

## INTRODUCTION

Shasta County (County) determined that a project-level environmental impact report (EIR) was required for the proposed Sierra Pacific Industries (SPI) Cogeneration Power project (project) pursuant to the requirements of the California Environmental Quality Act (CEQA).

A Project EIR is an EIR which examines the environmental impacts of a specific development project. This type of EIR focuses primarily on the changes in the environment that would result from the project. A Project EIR examines all phases of the project including planning, construction and operation. The Project EIR approach is appropriate for the SPI Cogeneration Power project because it allows comprehensive consideration of the reasonably anticipated scope of the project, including development and operation of the project, as described in greater detail below.

## PROJECT DESCRIPTION

The proposed project consists of the construction and operation of a new cogeneration power facility, including a new boiler, fuel shed, boiler building, turbine building, cooling tower, electrostatic precipitator, ash silo, and electric substation, on the SPI Anderson sawmill site. The boiler associated with the plant would burn biomass fuel (i.e., non-treated wood and agricultural crop surplus, as well as urban wood waste) generated by the lumber manufacturing facility on-site, regional lumber manufacturing facilities, and other biomass fuel sources to produce up to 250,000 pounds of steam per hour. The steam would be used to dry lumber in existing kilns and to power a steam turbine. The steam turbine would drive a generator that would produce up to 31 megawatts (MW) of electricity. Approximately 7 MW would be used to power on-site equipment; the remainder would be sold on the open market to a publicly regulated utility. The electricity that is sold would originate from the on-site electric substation and be transferred to the local power grid for distribution to the purchaser.

Refer to Section 2.0, Project Description of the Recirculated Draft EIR (September 2011), for a comprehensive description of the proposed project.

## ALTERNATIVES TO THE PROPOSED PROJECT

Section 15126.6 of the CEQA Guidelines requires an EIR to describe a reasonable range of alternatives to the project or to the location of the project which would reduce or avoid significant impacts, and which could feasibly accomplish the basic objectives of the proposed project. The alternatives analyzed in this EIR include the following three alternatives in addition to the proposed SPI Cogeneration Power project.

- No Project Alternative
- Reduced Cogeneration Facility Size/On Site Materials Alternative
- Maximum Available Control Technology (MACT) Alternative

These alternatives are described in detail in Section 5.0, Alternatives to the Proposed Project, in the Draft EIR. Additional alternatives were considered, but rejected for detailed analysis. An

alternative location for the proposed project was considered, but rejected since it would not achieve the project objective of increasing the available supply of biomass-generated electricity produced and used at the project site. Another alternative that was considered but rejected was an alternative site plan as an alternative layout would not avoid any of the potentially significant impacts associated with project implementation.

The No Project Alternative is the environmentally superior alternative. However, as required by CEQA, when the No Project Alternative is the environmentally superior alternative, the environmentally superior alternative among the others must be identified. Therefore, the Reduced Cogeneration Facility Site/On Site Materials Only Alternative is the next environmentally superior alternative to the proposed project.

## COMMENTS RECEIVED

The Draft EIR addressed environmental impacts associated with the proposed project that are known to the County, were raised during the Notice of Preparation (NOP) process, or raised during preparation of the Draft EIR. The Draft EIR discussed potentially significant impacts associated with aesthetics, air quality and greenhouse gases, biological resources, cultural resources, geology and soils, hazards, hydrology and water quality, noise, public services/recreation/utilities, and transportation/circulation.

During the NOP process, several comments were received related to the analysis that should be included in the Draft EIR. These comments are included as Appendix A of the Draft EIR, and were considered during preparation of the Draft EIR.

Shasta County received several comment letters regarding the Draft EIR (August 2010) from public agencies and private citizens. These comment letters on the Draft EIR are identified in Table 2-1 of this Final EIR.

Shasta County received four comment letters regarding the Recirculated Draft EIR (September 2011) from public agencies and private citizens. These comment letters on the Recirculated Draft EIR are identified in Table 2-2 of this Final EIR.

Shasta County received four comment letters regarding the Second Recirculated Draft EIR (February 2012) from public agencies and private citizens. These comment letters on the Second Recirculated Draft EIR are identified in Table 2-3 of this Final EIR.

