

Proposed gasification plant in county gets \$25 mil loan

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A multi-million dollar project to build a gasification plant in Calaveras County received a major cash infusion this week from the federal government.

The Blue Mountain Electric Company, LLC, has received a \$25 million U.S. Department of Agriculture loan toward a \$42.2 million project to build and operate a 3-megawatt gasification plant near the former lumber town of Wilseyville.

The facility will convert forestry biomass waste into synthetic natural gas through thermal-chemical conversion. The USDA's investment will go toward construction of the plant and working capital for operating expenses.

The Blue Mountain Electric Co. Loan announcement and several others were made Monday by J.R. Claeys, the USDA's Rural Development's Rural Business Cooperative Service administrator.

In all, \$115.2 million across eight states were dispersed through the Timber Production and Expansion Guaranteed Loan Program to ensure sawmills and other wood processing facilities have the necessary funding to establish, re-open, expand, or improve their operations.

These investments represent a commitment by the Trump Administration to expand American timber production by 25 percent, reduce wildfire risk and save American lives and communities by strengthening domestic wood processing capacity, according to the USDA.

"We cannot allow wildfires to devastate and destroy our rural communities," said Claeys. "That's why the USDA is taking this bold action to stop the destruction of our forestlands by investing in sawmills and wood processing facilities that support sustainable timber harvesting. Through the announcement made today, the Trump Administration is strengthening local businesses, driving rural prosperity, and supporting 485 jobs for hardworking Americans,"

"After years of severe wildfire impacts across the golden state, California is grateful to receive the largest TPEP investment in the nation," said California State Director Bryan Anguiano. "This funding reflects the Trump Administration's commitment to protecting our state from wildfire risks, while strengthening domestic timber industries that create jobs and keep our forests clean."

The Timber Production Expansion Guaranteed Loan Program is made possible by a partnership between USDA Rural Development and the U.S. Forest Service.

"The value of National Forest Systems lands is demonstrated by providing various forest products, such as timber, lumber, paper, bioenergy, and other wood products," said U.S. Forest Service Chief Tom Schultz. "The American forest products industry is critical to maintaining the health of the nation's forests. The Timber Production and Expansion Guaranteed Loan Program is one of many ways the Forest Service partners with the timber industry to maintain rural jobs, processing facilities, and an outlet for wood that needs to be removed from national forests."