

GREEN CARBON NEXUS INC

BMF Biomass Mitigation Fund

Mission Primer

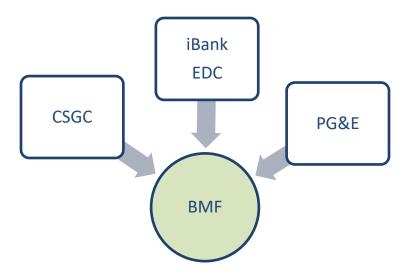
Pragmatic or Virtual Solutions

- In 1999 President Bill Clinton created "Biofuels "executive order 13134:
 https://clintonwhitehouse4.archives.gov/Initiatives/Climate/biobased.html
- When you track the actual progress the biomass management solutions in California over the last 20 years, there is little progress toward real time sustainable solutions!
- Federal USDA billions being thrown at climate change solutions at the government and academic level. Part of the USDA Rural Development rhetoric is assisting small family farms, but no funding except grant money, assuming you can navigate the application paperwork nightmare.
- California Strategic Growth Council (CSGC) spending millions of tax dollars toward trickle down economics in rural, underserved communities, yet no actual risk funding behind the rhetoric.

Outline Purpose

- GCN / BMF <u>www.biomassmitigationfund.org</u> intends to help a new generation of biomass reduction businesses prepare for the reality how hard and expensive start operations can be. GCN's objective is avoiding the mistakes made by many California biomass processors & energy pioneers!
- GCN's has 40 years evolution and an alliance of 30+ partners, associates & allies with diverse biomass processing experience and technologies knowledge with an accumulation of approximately 1,200 years.
- Our business model is private sector counterpart to; Cal GO-Biz startup support: https://calosba.ca.gov/business-learning-center/start-up/
- GCN pursues "day to day" business reality, not greenwashing potential!

Where Will The Money Come From?



The risk loan program is limited to upfront cost for field operations business services related to biomass reduction, carbon sequestration and soil health!

My Opinions Are Based On 40 Years Involvement In All Levels Of California's Biomass Industry

Jul 1981 - I formed **Energy Production (EP)** to purse development of one of the first **PG&E** renewable energy contracts for a 5 mw biomass power plant in Durham, with almond & walnut growers.

Feb 1983 – I was one of the founding members for the **Wood Fuel Processors Association (WFPA)** made up of primarily almond & walnut growers in Durham CA.

Aug 1983 – I was retained by Applied Power Technology (APT) as part of feedstock development team of five for 18m/w Oroville power plant requiring 130,000+ tons of wood residue annually.

Continued / Early Biomass Industry History

Feb 1984 - I left **APT** as their Ag feedstock development consultant, yet had a **APT** contract and established a Joint Venture for annual 20 tons feedstock supply with **Western Ag Chipping** in Oroville CA.

Mar 1984 – I helped establish Integrated Energy Development (IED) for a 5 m/w combined cycle biomass cogeneration plant at Milt Pace pistachio farm near Fresno CA.

May 1984 – I participated in Senator Rose Ann Vuich legislative education hearing for diverse biomass conversion technologies at the Capital.

May 1986 – I was a partner in IED and help develop 5 mw biomass power project feasibility study for Mission Energy a subsidiary of Southern California Edison

Fast Forward To Present

Bureaucrats Fiddle Around & WUI Burns



Wildland Urban Interface aka WUI, the front line for the liability facing small biomass equipment purchase and operations labor investments.

- Consider the process specialized landscape maintenance.
- Other than hard to get, once a year grants, there is no risk capital to tackle the liability issues for startup & expansion businesses for home owner lot, wood / brush clearing!

How Many Climate Action Plans Are Needed For Little Action?

2006 AB 32

https://www.history.com/this-day-in-history/california-senate-passes-global-warming-solutions-act

2009

https://www.kqed.org/quest/28567/biofuels-face-a-reality-check

2020

https://www.ca-ilg.org/climate-action-plans

2021

https://www.fire.ca.gov/media/ps4p2vck/californiawildfireandforestresilienceactionplan.pdf

https://water.ca.gov/Programs/All-Programs/Climate-Change-Program/Climate-Action-Plan

2022

https://oehha.ca.gov/media/downloads/climate-change/document/2022caindicatorsreport.pdf

GOVERNOR'S OFFICE of PLANNING & RESEARCH

Woody Feedstock Aggregation Pilot Program

Overview Background Under the Budget Act of 2020, amended under Senate Bill 85, \$3 million has been appropriated to the Office of Planning and Research (OPR) to implement "Market Development" for the Forest Sector Economic Stimulus package included in the Wildfire and Forest Resilience Expenditure Plan.

• \$2.5 million has been allocated to address feedstock barriers through pilot projects, as stated in the Wildfire and Forest Resilience Action Plan Objective 3.10.

California's Green Economy is Closed Loop Rhetoric!

- Grants for bioenergy & carbon capture options research!
- Grants for PR promoting the researchers results!
- Grants for validating the research and education!
- Grants for forums & conferences to explain the research needs more grant funding for research!
- No Grants for business development implementation, unless already in business with cash flow & collateral!

Don Smail - GoBiz Email Reply - Aug 2019

Hello Thor,

Go Biz administers the Cal Competes tax credit program. The tax credits apply to California state tax debt, if the company has any such obligation.

