



## BSL Advisory Panel – Decisions and Actions

### Meeting 05

<b>Time and date</b>	11:00 – 15:00, Wednesday 17 <sup>th</sup> January 2018
<b>Venue</b>	Gemserv, 8 Fenchurch Place, London, EC3M4AJ
<b>Date of issue</b>	31/01/2017

#### 1. Welcome and housekeeping

The Chair welcomed attendees to the fifth meeting of the BSL Advisory Panel and suggested that introductions should be made as there were two new representatives, Richard Coulson (RWE) and Calum Snowie (Scot Heating). The Chair then ran through the proposed objectives for the meeting.

- i. **Recap** on what was covered in the last meeting
- ii. **Provide updates** on the BSL service including general service review, contract, numbers, issues & progress
- iii. **Provide updates** on developments and progress on waste wood following discussions in the previous meeting
- iv. **Discuss** options on quality and the BSL and **AGREE** next steps
- v. **Discuss** options for large supplier requirement – Bulk uploads
- vi. **Discuss and AGREE** priorities for issues previously identified and determine actions to be taken forward

#### 2. Review of minutes and actions from Panel 04

No comments were received on the draft meeting summary of Panel 04 and the summary was agreed to be an accurate representation of the meeting and was finalised.

The Chair ran through the open actions from previous meetings and provided updates and outcomes for each set out below:

Action Ref.	Action	Update	Further update
02-13	Update BSL definition of forest management plan and evidencing requirements (BSL Administrator w/ DMcK)	<p>The Chair explained that the definition of a 'Forestry Management Plan' on the BSL portal had been updated. In addition to this, a management plan has been drafted. HBF informed the panel of the changes, which included why an RBRA may be required if the management plan is deemed insufficient. IT took an action; write to Richard Howe (UK Forestry Standard) about Forestry Commission Scotland, Forestry Commission England and Natural Resources Wales coming to an agreement.</p> <p><b>Status:</b> Open</p>	<p>IT explained that there is not a great deal to report on having spoken with Richard Howe and Jason Hubert. The UK Forestry Standard is being interpreted differently by different administrators. IT suspects there will be more emphasis on trade associations to try and ensure there is a common approach. Richard Howe and IT presented the revised Forestry Standards and woodland owners have said it takes too long to approve management plans (around 120 days). Forestry Commission England (FC England) have different ways to deal with Forestry Management Plans and are currently trying to improve the process. These improvements are focussing on the inefficiencies between the owners, agents and FC England. IT informed the Panel of a pilot project in the South East of England where the area team pulled the relevant agents together and described exactly what they want to see in Management Plans. The result was very positive and FC England is moving in a good direction, slowly but surely. IT proposed to keep open.</p>
03-08	Develop coordinated plan to issue communications to target audience about ensuring right quality of wood is burnt in appropriate boilers, including targeting MCS installers	<p>The BSL Administrators provided an update in which communications were issued to MCS installers w/c/ 26<sup>th</sup> Sept via the MCS team at Gemserv as well as confirmation from REI that they will publish the article on their website and magazine. The Chair asked whether this is a one-off publication or the start of an on-going agreement/plan to keep boiler installers informed. He also added that it would be useful to see if the communications</p>	<p>This was discussed under agenda item 9. Ongoing communications will be made known to the Panel as part of the BSL updates.</p>

		<p>have an impact on the numbers of boilers burning waste wood. Focus on development and planning.</p>	
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**Status:** Open

