

# NEPCon Evaluation of HOFOR Energiproduktion A/S Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

[www.sbp-cert.org](http://www.sbp-cert.org)



## Completed in accordance with the CB Public Summary Report Template Version 1.0

*For further information on the SBP Framework and to view the full set of documentation see [www.sbp-cert.org](http://www.sbp-cert.org)*

### *Document history*

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# 1 Overview

CB Name and contact: NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia

Primary contact for SBP: Ondrej Tarabus [ot@nepcon.net](mailto:ot@nepcon.net), +420 606 730 382

Report completion date: 14/Feb/2018

Report authors: Christian Rahbek, Lead Auditor

Certificate Holder: HOFOR Energiproduktion A/S

Producer contact for SBP: Sune Balle Hansen, Sustainability Advisor

Certified Supply Base: N/A - Trader

SBP Certificate Code: SBP-01-72

Date of certificate issue: 21/Apr/2017

Date of certificate expiry: 20/Apr/2022

Indicate where the current audit fits within the certification cycle				
Main (Initial) Audit	First Surveillance Audit	Second Surveillance Audit	Third Surveillance Audit	Fourth Surveillance Audit
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2 Scope of the evaluation and SBP certificate

The SBP certification scope contain trading activities only.

Trading of wood pellets, wood chips and fuel wood logs, for use in energy production and transport from BPs Worldwide to various port Worldwide.

HOFOR Energiproduktion A/S is trading wood pellets, wood chips and fuel wood logs. The purpose of the organization is mainly to source input material for HOFOR Energiproduktion A/S own CHP plant in Copenhagen. The SBP certification is sought with the purpose of claiming the use of SBP biomass in own power plant, and potentially in the future, to be able to pass on SBP claims, if a shipment or position of SPB material is to be sold prior to arriving at own facilities. The certification does not include procedures for on-site segregation, since once the material has been unloaded at the power plant, it cannot be kept segregated, and procedures ensure that it will not be resold. Yard of the power plant is out from the certification scope.

The organization is FSC and PEFC CoC certified, the main assessments for these systems having occurred concurrently with this SBP assessment. The CoC systems are based on the FSC transfer system and PEFC Physical segregation system, respectively. Both these CoC systems are based on the condition that there is no physical ownership on-site of the products being traded, but that all sales will be of shipments, that have not yet been unloaded at the organization’s facilities. The storage yard is not included in the certification scope.

There is no physical ownership or handling of products to be resold as SBP certified, but there could be a change of GHG profile under HOFOR Energiproduktion A/S ownership, if a shipment is bought at one harbour, and sold to a customer at a different harbour.

At the moment of the assessment, HOFOR Energiproduktion A/S has not defined any transport routes for SBP material as these are no yet known. However, in case transport or shipment happens under HOFOR ownership the GHG profile of the SBP Biomass change, and HOFOR will fill in an SREG template and provide it to the costumer along with other sales documentation.

Scope Item	Check all that apply to the Certificate Scope	Change in Scope (N/A for Assessments)
<b>Approved Standards:</b>	SBP Standard #4 V1.0 SBP Standard #5 V1.0 <a href="http://www.spb-cert.org/documents">http://www.spb-cert.org/documents</a>	<input type="checkbox"/>
<b>Primary Activity:</b>	Broker/trader without physical possession	<input type="checkbox"/>
<b>Input Material Categories:</b>	<input type="checkbox"/> SBP-Compliant Primary Feedstock	<input type="checkbox"/>
	<input type="checkbox"/> SBP-Compliant Secondary Feedstock	
	<input type="checkbox"/> Controlled Feedstock	
	<input type="checkbox"/> SBP non-Compliant Feedstock	
<input type="checkbox"/> SBP-Compliant Tertiary biomass	<input type="checkbox"/> Post-consumer Tertiary Feedstock	<input type="checkbox"/>
<input type="checkbox"/> Post-consumer Tertiary Feedstock		

	<input type="checkbox"/> SBP-approved Recycled Claim				
<b>Chain of custody system implemented:</b>	<input checked="" type="checkbox"/> FSC	<input checked="" type="checkbox"/> PEFC	<input type="checkbox"/> SFI	<input type="checkbox"/> GGL	<input type="checkbox"/>
	<input checked="" type="checkbox"/> Transfer	<input type="checkbox"/> Percentage		<input type="checkbox"/> Credit	<input type="checkbox"/>
<b>Use of SBP claim:</b>	<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		<input type="checkbox"/>
<b>SBE Verification Program:</b>	<input type="checkbox"/> Low risk sources only		<input type="checkbox"/> Sources with unspecified/ specified risk		<input type="checkbox"/>
	New districts approved for SBP-Compliant inputs:				
<b>Sub-scopes</b>					<input type="checkbox"/>
Specify SBP Product Groups added or removed: Wood Chips and Fuel wood logs have been added to the scope of the certificate.					
Comments:					

