



# SCS Global Services Evaluation of Drax Biomass Inc.-Monroe, LA / United States Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

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# 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*

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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: Theodore Brauer

Current report completion date: 25/Nov/2020

Report authors: Tucker Watts

Name of the Company: Drax Biomass Inc.-Monroe, LA / United States, 1434 Pete Riviere Drive, Baton Rouge, LA 70767: Corporate address: Drax Biomass Inc., 1500 19th St., Suite 501, Monroe, LA 71201

Company contact for SBP: Kyla Cheynet 1500 19th St., Suite 501, Monroe, LA 71201  
+1 404 229-8847 kyla.cheynet@draxbiomass.com

Certified Supply Base: Highland Pellets, Drax Biomass

SBP Certificate Code: SBP-04-37

Date of certificate issue: 26/Jan/2019

Date of certificate expiry: 27/Jan/2024

This report relates to the Second Surveillance Audit

## 2 Scope of the evaluation and SBP certificate

This certificate covers the trade of SBP-certified biomass pellets, with point of purchase after material is received and loaded into storage and loaded onto vessel and equal to point of sale, and located in US ports of Port Allen, LA. The scope of the certificate does not include Supply Base Evaluation. It also covers the communication of Dynamic Batch Sustainability data.

### 3 Specific objective

The specific objective of this surveillance 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.

The following critical control points were identified and evaluated:

- Processes for procurement and processing, transport and storage
- Volume accounting method
- Documentation of transactions
- Energy data collection and reporting

## 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

Baton Rouge Transit (BRT) is a wood pellet receiving, storing, and shipping port facility located in Baton Rouge, LA, USA and owned by Drax Biomass. 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 organization buys pellets from the 3 SBP-certified Drax Biomass pellet mills (ABE, LBE, MBE) and third party SBP-certified organizations. Baton Rouge Transit sells pellets to their parent company in England. The ownership of the pellets is transferred to the parent company upon loading of the vessel.

## 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 Chain of Custody System is managed by Kyla Cheynet, Director of Sustainability. All locations are part of a multi-site system managed by the Central Office. DBI is certified to the FSC<sup>®</sup>, SFI<sup>®</sup>, and PEFC<sup>™</sup> Chain of Custody Standards.

Processing involves the receiving of pellets at Baton Rouge Transit from company owned plants and 3rd party plants. Wood pellets are then received, stored, and shipped.

DBI has purchased and sold 3rd party pellets. Third party pellet suppliers are SBP certified. At Baton Rouge Transit, raw material is received from 3<sup>rd</sup> parties through a contract. Volumes are entered electronically into the 3LOG System for receiving, inventory, and shipping. Traceability and segregation are provided by the 3LOG System. Baton Rouge Transit ships pellets to the parent company in England. The ownership of the pellets is transferred to the parent company upon loading of the vessel.



## 6 Evaluation process

### 6.1 Timing of evaluation activities

<b>Site Name or Location:</b>	Central Office – Monroe, LA	
<b>Date and Time of Audit:</b>	Monday, August 17, 2020	
<b>Audit Activity</b>	<b>Items to Review / Actions</b>	<b>Approx. Start Time</b>
Audit Preparation	Sustainability Team and Auditor meet to discuss plan for the day, outstanding issues, and audit needs	8:00 AM
Opening meeting	Introductions, auditor review of audit scope, audit plan and intro/update to FSC/PEFC/SFI/SBP and SCS standards and protocols, client description of organization.	9:00 AM
	Audit of SFI/FSC/PEFC Chain of Custody and SBP Standard 4	
Review of CoC procedures, products and material accounting	Written procedures, work instructions, product group list, accounting system (transfer, percentage or credit; physical separation, percentage method).	9:30 AM
Verification of calculations	Auditor-selected sample and verification of calculations for conversion factors, percentage claims, and credit accounts, as applicable.	10:30 AM
Evaluation of trademarks	Review of auditor-selected sample of FSC/PEFC and/or SCS on-product and/or promotional trademark uses.	11:00 AM
	Lunch	12:00 PM
Audit of FSC Controlled Wood and Supply Base Evaluation	FSC-STD-40-005, US National Risk Assessment, Mitigation Steps, Supply Base Evaluation. Review development, implementation, and mitigation.	1:00 PM
Audit of SFI/FSC/PEFC Multi-site Standard and SFI Fiber Sourcing Standard - Objectives 9-10	Review of Central Office function – Procedures, Training, Internal Audit, Management Review, Add/Removing sites	3:30 PM
Summary of day and review of findings	Virtually convene with all relevant staff to summarize findings, review identified nonconformities, and discuss next day.	4:15 PM

