

SBP

Sustainable Biomass Partnership

PricewaterhouseCoopers LLP Evaluation of Pinnacle Renewable Energy Inc (Burns Lake Division) Compliance with the SBP Framework: Public Summary Report

www.sbp-cert.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.sbp-cert.org

Document history

Version 1.0: published 26 March 2015

© Copyright The Sustainable Biomass Partnership Limited 2015

Contents

1	Overview	1
2	Scope of the evaluation and SBP certificate	2
3	Specific objective	3
4	SBP Standards utilised	4
4.1	SBP Standards utilised	4
4.2	SBP-endorsed Regional Risk Assessment	4
5	Description of Biomass Producer, Supply Base and Forest Management	5
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
6	Evaluation process	7
6.1	Timing of evaluation activities	7
6.2	Description of evaluation activities	8
6.3	Process for consultation with stakeholders	9
7	Results	10
7.1	Main strengths and weaknesses	10
7.2	Rigour of Supply Base Evaluation	10
7.3	Compilation of data on Greenhouse Gas emissions	10
7.4	Competency of involved personnel	11
7.5	Stakeholder feedback	11
7.6	Preconditions	11
8	Review of Biomass Producer’s Risk Assessments	12
9	Review of Biomass Producer’s mitigation measures	13
10	Non-conformities and observations	14
11	Certification decision	17
12	Surveillance updates	18
12.1	Evaluation details	18
12.2	Significant changes	18
12.3	Follow-up on outstanding non-conformities	18

12.4 New non-conformities 18

12.5 Stakeholder feedback 18

12.6 Conditions for continuing certification 18

12.7 Certification recommendation 18

1 Overview

CB Name and contact: PricewaterhouseCoopers LLP, PwC Place, 250 Howe Street, Suite700, Vancouver, B.C., Canada V6C 3S7

Primary contact for SBP: Mike Harris, Practice Leader, 604-806-7711, mike.harris@ca.pwc.com

Report completion date: 30/May/2017 – Revised 31/Oct/2017

Report authors: James Lucas, Cheryl Woode

Certificate Holder: Pinnacle Renewable Energy Inc. – Burns Lake, 22975 Hwy 16 East, Burns Lake, British Columbia V0J 1E3, Canada

Producer contact for SBP: Joseph Aquino
8545 Willow Cale Rd. Prince George, BC V2N 6Z9
(250) 562-5562 Ext.2220
Joseph.Aquino@pinnaclepellet.com

Certified Supply Base: The Province of British Columbia (BC), Canada, excluding Vancouver Island

SBP Certificate Code: SBP-03-16

Date of certificate issue: 18/Dec/2017

Date of certificate expiry: 17/Dec/2022

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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Scope of the evaluation and SBP certificate

Certification scope: production of wood pellets, for use in energy production, at Pinnacle Renewable Energy Inc.'s – Burns Lake pellet facility and transport to Westview Wood Pellet Terminal and/or Fibreco Export Inc. for storage, aggregation, vessel loading and shipping. The scope of the certificate does not include a Supply Base Evaluation.

SBP certificate: SBP-03-16

3 Specific objective

The primary objectives of the assessment were:

- Collecting assessment information;
- Confirming that information and comparing it to the Sustainable Biomass Partnership (SBP) Standards 2,4,5, (V1.0) (the “Standards”), the Client’s documented processes and public documents, and PwC’s requirements (the “Requirements”);
- Generating assessment findings; and
- Preparing the Assessment report and SBP Public Summary

4 SBP Standards utilised

4.1 SBP Standards utilised

The following SBP Standards were utilized:

- 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 Communication of Data. Version 1.0. 26 March 2015

Note: All relevant indicators pertaining to the Supply Base Evaluation (SBE) were reviewed during the initial audits but deemed to be not applicable as Pinnacle has decided not to submit an SBE at this time.

The above Standards can be accessed or requested from SBP at the following website:

<https://sbp-cert.org/>

4.2 SBP-endorsed Regional Risk Assessment

Not applicable - No SBP endorsed Regional Risk Assessment was used for this assessment.

5 Description of Biomass Producer, Supply Base and Forest Management

5.1 Description of Biomass Producer

Pinnacle Renewable Energy Inc. (Pinnacle) is a wood pellet producer in Western Canada founded in the community of Quesnel, British Columbia, Canada more than 25 years ago.

