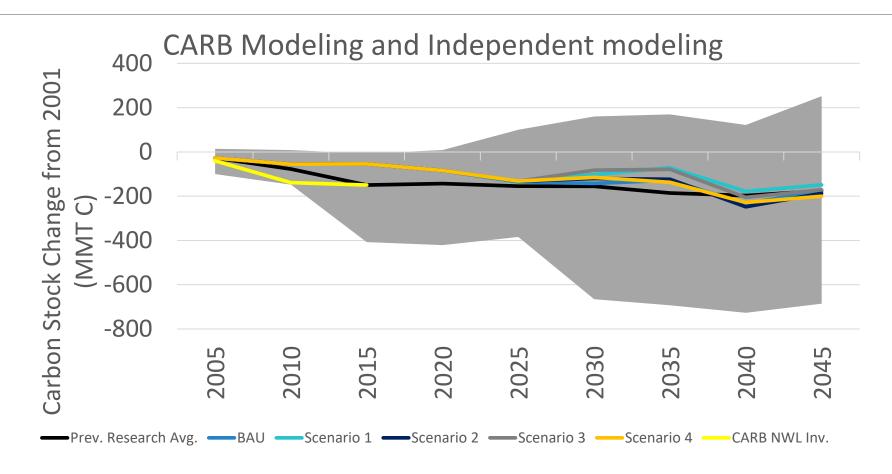
2022 Scoping Plan Update Costs, Health, and Economics



