Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of TTEP Lynemouth Power Ltd

Second Surveillance Audit

Sustainable Biomass Program
sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 2.1 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

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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1 Overview

Certification Body (CB) Name:	Preferred by Nature OÜ
Primary CB contact for SBP:	Pilar Gorria Serrano
Primary CB contact email:	pgorria@preferredbynature.org
Audit team leader:	Igor Miilvee
Audit team members:	Igor Miilvee
Name of the Company:	TTEP Lynemouth Power Ltd
Company legal address:	Northumberland, NE63 9NW Ashington, United Kingdom
Company contact for SBP:	Lisa Markwell
Company contact email:	lisa.markwell@lynemouthpower.com
Company website:	
Date of installation:	
SBP Certificate Code:	SBP-07-32
Date of certificate issue:	22 Oct 2024
Date of certificate expiry:	21 Oct 2029
Audit closing meeting date:	17 Sep 2026
Audit cycle:	Second Surveillance Audit

2 Audit conclusions

2.1 Certification decision

Based on the auditor's recommendation and the Certification Body's technical review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Kersti Kuum
Date of decision:	09 Nov 2026
Other comments:	N/A

2.2 Open non-conformities and observations

NC number 9881	NC Grading: Observation
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.12 The Organisation shall maintain accurate, complete, up to date and accessible records and reports covering all applicable SBP requirements applicable to the certificate scope, including at least the following: – training records, – subcontractors, – suppliers, – purchases, – determination of conversion rates, – sales, – material accounting including an annual summary, – stakeholder comments, feedback and complaints, – handling of non-conforming products, – record to support Standard 5 requirements, and – internal audit reports. Note: the DTS can be referenced for available records where applicable. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The Organisation has identified that its management system and training arrangements will require further review before transition to SBP Standards v2.1. The Organisation is encouraged to complete a documented gap assessment and transition plan covering procedures, responsibilities, data controls, material accounting and personnel competence before the transition period concludes on 28 October 2027. As part of the transition and the recent company-name changes, the Organisation should also verify that the current SBP Trademark Licence Agreement, certificate information, DTS profile and controlled documents consistently identify the correct legal entity. Where required, an updated Trademark Licence Agreement should be signed. This is an observation and does not represent a current non-conformity.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	N/A
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

NC number 9882	NC Grading: Observation
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	4.12 When the Organisation is a BP, the Organisation shall categorise product type (e.g., woodchips, pellets) into product groups for the purpose of mass balancing and controlling claims. Each product group may include one or more feedstock groups. As a minimum, the BP shall create separate product groups for each product type (e.g., pellets, wood chips) and assign a unique 2-digit product group ID under the following feedstock classifications' rules: – Forest feedstock (1A) – Trees Outside the Forest (TOF) – Urban and landscape feedstock (2A) – Trees Outside the Forest (TOF) – Agricultural land feedstock (3A) – Processing residues feedstock (4A) – Post-consumer feedstock (5A) N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The Annual Volume Summary uses company-specific groupings to support internal biomass management and commercial reporting. These groupings should be clearly distinguished from formal SBP Product Types and Product Group IDs to avoid ambiguity in procedures, mass-balance records and DTS-related controls. During the transition to SBP Standards v2.1, the Organisation should review and document how its internal groupings map to the applicable SBP product terminology and ensure that no company-defined category is presented as an SBP Product Group ID unless it meets the applicable SBP definition. This is an observation and does not represent evidence of an incorrect claim or mass-balance transaction.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	N/A
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

