQA document if necessary. The proposed Agreement would have less than significant impact upon tribal cultural resources with mitigation incorporated.

In addition to mitigation measures proposed under Cultural Resources, mitigation measures include ceasing excavation or disturbance of the site in the event of the accidental discovery or recognition of

tribal cultural resources in an area subject to development activity, and contacting the Native American Heritage Commission as well as the UAIC within 24 hours.

Utilities and Service Systems

The proposed Agreement will not have any significant impacts on Utilities and Service Systems.