

# SBP

Sustainable Biomass Partnership

# NSF International Evaluation of Georgia Biomass, LLC Compliance with the SBP Framework: Public Summary Report

## First Surveillance Audit

[www.sustainablebiomasspartnership.org](http://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](http://www.sustainablebiomasspartnership.org)*

### *Document history*

*Version 1.0: published 26 March 2015*

*© Copyright The Sustainable Biomass Partnership Limited 2015*

# Contents

<b>1</b>	<b>Overview</b> .....	<b>1</b>
<b>2</b>	<b>Scope of the evaluation and SBP certificate</b> .....	<b>2</b>
<b>3</b>	<b>Specific objective</b> .....	<b>3</b>
<b>4</b>	<b>SBP Standards utilised</b> .....	<b>4</b>
4.1	SBP Standards utilised .....	4
4.2	SBP-endorsed Regional Risk Assessment .....	4
<b>5</b>	<b>Description of Biomass Producer, Supply Base and Forest Management</b> .....	<b>5</b>
5.1	Description of Biomass Producer .....	5
5.2	Description of Biomass Producer’s Supply Base .....	5
5.3	Detailed description of Supply Base .....	6
5.4	Chain of Custody system .....	6
<b>6</b>	<b>Evaluation process</b> .....	<b>7</b>
6.1	Timing of evaluation activities .....	7
6.2	Description of evaluation activities .....	7
6.3	Process for consultation with stakeholders .....	8
<b>7</b>	<b>Results</b> .....	<b>9</b>
7.1	Main strengths and weaknesses .....	9
7.2	Rigour of Supply Base Evaluation .....	9
7.3	Compilation of data on Greenhouse Gas emissions .....	10
7.4	Competency of involved personnel .....	10
7.5	Stakeholder feedback .....	10
7.6	Preconditions .....	10
<b>8</b>	<b>Review of Biomass Producer’s Risk Assessments</b> .....	<b>11</b>
<b>9</b>	<b>Review of Biomass Producer’s mitigation measures</b> .....	<b>12</b>
<b>10</b>	<b>Non-conformities and observations</b> .....	<b>13</b>
<b>11</b>	<b>Certification decision</b> .....	<b>14</b>
<b>12</b>	<b>Surveillance updates</b> .....	<b>15</b>
12.1	Evaluation details .....	15
12.2	Significant changes .....	15
12.3	Follow-up on outstanding non-conformities .....	15

12.4 New non-conformities ..... 15

12.5 Stakeholder feedback ..... 16

12.6 Conditions for continuing certification ..... 16

12.7 Certification recommendation ..... 16

# 1 Overview

CB Name and contact: NSF International, 789 N. Dixboro Road, Ann Arbor, MI 48105  
 Dan Freeman, [dfreeman@nsf.org](mailto:dfreeman@nsf.org) , 734-214-6228

Primary contact for SBP: Norman Boatwright, [nboatwright12@gmail.com](mailto:nboatwright12@gmail.com) , 843.229.1851

Report completion date: 10/Jan/2017

Report authors: Norman Boatwright, Lead Auditor, Tina Sentner, GHG Auditor and Anne Marie Kitteridge, CB Reviewer

Certificate Holder: Georgia Biomass LLC, 3390 Industrial Blvd., Waycross, GA 31503

Producer contact for SBP: Barry Parrish, [barry.parrish@gabiomas.com](mailto:barry.parrish@gabiomas.com), 912-222-9533

Certified Supply Base: USA: Select Counties in the States of Alabama, Florida and Georgia

SBP Certificate Code: SBP-02-03

Date of certificate issue: 18/Jan/2016

Date of certificate expiry: 17/Jan/2021

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
<input type="checkbox"/>	<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2 Scope of the evaluation and SBP certificate

The manufacture of wood pellets, rail transport to the port of Savannah, Georgia and the trading of wood pellets, including Standards 1, 2, 4 and 5 for the Waycross, Georgia facility. The SBP Standard certification number is SBP-02-03.

This certificate covers the production, distribution and trading of wood pellets, at the Georgia Biomass facility in Waycross, GA and rail transportation to East Coast Terminal in Savannah, GA. It also covers a Supply Base Evaluation for the sourcing of feedstock from selected counties in the states of Alabama, Florida and Georgia.