Pinnacle owns and operates seven pellet plants, one deep-water port and leases space at another port all in the British Columbia ("BC"). Collectively the pellet plants produce more than one and a half million tonnes annually. All Pinnacle plants operate 24 hours a day, seven days a week. The pellet plants are located in the BC communities of Houston, Burns Lake, Meadowbank, Quesnel, Williams Lake, Armstrong and Lavington. In total, more than 250 people are employed by Pinnacle in those communities. In addition to the production facilities, Pinnacle operates a port in Prince Rupert called Westview Wood Pellet Port where pellets from Pinnacle's northern facilities (Houston & Burns Lake) are transported. Pinnacle also leases space at Fiberco Export Inc., a deep water port in Vancouver, B.C. Pellets produced at the southern plants are transported to Fiberco, which is also a back up for the Northern plants, if needed.

The Burns Lake wood pellet production facility is located outside of Burns Lake, BC. The Burns Lake facility has a production capacity of approximately 325,000 metric tons of pellets per year. Pellets produced at this plant are transported by rail to the Westview Wood Pellet Port in Prince Rupert, BC or to Fibreco Export Inc. in Vancouver, BC (back up only) for export to European utilities.

5.2 Description of Biomass Producer's Supply Base

All fibre supplied to Pinnacle Renewable Energy Inc. ("PREI") originates in the Province of British Columbia, Canada, excluding Vancouver Island. BC's land base is 95 million hectares of which 62% or (55 million hectares) is forested, but only 24% of the forest is available for harvest. Approximately 83% of BC's forests are coniferous leading, 6% are mixed forests containing both coniferous and deciduous species, and 6% are deciduous leading. Six million hectares (approximately 15%) of BC's forests are in protected areas and 13% of all forests in protected areas and range in average age from 141-250 years old. BC is Canada's most ecologically diverse Province containing temperate rainforests, dry pine forests, alpine meadows, and other forested ecosystems.

95% of BC's forests are a government/publically owned resource. A significant portion of BC forests is covered by third-party certification (e.g. SFI, FSC, and CSA) or meets specific criteria required in environmental management systems (e.g. ISO 14001). Approximately 95% of the fibre procured by PREI is forest management certified.

Burns Lake procures all of their feedstock from both primary and secondary sources. Pinnacle's internal fiber procurement group is responsible for implementing and maintaining conformance to the Programme for the Endorsement of Forest Certification (PEFC) CoC Standard, which operates as the platform to the Sustainable Biomass Partnership Standards. Primary and Secondary feedstock is sourced through their PEFC Due Diligence system from primary suppliers and secondary sawmill suppliers. Sawmills source high-quality logs from the forest and mill them into products like two-by-fours. Burns Lake procures the sawdust and shavings generated by these sawmills.

Burns Lake does not source tertiary fibre.

Additional detail is provided in the Burns Lake Supply Base Report (SBR), which can be found on Pinnacle's website at the following address: www.pinnaclepellet.com.

5.3 Detailed description of Supply Base

The area of BC is 55 million hectares of forestland. 83% of BC's forests are coniferous leading, 6% are mixed forests containing both coniferous and deciduous species, and 6% are deciduous leading.

The total annual volume of primary feedstock is 29% of the total fibre consumed by Burns Lake. Pinnacle does not own or manage and forest tenures and only purchases fibre on the open market.

The total annual volume of secondary feedstock procured by Burns Lake is approximately 71% of the total. Approximately 80.3% of the secondary feedstock is certified to a SBP-approved CoC standard. In total for 2016, 81.7% of all feedstock was certified to a SBP-approved CoC standard.

The total annual volume of tertiary feedstock is 0% of the total.

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

5.4 Chain of Custody system

Pinnacle has a management system and documented procedures that are capable of determining feedstock sources and compliance. Pinnacle is utilizing the Program for the Endorsement of Certification Chain of Custody system already in place to track SBP-compliant feedstock and SBP controlled feedstock. All wood fibre is tracked through the process from the District of Origin through the mill to the final bill of sale.