NATURAL AND WORKING LANDS

APRIL 20, 2022

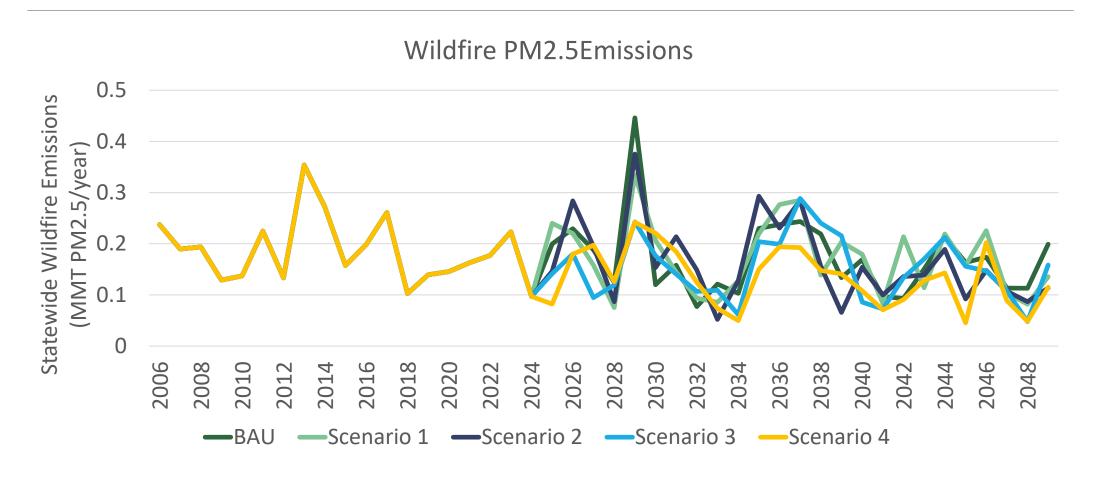
Overall Results



Summary of GHG Modeling

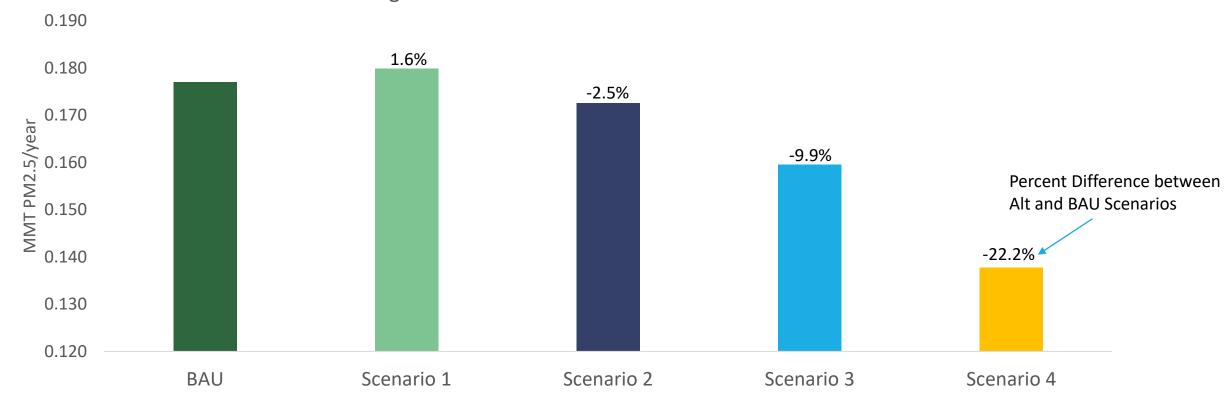
- Forests, shrublands, and grasslands dominate California's NWL contribution to carbon neutrality
- Our current forested biomass on the landscape is at historic highs
- The current trend from independent observations is that California's NWL are losing productivity
- Natural and Working Lands are projected to be a net source of emissions from 2025 to 2045
- Increasing actions on other lands can improve carbon storage and reduce emissions from this sector
- Expanding deployment of urban tree canopy, wetland restoration, healthy soils practices, and organic farming deliver carbon sequestration and reduced emissions.
- Natural variability exists the ability for NWL to contribute to CN is dependent on future climate change and varies from year to year

Annual Wildfire Emissions



Annual Wildfire Emissions





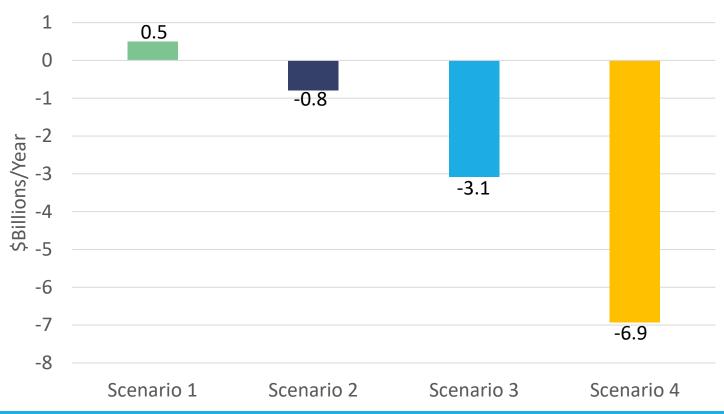
Future Projected Health Impacts from Wildfire Emissions

Average annual difference in health effects in California from wildfire emissions compared to BAU from 2025-2045 (positive numbers are increases in incidents)

Health Endpoint	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Hospital admissions from asthma	3	-9	-16	-27
Hospital admissions from chronic obstructive pulmonary disease without asthma	3	-8	-14	-24
Hospital admissions from all respiratory outcomes	10	-26	-47	-79
Emergency room visits from asthma	25	-65	-115	-193
Emergency room visits from all respiratory outcomes	67	-176	-311	-523
Emergency room visits from all cardiovascular outcomes	25	-65	-116	-195
All cause mortality	63	-165	-292	-492

Annual Health Costs Associated with Wildfire Emissions

Average Annual Health Related Cost Difference between BAU and Alternative Scenarios (\$Billions)



Note: Positive values indicate Increased health costs

Scientific agreement and knowledge gaps on the health benefits of organic/sustainable agriculture

Literature has general agreement that converting to organic/sustainable ag:

- Decreases pesticide exposure (residues and environment)
- Increases the nutritional value of food
- Reduces soil erosion
- Increases soil quality
- Reduces antimicrobial resistant pathogens
- Increases air & water quality
- Improves the mental health and wages of workers.

