

Supply Base Report: Vanderwell Contractors (1971) Ltd.

Re-assessment

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Completed in accordance with the Supply Base Report Template Version 1.5

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

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Annex 1: Detailed findings for Supply Base Evaluation indicators

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1 Overview

Producer name: Vanderwell Contractors (1971) Ltd.

Producer address: 44061 West Mitsue Industrial Road, Box 415, T0G 2A0 Slave Lake,

Canada

SBP Certificate Code: SBP-07-17

Geographic position: 55.269400, -114.591800

Primary contact: Mike Haire, + 1 780 849 3824 or +1 780 805

5721,mike.haire@vanderwell.com

Company website: http://www.vanderwell.com

Date report finalised: N/A

Close of last CB audit: 27 Feb 2023

Name of CB: Preferred by Nature OÜ

SBP Standard(s) used: SBP Standard 2: Verification of SBP-compliant Feedstock

Weblink to Standard(s) used: https://sbp-cert.org/documents/standards-documents/standards

SBP Endorsed Regional Risk Assessment: Not applicable

Weblink to SBR on Company website: N/A

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations								
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Re- assessment			
					×			

2 Description of the Supply Base

2.1 General description

Feedstock types: Secondary

Includes Supply Base evaluation (SBE): No

Includes REDII: No

Includes REDII SBE: No

Feedstock origin (countries): Canada

2.2 Description of countries included in the Supply Base

Country: Canada

Area/Region: Alberta

Sub-Scope: N/A

Exclusions: No

The supply base for the companies sawmill operations is within the province of Alberta, Canada. Generally, all required logs for the sawmill come from the Slave Lake region of Alberta located in the North Central part of the province which is in the boreal forest. The majority of the forest is government owned crown land that is managed by the forest companies operating in the region under long term tenure agreements. There are minor amounts of forested private land within the region as well that form a portion of the supply base. The main forest based industry operating on crown land within the forest is the local forest industry. The other main industry that is very active within the forest is the Oil and Gas industry in both development and ongoing operations of oil and gas fields. These two industries are the main industries within the region along with agriculture, tourism and other service industries.

Complete Supply Base Region, Vanderwell Contractors (1971) Ltd.

The supply base is part of the boreal forest where it consists of conifer, conifer/deciduous mixedwood and deciduous dominated stands. The commercial tree species present within the forest is White Spruce (Picea glauca), Black Spruce (Picea mariana), Lodgepole Pine (Pinus contorta), Jack Pine (Pinus banksiana), Balsam Fir (Abies balsamia), Trembling Aspen (Populus tremuloides), Balsam Poplar (Populus balsamifera) and White Birch (Betula papyrifera). There is no presence of any tree species listed on CITES. Caribou are listed as an IUCN species and is present within some of the companies supply region. Vanderwell follows all applicable provincial and federal laws for operating within caribou ranges. All crown forest land within this region of Alberta falls under a Detailed Forest Management Plan and key component of all Detailed Forest Management Plans (DFMP) is to address wildlife habitat in both the short and long term at the landscape level. As well, the company is currently working with the Government of Alberta to develop Caribou range plans to meet the Federal Species at Risk Legislation. Once completed all DFMP's are required to align with these new range plans that address caribou habitat targets over time.

Complete Supply Region with Ecoregions, Vanderwell Contractors (1971) Ltd.

As a requirement of tenure agreements with the Government of Alberta all Forest Management Agreement holders must develop long term Forest Management Plans for the specific FMA's. These management plans are required to meet the government standards and provide for a sustainable harvest level for each FMA that also address other non-timber values etc. All management plans are monitored on a periodic basis coupled with a new management plan developed every 10 years for the FMA. This process helps to ensure the harvesting and management practices are sustainable in both the short and long term. As part of government regulation all companies operating on crown land are required to reforest harvest areas within 2 years of harvest coupled with regulated monitoring and reporting of growth at specified intervals. This forms part of the continual improvement of sustainable forest management to ensure growth rates used in long term forecasting are being achieved on an ongoing basis.

The companies sawmill only utilizes conifer (Spruce, Pine and Fir) logs to manufacture dimensional lumber. The majority of the logs, approximately 95%, that are sourced for the sawmill come from either the companies operations which are certified to the SFI Forest Management Standard or purchased logs from 2 other major companies operations that come from either SFI or FSC certified forests. There are minor amounts purchased, approximately 5%, that come from small operators on crown land, private land owners and other industrial activities. The number of these suppliers varies greatly from year to year but range from 5-10 different suppliers. The company is also certified to the SFI Fibre Sourcing Standard along with PEFC Chain of Custody. Within our PEFC CoC system 80% of the logs are considered SFI certified with 15% being uncertified from an FSC managed forest and approximately 5% uncertified from other sources. 100% of the logs are considered SBP compliant or SBP controlled because they are either certified or controlled and fall within the companies SFI Fibre Sourcing and PEFC certification.