### 3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Trader'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 Biomass Trader's management procedures;
- Review of FSC system control points;
- Interviews with responsible staff;
- Review of the records

## 4 SBP Standards utilised

### 4.1 SBP Standards utilised

Chain of Custody, SBP Standard 4, Version 1.0, March 2015

Collection and Communication of Data, SBP Standard 5, Version 1.0, March 2015

Instruction Document 5A: Collection and Communication of Data v1.1

Instruction Document 5B: Energy and GHG Data

Instruction Document 5C: Static Biomass Profiling Data

<http://www.sbp-cert.org/documents>



## 5 Description of legal entity

### 5.1 Chain of Custody system

The SBP certification scope contain trading activities only.

Trading of wood pellets, wood chips and fuel wood logs, for use in energy production and transport from BPs Worldwide to various port Worldwide.

HOFOR Energiproduktion A/S is trading wood pellets, wood chips and fuel wood logs. The purpose of the organization is mainly to source input material for HOFOR Energiproduktion A/S own CHP plant in Copenhagen. The SBP certification is sought with the purpose of claiming the use of SBP biomass in own power plant, and potentially in the future, to be able to pass on SBP claims, if a shipment or position of SPB material is to be sold prior to arriving at own facilities. The certification does not include procedures for on-site segregation, since once the material has been unloaded at the power plant, it cannot be kept segregated, and procedures ensure that it will not be resold. Yard of the power plant is out from the certification scope.

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There is no physical ownership or handling of products to be resold as SBP certified, but there could be a change of GHG profile under HOFOR Energiproduktion A/S ownership, if a shipment is bought at one harbour, and sold to a customer at a different harbour.

At the moment of the assessment, HOFOR Energiproduktion A/S has not defined any transport routes for SBP material as these are no yet known. However, in case transport or shipment happens under HOFOR ownership the GHG profile of the SBP Biomass change, and HOFOR will fill in an SREG template and provide it to the costumer along with other sales documentation.

## 6 Evaluation process

### 6.1 Timing of evaluation activities

The SBP assessment was carried out concurrently with the FSC and PEFC main assessments of the client. The process took approximately 6 hours, and followed the audit plan below.

Activity	Location	Auditors	Date/time
Opening meeting*  <ul style="list-style-type: none"> <li>- Presentation of participants</li> <li>- Confirmation of agenda</li> <li>- HOFOR presentation of CoC systems</li> </ul>	Main Office	CAR	19.12.2017  9:00 - 9:30
Review of Documented Control Systems for FSC and SBP  <ul style="list-style-type: none"> <li>- Overall CoC system</li> <li>- Responsibilities and Training</li> <li>- Product Group Schedule</li> <li>- Supplier Records</li> <li>- Volume data system</li> <li>- Internal audit</li> <li>- Trademark use</li> </ul>	Main office	CAR	9:30 – 12:00
Lunch break			12:00 – 12:30
Interviews with staff responsible for purchase	Purchasing department	CAR	12:30 – 13:00
Interviews with staff responsible for sales	Sales department	CAR	13:00 – 14:00
Interviews with staff responsible for transport energy data (SBP)		CAR	14:00 – 15:00
Auditor summarizes the evaluation		CAR	15:00 – 15:30
Closing meeting*	Main office	CAR	15:30 – 16:00

## 6.2 Description of evaluation activities

Auditor was welcomed in the HOFOR Headquarter office in Copenhagen, Denmark. Audit started with an opening meeting attended by Michael Schytz, Sune Balle Hansen and Kristian Liengaard.

Auditor introduced himself, provided information about audit plan, methodology and aim of the assessment. CB's approval related issues and confidentiality issues were covered as well.

After that auditor went through all applicable requirements of the standard covering management system, CoC, recordkeeping requirements and verification of SBP compliant /SBP-controlled biomass. Later on the purchasing and logistics functions were audited, as well as methodologies for collecting and communicating GHG data.

During the process all staff responsible for SBP systems and staff having key responsibilities within the system was interviewed.

During the closing meeting auditor explained the results of the audit and further actions were discussed.