Pinnacle uses a database to gather and control information related to the feedstock such as supplier name, scale tickets, fibre type, certification, and district of origin. Pinnacle has appropriate control mechanisms to calculate output volumes, claims and trademark/logo approval. Additionally, Pinnacle conducts an annual Management Review of the commitments, programs and procedures to evaluate the overall effectiveness of the SBP management system

6 Evaluation process

6.1 Timing of evaluation activities

Evaluation Activity	Date / Location	Persons Involved	Approx. Duration
Pre-Assessment / Document Review	November 9-10, 2015. PwC office.	Cheryl Woode, PwC SBP Team Leader Shawn Ellsworth, PwC SBP Technical Reviewer Joe Aquino, Superintendent of Forest Biomass, Pinnacle Cindy Bunker, Sales/Logistics Coordinator, Pinnacle Nate Ryant, NMR Resources Management Bernard Tobin, GM Fiber Supply, Pinnacle	6 hours
PwC Stakeholder Consultation	December 18, 2015 – January 18, 2015. PwC office.	Bruce Eaket, PwC SBP Lead Auditor Cheryl Woode, PwC SBP Team Leader	2 hours
Initial Assessment	February 1, 2016. On-site at Burns Lake and surrounding area.	Cheryl Woode, PwC SBP Team Leader Joe Aquino, Superintendent of Forest Biomass, Pinnacle Todd Bjorgan, Superintendent of Operations, Burns Lake Shelley Binstead, Plant Accountant, Burns Lake Jackie Blinn, Quality Technician 1 Secondary Supplier Interview	8 hours
	February 3, 2016. On-site at Westview Wood Pellet Port.	Cheryl Woode, PwC SBP Team Leader Joe Aquino, Superintendent of Forest Biomass, Pinnacle Eugene Lupynis, Director of Logistics, Pinnacle Steve Robin, Terminal Manager, Westview.	4 hours
Follow-up Assessment	February 28, 2017. On-site at Burns Lake and surrounding area.	James Lucas, PwC SBP Team Leader Joseph Aquino, Superintendent of Forest Biomass Mark Cunningham, Plant Manager, Burns Lake Raj Khugsal, Plant Accountant, Burns Lake Lindsay Falkner, Quality Technician, Burns Lake 5 Supplier Interviews	8hrs
Follow-up Assessment	March 10, 2017. Phone interview with Westview Terminals, Prince Rupert, BC	Cheryl Woode, PwC SBP Team Leader Erin Trask, Operations Assistant- Westview Terminal (Phone)	30min.
Audit Closure and PwC Certification Decision	May 12-30, 2017. PwC office.	Shawn Ellsworth, Peer Reviewer, PwC SBP Lead Auditor Mike Harris, PwC Certification Decision Maker	4 hours
Revision of Documents to Remove References to SBE Risk Assessment	October 31, 2017	James Lucas, PwC SBP Team Leader, Shawn Ellsworth, Peer Reviewer, PwC SBP Lead Auditor	2 hours

6.2 Description of evaluation activities

PwC completed the initial SBP assessment in six phases, with the most significant phase being the on-site initial and follow-up assessments.

Pre-Assessment / Document Review (DRR):

The purpose of the DRR Assessment was to evaluate if the requirements of the Standards had been met, in particular those requirements that must be documented. In addition, PwC evaluated the Chain of Custody process/management system to ensure that it had been through a complete Plan-Do-Check-Act (PDCA) cycle; including internal audit and management review or that these activities have been scheduled to occur prior to the Implementation Assessment. Pinnacle's SBP system involves significant reliance on their existing management systems and procedures designed to meet the PEFC standard discussed above and the applicable laws and regulations within the Supply Base Area. Time during this phase of the assessment was focused on reviewing the SBP requirements that are unique from the other standards, such as Greenhouse Gas (GHG) data and collection and CoC requirements.

PwC Stakeholder Consultation:

PwC launched our stakeholder consultation on December 18, 2015 – January 18, 2015 prior to the completion of the implementation and follow-up assessments. PwC reviewed and chose to use the stakeholder list that Pinnacle used in its consultation. Stakeholders were invited via email to comment on the Supply Base Evaluation process (which was subsequently dropped). PwC did not receive comments from the stakeholders.

Initial Assessment:

PwC conducted the Initial Assessment on-site at Burns Lake through observations, reviewing records and conducting interviews with staff and management. A thorough review of the CoC processes, GHG data and collection, and fiber input and output were conducted. Critical control points such as the log weigh station, quality testing lab, control room, and truck loadout were included in the Assessment.

Additionally, PwC conducted a site visit to the Westview Wood Pellet Port. Pellets produced at Burns Lake are transported by rail to the port facilities in Prince Rupert or Vancouver, BC for storage, handling and export to customers. A thorough review of the CoC processes, GHG data and collection, and storage and handling of the pellets was conducted.

