



**BUREAU
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**Bureau Veritas Certification
North America, Inc.
SFI Fiber Sourcing Audit Report**

390 Benmar Drive, Suite 100
Houston, TX 77060
Phone (281) 986-1300: Toll Free (800) 937-9311

Company Name	Enviva, LP
Contact Person	Allison Welde
Address	7200 Wisconsin, Ave., Suite 1100, Bethesda, MD 20814
Phone / Fax	301.657.5560 / 301.657.5567
PQC Code	E06

Contract Number:	US.1548479	Certification Audit:		Re-Certification Audit:		X	Surveillance: (Indicate visit # or Pre-Assessment)	
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Audit Summary

Introduction

This report summarizes the renewal audit of Enviva, LP’s SFI Fiber Sourcing Program. The audit was conducted on March 4, 2014 at the Enviva Headquarters in Bethesda, MD; March 6, 2014 at the DVP Hopewell, VA site; March 18, 2014 at the Wiggins, MS mill and March 20, 2014 at the Amory, MS mill.

Gary Boyd served as lead auditor throughout the audit process. Ms. Allison Welde, Enviva’s SFI representative, provided audit planning and logistical support that contributed to successful execution of the audit. This audit was also done in conjunction with its chain of custody surveillance audit.

Audit Scope, Objectives and Process

The scope of the audit was “Wood Procurement” for Enviva LP’s pellet mills in Amory and Wiggins, Mississippi, and the DVP site in Hopewell, VA. The Lead Auditor determined this statement accurately reflected the scope of the audit.

The audit was conducted against the 2010-2014 SFI Standard for a procurement only organization. Specifically, two objectives of the SFI audit were to verify that the Program Participant’s SFI Program is in conformance with the SFI Objectives, Performance Measures, and Indicators and verify whether the Program Participant has effectively implemented its SFI Standard program requirements. The audit was conducted against objectives 8, 9, 10, 14, 15, 16, 17, 19 and 20.

Audit Plan

The audit began on March 4, 2014 at Enviva LP’s corporate office in Bethesda, MD. An opening meeting was held and the objectives for the renewal audit were outlined and the audit process for collecting evidence and making audit findings was explained. Findings of non-conformance and opportunities for improvement were also explained. The audit plan was discussed and agreed to, and the time and date of the closing meeting was also confirmed. There were no substitutions or modifications of SFI indicators.

A copy of the audit plan is maintained on file by Bureau Veritas Certification. Standard Bureau Veritas Certification protocols and forms were applied throughout the audit as provided by the most recent version of the Bureau Veritas Certification SFI Auditor Handbook available on the auditor

access website.

Company Information

Enviva, LP produces wood pellets at six facilities in Louisiana, Mississippi, North Carolina and Virginia. The company also supplies biomass fuel for two electric facilities owned by DVP in Virginia.

Enviva procures a variety of raw material for the pellet mills. Raw material includes residual chips and sawdust from primary processors of logs, harvest residue, wood debris, in-woods chips and roundwood. The Wiggins mill receives chips from a contract chip mill located adjacent to the mill. The chip mill receives roundwood, and converts the roundwood to chips prior to delivery to the Wiggins mill. The Amory mill uses mill residuals and in woods chips.

Multi-Site Requirements

Enviva, LP's owns pellet mills located in Mississippi, North Carolina and Virginia. The company has a contract with Bayou Wood Pellets for the facility located in Louisiana. This contract is expiring in 2014 and will not be renewed. The two DVP sites are supplied by Enviva LP through procurement contracts. All sites are part of Enviva's SFI program and internal audits have been conducted on all sites prior to this renewal audit. A management review was also completed reviewing the results of their internal audits.

Sites	Sites Audited During this Event
Bethesda, MD (Central Office)	X
Wiggins, MS	X
Amory, MS	X
Ahoskie, NC	
Northampton, NC	
Bayou Wood Pellets – West Monroe, LA	
DVP – Hopewell, VA	X
DVP – Southampton, VA	
Southampton, VA	

Audit Results

A review of system documentation indicated the organization's program continues to meet the intent of the SFI 2010-2014 standard. The company continues to implement an excellent set of documented procedures. All personnel interviewed during the renewal audit demonstrated knowledge of SFI requirements, and did an excellent job of presenting evidence to support Enviva's SFI program. During the renewal audit, a total of six (6) BMP inspections were visited at DVP-Hopewell and Wiggins, MS. All gatewood tracts visited during the audit were in compliance with state BMP's. No tracts were visited during the Amory audit because they do not receive any non-SFI certified wood directly from the woods.

Below is a summary of the audit results by applicable objective.

