SBP

Sustainable Biomass Partnership

NSF International Evaluation of Westervelt Renewable Energy Compliance with the SBP Framework: Public Summary Report

www.sustainablebiomasspartnership.org

Completed in accordance with the CB Public Summary Report Template Version 1.0

For further information on the SBP Framework and to view the full set of documentation see www.sustainablebiomasspartnership.org

Template document history

CB Public Summary Report Template Version 1.0: published 26 March 2015

Contents

1 Overview

CB Name and contact:	NSF 789 North Dixboro Road, Ann Arbor, MI 48105
Primary contact for SBP:	Norman Boatwright, NSF Forestry Program Manager, P.O. Box 4021 Florence, SC 29502 nboatwrigh@nsf.org
Report completion date:	18/Jun/2015
Report authors:	Norman Boatwright
Certificate Holder:	Westervelt Renewable Energy, LLC 1400 Jack Warner Pkwy, N.E., Tuscaloosa, AL 35404
Producer contact for SBP:	Mike Williams 1400 Jack Warner Pkwy, N.E., Tuscaloosa, AL, 35404 mwilliams@westervelt.com
Certified Supply Base:	Alabama and Mississippi USA
SBP Certificate Code:	SBP-02-01
Date of certificate issue:	21/Sep/2015
Date of certificate expiry:	20/Sep/2020

Indicate where the current audit fits within the certification cycle				
Main (Initial) Audit	**First Surveillance Audit**	**Second Surveillance Audit**	**Third Surveillance Audit**	**Fourth Surveillance Audit**
☑	☐	☐	☐	☐

2 Scope of the evaluation and SBP certificate

The manufacture of wood pellets, transport to the port of Mobile, AL and the trading of wood pellets, including Standards 1, 2, 4 and 5 for the Aliceville, Alabama facility. The SBP Standard certification number is SBP-02-01.

3 Specific objective

The specific objective of this evaluation was to confirm that the producer organization's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification.

4 SBP Standards utilised

4.1 SBP Standards utilised

Standard 1: Feedstock Compliance Standard, Version 1.0, 26 March 2015

Standard 2: Verification of SBP-Compliant Feedstock, Version 1.0, 26 March 2015

Standard 4: Chain of Custody, Version 1.0, 26 March 2015

Standard 5: Collection and Documentation of Data. Version 1.0, 26 March 2015

These documents can be reviewed at: http://www.sustainablebiomasspartnership.org/documents/standards-documents/standards

4.2 SBP-endorsed Regional Risk Assessment

Not Applicable.

5 Description of Biomass Producer, Supply Base and Forest Management

5.1 Description of Biomass Producer

Westervelt Renewable Energy, LLP is a part of The Westervelt Company, an integrated forest products company that manages over 500,000 acres of FSC/SFI Forest Management certified timberland and has a large southern pine sawmill located in Moundville, AL. The pellet facility is located in Aliceville, AL on the Tombigbee waterway and pellets are loaded onto barges, shipped down to Mobile and loaded onto bulk cargo ships.

Inputs: Pine roundwood/tops and a small amount of sawmill residual chips.

Feedstock is either PEFC certified (through SFI and ATFS certifications) or originates from FSC Controlled Wood or PEFC Controlled Sources. The facility is FSC Chain of Custody and Controlled Wood certified, SFI Fiber Sourcing certified and SFI/PEFC Chain of custody certified.

5.2 Description of Biomass Producer's Supply Base

The Company typically procures wood within a 90-mile radius. The facility sources from a largely rural area where forestry and agriculture are prevalent and are the primary sources of income for workers and the local communities. Fiber is sourced from Company land, by the procurement group that purchases stumpage for a sister company's pine sawmill in Moundville, Alabama, by a procurement forester at the pellet mill and from sawmill residuals. Sourcing also includes fiber from Wood Suppliers (gatewood). The Company has a system to identify the origin (tract level) of all roundwood and origin (state and county level) of all sawmill residual material. Pinus is the only genus utilized.

The supply base is in an area known as the Black Belt Prairie Region, which is characterized by weathered rolling plains containing various hardwood and mixed hardwood/pine forests. Intensive forest management for pine is practiced by most of the large forest landowners in the area with an average rotation length of twenty-eight to thirty (28-30) years.