Follow up Assessment and Supplier Interviews:

Due to timeliness of reporting and audit completion, a follow-up site visit to Burns Lake was conducted before the Implementation Assessment to the SBP Standards could be completed. This follow up work was completed in February and March, 2017 and built on earlier site visits by PwC during the initial assessment work. PwC also interviewed a sample of primary and secondary suppliers to verify their fibre supply area and the sustainable forest management practices being implemented.

Audit Closure and PwC Certification Decision:

PwC provided the draft Non-conformities and Opportunities for Improvement to Pinnacle at the closing meeting of the Initial and follow-up Assessments. Pinnacle responded with their Root Cause Analysis/action plans for the findings and where appropriate, provided PwC with revised management system procedures and templates, forms, etc. Once the Lead Auditor accepted the changes and closed the audit findings, the PwC Lead Auditor's working papers including protocols/checklists and evidence of conformance was reviewed by a peer Lead Auditor. The

complete file was then reviewed by the PwC Practice Leader who made the final PwC certification recommendation to SBP.

6.3 Process for consultation with stakeholders

Information regarding Pinnacle Pellet's SBP program was provided to various stakeholders across the Province to engage in stakeholder consultation of Pinnacle's supply base area. Given the geographic spread of Pinnacle's supply base, the strategy used to reach a wide array of stakeholders was to engage existing Public Advisory Groups (PAG) in areas where the biomass producing facilities are located. PAG's consist of members representing the public, government, industry, First Nations, private land, small tenures and other stakeholders interested in forest management topics. Pinnacle's Head Office is located in Prince George, BC which is centrally located in the supply base area. Given the vicinity and local presence, a Pinnacle representative made an in-person presentation to the Prince George PAG as a means of distributing information on Pinnacle's SBP program and to provide insight on the certification scheme. The information was electronically provided to the PAG's and the members were given opportunity to review and comment on the locally applicable verifiers. In total, Pinnacle reached out to five PAG's representing the seven regions where Pinnacle obtains feedstock.

The PAG groups engaged by Pinnacle include:

1. Okanagan PAG – Armstrong and Lavington Supply Area
2. Cariboo PAG – Williams Lake and Quesnel Supply Area
3. Prince George PAG – Meadowbank Supply Area and Head Office
4. Burns Lake PAG – Burns Lake Supply Area
5. Morice PAG – Houston Supply Area

PwC conducted its 30-day stakeholder consultation from December 18, 2015 – January 18, 2016 prior to the completion of the implementation assessment. PwC used the stakeholder list that Pinnacle used in its first consultation and stakeholders were informed of the consultation via email. The list included five PAG's representing the seven regions where Pinnacle obtains feedstock. Stakeholders were invited to comment on the SBP process and documentation. The results of the stakeholder consultation is described in section 7.5 below.

7 Results

7.1 Main strengths and weaknesses

This summary of strengths and weaknesses should be read in conjunction with the summary of the Initial Assessment findings in Section 10 of this Public Summary. The strength of Pinnacle's SBP program is their integration of the SBP requirements with their existing fiber procurement management system and procedures designed to meet the rigorous requirements of the applicable BC laws and regulations in the Supply Base Area (SBA) in conjunction with the requirements of the PEFC/CTM International Standard – Chain of Custody of Forest Based Products – Requirements (PEFC ST 2002:2013). As a result of operating in a Province that has a well-established forest products industry including existing laws and regulations for forestry management on public and private lands that align with the majority of the SBP indicators and the commitment to other voluntary standards. Pinnacle's staff, which include registered professional foresters who have a strong knowledge of the B.C. forestry industry, practices as well as a good working relationship with their suppliers.

Pinnacle has documented procedures to address risks identified in their supply base evaluation; however, PwC noted several Non-conformities and Opportunities for Improvement which are discussed in Section 10 of this report.

PwC has concluded that Pinnacle has the organizational capability to systematically meet the performance objectives and the requirements of the SBP Standards based on the elements of the SBP Standards that were tested, with the exception of Nonconformities that were identified which have since been addressed by Pinnacle and closed by the Lead Auditor.

7.2 Rigour of Supply Base Evaluation

This section is not applicable as Pinnacle has dropped their SBE.