<b>Site Name or Location:</b>	Morehouse Bioenergy Plant, Bastrop, LA	
<b>Date and Time of Audit:</b>	Tuesday, August 18, 2020	
Audit Preparation	Sustainability Team and Auditor meet to discuss plan for the day, outstanding issues, and audit needs	8:00 AM
	Audit of SFI/FSC/PEFC Chain of Custody and SBP Standard 4	
Beginning of Day	Review plan for day. Begin audit of Morehouse Bioenergy Plant	8:30 AM
Review of CoC procedures, products and material accounting	Written procedures, work instructions, product group list, accounting system (transfer, percentage or credit; physical separation, percentage method).	8:45 AM
Verification of calculations	Auditor-selected sample and verification of calculations for conversion factors, percentage claims, and credit accounts, as applicable.	10:30 AM
Audit of SFI Fiber Sourcing Standard	<b><u>SFI 2015-2019 Fiber Sourcing Standard Review</u></b>  Objectives 1 to 10 Requirements for Fiber Sourcing Standard  2 Adherence to Best Management Practices 3 Use of Qualified Resource and Qualified Logging Professionals 6 Training & Education 7 Community Involvement & Landowner Outreach	11:00 AM
	Lunch	12:00 PM
Audit of FSC Controlled Wood and Supply Base Evaluation	FSC-STD-40-005, US National Risk Assessment, Mitigation Steps, Supply Base Evaluation. Review development, implementation, and mitigation.	1:30 PM
	Audit of LaSalle Bioenergy Plant, Urania, LA  Audit of SFI/FSC/PEFC Chain of Custody and SBP Standard 4	
Review of CoC procedures, products and material accounting	Written procedures, work instructions, product group list, accounting system (transfer, percentage or credit; physical separation, percentage method).	2::30 PM
Summary of day and review of findings	Virtually convene with all relevant staff to summarize findings, review identified nonconformities, and discuss next day.	4:00 PM
<b>Site Name or Location:</b>	LaSalle Bioenergy Plant, Urania, LA	
<b>Date and Time of Audit:</b>	Wednesday, August 19, 2020	

Audit Preparation	Sustainability Team and Auditor meet to discuss plan for the day, outstanding issues, and audit needs	8:00 AM
	Continue Audit of SFI/FSC/PEFC Chain of Custody and SBP Standard 4	
Beginning of Day	Review plan for day. Begin audit of Morehouse Bioenergy Plant	8:30 AM
Verification of calculations	Auditor-selected sample and verification of calculations for conversion factors, percentage claims, and credit accounts, as applicable.	8:45 AM
Audit of SFI Fiber Sourcing Standard	<p><b><u>SFI 2015-2019 Fiber Sourcing Standard Review</u></b></p> <p>Objectives 1 to 10 Requirements for Fiber Sourcing Standard</p> <p>2 Adherence to Best Management Practices</p> <p>3 Use of Qualified Resource and Qualified Logging Professionals</p> <p>6 Training &amp; Education</p> <p>7 Community Involvement &amp; Landowner Outreach</p>	10:00 AM
Audit of FSC Controlled Wood and Supply Base Evaluation	FSC-STD-40-005, US National Risk Assessment, Mitigation Steps, Supply Base Evaluation. Review development, implementation, and mitigation.	11:00 AM
Summary of day and review of findings	Virtually convene with all relevant staff to summarize findings, review identified nonconformities, and discuss next day.	12:00 PM
	Lunch	12:30 PM
Audit of SBP Standard 5	Review of calculations, bills, documentation	1:30 PM
Audit of SBP Standard 2	Review of reporting to SBP and public information	3:30 PM
Summary of day and review of findings	Virtually convene with all relevant staff to summarize findings, review identified nonconformities, and discuss next day.	4:30 PM
<b>Site Name or Location:</b>	Amite Bioenergy Plant, Gloster, MS	
<b>Date and Time of Audit:</b>	Thursday, August 20, 2020	
Audit Preparation	Sustainability Team and Auditor meet to discuss plan for the day, outstanding issues, and audit needs	8:00 AM
	Audit of SFI/FSC/PEFC Chain of Custody and SBP Standard 4	
Beginning of Day	Review plan for day. Begin audit of Amite Bioenergy Plant	8:30 AM

Review of CoC procedures, products and material accounting	Written procedures, work instructions, product group list, accounting system (transfer, percentage or credit; physical separation, percentage method).	8:45 AM
Verification of calculations	Auditor-selected sample and verification of calculations for conversion factors, percentage claims, and credit accounts, as applicable.	10:30 AM
Audit of SFI Fiber Sourcing Standard	<b><u>SFI 2015-2019 Fiber Sourcing Standard Review</u></b>  Objectives 1 to 10 Requirements for Fiber Sourcing Standard  2 Adherence to Best Management Practices 3 Use of Qualified Resource and Qualified Logging Professionals 6 Training & Education 7 Community Involvement & Landowner Outreach	11:00 AM
	Lunch	12:00 PM
Audit of FSC Controlled Wood and Supply Base Evaluation	FSC-STD-40-005, US National Risk Assessment, Mitigation Steps, Supply Base Evaluation. Review development, implementation, and mitigation.	1:30 PM
Closing meeting preparation	Auditor takes time to consolidate notes and review audit findings for presentation at closing meeting.	3:45 PM
<b>Site Name or Location:</b>	Central Office – Monroe, LA	
<b>Date and Time of Audit:</b>	Friday, August 21, 2020	
Closing meeting and review of findings	Virtually convene with all relevant staff to summarize remote audit findings, review identified nonconformities, and discuss next steps.	9:00 AM
<b>Site Name or Location:</b>	Baton Rouge Transit, Amite Bioenergy Plant	
<b>Date and Time of Audit:</b>	Thursday, September 3, 2020	
	Remote site visit of Baton Rouge Transit, Baton Rouge, LA	7:00 AM
	Remote site visit of Amite Bioenergy Plant, Gloster, MS	9:00 AM
<b>Site Name or Location:</b>	Morehouse Bioenergy Plant, LaSalle Bioenergy Plant	