The States of Alabama and Mississippi have large and well-funded State Forestry Commissions and agencies that administer a number of programs including: landowner outreach and extension, forest inventory and analysis, forest fire and pest prevention, BMP implementation and monitoring, smoke management planning and scheduling, forest resource and wildlife assessments and action plans, and other forest sustainability programs.

The Supply Base Evaluation can be reviewed at: http://www.westerveltenergy.com/sustainability/sbp-biomass-assurance-framework/supply-base-evaluation

The Public Summary Report can be reviewed at: http://www.westerveltenergy.com/sustainability/psr.htm

5.3 Detailed description of Supply Base

Total Supply Base area (ha):	8,012,775 ha Mississippi
	9,302,508 ha Alabama
Total volume of feedstock:	400,000 – 600,000 metric tons
Volume of primary feedstock:	400,000 – 600,000 metric tons

A quantitative description of the Supply Base can be found in the producer's Supply Base Report.

5.4 Chain of Custody system

The Company is SFI/PEFC/FSC Chain of Custody certified and plans to utilize the systems already in place to track SBP certified biomass.

6 Evaluation process

6.1 Timing of evaluation activities

Date	Location/Method	Activity	Participants
12/2/2014	Planning call	Set Readiness Review date – 2 hours	Norman Boatwright, Mike Williams
12/15/2014	Email	Stakeholder Consultation – 3 hours	Boatwright
1/14-15/2014	Readiness review at NSF's office in Columbia, SC	Conduct Readiness review – 12 hours	Boatwright, Williams, Tucker Watts, Mike Ferrucci, Scott Berg and Simon Armstrong
2/24-25/2015	Certification Audit to Standards 1, 2 and 4	Tuscaloosa and Aliceville, AL – 16 hours and field sites	Boatwright, Williams, Watts, Armstrong and the Westervelt certification team
2/26/2015	Email	Stakeholder Consultation – 1 hour	Boatwright
4/23-25/2015	Certification Audit to Standard 5	Tuscaloosa, AL – 12 hours	Boatwright, Williams, Tina Sentner and the Westervelt certification team
5/20/2015	Phone	Final GHG Data request completed – 12 hours **Certification Audit Complete**	Sentner
6/12-14/2015	Office	Review of information, follow-up calls and emails, finalize report – 16 hours	Boatwright

6.2 Description of evaluation activities

NSF initiated the SBP audit process with a Readiness Review to confirm the scope of the audit, review the SBP Indicators and evidence to be used to assess conformance, verify that the Company was prepared to proceed to the SBP Certification Audit, and to prepare a detailed audit plan. NSF then conducted the SBP Certification Audit of conformance to the SBP Standards. A report was prepared and final approval was done by an independent Certification Board Member assigned by NSF. Follow-up or Surveillance Audits are required by the SBP Standards. The initial Surveillance Audit is scheduled for the week of April 18, 2016.

The audit was governed by a detailed audit plan designed to enable the audit team to efficiently determine conformance with the applicable SBP requirements. The plan provided for the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices and management systems.

During the audit NSF reviewed a sample of the written documentation assembled to provide objective evidence of SBP Conformance. NSF also selected field sites for inspection based upon the risk of environmental impact, likelihood of occurrence, special features, and other criteria outlined in the NSF SBP SOP. NSF also selected and interviewed stakeholders such as contract loggers, wood suppliers and other interested parties, and interviewed employees within the organization to confirm that the SBP Standard was understood and actively implemented.

The possible findings of the audit included Full Conformance, Major Non-conformance, Minor Non-conformance and Opportunities for Improvement.

6.3 Process for consultation with stakeholders

The Company provided the stakeholder list and contact information, a copy of the email sent out to stakeholders and responses received. This information was reviewed as it was received and again during the audit. The Company sent the email to stakeholders on 15/Dec/2014. Two responses were received and both were positive.

Norman Boatwright, NSF Lead Auditor, also sent emails to the entire contact list on January 23, 2015. He received responses from the same two individuals that responded to the Company's request for comments. Both responses were positive.