2.2 Closed non-conformities

NC number 9723 copied from 6982	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	2.1 The Organisation shall maintain up to date records about all suppliers who are supplying materials used for SBP product groups, including names, materials supplied, and certificate code where relevant. N/A N/A
Description of Non-conformance and Related Evidence:	
The Organisation's supplier records are not up-to-date (missing SBP certificate codes, inconsistent supplier naming and list organisation), which does not meet Std 4, 2.1 (and 1.12) for record completeness and up-to-date supplier information. In the populated supplier list, certificate codes are not aligned with their correct legal/certificate names. which is contrary to the Organisation's own procedures (supplier records by claim types, certificate codes, product groups). The current state also weakens the control required by ID EU RED 3.2.6 to verify certification status at the time of purchase. No evidence was found of incorrect claims or purchases from non-certified suppliers. However, the deficiencies in supplier master data (missing codes, inconsistent names) could lead to errors in verification and DTS entries. The issue appears to be limited to the quality of record-keeping rather than a failure of the purchasing control itself (supplier status is still checked at the transaction level). Therefore, the risk is potential rather than evidenced. A minor NCR was raised.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Updated Certified Biomass Supplier List containing full supplier legal names, relevant certification information, market-status and claim-type fields; internal-audit correction records; supplier contracts and questionnaires; and sampled transaction records.
Findings for Evaluation of Evidence:	The auditor reviewed the updated supplier list and sampled purchases from different suppliers and points in the audit period. Supplier information was confirmed through contractual due diligence, supplier questionnaires, SBR/SAR review and transaction-level verification. No purchase from an ineligible supplier or use of an incorrect claim was identified. The correction was effectively implemented.
NC Status:	Closed
Original Due Date:	2027-11-09
Closing Date:	2026-11-09
Upgrade Date:	N/A
Update Date:	N/A

NC number 9724 copied from 6987	NC Grading: Observation
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.2 The Organisation shall have all necessary infrastructure and operating

	procedures in place to effectively operate the Chain of Custody (CoC) system and ensure that feedstock / biomass can be tracked continuously without interruption through all internal processing steps from acquisition to transfer of material (or release for sale). N/A N/A
Description of Non-conformance and Related Evidence:	
The Organisation provided a process-flow diagram covering the Port of Tyne, rail transfer, Lynemouth Power Station, associated information flows, control points and the alternative sale route. The diagram addressed the transparency issue identified during the previous audit.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Closed
Original Due Date:	N/A
Closing Date:	2026-11-09
Upgrade Date:	N/A
Update Date:	N/A

2.3 Actions taken by Organisation Prior to Report Finalisation

Minor NCR 6982
Evidence provided: Updated Certified Biomass Supplier List containing full supplier legal names, relevant certification information, market-status and claim-type fields; internal-audit correction records; supplier contracts and questionnaires; and sampled transaction records.
Evaluation: The auditor reviewed the updated supplier list and sampled purchases from different suppliers and points in the audit period. Supplier information was confirmed through contractual due diligence, supplier questionnaires, SBR/SAR review and transaction-level verification. No purchase from an ineligible supplier or use of an incorrect claim was identified. The correction was effectively implemented.
Minor NCR 6982 was closed on 17 September 2026.

Observation 6987
The Organisation provided a process-flow diagram covering the Port of Tyne, rail transfer, Lynemouth Power Station, associated information flows, control points and the alternative sale route. The diagram addressed the transparency issue identified during the previous audit.
Observation 6987 was closed on 17 September 2026.

2.4 Notes for the next Audit

Audit period starting from early SEP26.
At the next audit, review the Organisation's transition to SBP Standards v2.1, including revised procedures, competence and training arrangements, material-accounting terminology and the status of the updated

Trademark Licence Agreement.
The next audit should also verify that company-specific biomass groupings in the Annual Volume Summary remain clearly distinguished from formal SBP Product Types and Product Group identifiers.
Considering the planned organisational and workforce changes, the next audit should review the continued adequacy of responsibilities, resources and competence within the Chain of Custody system.
For planning efficiency, the Organisation and CB may consider scheduling the next audit in July or August, subject to the certification programme requirements and availability of a complete audit-period dataset.
The next audit should also verify that company-specific biomass groupings in the Annual Volume Summary remain clearly distinguished from formal SBP Product Types and Product Group identifiers.
Considering the planned organisational and workforce changes, the next audit should review the continued adequacy of responsibilities, resources and competence within the Chain of Custody system.

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	End User
Secondary activity	Trader
Approved Standards	SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413
Product Group IDs	☐ Forest feedstock (1A) ☐ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☐ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☐ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☒ Other (please specify) Pellet
SBP Feedstock types	☒ SBP Compliant; ☒ SBP Controlled
Includes Supply Base Evaluation (SBE)	No
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	No
Products	WB 1.1 Wood pellets
Feedstock origin (countries):	
SBP-endorsed Regional Risk Assessments used: **Public link:** https://sbp-cert.org/documents/standards-documents/risk-assessments/	Not applicable
Chain of custody system	☒ Physical separation ☒ Mass balance
Outsourcing	No
Changes in the scope	Updated primary Primary cert holder contact and Public Contact.

