



Sustainable Biomass Program

SCS Global Services Evaluation of Enviva LP

(dba: Enviva Holdings LP, Enviva MLP Holdco, LLC, Enviva Partners, LP, Enviva Energy Services, LLC, Enviva Development Holdings, LLC, Enviva Wilmington Holdings, LLC, Enviva Materials, LLC, Enviva Pellets Perkinston, LLC)

Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

www.sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 1.2

*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

Version 1.1: published 30 January 2018

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1 Overview

CB Name and contact: SCS Global Services, 2000 Powell St Ste 600, Emeryville CA 94608

Primary contact for SBP: Sarah Harris, +1 (510) 452-8012, sharris@SCSglobalservices.com

Current report completion date: 01/Jan/2018

Report authors: Ellen Kincaid

Name of the Company: Enviva LP dba: Enviva Holdings LP, Enviva MLP Holdco, LLC, Enviva Partners, LP, Enviva Energy Services, LLC, Enviva Development Holdings, LLC, Enviva Wilmington Holdings, LLC, Enviva Materials, LLC, Enviva Pellets Perkinston, LLC

Company contact for SBP: Don Grant, don.grant@envivabiomass.com, +1 (304) 552-8831

Certified Supply Base: NA - Trader

SBP Certificate Code: SBP-04-03

Date of certificate issue: 07/Apr/2017

Date of certificate expiry: 06/Apr/2022

This report relates to the First Surveillance Audit

2 Scope of the evaluation and SBP certificate

Trade of SBP-certified biomass pellets, with point of purchase after material is loaded onto vessel and equal to point of sale, and located in US ports of Chesapeake, VA, Mobile, AL, Panama City, FL, and Wilmington, NC. The scope of the certificate does not include Supply Base Evaluation.

3 Specific objective

The specific objective of this evaluation was to confirm the management system of Enviva LP dba: Enviva Holdings LP, Enviva MLP Holdco, LLC, Enviva Partners, LP, Enviva Energy Services, LLC, Enviva Development Holdings, LLC, Enviva Wilmington Holdings, LLC, Enviva Materials, LLC, Enviva Pellets Perkinston, LLC (hereafter referred to in this report as “Enviva LP” or “the organization”) is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification. The scope of evaluation included a review of:

- Organization’s management procedures
- PEFC certificate
- Chain of custody control points, including purchases and sales
- Records, calculations, and interviews
- GHG data collection and dissemination practices.

The following SBP critical control points were identified and audited:

- Accounting of volumes
- Documentation of transactions in DTS
- Collection and reporting of energy and greenhouse gas data

4 SBP Standards utilised

4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

4.2 SBP-endorsed Regional Risk Assessment

Not applicable

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

The organization does not take physical possession of the biomass and only conducts the legal transfer from the biomass producer to their customer. Material storage, handling or transport does not occur while the organization has legal possession of the material, since this is covered under certificates of the organization's suppliers and customers. The point of purchase is identical with the point of sale and occurs after the material has been loaded onto the vessel. SBP-compliant biomass can be mixed at the ports and is tracked using the organization's volume control in order to meet SDI and batch specific requirements.

The GHG information is passed to their customer by email and as a backup by FedEx. In one case they upload all documents into an online platform.

5.2 Description of Company's Supply Base

Not applicable

5.3 Detailed description of Supply Base

Not applicable

5.4 Chain of Custody system

The organization has implemented PEFC as its chain of custody scheme using the volume credit method and does not take physical possession of the material. The PEFC certificate is issued through Bureau Veritas Certification North America with the certificate number BV-PEFCCOC-US004612-1. The organization tracks SBP percentages through spreadsheet software to pass on the correct claim.