This process revealed that stakeholders are not generally concerned about the plant or the harvesting activities associated with supplying raw materials.

7 Results

7.1 Main strengths and weaknesses

The Westervelt Company has been certified for years to the SFI/FSC Forest Management Standards, the SFI Fiber Sourcing Standard, to the SFI/PEFC/FSC Chain of Custody Standards and to the FSC Controlled Wood and PEFC Controlled Sourcing Standards. Accordingly, it has developed and refined its procedures to enable it to track fiber from the district of origin and throughout the supply system and manufacturing process.

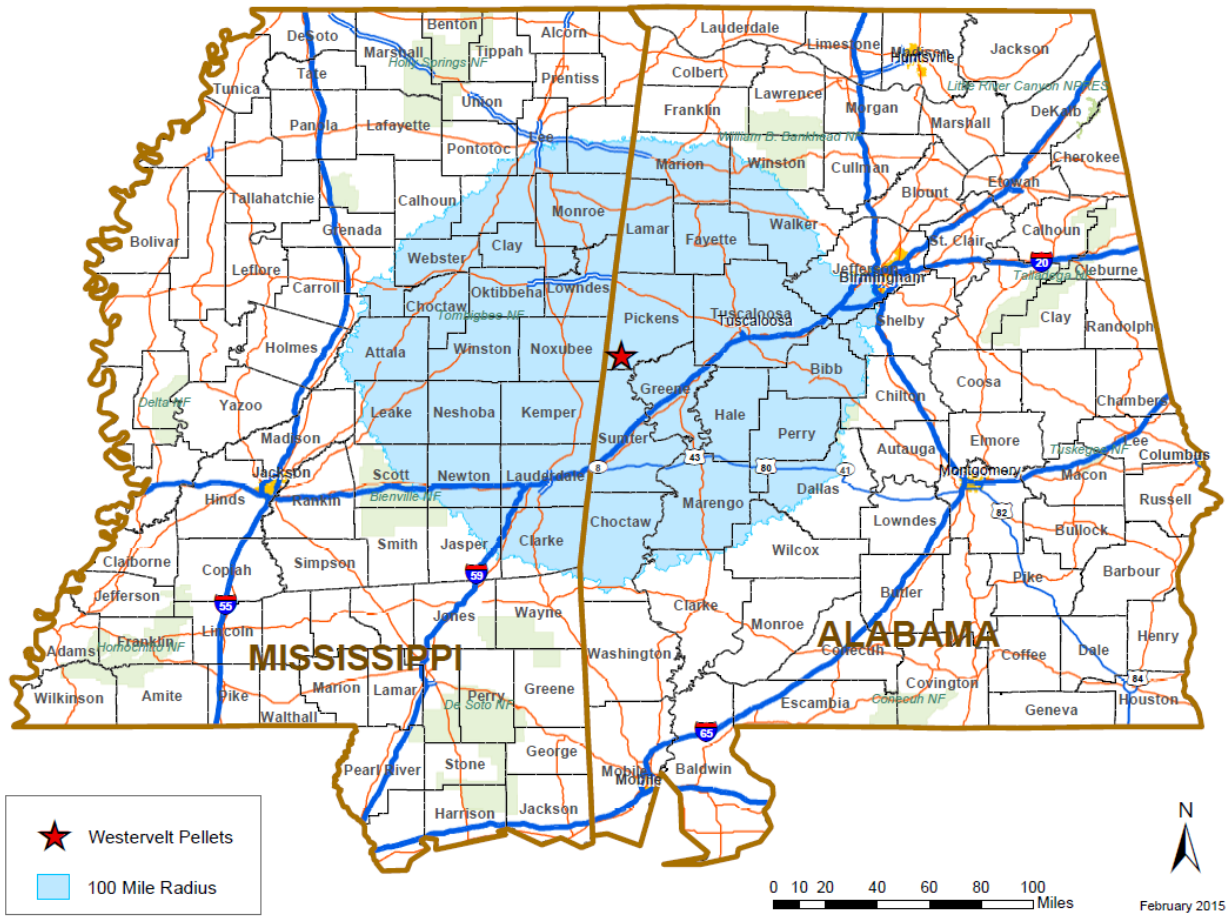
Strengths include the ability to track roundwood back to the tract it was harvested from and the process used to determine and confirm the district of origin for residual material. The strong corporate commitment to manage forest land and source fiber sustainably is an additional strength.