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Action ref	Action	Update	Further Update
04-01	Ian Tubby and Andrew Heald to contact Richard Howe (UK Forestry Standard) about Forestry Commission Scotland, Forestry Commission England and Natural Resources Wales coming to an agreement.	Discussed under Action 02-13.  Status: Open	-
04-02	BSL Administrator to recirculate the recorded huddle webinar.	Huddle have updated their website, so the original webinar is now redundant. Waiting for Huddle to release a new guide/webinar opportunity.  Status: Open	-
04-03	BSL Administrator to report to Panel any feedback received regarding the installer communications.	Discussed under agenda item 9  Status: Closed	-
04-04	BSL Administrators to review and update the Chair election process within the Terms of Reference.	Discussed under agenda item 3  Status: Open	The Panel discussed the chair election process and new actions regarding fuel category representatives. Status: Closed
04-05	BSL Administrators to provide a breakdown of time taken to approve applications and the rates of removals.	These actions were discussed under agenda item 4.	Status: Closed
04-06	BSL Administrator to provide a breakdown of cost incurred in the next Administrator update.	These actions were discussed under agenda item 4.	Status: Closed
04-07	IT to share the pellet statistics with the Panel via Huddle.	Verbal update to be made at Panel. Status: Open	IT has not had a chance to provide pellet statistics yet Status: Open

04-08	BSL Administrator to provide figures on what BSL numbers are being sold to other Suppliers.	These actions were discussed under agenda item 4.	Status: Closed
04-09	Ofgem to share with Panel the results of biomass project: eligible heat output vs tonnage input, when available.	To be discussed under agenda item 5. Status: Open	The Panel discussed the magnitude of the task and new actions on exactly what data is required to complete the project. Status: Closed
04-10	BSL Administrator circulate a communication to BSL Suppliers to reinforce the importance of complying with scheme requirements and the consequences of not doing so.	To be discussed under agenda item 9. Status: Propose to close	Panel discussed that educating the suppliers should be implemented in the communications plan. New actions came to circulate the comms plan to Panel. Status: Closed
04-11	HBF to upload the waste wood guidance power point on to Huddle.	HBF uploaded this on 04/10/2017 Status: Closed	-
04-12	BSL Administrator to work with HBF to develop guidance for helpdesk regarding the waste wood guidance requirements. BSL Administrator to share this text with Ofgem	To be discussed under agenda item 6. Status: Open	Remain open until agreement reached. Status: Open
04-13	WHA and Ofgem to discuss the possibilities in solving the problem of claiming RHI for drying purposes.	To be discussed under agenda item 5. Status: Propose to close	LB relayed that he had presented at a WHA meeting to raise awareness of claiming RHI for drying purposes Status: Closed
04-14	BSL Administrator to add LB to Huddle.	LB has now been added to Huddle. Status: Closed	-
04-15	JMJ to bring forward proposals for how we could combine quality and Health & Safety together with the	To be discussed under agenda item 8.	Panel discussed and further actions have come from this in terms of

	BSL. ML has volunteered to help with this.	Status: Propose to close	educating consumers and code of practice on quality. Status: Closed
04-16	BSL Administrator to create a BSL Quality folder on Huddle.	BSL Quality folder has now been created. Status: Closed	-
04-17	BSL Administrator to include a breakdown of fuel type (i.e virgin, waste). This should be included as well as the subtotals of the quantities of wood fuel for the next meeting.	These actions were discussed under agenda item 4.	Status: Closed
04-18	BSL administrator to meet with Ofgem to create a communications plan.	To be discussed under agenda item 9. Status: Propose to close	Status: Closed
04-19	BSL Administrator to add overseas audits as an agenda item for the next Panel Meeting.	These actions were discussed under agenda item 4.	Status: Closed
04-20	BSL Administrator to circulate potential panel meeting dates.	To be discussed under agenda item 12. Status: Closed	Dates circulated Status: Closed

### 3. Review ToR

BSL Administrator led on this. IJ explained that according to the current Terms of Reference, an election will take place no later than 4<sup>th</sup> October 2019. IJ also explained the timescales for members leaving and joining. Additionally, there was a need to replace the current vacancies and gaps they represent.

The Chair pointed out that a member resigned at the beginning of 2017 but was unsure as to which area they represented. The BSL Administrator took an action to investigate.

ML had asked about the position of membership through acquisition. Explaining that mergers have occurred, and it would not be a clear representation of the industry and market. The Chair



asked the Panel if they feel that new representatives are required to cover new areas. DMck stated that his parent company are briquette manufacturers and happy to cover that fuel type. AH proposed that he can represent Self-Suppliers and Producers and that bringing in a member from the Small Woodland Owners could prove to be very useful. The Chair suggested that the ToR could be updated to cover members representing multiple parties.