7.3 Compilation of data on Greenhouse Gas emissions

During the initial and follow-up assessments PwC:

- Confirmed the Greenhouse Gas (GHG) sources for feedstock input from the forest, production at the facility, transportation to the port and storage and handling at the port;
- Reviewed how the input data was measured;
- Conducted interviews with operations personnel on the overview of the operations at the facility, historical operations, changes to operations, procedures and processes used to maintain the facility, and procedures and processes used to ensure data quality;
- Where appropriate, we obtained a sample of records to support the evidence provided in these interviews;
- Reviewed procedures and records on how and when emissions were calculated; and
- Inquired about controls on data collection and records.

PwC concluded that Houston has the competency to analyse and report the required data on Greenhouse Gas emissions.

7.4 Competency of involved personnel

Pinnacle's fibre procurement team are registered professional foresters in the Province of British Columbia with local forestry experience and knowledge of ecological and social values associated with the supply base, applicable laws and regulations, business management practices, operation of suppliers, and the local forest resource.

Pinnacle assigned management with appropriate skills and competency to implement and execute the management and control systems relating to SBP compliance. Management interviewed during the assessment were found to be knowledgeable of the SBP requirements.

7.5 Stakeholder feedback

Pinnacle received one comment by an individual from the Morice PAG to provide clarity on the SBE and the SBP certification scheme. Pinnacle scheduled an in-person presentation at the next PAG meeting held in June, 2016.

PwC did not receive feedback as a result of our stakeholder consultation processes.

7.6 Preconditions

PwC issued seven pre-conditions to Pinnacle during this evaluation. As discussed in Section 10 of this Public Summary, there were seven non-conformities that had to be closed before a final report and certificate could be issued.

8 Review of Biomass Producer’s Risk Assessments

PwC assessed the risk for each Indicator using the guidance in Section 11 of SBP Framework Standard 2: Verification of SBP-compliant Feedstock and evaluated risk at both regional and the individual forest level. When completing their Risk Assessment, Pinnacle primarily relied on their existing management and monitoring systems implemented to meet other voluntary standards and designed to ensure compliance with applicable laws and regulations. As a result of Pinnacle’s Risk Assessment approach, PwC was able to assess risk for the indicators using a desk review of the documents referenced in the Risk Assessment as well as interviewing staff and suppliers during the on-site portion of the SBP assessment.

Each criterion was evaluated and measured against Pinnacle’s existing PEFC chain of custody program.

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

This section is not applicable as Pinnacle has dropped their SBE.

10 Non-conformities and observations

All nonconformities (minor and major) must be closed before completing the reporting process.

Pinnacle was allowed sixty (60) days from the closing meeting date to address the major and minor nonconformities raised during the implementation assessment. Pinnacle provided a root cause analysis for each nonconformity indicating the cause of the system or process failure and provided sufficient evidence to PwC indicating how the nonconformity has been corrected prior to completion of the Certification Assessment.

The details of the Nonconformities and Opportunities for Improvement raised during the evaluation are provided in the tables below:

- Nonconformities**

PwC Reference Number	SBP Requirement	Finding Details	Status
IA-NC-01-MAJOR nonconformity	SBP Standard 5 (V1.0) @ 6.1 requires that the ultimate user of the biomass who is responsible for the calculation of energy and carbon balance of the supply chain.	<p>Pinnacle uses an Electrabel spreadsheet to report the energy and carbon balance on an annual basis. PwC reviewed the Electrabel spreadsheet for completeness and accuracy. At the time of the on-site audit, it was found that the following data categories were missing from the Burns Lake spreadsheet; therefore, the BP is not reporting on all SBP data categories.</p> <p>4.3 average moisture content at the exit of the dryer</p> <p>4.4 average moisture content of wood biomass produced</p> <p>4.7 total annual amount of propane used for production</p> <p>5.1 Transport</p> <p>5.2 Wood Biomass storage, handling and trans-shipment</p> <p>Pinnacle was given 60 days from February 2, 2016 to resolve the issue and has subsequently provided PwC with an acceptable action plan and evidence of implementation.</p>	CLOSED
IA-NC-02-MAJOR nonconformity	SBP Standard 5 (V1.0) @ 8.2 requires that the SBR meets the requirements for this report as set out in SBP Standard #2 @ 7.3	<p>The Supply Base Reports was written using a dated template version (version 1 February 2016) but there is a more recent version available on the SBP website Version 1.2 - June 2016. The new version has additional requirements (e.g. Section 2.1 requires an overview of the proportions of SBP feedstock product groups (Controlled Feedstock, SBP-compliant Primary Feedstock, SBP-compliant Secondary Feedstock, SBP-compliant Tertiary Feedstock, SBP non-compliant Feedstock).</p> <p>In addition, the data used in the report is more than one year old and is therefore considered dated where it is from January 1, 2015 to December 31, 2015.</p> <p>Pinnacle was given 60 days from March 3, 2017 to resolve the issue and has subsequently provided PwC</p>	CLOSED