The audit did not identify any weaknesses.

7.2 Rigour of Supply Base Evaluation

The Company has conducted a rigorous Supply Base Evaluation. Risk was designated low for all core indicators. Due to the long term certification to the above referenced Standards, the Company has basically built mitigation measures into its procedures and fiber sourcing programs.

In addition, the Company has chosen to define the geographical scope of the SBE as the states of Alabama and Mississippi to ensure that fiber is not received from outside the SBE scope area. The actual wood draw area consists of an area defined as 100 road miles from the pellet mill. See the map below:



7.3 Compilation of data on Greenhouse Gas emissions

The Company's GHG data is complete and accurate. Many of the data requests required by Standard 5 at the time of the audit were unclear and not well defined. These issues were discussed during the GHG audit and several additional data requests/clarifications were requested by the GHG auditor. These requests were promptly met by the Company.

7.4 Competency of involved personnel

The SBE was performed by Scott Berg, a well-known Forestry Program certification consultant, in consultation with key Company employees. Mike Williams, Westervelt Business Development Project Director, Scott Berg and several NSF auditors attended an SBP training session conducted by Simon Armstrong during the Westervelt Readiness Review at NSF's office in Columbia, SC January 14-15, 2015.

The Company's management and control systems for SBP are the same as those used to meet the SFI/PEFC/FSC Chain of Custody and FSC Controlled Wood requirements, which have been in place since 2011. Key personnel tasked with implementing the Company's management and control systems relating to SBP compliance are well trained and competent, with strengths in markets, silviculture, management,

harvesting, and conservation issues. Their knowledge of SBP requirements is strong. This is a new standard, so any relevant experience is limited to the pre-existing CoC and Controlled Wood standards.

7.5 Stakeholder feedback

Stakeholders did not raise negative comments or concerns about the producer organization and both comments received were supportive. One applauded Westervelt for providing a viable new market for thinning material, which will maintain and increase forest health in overcrowded pine stands in the area. The other comment was very supportive of the use of biomass for bioenergy purposes – domestic or international.

7.6 Preconditions

The GHG Auditor made an additional data request. The request was answered promptly and no additional action was required.

8 Review of Biomass Producer's Risk Assessments

The NSF Forestry Program Manager was the Lead Auditor for this certification audit. He is familiar with the Company's forest certification programs as well as issues related to forestry, conservation and biodiversity in the southeastern US. The Lead Auditor reviewed the risk assessment and followed standard audit trails to confirm sensitive or important elements of the approach. He used his pre-existing knowledge, some web searches, and his experience with other forest certification risk assessments to assess the risks.

Table 1. Final risk ratings of Indicators as determined after the SVP and any mitigation measures.

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Low	Low
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Low	Low
2.2.4	Low	Low
2.2.5	Low	Low
2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Low
2.4.3	Low	Low
2.5.1	Low	Low
2.5.2	Low	Low
2.6.1	Low	Low
2.7.1	Low	Low
2.7.2	Low	Low
2.7.3	Low	Low
2.7.4	Low	Low
2.7.5	Low	Low
2.8.1	Low	Low
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

9 Review of Biomass Producer's mitigation measures

Mitigation Measures are not necessary because the risk rating is low for all indicators. Due to the long term certification to the above referenced Standards, the Company has built mitigation measures into its procedures and fiber sourcing programs.

10 Non-conformities and observations

No non-conformities or observations were issued. The Company has used its existing procedures and management systems to implement SBE in a very effective manner.

11 Certification decision

Westervelt Renewable Energy, LLC has been certified by NSF International as of 21 September 2015 as meeting the requirements of Sustainable Biomass Partnership (SBP) v1.0, 26 March 2015 Standards 1, 2, 4 and 5.

The expiration date of the certificate is 20 September 2020.

12 Surveillance updates

Note: Surveillance updates shall be provided to SBP as specified in SBP Standard 3: Certification Systems: Requirements for Certification Bodies.