<b>Date and Time of Audit:</b>	Thursday, September 10, 2020	
	Remote site visit of Morehouse Bioenergy Plant, Bastrop, LA	9:00 AM
	Remote site visit of LaSalle Bioenergy Plant, Urania, LA	2:00 PM
<b>Site Name or Location:</b>	Central Office Remote Planning of Interviews and Site Visits	
<b>Date and Time of Audit:</b>	Monday, October 5, 2020	
	Selection of primary sites to visit, and secondary and tertiary supplier interviews for Amite Bioenergy Plant, LaSalle Bioenergy Plant, and Morehouse Bioenergy Plant	2:00 PAM
<b>Site Name or Location:</b>	Morehouse Bioenergy Plant field site review	
<b>Date and Time of Audit:</b>	Wednesday, October 21, 2020	
	Visit of 4 selected field sites	8:00 AM
<b>Site Name or Location:</b>	LaSalle Bioenergy Plant field site review	
<b>Date and Time of Audit:</b>	Thursday, October 22, 2020	
	Visit of 6 selected field sites	8:00 AM
<b>Site Name or Location:</b>	Amite Bioenergy Plant field site review	
<b>Date and Time of Audit:</b>	Friday, October 23, 2020	
	Visit of 5 selected field sites	8:00 AM
<b>Site Name or Location:</b>	Remote call for Central Office	
<b>Date and Time of Audit:</b>	Friday, October 23, 2020	

Closing meeting and review of findings	Virtually convene with all relevant staff to summarize remote audit findings, review identified nonconformities, and discuss next steps.	3:30 PM
End		

*Total audit duration for this certificate was approximately 20h*

## 6.2 Description of evaluation activities

The Surveillance Audit included a remote audit using Microsoft Teams of the Documented Management System, Collection and Communication of Greenhouse Gas data, and Chain of Custody. Also included was a review of documentation, emails, databases and staff interviews. A remote site tour was conducted using FaceTime. Critical control points and monitoring locations were visited and discussed. Critical control points were witnessed in all areas.

## 6.3 Process for consultation with stakeholders

Not applicable.

# 7 Results

## 7.1 Main strengths and weaknesses

Strengths with respect to the BP's overall conformity include the diversity of sources and the experience of the personnel. Members of the organization have been and continue to be involved with the development of the SBP Standards and their evolution. Within the development/management team there are many years of experience in the area of operation. The capture of energy and GHG data works well, is centralized in a database system and substantiated by appropriate evidence.

For identified weaknesses please refer to the non-conformities and observations Section 10 in this report.

## 7.2 Rigour of Supply Base Evaluation

Not applicable.

## 7.3 Collection and Communication of Data

The BP is fully committed to collecting and reporting all greenhouse gas emissions data deemed necessary by its customer and regulators. The company uses proprietary software to collect and communicate the data.

## 7.4 Competency of involved personnel

Monitoring and managing of Drax Biomass Inc. is a combined effort of internal team members and external parties. Persons involved are very competent for the development and on-going monitoring. The Internal team consists of professionals that have a long history and expertise of working in the Supply Base individually, as well as in groups and associations. Internal team members have been actively involved in the development of the SBP requirements.

Personnel interviewed were very competent at the positions. The Director of Sustainability oversees the chain of custody certifications for all certificates related to Drax Biomass, including a Multisite certificate for SFI, FSC, and PEFC. The Director of Sustainability is responsible for overseeing the SBP trader's certification. She is assisted by Sustainability Foresters. They demonstrated a deep understanding of the SBP process and background. They also calculate Greenhouse Gas emissions for all sites with SBP certification. Managers and foresters understand the requirements for BPs and traders and showed a good understanding of what documents need to be passed on.

## 7.5 Stakeholder feedback

Not applicable.

## 7.6 Preconditions

No preconditions were issued by the certification body.

## 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 identified.

# 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 is approved
<b>Certification decision by (name of the person):</b>	Theodore Brauer
<b>Date of decision:</b>	19/02/2021
<b>Other comments:</b>	<i>Click or tap here to enter text.</i>