### 3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer'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, March 2015
- Standard 2: Verification of SBP-Compliant Feedstock, Version 1.0, March 2015
- Standard 4: Chain of Custody, Version 1.0, March 2015
- Standard 5: Collection and Documentation of Data. Version 1.0 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

Georgia Biomass supplies wood fiber to its pellet mill located in Waycross, Georgia. The company sources roundwood, in-woods chips, sawmill residuals and hog fuel from the states of Alabama, Georgia and Florida. Pine is the primary component although some hardwood is utilized. The fiber procurement organization consists of a manager, two foresters and administrative personnel.

Inputs: 36% of the input material is SFI and ATFS certified (both PEFC endorsed) and the remaining is FSC/PEFC controlled.

96% is pine roundwood, less than 1% is hardwood roundwood, 1.5% is pine and hardwood in-wood chips (hog fuel) and 1.5 % is pine sawmill residual.

#### Outputs:

SBP Compliant Biomass

EUTR Compliant Biomass

### 5.2 Description of Biomass Producer's Supply Base

Forests are the predominant land use in this supply base (68%) Pine forests comprise the largest forest type (51%) of the supply area's forest followed by hardwood forests (37%). The pine/oak forest comprises 10% of the supply area's forest type while about 2% of the forest is considered non-stocked. About 59% of the supply area's forests are managed as natural forests (3.16 MM hectares) while the remaining 41% of the supply area's forests are artificially regenerated (2.17 MM hectares).

The forest products industry is a very large part of the area's economy and is one of the top industries within all three states generating \$13.0 billion in Alabama, \$16.9 billion in GA and \$14.5 billion in FL annually. IN AL there are 650 wood using facilities. In GA there are 12 pulp/paper manufacturing facilities and 10 bioenergy facilities within the state. In FL there are 67 wood products facilities and 6 pulp/paper manufacturing facilities within the state. The GBLLC pellet mill is one of the largest in the United States.

Pine forests are typically managed on an even-aged basis with a rotation age of 25 to 30 years. During this rotation the pine stand may be thinned one or two times during the middle of the rotation with a final harvest completing the rotation. Most pine forests are artificially regenerated with pine seedlings planted by hand to defined stand densities. Chemical and/or mechanical site preparation is typically used to manage the less desirable hardwood species and herbaceous species at stand establishment. Chemical treatments are minimal or below label rates; do not kill all competing species and last about two years so the pine seedlings can become established. Fertilizers are not normally applied to these forests due to costs. Some private investment groups (REITS, TIMOs) may apply fertilizers on forests which are more intensively managed.

These intensively managed pine forests represent a very small percentage of the overall pine forests in the supply basin.

Hardwood forests can be managed either as even-aged or uneven-aged stands. Most hardwood stands are 40 to 50 years when harvested if managed as an even-aged stand. No site preparation or fertilizers are used on hardwood forests.

The Company's Public Summary Report can be reviewed at: [http://www.gabiomass.com/wp-content/uploads/2016/09/studio\\_585c45b6d2a251408211482445766.pdf](http://www.gabiomass.com/wp-content/uploads/2016/09/studio_585c45b6d2a251408211482445766.pdf)

### 5.3 Detailed description of Supply Base

- a. Total Supply Base area (ha): 5,878,843 ha (Forested lands)
- b. Tenure by type (ha): Privately owned (5,243,750 ha) / Public (635,092 ha)
- c. Forest by type (ha): Temperate (5,878,843 ha)
- d. Forest by management type (ha): Plantation (2,130,885 ha) / Managed Natural (3,624,083 ha) / Natural (136,183 ha)
- e. Certified forest by scheme (ha): SFI (2,931,384 ha - total) (GA – 957,162 ha) (FL – 760,642 ha) SFI (AL – 1,191,750 ha)  
ATF (GA state-wide 778,695 ha) / ATF (FL state-wide 385,487 ha) ATF (AL state-wide 1,117,865 ha)

A quantitative description of the Supply Base can be found in the Biomass Producer's Public Summary Report at the link provided above.

### 5.4 Chain of Custody system

The Company is FSC/PEFC Chain of Custody certified. The CoC certificates cover the Waycross, GA facility and the port facility located in Savannah, GA.