Knowledge gaps:

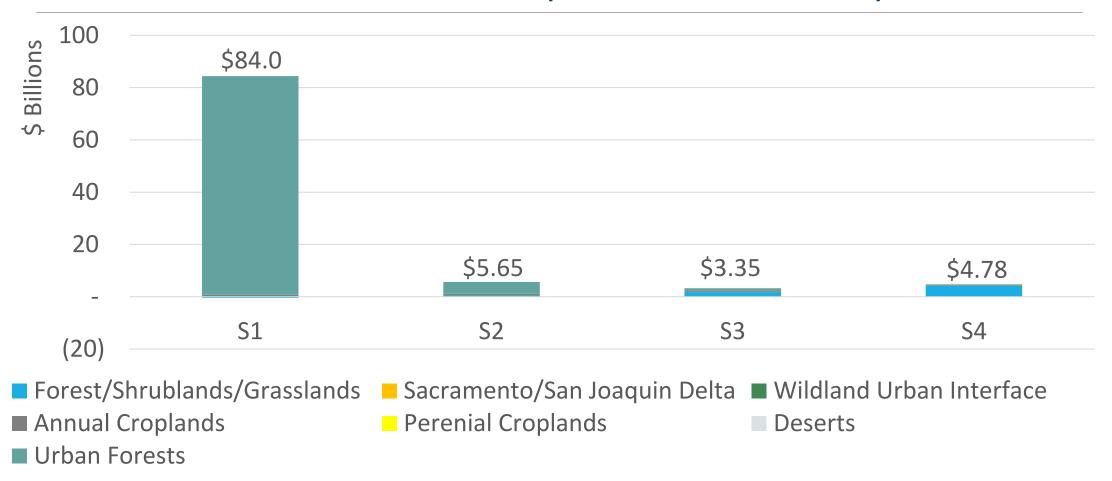
- Health benefits of conventional vs sustainable farming for communities living near fields or the general population
- Sensitive populations (children, elderly, etc.) and vulnerable populations (low income, etc.) are rarely included
- Limited number of studies on non-organic sustainable farming
- Only a handful of studies are from California and US or similar countries

Economic Analysis of Natural and Working Lands Actions

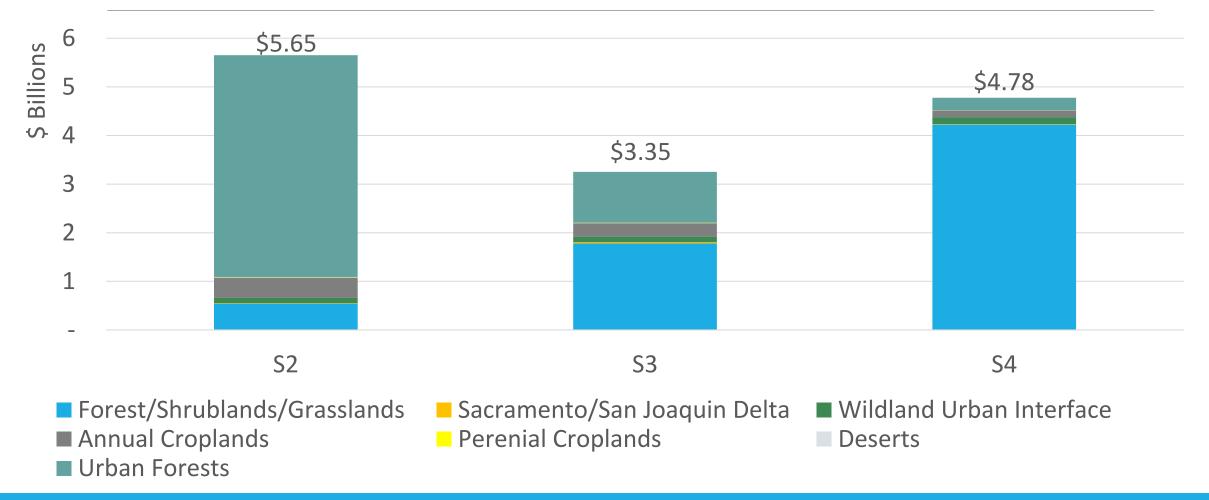
- Direct costs of each action were estimated on a per acre basis
- Costs were estimated using a combination of survey data, academic literature, and existing subsidy programs
- Estimates of Direct costs were used as inputs into a macro economic model (REMI PI+) to assess effects of each scenario on employment, income, and GSP in the state



