



# SCS Global Services Evaluation of Pinnacle Renewable Inc. Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

[www.sbp-cert.org](http://www.sbp-cert.org)



**The promise of good biomass**



# Completed in accordance with the CB Public Summary Report Template Version 1.4

*For further information on the SBP Framework and to view the full set of documentation see  
[www.sbp-cert.org](http://www.sbp-cert.org)*

## *Document history*

*Version 1.0: published 26 March 2015*

*Version 1.1: published 30 January 2018*

*Version 1.2: published 4 April 2018*

*Version 1.3: published 10 May 2018*

*Version 1.4: published 16 August 2018*

*© Copyright The Sustainable Biomass Program Limited 2018*

# Table of Contents

<b>1</b>	<b>Overview</b>
<b>2</b>	<b>Scope of the evaluation and SBP certificate</b>
<b>3</b>	<b>Specific objective</b>
<b>4</b>	<b>SBP Standards utilised</b>
4.1	SBP Standards utilised
4.2	SBP-endorsed Regional Risk Assessment
<b>5</b>	<b>Description of Company, Supply Base and Forest Management</b>
5.1	Description of Company
5.2	Description of Company's Supply Base
5.3	Detailed description of Supply Base
5.4	Chain of Custody system
<b>6</b>	<b>Evaluation process</b>
6.1	Timing of evaluation activities
6.2	Description of evaluation activities
6.3	Process for consultation with stakeholders
<b>7</b>	<b>Results</b>
7.1	Main strengths and weaknesses
7.2	Rigour of Supply Base Evaluation
7.3	Compilation of data on Greenhouse Gas emissions
7.4	Competency of involved personnel
7.5	Stakeholder feedback
7.6	Preconditions
<b>8</b>	<b>Review of Company's Risk Assessments</b>
<b>9</b>	<b>Review of Company's mitigation measures</b>
<b>10</b>	<b>Non-conformities and observations</b>
<b>11</b>	<b>Certification recommendation</b>

# 1 Overview

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

Primary contact for SBP: Maggie Schwartz, mschwartz@scsglobalservices.com

Current report completion date: 22/May/2020

Report authors: Ciara McCarthy

Name of the Company: Pinnacle Renewable Energy Inc.

Company contact for SBP: Joseph Aquino

Certified Supply Base: Not applicable

SBP Certificate Code: SBP-04-46

Date of certificate issue: 27/Sep/2019

Date of certificate expiry: 26/Sep/2024

This report relates to the First Surveillance Audit

## 2 Scope of the evaluation and SBP certificate

Scope of certificate:

This certificate covers the trade of SBP-certified pellets, with point of purchase after material is loaded onto vessel and equal to point of sale and located in Canadian ports Prince Rupert and Fibreco Export Inc; and US port Mobile, Alabama. The scope of the certificate does not include Supply Base Evaluation.

### 3 Specific objective

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

The following critical control points were identified and evaluated:

Volume accounting method: the volumes are recorded on the inventory spreadsheets and for PEFC certification, PEFC credit table has been developed.

Documentation of transactions: The DTS is used for any SPB related transactions and all transactions are recorded in DTS.

Interviews with relevant staff have been conducted as well as a review of the organization's management systems and relevant procedures.

Energy data collection and reporting: Not applicable, since there is no change in energy data during ownership of SBP biomass. The energy data is recorded by pellet mills that will be trading with this organization and are fully capable to record all relevant 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 is a biomass trader trading pellet, sourcing from nearby Canadian pellet mills in British Columbia, and Alberta; and a US pellet mill in Alabama. The organization holds a valid PEFC certificate using the Volume Credit System. Pellets are produced in organization's own Biomass Production Facilities that will be traded with the organizations. The pellets will mostly be delivered to ports in Europe, to be used in power generation facilities.

## 5.2 Description of Company's Supply Base

Not applicable for biomass trader. A quantitative description of the Supply Base can be found in Supply Base Reports of the respective mills

## 5.3 Detailed description of Supply Base

Not applicable for biomass trader. A quantitative description of the Supply Base can be found in Supply Base Reports of the respective mills

## 5.4 Chain of Custody system

Joseph Aquino, Head of Sustainability, is the person responsible for implementing the PEFC Chain of Custody system and also manages the organizations SBP management system. The organization operates the percentage-based method for controlling PEFC claims based on volume credits. Pinnacle also verifies PEFC Controlled Sources through a DDS including a risk assessment covering British Columbia in Canada, and . Alabama, Mississippi, Georgia, South Carolina, North Carolina, Tennessee, Arkansas, and Louisiana in addition to certain counties in Florida, Texas, and Missouri in the US.

The organizations PEFC management system and procedures were previously evaluated by another certification body and no open nonconformities exist. The organization has detailed and comprehensive procedures and databases to cover the necessary requirements regarding the SBP-approved Chain of Custody system.



## 6 Evaluation process

### 6.1 Timing of evaluation activities

Activity	Date	Location	Persons Involved	Time
Remote Desk review. Opening and Closing meeting	May 20th, 2020	Auditor Office	SCS – McCarthy, Ciara  PREI – Joseph Aquino	4 Hours

### 6.2 Description of evaluation activities

The desk review consisted of a review of the volume credit account (Aliceville mill), interview with Head of Sustainability, review of PEFC and SBP procedures, Health and Safety procedures, suppliers list, product groups PEFC certificate validity check and review of last PEFC audit report.

The audit methods consisted of review of documentation, records, websites, emails, databases and staff interviews. No field visit was conducted.

The port activities are also currently covered under the certificate of the Alabama mill.

### 6.3 Process for consultation with stakeholders

No stakeholder consultation was conducted.

# 7 Results

## 7.1 Main strengths and weaknesses

Pinnacle's staff, which include registered professional foresters who have a strong knowledge of the B.C. and SE US forestry industries, practices as well as a good working relationship with their suppliers. The organization has a very comprehensive and detailed management and procedural system in place which covers all aspects of the SBP audit scope and the underlying PEFC chain of custody certification. The databases to keep track of qualitative and quantitative information are well managed, readily accessible and featured all information as requested by the auditor. Procedures, commercial documentation, records on paper were also easily accessible throughout the audit.

Weaknesses (if applicable) have been recorded as nonconformities and observations and are discussed in section 10.

## 7.2 Rigour of Supply Base Evaluation

Not applicable.

## 7.3 Collection and Communication of Data

The organization will trade in SBP-certified biomass without physical possession. All relevant energy data is covered by Pinnacle renewable Energy's mills and Alabama pellets mill. The organization is aware of the requirement to complete an SREG should this become necessary.

## 7.4 Competency of involved personnel

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

No stakeholder consultation was conducted. No other comments from stakeholders came to the attention of SCS and the audit team.

## 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.*

Not applicable

## 9 Review of Company's mitigation measures

Not applicable.

## 10 Non-conformities and observations

*Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. 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.*

*None.*

# 11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:

<b>Certification decision:</b>	Certification approved
<b>Certification decision by (name of the person):</b>	Theodore Brauer
<b>Date of decision:</b>	07/Mar/2021
<b>Other comments:</b>	<i>Click or tap here to enter text.</i>