The following outsourcer is covered under the Company's CoC certifications:

- East Coast Terminal, Inc. is a port facility located in Savannah, GA that stores and loads pellets onto ocean going ships.

The certification body certifying the Company to the FSC/PEFC chain of custody standards classified the outsourcer as low risk. For SBP, NSF classified the outsourcer as high risk to ensure that the chain of custody control and outsourcing procedures were being implemented properly. An on-site visit was conducted.

At the port facility, employees were interviewed, the material receipt and placement processes were observed and material balance reports were reviewed. The Company will also purchase pellets from other suppliers, have them delivered to the port facility and mix them with the Company's pellets. The Company accepts SBP-compliant pellets from its suppliers and has developed a procedure to mass balance the GHG data.

## 6 Evaluation process

### 6.1 Timing of evaluation activities

Date	Location/Method	Activity	Participants
5/6/2016	Planning call	Confirm audit date and review logistics - 2 hours	Norman Boatwright, Barry Parrish
8/2/2016	GHG Audit STD 5	Waycross, GA office 8 hours	Ritu Linhart and Tina Sentner
8/3-4/2016	Surveillance Audit to Standards 1, 2, and 4	Waycross, GA office - 12 hours	Boatwright, Parrish, Carey Potter, Richard Harris, Will Freeman
8/5/2016	Email and phone	Final GHG Data request completed 4 hours	Sentner
10/20/2016	Email	Review and approve GB's stakeholder list and letter 1 hour (mailed by GB on 10/24/2016)	Boatwright
11/21/2016	Email and US mail	Send out CB stakeholder correspondence	Dan Freeman
1/10/2017	Office	Review of information, follow-up calls and emails, finalize report - 10 hours	Boatwright

### 6.2 Description of evaluation activities

NSF initiated the SBP audit process with a planning call to confirm the scope of the audit, determine whether any changes had occurred in the Company's policies and procedures and set the audit dates. NSF then prepared a detailed audit plan and conducted the SBP Surveillance Audit of conformance to the SBP Standards with focus on the SBE/SBR and chain of custody requirements. 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 next Surveillance Audit is scheduled for the week of July 31, 2017.

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

During the on-site audit, NSF discovered that Georgia Biomass expanded its supply basin to include additional counties in Georgia and Florida and five (5) counties in south-eastern Alabama, a new state. After a review of the additional counties added in Georgia and Florida, NSF determined that the stakeholder list used during the certification audit sufficiently covered the stakeholders in the added counties. However, the initial stakeholder consultation process did not include stakeholders in Alabama. NSF issued a CAR. Due to issues occurring at the mill, Georgia Biomass was not able to produce a stakeholder list for Alabama until October 21, 2016. The list was reviewed and approved by NSF and sent to stakeholders on October 24, 2016.

NSF used the same stakeholder list and emailed/mailed stakeholders on November 21, 2016.

## 7 Results

### 7.1 Main strengths and weaknesses

Georgia Biomass has been certified 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.