<b>Action Panel 05-01</b>	BSL Administrator to investigate early resignations from the Panel and which area they represented.
<b>Action Panel 05-02</b>	AH to speak to Small Woodland Owners regarding representatives(s) at the Panel.
<b>Action Panel 05-03</b>	BSL Administrator to amend the ToR to include a section on allowing members to represent multiple categories.

#### 4. BSL Administrator update

The BSL Administrator led on the service level update. ML questioned the operating cost vs capital cost. In addition, where breakeven point is, cost projections and bring forward figures and options on what to do if there is a shortfall or even a surplus.

Questions were raised by the Panel in terms of the quarterly reporting figures and if these could potentially be made public. It was noted that extreme due diligence is needed and a high-level overview as the figures will be primarily for consumers. FA mentioned it would also be useful to publish the carbon savings associated.

<b>Action Panel 05-04</b>	BSL Administrator to see if the statistics could be made publicly available. In addition to this, look at forecasting figures and attempt to consider the greenhouse gas savings associated with the registered fuels.
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LB questioned if any suppliers have been removed due to not paying their membership/tonnage fees. The BSL Administrator explained that the communication methods have changed to be more effective and not just via email. The percentage of non-payers has decreased from 10% to ~6% due to the way the BSL Administrator has targeted suppliers.

Independent audit – The BSL Administrator explained that three auditors have been contacted regarding the scope of the audit. Two of which had said they cannot carry out the audit but one has informed us that they may be able to carry this out pending more information provided to



them by us. Once this has been agreed, an estimated cost will be presented to the BSL Administrator and a decision will be made if it is financially feasible. A point was made by IJ that auditors seem to be struggling with the scope of the audit required and asked the Panel if they have any suggestions.

AF suggested having a broken-down audit process. Parts of the wider scope will be done incrementally – for example, finance first and then work through the list of the scope so that it is not so strenuous on auditors.

AH suggested the possibility of SGS to carry out the audit. Additionally, an accountant could review and sign off the BSL finances. The £5k budget may prove to be too little.

<b>Action Panel 05-05</b>	Gemserv to look into where the £5k budget had originated.
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## 5. Ofgem update

Eligible heat output query was at the forefront of LB's update. He explained that the BSL Administrator provided Ofgem with tonnage data and Ofgem had tried to link this data to RHI boiler heat output. LB explained that this analysis has proven to be a very difficult task due to the vast limitations. Some of which include the fact that a BSL number can be used across multiple RHI installations, fuels can be supplemented with other BSL numbers and use SFR fuels too. When compliant with the sustainability requirements, participants submit data on a quarterly basis to Ofgem, who do not require the participants to submit tonnages on quarterly basis. Other limitations include the setup of the installation, some of the fuel is used for ineligible incentive, meter setup etc.

Ofgem had tried to carry out the above analysis on some of the most frequently used BSL numbers and quantities used at certain installations but weren't able to gather meaningful data. FA stated that it is more a case of identifying fraudulent activities that can be flagged.

LB mentioned that more information on enforcement of eligible heat output will be provided soon.

Additionally, LB noted that the next RHI newsletter will be including enforcement. This includes rejections in commissioning installations, counter fraud which results in applicants withdrawing.

AF proposed to LB if this is something that Ofgem would like to run past the Panel. LB responded by saying that he would like this to remain with Ofgem for the time being but has the potential to open this to the Panel at a later stage.





ML pointed out that clarity on which sets of data come from and what is needed to carry out the task. This will then narrow down exactly which variables and data needs to be considered to carry out the full analysis on tonnage vs eligible heat output. FA questioned whether Ofgem are receiving information on boiler efficiencies.

<b>Action Panel 05-06</b>	JMJ and FA to consider what kind of data would be useful for industry and why such as to determine fuel efficiencies, GHG savings, usage of fuels, drying, processing.
<b>Action Panel 05-07</b>	BSL Administrator to create folder on Huddle for tonnage vs eligible heat output so that discussions can be held on what information would be useful.