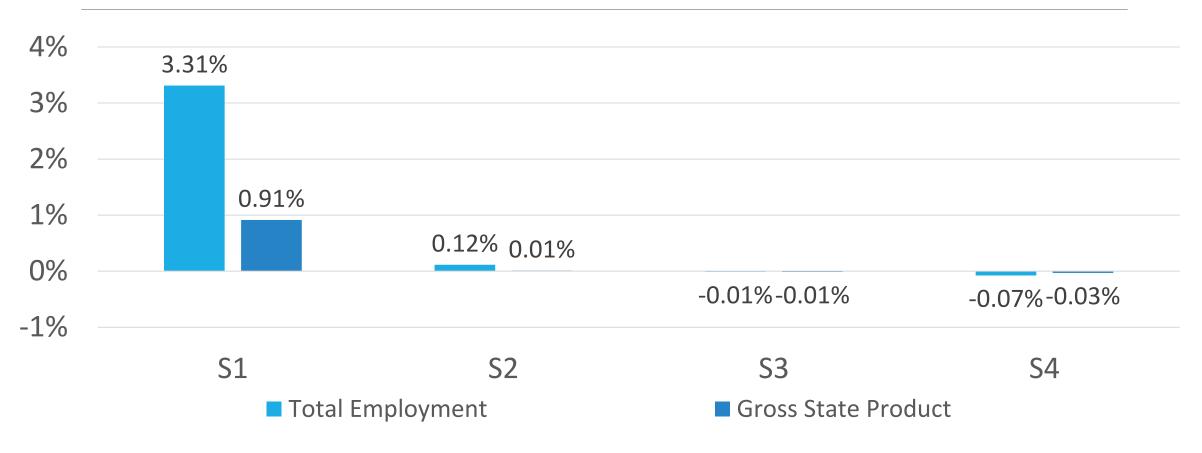
Direct Annual Costs (All Scenarios)



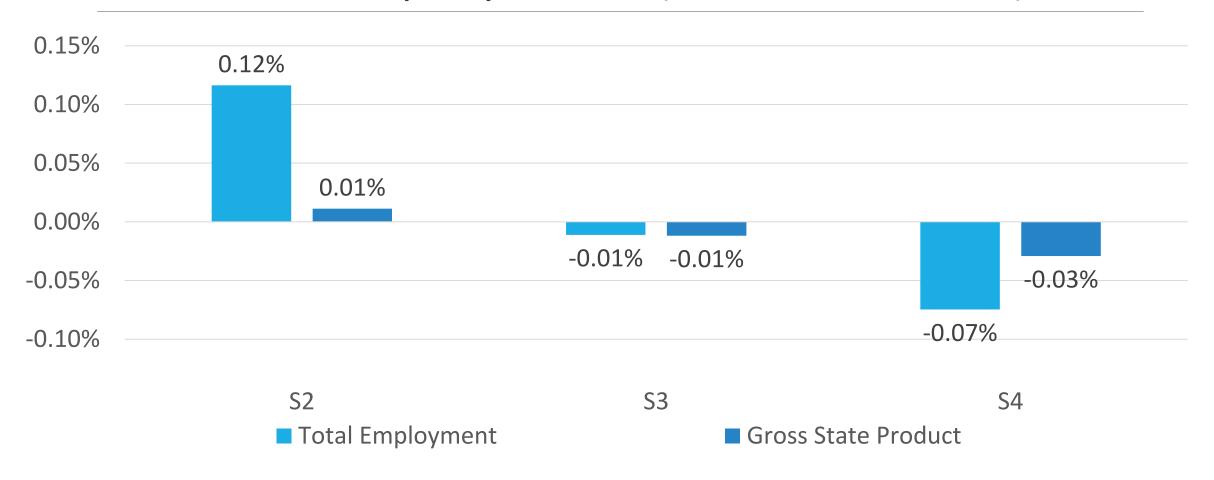
Direct Annual Costs (Excl. Scenario 1)