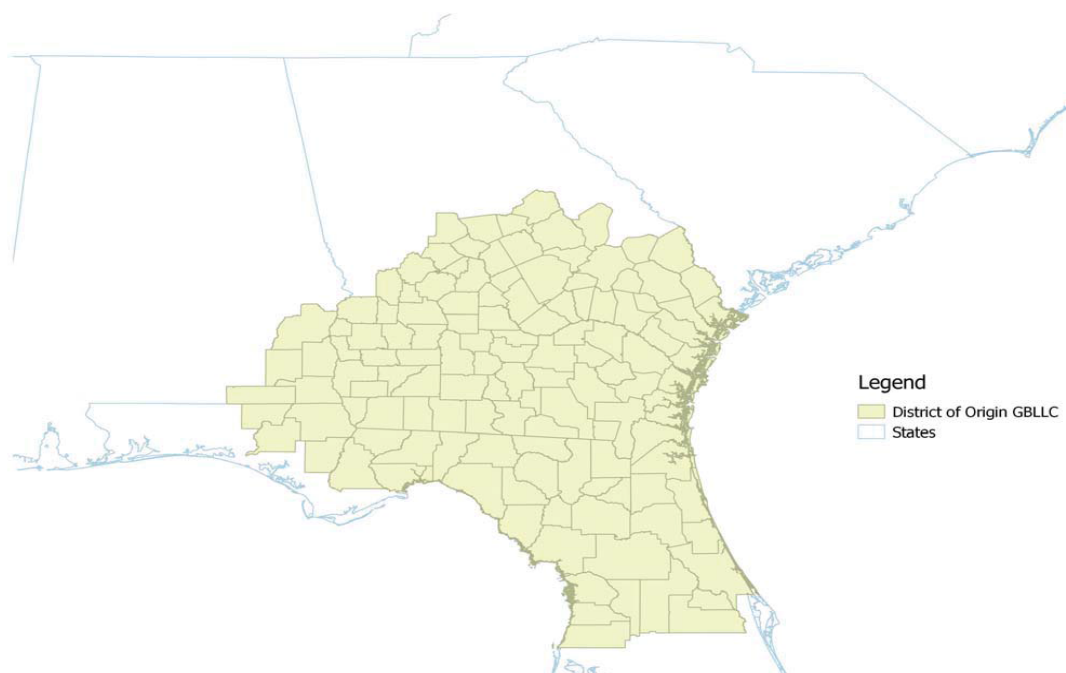
Strengths include the ability to track roundwood back to the tract it was harvested from and the process used to determine and confirm the district of origin for residual material. The strong corporate commitment to source fiber sustainably is an additional strength.

NSF noted a non-conformity relative to Georgia Biomasses' failure to initially contact additional stakeholders in response to expanding the supply basin into south-eastern Alabama.

### 7.2 Rigour of Supply Base Evaluation

The Company has conducted a rigorous Supply Base Evaluation. Risk was designated low for all core indicators. The Company has been PEFC/FSC Chain of Custody certified since 2011 and 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 selected counties in the states of Alabama, Florida and Georgia to ensure that fiber is not received from outside the SBE scope area. The actual wood draw area consists of an area defined as one hundred road miles from the pellet mill.



### 7.3 Compilation of data on Greenhouse Gas emissions

The Company's GHG data is complete and accurate. Additional data clarification requests were promptly met by the Company and no issues were identified.

### 7.4 Competency of involved personnel

The SBE was performed by Gary Boyd, a well-known Forestry Program certification consultant, in consultation with key Company employees. Garry attended an SBP training session.

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.

### 7.5 Stakeholder feedback

There was no stakeholder feedback to the Company's or the Certification Body's requests.

### 7.6 Preconditions

No preconditions were identified.

## 8 Review of Biomass Producer’s Risk Assessments

The NSF Forestry Program Manager was the Lead Auditor for this surveillance audit. He is familiar with the Company’s forest certification programs as well as issues related to forestry, conservation and biodiversity in the south-eastern 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, 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)		Indicator	Risk rating (Low or Specified)	
	Producer	CB		Producer	CB
1.1.1	Low	Low	2.3.3	Low	Low
1.1.2	Low	Low	2.4.1	Low	Low
1.1.3	Low	Low	2.4.2	Low	Low
1.2.1	Low	Low	2.4.3	Low	Low
1.3.1	Low	Low	2.5.1	Low	Low
1.4.1	Low	Low	2.5.2	Low	Low
1.5.1	Low	Low	2.6.1	Low	Low
1.6.1	Low	Low	2.7.1	Low	Low
2.1.1	Low	Low	2.7.2	Low	Low
2.1.2	Low	Low	2.7.3	Low	Low
2.1.3	Low	Low	2.7.4	Low	Low
2.2.1	Low	Low	2.7.5	Low	Low
2.2.2	Low	Low	2.8.1	Low	Low
2.2.3	Low	Low	2.9.1	Low	Low
2.2.4	Low	Low	2.9.2	Low	Low
2.2.5	Low	Low	2.10.1	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			

## 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 Company's certification to the above referenced Standards, the Company has built mitigation measures into its procedures and fiber sourcing programs.



## 10 Non-conformities and observations

### CAR # J0736665-1

**Requirement:** SBP STD 2 Verification of SBP-compliant Feedstock – Indicator 13.4: “Relevant stakeholders shall be informed of the SBE at least one month prior to the end of the evaluation. Stakeholders shall be provided with adequate information as a basis for informed comment, but may not be provided with sensitive or commercially confidential information”; and Instruction Note 2B – Indicator 1.3: “Interested stakeholders shall be notified at least one month in advance of the end of the SBE, and shall be provided with opportunities for engagement in management planning and monitoring processes likely to impact on their interests”.