## 6. Waste wood guidance and RPS

The Panel recapped on what has happened on the subject of waste wood since the last Panel meeting.

The Chair stated that towards the end of 2016, the Panel recommended that waste wood guidance should come about for suppliers to give them clarity on the use of waste wood in RHI boilers. Various iterations have been made since. During the last Panel meeting (Oct 2017), the Panel discussed the pending Environment Agency (EA) regulatory position statement – HBF put forward a set of proposals for the Panel to discuss and agree on. The Panel agreed that in line with current legislation users cannot use any waste wood, including pallet and packaging wood, unless it is clean untreated pre-consumer wood.

Since then, the RPS has been published. It mentions that customers cannot use mixed or treated wood fuel in a non WID compliant plant. The decision that Panel made was an interpretation of the RPS by the BSL in effect. Further discussions have taken place to consider the implications for Ofgem and Gemserv based on the implementation of the guidance.

AF mentioned that the Panel will need to ensure that we are not deflecting this problem from Gemserv to Ofgem but finding an overall solution is key.

<b>Action Panel 05-08</b>	AF to produce an BSL waste wood options paper that BEIS directors can consider. Financial and political decisions need to be made from this.
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JT voiced WRA's view on grade A pallet and packaging in a non WID boiler, as guidance by local authorities and the EA are not clear. They are waiting for local authority guidance to be changed as grade B is more than likely being sold and is not commercially viable. If the local authority guidance was updated, then people with a part B permit can no longer burn treated wood that's not on their emissions certificate.

RC stated that the current wood grading system is no longer appropriate for fuel as it is now 15/20 years old and was developed before the RHI. New guidance is being developed for issue later this year.

The Chair explained to the Panel that BSL guidance will not be issued until BEIS have made a decision from the options paper.

## 7. Land Criteria

HBF pointed out that the Woodfuel advice note 2 was issued in March last year, states that pre-consumer recycled materials such as sawdust must comply with the woody biomass land criteria. HBF explained that this is fine if it's from a sawmill in the UK as an RBRA can be completed, but it is different for international source.

The Panel agreed that this is a mistake in the wording and it should be reported to BEIS.

<b>Action Panel 05-09</b>	HBF to provide a revised form of working and submit this to BEIS. HBF to circulate the amendments via Huddle/email.
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## 8. BSL & Quality

The Chair re-stated that the BSL and quality are being confused. For example, suppliers who are not signing up to ENPlus because they think that the BSL is sufficient as a quality standard. The question was raised as to whether there is something that can be done to avoid confusion linking BSL directly with quality. If there is a proposal, how would it be implemented and would it be simple and cost effective. The process would ideally avoid legislation as this is too expensive and time consuming.

Potential routes are:



1. Support fuel quality and standards, education and EA legislation clarification
2. Support for installation, quality standards and education plus self-regulation (quality)
3. Update and clarify EA legislation and resource enforcement (emissions).

Option: 1 or 2+3

FA commented on the terms of deciding what standard suppliers need to meet. If there is nobody to check the quality of the pellets, then the value is diluted. He explained that there are also illegal risks by excluding certain “players” or certification bodies i.e. BSL only accepting ENPlus wood fuels. Installation and storage should be important, as that is where the biggest gaps are in the non-domestic market. If the Government is interested in providing money to industry, FA would propose that it goes to the installation side, as problems become apparent when good quality fuel is used in a poorly installed boiler.

AH stated that if the BSL became a quality mark then suppliers will drop out of Woodsure and ENplus. He suggested that it is important to not replace ENplus, but to adopt standards. ENplus is not a UK standard, it's an international one. AH would rather direct suppliers to Woodsure and ENplus.

ML feels that education is the best and easiest angle to remove subjective behaviour.

The Chair asked who would pay for the education and how would it be physically implemented. ML commented that if there is a surplus, the Panel can use it for the education.

<b>Action Panel 05-10</b>	ML to take forward education and think about a plan to address this to consumers.
<b>Action Panel 05-11</b>	BSL Administrator to add BSL code of practice on quality to the next agenda item.