The pellet plant only consumes residual material in the form of sawdust and shavings from the companies sawmill. No other sawmill residuals are sourced for the manufacture of pellets nor is there any processing of logs specifically for the manufacture of pellets. All the residual material is considered secondary feedstock for the production of biomass (white wood pellets).

2.3 Actions taken to promote certification amongst feedstock supplier

All major suppliers of logs are forest management certified to either SFI or FSC. The minor suppliers that are not certified to a forest management standard are provided information related to BMP's etc. when entering into a log purchase agreement. The majority of these small entities or land owners will not work toward forest management certification because they are not required to manage the forest they are working in. The company does not buy feedstock directly related to the production of pellets. The only material that is purchased is in the form of logs for the sawmill which is why the forest management certifications are promoted.

2.4 Quantification of the Supply Base

Supply Base

- a. Total Supply Base area (million ha): 7.50
- **b.** Tenure by type (million ha):7.40 (Public), 0.10 (Privately owned)
- c. Forest by type (million ha):7.40 (Boreal)
- d. Forest by management type (million ha):7.40 (Managed natural)

e. Certified forest by scheme (million ha):1.50 (SFI), 5.90 (FSC)

Describe the harvesting type which best describes how your material is sourced: Clearcutting

Explanation: NA

Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes -

Majority

Explanation: The forest supports the forest products industry for the manufacture of dimensional lumber,

pulp and OSB

For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling? Yes - Majority

Explanation: All areas harvested must be reforested within 2 years of harvest completion

Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? No

Explanation: NA

What is the estimated amount of REDII-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated): N/A

Explanation: N/A

Feedstock

Reporting period from: 01 Oct 2022

Reporting period to: 30 Sep 2023

- a. Total volume of Feedstock: 1-200,000 tonnes
- b. Volume of primary feedstock: 0 N/A
- c. List percentage of primary feedstock, by the following categories.
 - Certified to an SBP-approved Forest Management Scheme: N/A
 - Not certified to an SBP-approved Forest Management Scheme: N/A
- d. List of all the species in primary feedstock, including scientific name:
- e. Is any of the feedstock used likely to have come from protected or threatened species? N/A
 - Name of species: N/A
 - Biomass proportion, by weight, that is likely to be composed of that species (%):
- f. Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):
- g. Softwood (i.e. coniferous trees): specify proportion of biomass from (%):
- h. Proportion of biomass composed of or derived from saw logs (%):
- i. Specify the local regulations or industry standards that define saw logs: N/A
- j. Roundwood from final fellings from forests with > 40 yr rotation times Average % volume of fellings delivered to BP (%):
- k. Volume of primary feedstock from primary forest: N/A
- I. List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:
 - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: N/A
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A

- m. Volume of secondary feedstock: 1-200,000 tonnes
 - Physical form of the feedstock: Sawdust
- n. Volume of tertiary feedstock: $0\ N/A$
 - Physical form of the feedstock:
- o. Estimated amount of REDII-compliant sustainable feedstock that could be collected annually by the BP: N/A

Proportion of feedstock sourced per type of claim during the reporting period							
Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %			
Primary							
Secondary		0.00	100.00				
Tertiary							
Other							

3 Requirement for a Supply Base Evaluation

Note: Annex 1 is generated by the system if the SBE is used without Region Risk Assessment(s). Annex 2 is generated if RED II SBE is in the scope.

Is Supply Base Evaluation (SBE) is completed? No

N/A

Is REDII SBE completed? N/A

4 Supply Base Evaluation

Note: Annex 2 is generated if RED II is in the scope.

4.1 Scope

Feedstock types included in SBE:

SBP-endorsed Regional Risk Assessments used: Not applicable

List of countries and regions included in the SBE:

4.2 Justification

N/A

4.3 Results of risk assessment and Supplier Verification Programme

N/A

4.4 Conclusion

5 Supply Base Evaluation process

6 Stakeholder consultation

N/A

6.1 Response to stakeholder comments

7 Mitigation measures

7.1 Mitigation measures

7.2 Monitoring and outcomes

8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? N/A

9 Review of report

9.1 Peer review

N/A

9.2 Public or additional reviews

10 Approval of report

Approval of Supply Base Report by senior management						
Report Prepared	Mike Haire	Woodlands Manager	02 Dec 2023			
by:	Name	Title	Date			

The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.

Annex 1: Detailed findings for Supply Base Evaluation indicators

Annex 2: Detailed findings for REDII Section 1. RED II Supply Base Evaluation

Section 2. RED II detailed findings for secondary and tertiary feedstock

10.1 Verification and monitoring of suppliers

N/A

10.2 Feedstock inspection and classification upon receipt

N/A

10.3 Supplier audit for secondary and tertiary feedstock