**Grading:** Major non-conformance. The BP did not conduct a stakeholder consultation for the new supply basin located in south-eastern Alabama prior to the end of the SBE for the surveillance audit.

During the audit, it was discovered that the Company had not conducted a stakeholder consultation for the expanded supply basin in south-eastern Alabama. The supply basin was also expanded in Georgia and Florida and a review of the new areas in these states indicates that the stakeholder list generated for the certification audit also applied to the expanded areas and that it wasn't necessary to contact additional stakeholders in Georgia or Florida.

Due to issues at the mill, the Company was unable to initiate the stakeholder consultation until October 24, 2016.

**Timeframe:** The corrective action plan must be submitted within 90 days from the date of this report. Implementation of the corrective plan must be verified in order to maintain certification.

**Statement:** Based on NSF's experience with stakeholder consultations for the expanded supply basin in south-eastern Alabama, it is unlikely that this non-conformance will negatively impact the integrity of the affected SBP-certified products (the Company does not use the SBP trademark). The area has a long standing tradition as a source of fiber for the forest products industry. In addition, the Company had not sold an SBP certified product.

## 11 Certification decision

Based on the approval of the SBP surveillance audit report by NSF CB Reviewer Anne Marie Kittredge, Georgia Biomass, LLC has been approved for continuing certification by NSF as of 25/01/2016 as meeting the requirements of Sustainable Biomass Partnership (SBP) March 2015 Standards 1, 2, 4 and 5.

Original certification granted 18/Jan/2016

The expiration date of the certificate is 17/Jan/2021.

## 12 Surveillance updates

### 12.1 Evaluation details

NSF initiated the SBP audit process with a planning call to confirm the scope of the audit, determine whether any changes had occurred in the Company's policies and procedures and set the audit dates. NSF then prepared a detailed audit plan and conducted the SBP Surveillance Audit of conformance to the SBP Standards with focus on the SBE/SBR and chain of custody requirements on August 3-4, 2016. 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 next Surveillance Audit is scheduled for the week of July 31, 2017.

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.

### 12.2 Significant changes

With the increased use of secondary feedstock, GBLLC's Supply Base increased from 68 counties in Georgia and Florida to 128 counties: five in Alabama, 38 in Florida and 85 in Georgia.

Pine roundwood accounts for the majority of the total feedstock. Hardwood roundwood accounts for less than 1% of the total feedstock.

Sustainable forestry certification is present in GBLLC's supply with the company purchasing 36% of its fiber as certified (SFI – 20% and ATF – 16%). No FSC certified fiber has been purchased to date.

During 2015 approximately 69% of GBLLC's roundwood came from final fellings. The other 31% originated from thinnings. The typical rotation age of final fellings in the region is approximately 25 years.

### 12.3 Follow-up on outstanding non-conformities

Non-conformities were not identified during the evaluation audit.

## 12.4 New non-conformities

During the audit, it was discovered that the Company had not conducted a stakeholder consultation for the expanded supply basin in south-eastern Alabama, resulting in the issuance of a major non-conformance.

Based on NSF's experience with stakeholder consultations for the expanded supply basin in south-eastern Alabama, it is unlikely that this non-conformance will negatively impact the integrity of the affected SBP-certified products (the Company does not use the SBP trademark). The area has a long standing tradition as a source of fiber for the forest products industry. In addition, the Company had not sold and SBP certified product.

## 12.5 Stakeholder feedback

No stakeholder feedback was received for the Company's or NSF's stakeholder consultation.

## 12.6 Conditions for continuing certification

The Company has corrected the non-conformance and no other conditions were identified.

## 12.7 Certification recommendation

Based on the approval of the SBP surveillance audit report by NSF CB Reviewer Anne Marie Kittredge, Georgia Biomass, LLC has been approved for continuing certification by NSF as of 25/01/2016 as meeting the requirements of Sustainable Biomass Partnership (SBP) March 2015 Standards 1, 2, 4 and 5.