3.1 Description of the company

Guidance: Please describe the type, structure and operations of the company including its role in the supply chain, its inputs and outputs as they related to SBP Standards.

TTEP Lynemouth Power Ltd operates a biomass-fired power station in Northumberland, United Kingdom. The Organisation's primary certified activity is End User, with Trader as a secondary activity. Wood pellets are received by vessel at the Port of Tyne, discharged and stored in three dedicated silos and normally transferred by rail to Lynemouth Power Station for consumption. During the audit period, the Organisation also completed two whole-vessel biomass sales. No part-cargo or sale-from-silo transaction occurred during the period. The certificate scope covers WB 1.1 wood pellets under SBP Standards 4 and 5, with the applicable ID5E and EU RED Bridging requirements. No outsourcing is used.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
TTEP Lynemouth Power Ltd	Northumberland, NE63 9NW Ashington, United Kingdom	End User, Trader	☒
Hargreaves Industrial Services Ltd	Riverside Quay of the Port of Tyne	Logistics, storage	☒

3.3 Detailed description of the Chain of Custody system and Product Groups

Guidance: Please describe the operation of the CoC system including details of the mass balance management and a list of established Product Groups.

The Organisation combines material-accounting controls with physical segregation where necessary. FMS and supporting commercial records capture vessel receipt, quantity, silo and transfer information. The Annual Volume Summary consolidates purchase, stock, sales and consumption information with links to DTS transactions. Biomass is normally transferred from the Port of Tyne to Lynemouth Power Station by rail. Specific vessel or silo identity may be physically maintained where required for an onward sale. Once biomass enters mixed storage, a claim requiring batch-specific physical identity cannot be made unless eligibility is otherwise demonstrated through the applicable controls. Transfers to the plant are recorded via calibrated weighbridges. Mass balance runs on fixed periods, with separate claim-level accounts (SBP-compliant / SBP-controlled) and RED market-specific status managed in DTS. Sustainability characteristics and GHG attributes are retained per batch and transferred via DTS with invoice cross-reference. No outsourcing sites are included.

4 Specific objective of the audit

The specific objective of this evaluation was to confirm that the Organisation’s management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification.
The scope of the evaluation covered:

- Review of the Organisation's management procedures;
- Review of SBP system control points;
- Confirm continued conformity with SBP standards 4 and 5;
- Verify effective implementation of EU RED bridging (incl. RED mass balance and DTS market-specific status)
- Interviews with responsible staff;
- Review of the records and calculations;
- GHG data collection analysis;
- DTS records and sales.;
- Verify the nature of operations at the Port of Tyne logistics/storage site.

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	IM	8.0
2. On-site (excl. travel time)	IM	8.0
3. Report writing	IM	6.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Igor Miilvee (IM)	Audit team leader	Preferred by Nature Certification, FSC, PEFC and SBP specialist and lead auditor. BSc in Ecology and Biodiversity Conservation and MSc in Biochemistry and Molecular Ecology. Has worked in Estonian state and private environmental research institutions in the fields of industrial GHGs and air pollutant monitoring, climate change adaptation and forest monitoring. Auditing experience from Estonia, Finland, Ukraine, Germany, UK.

5.3 Description of evaluation activities

The second surveillance audit was conducted onsite on **17 September 2026**.

The audit sequence was adjusted so that the Port of Tyne was visited first. The opening meeting was held at the port, followed by an inspection of the discharge and storage arrangements, silo allocation, segregation and mixing controls, stock records, calibration and spillage controls, document sampling and personnel interviews.

The audit then continued at Lynemouth Power Station. Activities included review of process and critical control points, updated SBP and EU RED procedures, training, governance, business integrity, stakeholder engagement, OHAS, internal audit, supplier controls, transactions, DTS entries, Annual Volume Summary and physical-flow records. The auditor also inspected relevant reception, storage, transfer and consumption areas.