• This venture is in need of seed capital in my opinion, and that is a business the state has chosen to stay out of.

Best Regards, Don Smail
Economic Development Mgr. City of Manteca
530-521-7276

Large Scale Biomass Reduction Systems Has Created A Paradox

Like A Dog Chasing It's Tail



California Air Resources Board (CARB)

- Of all the barriers to biomass reduction volume in WUI areas, the limited number of burn days is a paradox.
- In the pursuit of 100% improved air quality, the restrictions on the amount of biomass volume reduction that can be burned as a minimum cost and simple method is strangled.
- Starting with rain in the fall, WUI region no burn days should be waived!
- Until CalFire no burn regulation' is implemented in the spring.

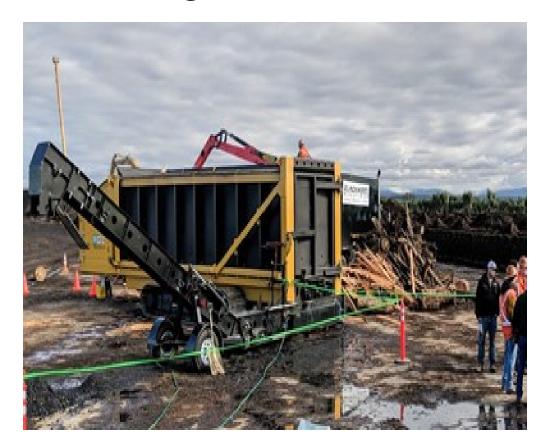
What Is The Paradox Solution?

- Less Government planning, feasibility studies, research rhetoric and more private sector feedstock development, supply logistics startup businesses!
- Biomass Migration Fund (BMF) incentives with small amount of insurance money shifted upfront before the fire instead of restoration compensation after the disaster!
- Yuba City Insurance Agent, Randy Fletcher Interview: https://www.facebook.com/watch/live/?ref=watch_permalink&v=132660971963802

Two Opposing Biomass Reduction Approaches

Go Big Or Go Home!

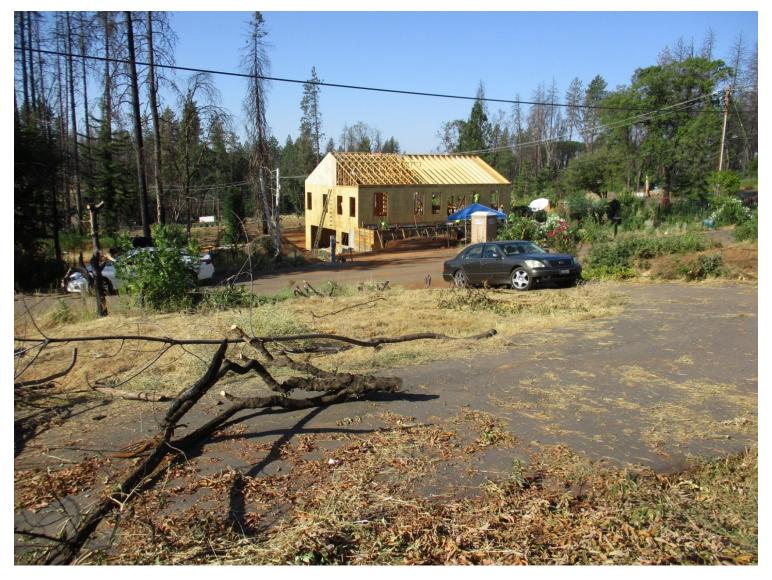
Go Small And Stay Home!





Both Are Needed, Yet Different Scale

Lot Clearing & Rebuilding In Paradise



WUI Needs Defensible Space Contractors

Carbon Conservation Corps (CCC) Expansion





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Presently a few established business with a contactor license are operating. There is the need for hundreds more operations to make a dent in the scope & logistics involved in biomass management solutions.

Biomass Project Development

Financial Valley of Death or Quicksand

- Since the demise of the original 1980's & 90s biomass energy projects, very few new projects have been developed.
- Future Economic Growth Reality!
 http://www.better-world-energy.com/news/video-300-years-of-fossil-fuels-in-300-seconds/
- The few biomass projects that have been developed are utility or government subsidized with tax dollars and grants.
- The Biomass Mitigation Fund (BMF) will be tax dollars channeled into pool with extensive biomass systems experienced managers hybrid loans / grants.

Summary

- A concept business outline with steering committee is available.
- It is time for the private sector to step to the plate and help fast track, real time pragmatic operations with boots on the ground catchup!
- My present biomass industry position podcast interview:

Mitigating Climate Change through BioMass and BioChar on XOTV

Biomass Mitigation Fund Status

Biomass Mitigation Fund (BMF) is a DBA; under Thor Bailey with 20+ years associated with most of the hurdles related to California's biomass industry.

Banner Bank, Chico is where the BMF account has been opened connected to PayPal.

Banner Bank was selected because they are small "Main Street" not Wall Street

business bank covering the west coast. bannerbank.com/business-solutions

Donation

- GCN is a for profit dba, there is no tax write off for the donation.
- Minimum \$\$\$ is for Administration
- Most of the money is used for education and communications outreach expenses.

Business Startup Loan

- GCN's specialty is mentoring new generations of small business startups associated with biomass reduction operations.
- Paperwork, insurance, grant support, marketing.



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