Objective 8: Enviva provides copies SIC Landowner Packets to its suppliers of gatewood for distribution to private landowners whose wood is delivered to Enviva mills and DVP plants. Enviva does not purchase stumpage. Several members of Enviva's procurement staff are ATFS inspectors.

Objective 9: Enviva does not accept roundwood from any suppliers that have not completed and are current in a State SIC approved logger training course.

Objective 10: Enviva has developed inventory plans for each facility and has plans to increase wood deliveries should inventory levels fall below target levels. Enviva monitors BMP implementation on its gatewood suppliers by conducting tract inspections. Gatewood tracts that were audited as part of this audit were found to be in compliance with state BMPs. The company has also developed a database to assist the company is analyzing BMP and SFI compliance for improvement goals. Enviva reviews the results of the BMP inspections at least annually at the management review meeting.

Objective 14: Enviva maintains a list of federal agency websites that list laws and regulations. State and local laws are not covered completely. The SFI Procurement Program documentation is the framework to ensure the Enviva procurement operations are in compliance with applicable laws and regulations.

Objective 15: Enviva is a member of the National Council on Air and Stream Improvement. Enviva has developed growth and drain assessments for each mill.

Objective 16: Employee training requirements are specified. Records verified all training has occurred as required. The company requires that all gatewood suppliers have completed and are current in a State SIC approved logger training course.

Objective 17: Enviva is an active member of the State SIC in each state where it procures wood.

Objective 19: Enviva had posted its previous audit reports on the SFI, Inc. website as required for public review. The 2013 SFI annual progress report had been submitted prior to the March 15 deadline.

Objective 20: The company has a management review process in place. Management review minutes verified the meeting is held annually as required by the SFI Standard.

Findings

Previous non-conformances:

None.

Non-conformances:

None.

Opportunities for Improvement:

One opportunity for improvement was identified during the audit.

Objective 14, PM 14.1, Indicator 1: While Appendix IV – Environmental Laws & Regulations contained primarily all federal laws it did not cover state and local regulations thoroughly.

Notable Practices:

One notable practice was identified during the audit.

Objective 10, PM 10.2, Indicator 2: The company has developed a database where all BMP inspections are entered and trends will be analysed for future continual improvement goals.

Logo/label use:

Enviva, LP does not intend to use the SFI label or the BVC logo on products. Enviva does intend to

use the SFI logo on marketing sales and materials. All logos observed met SFI requirements for usage and approvals were reviewed.

SFI reporting:

During the headquarters audit, the auditor verified that the previous audit report was posted on the SFI website.

Conclusions

Provide a statement of the audit conclusions; date of closing meeting, audit conclusion provided by the lead auditor (immediate certification for initials, or continued certification for surveillances and renewals if there are no non-conformances,), conditional certification if there are non-conformances, or denial of certification). Provide timing of non-conformance closure, and to whom corrective actions must be submitted. Add a follow-up statement to this section when non-conformances are closed to indicate the company is now ready to proceed to or continue certification.

Surveillance Audit Schedule

The next surveillance audit should be scheduled for March 2015.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:						
Audit Date(s):	From: March 4, 2014			To: March 20, 2014		
Number of SF02's Raised:	Major:		0		Minor:	0
Is a follow up visit required:	Yes	No	X	Date(s) of follow up visit:		
Follow-up visit remarks:						
Team Leader Recommendation:						
Corrective Action Plan (s) Accepted	Yes	No		Date:	NA	
Proceed to/Continue Certification	Yes	X	No	Date:	March 20, 2014	
All NCR's Cleared	Yes	No		Date:	NA	
Standard audit conducted against:						
1)	SFI Standard 2010-2014	3)				
2)		4)				
Team Leader (1):		Team Members (2,3,4...)				
Gary Boyd		2)				
		3)				
Scope of Supply: (scope statement must be verified and appear in the space below)						
Wood Procurement						
Accreditation's	ANAB					
Number of Certificates	6					
Proposed Date for Next Audit Event						
Date	March 2015					
Audit Report Distribution						
Allison Welde allison.welde@envivabiomass.com						
Melani Potts melani.potts@us.bureauveritas.com						

Clause	Audit Report
Opening Meeting	Participants: Ed Sontag, allison Welde, Lauren Lasek, Gary Boyd Discussions: <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous nonconformances - 0. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	Participants: Ed Sontag, allison Welde, Lauren Lasek, Davis Lovelace, Kelly Raulerson, Gary Boyd Discussions: <ul style="list-style-type: none"> ➤ Introductions and appreciation for selecting Bureau Veritas Certification. ➤ Review of audit process - process approach and sampling. ➤ Review of OFIs and System Strengths ➤ Nonconformances - 0 ➤ Date for next audit. ➤ Reporting protocol and timing