The closing meeting was held onsite on **17 September 2026**. **No new non-conformities were presented. Previous Minor NCR 6982 and Observation 6987 were considered closed.**

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5.4 List of forest management units and feedstock suppliers visited

☒ N/A – No forest sites or suppliers visited during this evaluation
SBP standard 2 not in scope.

5.5 Describe audit sampling methodology used

Sampling combined risk-based and representative selection. The auditor considered supplier variety, legal-name and certificate changes, different points within the audit period, less typical transactions, the two sales completed during the period and records relevant to the previous NCR. Purchase and outgoing sales samples, and their associated references and DTS records, included records from the audit period 01SEP25 to 31AUG26. The auditor also reviewed the updated supplier list, internal audit, training review, process-flow diagram, stakeholder-engagement evidence and OHAS records. Evidence was gathered via: a) documented procedure & governance review (SBP v2 / RED bridging, training, integrity); b) records sampling (supplier info, receipts, silo logs, weighbridge, MB and volume ledgers, invoices, DTS exports); c) site observations at Port of Tyne (storage, segregation/mixing, calibration & spillage controls); and (d) staff & operator interviews. Evidence was cross-checked between commercial documentation, supplier information, the Annual Volume Summary, FMS and DTS records. Interviews with staff were conducted during the audit. The focus was on key staff responsible for the management of processes at a particular department or site.

5.6 CB stakeholder engagement

☒ N/A – Certification Body stakeholder consultation not applicable for this evaluation

Guidance: Please specify the number and types of stakeholders engaged, method of engagement and its outcomes.

5.7 Stakeholder feedback and response

☒ N/A – Certification Body stakeholder consultation not applicable for this evaluation

5.8 Main strengths and weaknesses of the management system and operations

Strengths:

- Effective cooperation and availability of relevant personnel;
- Clear process-flow diagram covering both sites and relevant control points;
- Strengthened supplier master data and multilayer supplier due diligence;
- Traceable sampled purchase and sales transactions;
- Established mass-balance and DTS controls;
- Structured internal audit and documented annual training-needs review;
- Established business-integrity and OHAS framework.

Areas for improvement:

- Complete and document transition planning for SBP Standards v2.1;
- Update the Trademark Licence Agreement and related entity information where required;

- Clearly distinguish internal biomass groupings from formal SBP Product Types and Product Group identifiers;
- Review competence and resource needs following the planned organisational changes.

5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation

☒ N/A – Standard 1 not in the scope of the evaluation

5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED

☒ N/A – processing residues and/or post-consumer feedstock not used.

5.11 Summary of evaluation activities for chain of custody system per Standard 4

The Organisation's Chain of Custody system was evaluated through procedure review, onsite inspection at both locations, interviews and transaction and material-accounting samples. The sampled evidence supported continuous traceability from purchase through port receipt, storage, rail transfer, consumption or sale. The previous supplier-record NCR was effectively corrected, and the new process-flow diagram addressed the previous observation. No new Standard 4 non-conformity was identified.

5.12 Summary of evaluation activities for collection and communication of data per Standard 5

The auditor reviewed the Organisation's collection and communication of transaction, energy and carbon data through sampled DTS transactions, PB IDs, SAR/SREG information, claims, market-specific status information and supporting purchase and sales records. The sampled data were traceable to the Organisation's commercial and material-accounting records. The two sales transactions completed during the audit period were also checked against the applicable DTS registration and sharing requirements. No Standard 5 or ID5E non-conformity was identified.

5.13 Summary of audit findings for competency of involved personnel

Overall responsibilities are defined in the controlled procedures. During the appointed CoC Manager's temporary absence, Richard Waller, Commercial Manager, acted as CoC Manager. Interviewed personnel responsible for supplier verification, record maintenance, DTS, material accounting, site operations and OHAS demonstrated knowledge appropriate to their responsibilities.
The Organisation documented its 2026 training-needs review and concluded that immediate refresher training was not necessary. Further procedure and competence review is planned in connection with SBP Standards v2.1 and anticipated organisational changes.

5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable)

☒ N/A – Standard 6 not in the scope

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable)

☒ N/A – Supply Base Evaluation not in the scope of the evaluation

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope

N/A

6.2 CB evaluation of specified risk indicators and mitigation measures