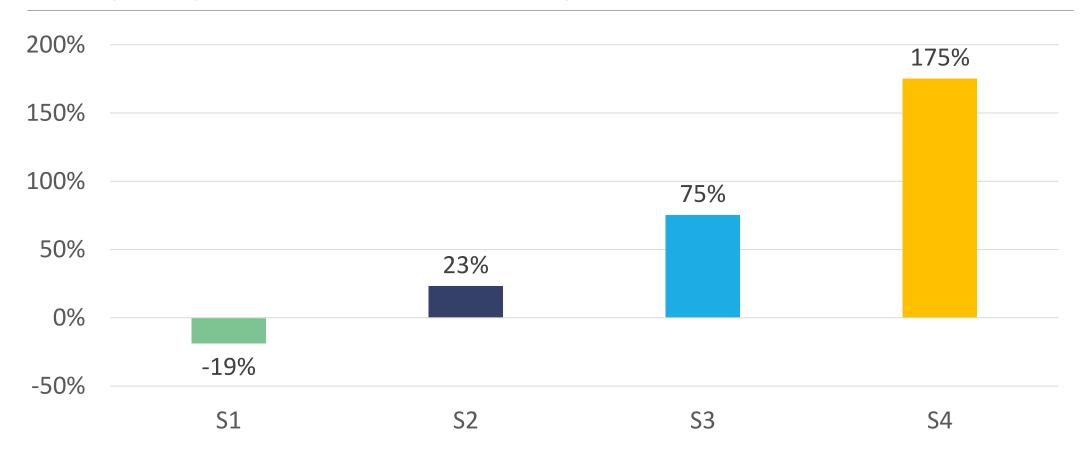
GSP and Employment (2045, All Scenarios)



GSP and Employment (2045, Excl. S1)



Employment (Forestry Sector)



Data Observations

Costs

- Scenario 1 is an order of magnitude more expensive due to urban forestry; other scenarios range from \$3B to \$5.5B annually
- Forests and other natural land costs are the most expensive in scenarios 3 and 4

California Economy and Employment

- The California workforce is forecast to grow from today's levels through 2045 and the economy is forecasted to grow by 3.3% per year through 2045.
- All scenarios have a small impact on CA economy in 2045. For Scenarios 2, 3, and 4, the impact is less than a 0.03% change in GSP in 2045.
- Alternative 1 shows a positive impact in GSP and employment due to large reliance on urban forestry, which is labor intensive and also results in large declines in personal income.
- Scenario 3 has smallest total impact on direct costs, jobs, and GSP.
- To accomplish 1-5M acres annually in Scenarios 2, 3, and 4, the forestry sector employment needs to increase substantially

Summary of NWL Scenarios

Scenario	Avg. Annual Wildfire Emissions	Annual Wildfire Emissions Health Cost/Benefits (2021\$)	Annual Cost (2021\$)	Employment Relative to BAU in 2045	Description
1: Maximizing short term carbon stock at 2045	53 MMTCO ₂ e	~ -500 million (cost)	83 billion	+3%	Highest wildfire emissions Most health impacts Highest implementation cost Labor-intensive job increases
2: Balanced mix of strategies from current plans	51 MMTCO ₂ e	~800 million (benefit)	5.6 billion	+0.1%	Second highest implementation cost Modest health benefits
3: Prioritize restoration and climate resilience	48 MMTCO ₂ e	~ 3.1 billion (benefit)	3.2 billion	01%	Lowest implementation cost Second highest health benefits Moderate shift in jobs
4: Prioritize forest wildfire and other fuel reduction efforts	43 MMTCO ₂ e	~6.9 billion (benefit)	4.7 billion	-0.1%	Lowest wildfire emissions Most health benefits Significant shift in jobs to meet forestry needs