### Composition of audit team:

Name	Qualification	Role/focus in evaluation
Christian Rahbek	M.Sc. (Forestry) from University of Copenhagen. Has passed NEPCon Lead Auditor Training for FSC and PEFC FM and CoC certification. Experience from more than 200 FSC and PEFC CoC audits in Denmark and Europe. Christian has successfully completed SBP training course and has partaken in several SBP assessments and surveillance audits.	Lead Auditor

## 6.3 Process for consultation with stakeholders

*N/A – Trading activities only.*

## 7 Results

### 7.1 Main strengths and weaknesses

There are several strengths of the organizations implementation, most notably strong human resources and a very well-developed set of documented procedures. No weaknesses were identified during the audit.

### 7.2 Compilation of data on Greenhouse Gas emissions

HOFOR Energiproduktion A/S has established that the scope of the certification that includes transport of SBP certified biomass. This was confirmed by the staff in charge during the audit. This means that in case transport or shipment happens under HOFOR ownership the GHG profile of the SBP Biomass changes, and HOFOR will fill in an SREG template and provide it to the customer along with other sales documentation.

### 7.3 Competency of involved personnel

The main responsible person in the company is Sustainability Advisor Sune Balle Hansen, who showed good competence and understanding of the requirements in relation to SBP certification and of the FSC and PEFC CoC systems also being implemented. Other interviewed staff showed good competence, good awareness of standard requirements and own responsibilities.

### 7.4 Preconditions

No preconditions remain in the audit report.

## 8 Non-conformities and observations

<b>NCR: 01/18</b>	<b>NC Classification: minor</b>	
<b>Standard &amp; Requirement:</b>	Instruction Document 5b 6.1.8	
<b>Report Section:</b>	Appendix B, p 16.8	
<b>Description of Non-conformance and Related Evidence:</b>		
<p>During the audit good awareness on the filling in of the SREG template based on the transport details of the individual shipment were found. The location of both buyer and seller is registered in BRØKOS. The organization has filled in a sample SREG to demonstrate sufficient ability, however it was identified that the heating value provided for the heavy fuel oil was incorrect, since the reported value of 0.042 GJ/tonne is in the order of 1000 times too low when compared to tables of reference values. See NCR 01/18 , see exhibit 11.</p>		
<b>Corrective action request:</b>	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.                      Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>	
<b>Timeline for Conformance:</b>	By the next annual surveillance audit	
<b>Evidence Provided by Organisation:</b>	Shortly following the audit, the organization has provided an updated sample SREG, which states a plausible heating value for the listed fuel type of Heavy Fuel Oil.	
<b>Findings for Evaluation of Evidence:</b>	Auditor has reviewed the SREG and finds on background of this that the organization has carried out a sufficient corrective action. The NCR is closed.	
<b>NCR Status:</b>	<b>CLOSED</b>	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

## 9 Certification decision

<b>Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:</b>	
<input checked="" type="checkbox"/>	Certification approved: No NCR(s) issued
<input type="checkbox"/>	Certification not approved:
<b>Based on auditor's recommendation and NEPCon quality review following certification decision is taken:</b>	
<b>NEPCon certification decision: The certificate can be maintained.</b>	
<b>Certification decision by: Ondřej Tarabus</b>	
Date of decision: <b>14.02.2018</b>	

## 10 Surveillance updates

### 10.1 Evaluation details

The annual surveillance audit took place on Tuesday December 19, 2017 at the HOFOR Energiproduktion A/S headquarter in Copenhagen, Denmark. Please see section 6.1 above for the audit plan.

### 10.2 Significant changes

There have been no significant changes to the Organization or the certification, but the organization has added the trade of wood chips and fuel wood logs to the scope of the certification.

### 10.3 Follow-up on outstanding non-conformities

N/A, no outstanding non-conformities.

### 10.4 New non-conformities

N/A, No non-conformities identified.

### 10.5 Stakeholder feedback

There has been no comments or concerns raised by stakeholders about the Biomass Producer organisation since the previous evaluation.

### 10.6 Conditions for continuing certification

There are no conditions for continuing the certification.

### 10.7 Certification recommendation

Auditor recommends that the certification is maintained.

## 11 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Sune Balle Hansen, Sustainability advisor
Auditor(s):	Christian Rahbek, Lead auditor
People Interviewed, Titles:	Michael Schytz, Section manager (Overall responsible) Sune Balle Hansen, Sustainability Advisor (Responsible for control system) Kristian Lienggaard, Business Controller Morten Nielsen, Purchaser
Brief Overview of Audit Process for this Location:	See audit plan in section 6.1
Comments:	N/A