The comments received during the Draft EIR, Recirculated Draft EIR, and Second Recirculated Draft EIR review processes are addressed within this Final EIR.

## RECIRCULATED DRAFT EIR AND SECOND RECIRCULATED DRAFT EIR RECIRCULATED DRAFT EIR

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In light of written comments received on the original Draft EIR, Shasta County determined that the preparation and public distribution of a Recirculated Draft EIR was required. In accordance with Section 15088.5 of the CEQA Guidelines, Chapter 2.0, Project Description, and Chapter 3.2.4, Greenhouse Gases and Climate Change of the Draft EIR were recirculated for public review. A lead agency is required to recirculate an EIR when significant new information is added to the EIR after it is circulated for public review but before its certification.

“Significant new information” requiring recirculation includes a disclosure that a new significant environmental impact would result from the project. Following the period that the Draft EIR was circulated for public review on August 6, 2010, new information regarding the project became available. Specifically, additional details regarding the project’s fuel supplies were provided by the project proponent, and a revised greenhouse gas (GHG) analysis was prepared.

The new information regarding this project did not result in new significant and unavoidable impacts, nor did it result in an increase in the severity of a previously identified impact. The original Draft EIR concluded that the proposed project would result in a significant and unavoidable impact to greenhouse gases and global climate change. The County subsequently oversaw the preparation of a revised GHG and climate change analysis that employed a more refined and comprehensive methodology, and utilized the expanded fuel supply information provided by the project applicant. The revised GHG and climate change analysis resulted in a conclusion that impacts to greenhouse gases and global climate change associated with the proposed project would be less-than-significant.

Given the relatively high degree of public interest in this topic, the County elected to recirculate the revised Draft EIR project description and GHG analysis to provide the public and agencies with ample opportunity to review and comment on the updated analysis and new project information.

The County prepared and circulated a public Notice of Availability (NOA) and the Recirculated Draft EIR to the State Clearinghouse, trustee and responsible agencies, the public, and all parties and individuals that submitted comments on the original Draft EIR on September 2, 2011. A Notice of Completion (NOC) was filed, and a 45-day public review period was provided between September 2, 2011 and October 17, 2011 to receive public and agency comments on the adequacy of the environmental analysis contained in the Recirculated Draft EIR.

## SECOND RECIRCULATED DRAFT EIR

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During the 45-day public review period for the Recirculated Draft EIR, the County received additional written comments that challenged the approach, methodology, and conclusions of the GHG analysis contained in the Recirculated Draft EIR. In light of the comments provided, the

County determined that additional analysis and refinement of the project's GHG analysis was warranted.

The Recirculated Draft EIR (September 2011) utilized a qualitative, or non-numeric, threshold of significance in the GHG analysis. The analysis of GHGs in the Recirculated Draft EIR concluded that the proposed project would result in less than significant impacts related to GHGs and climate change. The County received comments on the Recirculated Draft EIR that challenged the use of a qualitative threshold of significance. Comments on the Recirculated Draft EIR suggested that the use of a quantitative threshold of significance for the GHG analysis was more appropriate. In light of these comments, the County determined that the use and application of a quantitative threshold was in fact appropriate.

This Second Recirculated Draft EIR included a revised analysis of GHG impacts that may result from project implementation, and utilized a quantitative threshold of significance. The impact determination related to GHGs in the Second Recirculated Draft EIR did not change when compared to the Recirculated Draft EIR; both documents determined that impacts related to GHGs would be less-than-significant. However, the County elected to circulate the Second Recirculated Draft EIR to provide the public and interested agencies an opportunity to review and comment on the revised approach and the use of a numeric threshold of significance for GHG impacts.

The County prepared and circulated a public Notice of Availability (NOA) and the Second Recirculated Draft EIR to the State Clearinghouse, trustee and responsible agencies, the public, and all parties and individuals that submitted comments on the original Draft EIR and Recirculated Draft EIR on February 15, 2012. A Notice of Completion (NOC) was filed, and a 45-day public review period was provided between February 15, 2012 and April 2, 2012 to receive public and agency comments on the adequacy of the environmental analysis contained in the Second Recirculated Draft EIR.