



ANNUAL CARBON & SUSTAINABILITY REPORTING

2010/2011

Chapter 1:

Introduction

Company Background

Family owned and managed Lissan Coal Company (LCC) Ltd was founded in 1980. LCC Ltd is the leading solid fuel importer and distributor in Ireland, handling and delivering domestic and industrial coal at all levels of the supply chain. The company whose headquarters are based in Cookstown, Co Tyrone has become a nation-wide retailer and distributor spanning various energy sectors to include the importation, washing, screening and distribution of coal sourced from both the indigenous industry and abroad - to locations worldwide, including Ireland, UK, Europe and the U.S. This growth has demanded continual development and investment in modern management practices and new technology to underpin service standards.



Following the business' success in the importation and distribution of Coal, LCC Ltd diversified into the Domestic Oil industry in 1998. And after years of continuous steady growth in both Coal and Oil, in 2005 LCC Ltd secured a 50/50 Joint Venture Agreement with Statoil ASA Norway to build their very own Oil terminal (LSS Limited), located in Maydown, Co Londonderry. LSS Ltd is to date the largest independent sea-fed oil import and distribution terminal in Ireland, with a total storage capacity of 88,000 Tonnes.



Hence LCC Ltd is now not only leading in solid fuels but one of the leading Oil Importers and Distributors in Ireland, supplying wholesale, commercial and retail customers throughout the country including the company's own retail forecourt brand GO. All our products, Gas Oil, Kerosene, ULSD, ULSP, ULSG and Heavy Fuel Oil are imported directly from Statoil Hydro, one of the world's largest crude oil and gas producers to LCC from their refineries in Mongstad (Norway) and Kallundberg (Denmark) into LSS Limited. LCC Ltd also has contractual supply and swap agreements in place with Belfast, Dublin, Galway and New Ross Oil Terminals. Altogether, our own Import Terminal, spread of depots, modern and extensive fleet of delivery trucks, account management team available 24/7, allow LCC Ltd to remain in complete control from receipt of order right through to final delivery.



LCC LTD Company Statement – Reduction of Carbon Footprint

It has been the Company's interest to continuously strive in the research and development of ways to reduce its carbon intensity and will continue to focus on trying to achieve continued reductions each year.

"LCC LTD endeavour to source only sustainable renewable transport fuels to meet its obligation under the RTFO. To that end the Company has only sourced second generation biodiesel produced locally to the highest quality standards. The Company does not source renewable fuels sourced from crops and farmland and the renewable fuels consumed already meet the Carbon Reduction Requirement as set out for 2020 by the Renewable Energy Directive (RE-D)."



Chapter 2:

AGGREGATE SUMMARIES OF C&S CHARACTERISTICS

Table 1

Feedstock	General		Environmental % Meeting Qualifying and/or RTFO standard	Social % Meeting Qualifying and/or RTFO standard	Carbon	
	% Fuel supplied by feedstock type (by volume)	% Data reported on biofuel characteristics			Average carbon intensity g CO2e / MJ	Average % GHG saving
Biodiesel UCO						
Used cooking oil	100	100	100	100	14	83.3
Biodiesel ME						
Tallow	100	100	100	100	17	79.7
Weighted average (all fuels)		100	100	100	14.4	82.8
Target (2010/2011)	*	*	*	*	*	*

Disclaimer: these reports are accurate and complete only insofar as the data entered is accurate and complete.

In particular, the volumes used to calculate the data in this report must be manually verified between the RTFO Operating System and the Carbon Intensity Calculator.

* Please add relevant information on targets for the reporting year

Table 2

General information		Sustainability information				Average carbon information	
% of total feedstock type	Feedstock origin	Standard	Env Level	Social Level	Land use on 01 Jan 2008	Carbon intensity incl LUC (g CO2e / MJ)	GHG saving (%)
Used cooking oil							
42.8	United Kingdom	By-product	QS	QS	By-product	14	83.3
57.2	Ireland	By-product	QS	QS	By-product	14	83.3
Tallow							
100	Ireland	By-product	QS	QS	By-product	17	79.7

Chapter 3:

LCC LTD Fuel Information

- 1) *Past year's and planned activities to improve the proportion of sustainability sourced feedstock and reduce average carbon intensity;*

The Company (LCC LTD) has reduced it's carbon intensity in the past year by only sourcing it's renewable fuels from producers meeting not only the highest quality standards but also using feed-stocks that offer the highest green house gas savings.

To that end the company will continue to monitor the feed-stocks used in producing the renewable fuels to ensure the continued reductions in the company's carbon footprint.

- 2) *Past year's and planned activities to support standard development for sustainable biofuel feed-stock (membership of RSPO, RTRS, BSI, etc);*

N/A

- 3) *Past year's and planned activities to promote feed-stock production on idle land and, where possible, an indication of the volume of fuel originating from such idle land. While no universal definition of 'idle land' exists a guideline to the interpretation of idle land for the purpose of the RTFO is provided in Annex E12;*

N/A

- 4) *Past year's and planned activities to improve the type of carbon data which is being used – e.g. the different default values or actual data;*

N/A

- 5) *Environmental Management System Certificates;*

LCC LTD's Policy documents which all management and employees adhere to at all times in their day to day operations and are considered company standard. These include:

- Environmental Policy
- Quality Policy
- Health & Safety Policy
- Corporate Social Responsibility Policy
- Ethics Policy

- 6) *Successful prosecutions for breaches of compliance with any environmental and/or social regulations related to biofuels activities;*

N/A

- 7) *Existing verified environmental/corporate responsibility reports;*

LCC LTD's holds an Environmental Policy and Corporate Social Responsibility Policy.

