

## CA ad hoc Forest Biomass Working Group – eNewsletter 19/2024

### **Building an Environmental Infrastructure Investment Pipeline for the Greenhouse Gas Reduction**

**Fund.** The [U.S. EPA's \\$20 billion Greenhouse Gas Reduction Fund](#) grants present a once-in-a-generation opportunity for the environmental sector. The funds will waterfall downward to capitalize green banks and community lenders, supercharging an impact-first investment ecosystem for projects that reduce greenhouse gases. With an election around the corner, GGRF recipients want to obligate these investment dollars in the span of months, not years. The projects currently most likely to benefit from this investment capital are those that green banks and conventional banks have spent the last 20 years supporting: clean energy, clean transportation, and sustainable buildings. *What's missing?*

*Environmental infrastructure.* Potential GHG-reducing environmental infrastructure project types that meet GGRF's criteria include, but are not limited to: Agriculture, Forestry, Land Use, Legacy Pollution, and Water. Quantified Ventures is launching a national [Request for Information \(RFI\)](#) to build a \$1 billion pipeline for environmental infrastructure projects to receive GGRF investment. Submissions are due by 11:59pm Eastern Time on Friday, May 31, 2024.

**Biomass Offtake Opportunities and Logistics.** The development and expansion of wood products markets are key components to accomplishing California's [Wildfire and Forest Resilience Action Plan](#). Supporting existing regionalized markets and developing additional markets that utilize forest-derived wood fiber that have not been available to date will create potential incentives for private investment into local communities and provide future jobs for these regions. [This report](#) summarizes existing and future forest products markets within California to help focus efforts of marketing, planning and policy making to optimize available forest-derived biomass. The report offers present and future opportunities to support the goal for the U.S. Forest Service and the State of California to collectively treat a minimum of one million acres annually year by 2025 (million-acre strategy), with the need to support, develop, expand, and promote California's forest product industry vertically with holistic resource planning.

**2023 Global Biochar Market Report.** Biochar has come into its own as a Carbon Dioxide Removal (CDR) technology, a circular climate change mitigation and adaptation solution, and as an input material for agriculture, the built environment, and soil and water remediation work, among other sectors. [This report](#) highlights the growth in the biochar industry, along with priorities, challenges, and insights, with the goal of: Improving understanding of the biochar industry and its value to better engage with the industry and with policymakers, investors, and observers; Developing reliable estimates for key industry data; Generating data and direct feedback for biochar organizations to better serve the industry; Benchmarking and tracking long-term industry trends; and Creating a feedback mechanism between industry and biochar organizations.

**Market Analysis of coupled Biochar and Carbon Credit Production.** With the goal of understanding the potential for coupling forest restoration with biochar and carbon credit production, [this study](#) aims to answer several questions for the state of California and the western USA. Biochar presents a unique opportunity to link forest thinning projects which reduce the risk of wildfire with a carbon beneficial use for low-value woody biomass, which can include logging slash, treetops, branches, and small diameter trees. [The study](#) explores key factors for establishing a biochar industry using low-value biomass from forest thinning, including: (1) biomass supply and biochar-carbon credit coupling, (2) biochar and carbon credit production potential, (3) demand for biochar carbon credits, (4) profitability in various scenarios, and (5) total investment potential.

**Woody Feedstock Insurance Playbook.** In support of California’s [Wildfire and Forest Resilience Action Plan](#), as well as the state’s [Woody Biomass Industry Development Framework](#), the Governor’s Office of Planning and Research (OPR) is working to unlock key barriers to developing long-term woody feedstock contracts. To support OPR’s goals, this [Woody Feedstock Insurance Playbook](#) was developed by insurance industry experts to provide an understanding of: The woody biomass/feedstock value chain and its actors; Current insurance coverage, gaps and risks, and insurance needs of actors in the woody feedstock value chain; and Existing and potential market and policy solutions to address insurance gaps and risks. For purposes of this Playbook, “woody” is defined as forest-sourced material and does not include agriculture or urban wood waste.

**Save the Date.** 2024 Biomass Energy Symposium. Local engagement to enhance forest biomass residual utilization in the Western Central Sierra. June 26, 8am – 5pm. Maidu Community Center, 1550 Maidu Drive, Roseville, CA.