		with an acceptable action plan and evidence of implementation.	
IA-NC-03-MAJOR nonconformity	SBP Standard 2 (V1.0) @ 5.1 requires that the BP defines the Supply Base (SB) for all feedstock received which is used in the production of SBP-compliant biomass.	<p>During a supplier interview it was found that the supplier does receive some raw fibre sources from outside the Supply Base Area of B.C. and that the secondary feedstock they provide to Lavington would likely have some fibre from areas outside the defined supply base, such as the Pacific North-west of the US and Alberta.</p> <p>Pinnacle was given 60 days from April 10, 2017 to resolve the issue and has subsequently provided PwC with an acceptable action plan and evidence of implementation.</p>	CLOSED
IA-NC-04-MAJOR nonconformity	SBP Standard 4 (V1.0) @ 1.2 requires that the BP has an SBP Trademark Licence Agreement.	<p>During the assessment, it was found that Pinnacle uses the SBP trademarks on their website, “Sustainable Biomass Partnership” without a valid SBP Trademark License Agreement.</p> <p>Pinnacle was given 60 days from March 3, 2017 to resolve the issue and has subsequently provided PwC with an acceptable action plan and evidence of implementation.</p>	CLOSED
IA-NC-05-MAJOR nonconformity	SBP Standard 5 (V1.0) @ 6.4 requires that the organization follow the mechanism for recording data in the SBP database of GHG and profiling data as defined in the SBP Instruction Document 5A: Collection and Communication of Data.	<p>During the assessment, it was found that Pinnacle had inaccurate data in the GHG spreadsheets for Lavington, Houston, Burns Lake and Meadowbank.</p> <p>Pinnacle was given 60 days from March 3, 2017 to resolve the issue and has subsequently provided PwC with an acceptable action plan and evidence of implementation.</p>	CLOSED
IA-NC-06-MAJOR nonconformity	SBP Instruction Document 5A (V1.1) @ 2.1.5, SBP Instruction Document 5B (V1.1) @ 2.1.3 requires that the Legal Owners shall make data available using the templates specified in these Instruction Document and SBP Instruction Document 5C (V1.1) @ 2.1.3 requires that the BP shall make data specified in this Instruction Document available in an appropriate form and format to customers	<p>Pinnacle has not made data available using the Audit Report on Energy and GHG data (SAR), Audit Report on Energy and GHG data for Supplied Biomass (SREG) templates or the Static Biomass Profiling Data.</p> <p>Pinnacle was given 60 days from March 3, 2017 to resolve the issue and has subsequently provided PwC with an acceptable action plan and evidence of implementation.</p>	CLOSED

	and End-Users of Biomass supplied by the Legal Owner		
--	--	--	--

- **Opportunities for Improvement**

PwC Reference Number	SBP Requirement	Finding Details	Status
IA-OFI-02	SBP Standard 1 (V1.0) @ 2.2.5 requires that the BP has implemented appropriate control systems and procedures for verifying that the process of residue removal minimizes harm to ecosystems	Pinnacle could consider completing inspection forms for Subcontractors for the fibre they purchased from the Ministry of Forests.	OPEN

11 Certification decision

PwC has concluded that Burns Lake has the organizational capability to systematically meet the performance objectives and the requirements of the Standards based on the evaluation process described in Section 6 of this Public Summary. PwC's Practice Leader recommended certification of Pinnacle Burns Lake as of May 30, 2017. This report was revised October 31, 2017 after Pinnacle made the decision to drop the SBE from their certification.

12 Surveillance updates

12.1 Evaluation details

Not applicable.

12.2 Significant changes

Not applicable.

12.3 Follow-up on outstanding non-conformities

Not applicable.

12.4 New non-conformities

Not applicable.

12.5 Stakeholder feedback

Not applicable.

12.6 Conditions for continuing certification

Not applicable.

12.7 Certification recommendation

Not applicable.