- 8) *Information on other parties within the supply chain;*

LCC LTD has carried out audits on a number of potential suppliers of renewable fuels and we believe that we only source our renewable fuels from reputable companies and we maintain records concerning our suppliers on file.

- 9) *Where fuel suppliers have information on their main crop producers, information should be provided on the percentage of that company's total production which meets respected sustainability standards. If parties do not wish to disclose the identity of crop producers and intermediate processors, anonymous information can be reported. The information has to be verifiable by the verifier but the identity will not be published;*

N/A

- 10) *Environmental Management System Certificates held;*

LCC LTD is accredited with ISO 14001 Environmental Management System Certificate and ISO 9001 Quality Management System Certificate.

- 11) *Successful prosecutions for breaches of compliance with any environmental and/or social regulations related to biofuels activities;*

N/A

ANNUAL INDEPENDENT LIMITED ASSURANCE OPINION STATEMENT REPORT

Mr D Loughran
Lissan Coal Company Limited
16 Churchtown Road
Cookstown
Co Tyrone
BT80 9XD

This Independent Limited Assurance Statement is given on 7 October 2011

1. Responsibilities

It was the responsibility of Lissan Coal Company Limited to prepare the RTFO C&S Annual Report for the period April 2010 to April 2011 (the 'C&S Report').

It is the responsibility of ASM (D) Ltd to provide the client with assurance conclusions and a limited assurance opinion on this statement.

2. Assurance Criteria

The following criteria were used to assess Lissan Coal Company Limited's annual carbon and sustainability reports and supporting data with respect to:

- Traceability
- Completeness
- Consistency
- Accuracy

The following documents were referenced in the assurance process and in preparation of the opinion statement:

- ISAE 3000 January 2005
- RFA Guidance for verifiers Version 3.0 March 2011
- ISO 19011:2002
- Renewable Transport Fuels Obligation technical guidance parts 1&2 version 2

3. Work Performed

Annual Carbon and Sustainability Report

The Annual Carbon and Sustainability Report for 2010-2011 reporting period was reviewed to verify compliance to RTFO technical guidance with respect to the criteria at section 2.

This included assessment of required content as appropriate: Introduction, context and philosophy, C&S data aggregate summaries, fuel supplier (and other supply chain) information, including past year and planned reductions in carbon intensity and supporting activities – applicable standards and idle land use, data reporting continual improvement activities, environmental certificates, corporate sustainability reports, breach of environmental compliance prosecutions and additional information as relevant.

Supporting documentation review and activities

Using interviews with relevant personnel, review of data, C&S reports and supporting management process documentation, the following, the following activities were conducted:

Personnel interviews: Geraldine Hanna, Lissan Coal Company Limited

A comprehensive C&S documentation review was carried out on the following:

- Document control processes (ISO 9001 compliant);
- Supplier despatch notes and waste carriage documentation (October 2011);
- Internal biofuel receipt documentation (October 2010 - April 2011) - Fuel Facs throughput by product reports of mass balance;
- HO10 reports (May 2010, July 2010, October 2010, January 2011, March 2011, April 2011);
- Monthly ROS reports (May 2010, July 2010, October 2010, January 2011, March 2011, April 2011);
- Supplier company information;
- Supplier sustainability performance (supplier audit);
- Supplier feedstock declarations sample (May 2010, June 2010, July 2010);
- Bio fuel Blending process review (including metering and proving regimes; and
- Review of final version Annual Carbon and Sustainability Reporting 2010/2011.

Accountability

It was verified that 'single point accountability' for C&S reporting has been implemented within the organisation.

Chain of Custody

Data samples were reviewed from primary source along the chain of custody using production records, supplier certificates, waste carriage documentation and ROS report entries as relevant to Lissan Coal Company Limited's operations. These were in turn verified against the summary data contained in the client's final version annual Carbon and Sustainability report.

The qualitative statements relating to biofuel production and improvements were reviewed for accuracy, consistency and relevance to the required reporting standard.

The final version annual carbon and sustainability report for the reporting period 2010 to 2011 was reviewed and found to contain all sections and content in line with requirements.

All observations and opportunities for improvement raised throughout this limited assurance audit were effectively actioned by the client and closed out as required.

4. Limitations

The verification was conducted by review of a randomly selected sample of client C&S mass balance and supplier delivery records (as noted above) and does not apply to records not reviewed.

The accuracy of the reported data is dependent on the accuracy of metering and other measurement arrangements employed.

5. Limited Assurance Conclusion & Opinion Statement

Based on the work described and referenced in this report, nothing has come to our attention that causes us to believe that Lissan Coal Company Limited's annual Carbon and Sustainability Report to the Department of Transport for reporting period April 2010 to April 2011 is not accurate, in all material respects, based on criteria set out in section 2 of this report and subject to the limitations set out in section 4 of this report.

This report was prepared by: Alistair Cooke, FCA, Registration number: 014404, Certificate number: 3012321

Authorised by:-



Alistair Cooke

For and on behalf of ASM (D) Ltd
Chartered Accountants and statutory Auditors

Dungannon

7 October 2011