6 Evaluation process

6.1 Timing of evaluation activities

Representatives from the auditee included Don Grant, Manager, Sustainability Standards and Kim Cesafsky, Manager of Sustainability. The audit was performed by Ellen Kincaid on January 12, 2018

Audit Activity	Items to Review / Actions	Approx. Start Time
Opening meeting	Introductions, auditor review of audit scope, audit plan and intro/update to SBP and SCS standards and protocols, client description of organization	9:00am
Review of CoC/SBP procedures, products and material accounting	Written procedures, work instructions, feedstock description (see ID 5B section 4), PEFC accounting system (physical separation, percentage method)	9:20am
Review of material balances and records	Simulated test of the following: material tracking system, summary of purchases and sales, invoices, shipping documents, training records, outsourcing agreements, other applicable SBP/CoC systems, procedures and records, trace-backs from certified outputs to eligible inputs	10:00am
Trademarks	Verification of use of SBP trademarks if planned.	10:20am
SBP ST 5, ID5A, ID5B, & ID5C	Review of GHG data collection	10:30am
Lunch		1:00pm
Staff interviews	Interviews with appropriate number and diversity of staff to assess knowledge of CoC procedures related to their position Personnel in charge of: purchasing material writing invoices GHG calculations and documentation	1:45pm
Closing meeting preparation	Auditor takes time to consolidate notes and review audit findings for presentation at closing meeting	2:10pm

Closing meeting and review of findings	Convene with all relevant staff to summarize audit findings, review identified nonconformities, and discuss next steps	2:20pm
End		2:30pm

6.2 Description of evaluation activities

The scope of evaluation included a review of:

- Organization’s management procedures
- PEFC certificate
- Chain of custody control points, including purchases and sales
- Records, calculations, and interviews
- GHG data collection and dissemination practices.

The following SBP critical control points were identified and audited:

- Accounting of volumes
- Documentation of transactions in DTS
- Collection and reporting of energy and greenhouse gas data

See also table above.

6.3 Process for consultation with stakeholders

NA

7 Results

7.1 Main strengths and weaknesses

Strengths: The organization was very well organized and had a strong understanding of the SBP system and methods in place to track SBP claims. See section 10 for any weaknesses that resulted in findings.

7.2 Rigour of Supply Base Evaluation

NA

7.3 Collection and Communication of Data

The organization owns many of the BPs from which they will be transferring claims. One person is in charge of calculating the Greenhouse Gas emission data for these BPs and use the DTS to pass the information on to Enviva LP. They have demonstrated good communication with their other suppliers and customers and have worked out how they will gather and pass on information for each supplier and customer. Data will be passed on to the customers via different media, such as spreadsheets, online systems, email and express mail.

In one case a change of energy data occurred under the legal ownership of SBP biomass: This SREG covers the first segment of a 2-port load in which pellets from AHO, NOR, and SOU were loaded onto the Beks Munevver at the port of Chesapeake (CHE) before traveling to Wilmington (WIL) to load SAM pellets. The SREG adjusts the scope endpoints for the AHO, NOR, and SOU mills from CHE to WIL

7.4 Competency of involved personnel

Personnel interviewed was very competent at the positions. The Manager, Sustainability Standards oversees the chain of custody certifications for all certificates related to Enviva LP, including a Multisite certificate for FSC and PEFC. The Manager of Sustainability is responsible for overseeing the SBP trader's certification. She demonstrated a deep understanding of the SBP process and background. She also does the calculations for Greenhouse Gas emissions for all sites with SBP certification. Both managers understands the requirements for BPs and traders and showed a good understanding of what documents need to be passed on.

7.5 Stakeholder feedback

NA

7.6 Preconditions

none

8 Review of Company’s Risk Assessments

Describe how the Certification Body assessed risk for the Indicators. Summarise the CB’s final risk ratings in Table 1, together with the Company’s final risk ratings. Default for each indicator is ‘Low’, click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.

NA

Table 1. Final risk ratings of Indicators as determined BEFORE 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

Table 2. 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 Company's mitigation measures

NA

10 Non-conformities and observations

Identify all non-conformities and observations raised during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. Click on the  symbol on the right bottom corner of the table to repeat the table. For each, give details to include at least the following:

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

NC number <i>Enter number</i>	NC Grading: <i>Choose grading.</i>
Standard & Requirement:	<i>Click to enter SBP standard and requirement reference</i>
Description of Non-conformance and Related Evidence:	
<i>Click or tap here to enter NC description.</i>	
Timeline for Conformance:	<i>Choose NC timeline.</i>
Evidence Provided by Company to close NC:	<i>Click or tap here to enter description provided by Company to close the NC.</i>
Findings for Evaluation of Evidence:	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
NC Status:	<i>Choose status.</i>

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Sebastian Häfele
Date of decision:	23/Feb/2018
Other comments:	<i>Click or tap here to enter text.</i>