## 9. Stakeholder communications

The BSL Administrator displayed the list of historical communications that has been circulated to BSL stakeholders. This was an in-depth view of what type of communications have been sent and which target audience it was aimed at.

The Chair stated that important stakeholders for the BSL are also NGO's. The communications plan can be used going forward to try and review what messaging the BSL needs to get out to address a wider range of audiences. It was suggested to re-circulate the list of communications to the Panel and for Panel to comment on what can be done moving forward.

<b>Action Panel 05-12</b>	BSL Administrator to re-circulate the communications plan for Panels input.
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#### **10. Large supplier requirements**

The case from a large supplier was presented to the Panel to consider a proposed solution.

FA mentioned that if the data set out in agenda item 5 is made public, then the true greenhouse gas saving for each fuel lifecycle will not be a true representation because the worst-case scenario is hindering this. DMck thought that this proposed solution would not make a very big difference and the risk would be very small.

The Chair stated that this may cause danger in setting a precedent. The Chair pointed out that if the proposed solution/work around is approved then it essentially undermines the reason the BSL was introduced and could have an impact on the Renewables Obligation and Contracts for Difference schemes.

He stated that this is mainly about the supplier's software not being configured to operate under the BSL.

HBF stated that mileage should be included in the trader applications and that the supplier should know which BSL number is being sold from which depot.

#### **11. Pellet shortage**

The Panel felt that this ties into the education section mentioned in the BSL quality topic. FA mentioned that the BSL Administrator could direct the suppliers to ENplus if the fuel in question has said to be ENplus accredited.

AF mentioned that Ofgem have a similar situation in terms of a spike in queries relating to the fuel quality of pellets.

The consensus was that education is key.

**12. Priority items for the next meeting**

The Chair proposed that due to time constraints, this agenda item should be moved to the next meeting and discussed first.

<b>Action Panel 05-13</b>	BSL Administrator to make priority items first on the agenda for the next Panel meeting.
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**13. AOB**

Provisional Panel meeting dates:

- 18 April 2018
- 18 July 2018
- 17 October 2018

<b>Action Panel 05-14</b>	Panel to put forward and suggest potential sites to house the next meeting. Potentially a sawmill or CHP plant.
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## Appendix – List of meeting attendees

### Members

Name	Organisation	Position(s) represented	Attendance type
Julian Morgan-Jones	Wood Heat Association	Chair	In person
Duncan MacKinnon	Tilhill Forestry	Supplier: Producer-Trader Fuel type: Chip	In person
Mark Lebus	LC Energy	Raw materials: Arb arisings	In person
Calum Snowie	Scot Heating Company	Raw materials: Waste	In person
Andrew Heald	Confor	Industry body: Forestry	Via teleconference
Ian Tubby	Forestry Commission England	Industry body: Govt. forestry	Via teleconference
Julia Turner	Wood Recyclers Association	Industry body: Waste	In person
Richard Coulson	RWE/WRA	Industry body: Waste	In person
Frank Aaskov	Renewable Energy Association	Industry Body - Renewables	In person
Peter Townson	A W Jenkinson	Raw Materials – Sawmill Residues	In person

### Non-member attendees

Name	Organisation	Position(s) represented	Attendance
Alex Forbes	BEIS	BEIS	In person
Imogen Jamie	Gemserv	BSL Administrator	In person
Neeraj Vasani	Gemserv	BSL Administrator	In person
Andrew Hopton	HETAS	BSL Administrator	In person
Helen Bentley-Fox	Woodsure	BSL Administrator	In person
Luke Bailey	Ofgem	Ofgem	In Person

### Apologies

<b>Name</b>	<b>Organisation</b>	<b>Position(s) represented</b>
Jason Hubert	Forestry Commission Scotland	Industry body: Govt. forestry
Bruno Prior	Forever Fuels	Supplier: Trader

### Stepped down from the Panel

<b>Name</b>	<b>Organisation</b>	<b>Position(s) represented</b>
Tom Beeley	Country Land and Business Association (CLA)	Supplier - Self-supplier, Producer
Mike Ingoldby	Bowland Bioenergy	Fuel type: Briquettes