



National Biodiesel Accreditation Commission

BQ-9000 APPLICATION PACKAGE

Revision 9
Effective Date: July 1, 2011

BQ-9000 Application Package

Thank you for requesting this Registration and Application Package for the BQ-9000 Program. By working toward certification, you have shown you are willing to take the first step toward guaranteeing biodiesel fuel quality and customer satisfaction. This first step is also a major step to put your company on the leading edge in an industry that is on the move.

If you have any questions, concerns, or comments, please contact the National Biodiesel Accreditation Commission c/o:

National Biodiesel Board
Attn: BQ-9000 Program Administrator
605 Clark Ave
P.O. Box 104898
Jefferson City, Missouri 65110-4898
Tel: (573) 635-3893
Fax: (573) 635-7913
E-mail: info@bq-9000.org
www.bq-9000.org

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1. INTRODUCTION

The BQ-9000 Program (the Program) is a voluntary program for the certification of biodiesel producers, marketers and testing laboratories. The National Biodiesel Accreditation Commission (NBAC or the Commission) is an autonomous committee of the National Biodiesel Board (NBB) that functions independently in all matters directly relating to the Program and administers this Program. Certification under the Program is open to companies actively producing, distributing or marketing, or testing biodiesel fuel either in its neat form or blended with fuel oils.

The Program was developed by an objective industry task force that included representation from biodiesel producers, biodiesel distributors and marketers, petrodiesel refiners, marketers and distributors, diesel fuel users, and the National Biodiesel Board. Certification is awarded after a successful and comprehensive review of the applicant's Quality System documentation, followed by a formal audit of the applicant's conformance to its System.

Certification is available to three groups within the biodiesel industry: Producers, Marketers and Commercial Testing Laboratories (producers being business units that commercially produce biodiesel and marketers being business units that undertake to commercially sell or resell biodiesel or biodiesel blends). A biodiesel producer that successfully meets the certification criteria is awarded the status of **BQ-90000 Producer**. A biodiesel marketer that successfully meets the certification criteria is awarded the status of **BQ-9000 Marketer**. A laboratory that successfully meets the certification criteria is awarded the status of **BQ-9000 Lab**.

2. OBJECTIVES

The objective of the Program is to promote the commercial success and public acceptance of biodiesel by recognizing biodiesel producers, marketers and testing laboratories who demonstrate compliance with acceptable quality standards. NBAC certifies the quality management system of the applicant, not the fuel they produce or market. The Program is designed to help assure that biodiesel fuel is produced, distributed and maintained at the industry standards.

The Program allows parties to leverage other certified organizations' quality assurance efforts in a systematic manner, which in turn improves coordination efforts. The Program recognizes organizations that have a meaningful quality system in place that should reduce the probability of product reaching the marketplace which does not meet standards.

3. SCOPE

Certification is open to biodiesel manufacturers, testing laboratories, and marketers and distributors of biodiesel or biodiesel blends doing business in North America. Certification is not contingent upon membership in the National Biodiesel Board or other groups, and is available regardless of the type of feedstock used to commercially produce biodiesel.

The Program evaluates the ability of an organization to comply with the requirements of **BQ-9000 Quality Management System Producer Requirements, BQ-9000 Quality Management System Marketer Requirements, or BQ-9000 Quality Management System Laboratory Requirements**. Adherence to this standard will help ensure that biodiesel meets the ASTM standard throughout the production, distribution and testing functions. BQ-9000 requirements

include, but are not limited to, sampling, testing and documentation of biodiesel quality.

BQ-9000 certification is site or facility specific. If an applicant operates multiple facilities, BQ-9000 certification will apply only to those facilities that have been identified in the application and approved by the Commission. Only those sites that have been certified can be included in their BQ-9000 product marketing or distribution materials. For example, BQ-9000 Marketers may list specific locations that are BQ-9000 certified but cannot make a general claim of BQ-9000 certification with a disclaimer acknowledging that, "not all sites are certified."

4. APPLICATION REQUIREMENTS

The organization seeking certification applies by:

- 1) Submitting a completed application that includes:
 - a. The legal identity of the entity requesting certification.
 - b. The name, address, phone number, fax number and e-mail address of the authorized representative of applicant.
 - c. Designation of the type of certification being sought: BQ-9000 Marketer, BQ-9000 Producer, or BQ-9000 Lab.
 - d. The address of all the facilities or locations that are covered by the application.
 - e. Quality Management System documents, including its Quality Manual, Quality Policy and supporting documents as well as
 - a copy of that organization's EPA Fuel and/or Fuel Additive registration(s), if seeking a BQ-9000 Producer designation. EPA Registration is required by 40 CFR Part 79.
 - or
 - if located outside the USA, documentation of registration with the government entity overseeing fuel production, if such a registration requirement exists.

An applicant can utilize a version of its quality system documentation in the language of their choosing. However, all documents submitted to the National Biodiesel Accreditation Commission shall be in English.

And,

- 2) Paying the appropriate application fees.

5. FEES

The following fee schedule applies only to entities in North America:

- a. Application fee of \$3,800 NBB Member / \$5,700 Non-NBB Member. This includes the cost to process the application, to perform the Desk Audit and to perform the On-site Certification Audit. This covers an organization that is seeking the BQ-9000 Producer status with one production location; the BQ-9000 Lab status with one testing location; the BQ-9000 Marketer status with 1 – 3 distribution locations. This does not include Auditor travel expenses.

In instances when multiple audits are required, each additional audit beyond the base audit will require an audit fee of \$1,900 NBB Member / \$2,850 Non-NBB Member plus auditor

travel fees. See section **8.2 Certification Audits of Companies with Multiple Locations** for details.

Other fees for the BQ-9000 program, not related to the application process are found on the BQ-9000 website under Program Costs.

6. INITIAL CERTIFICATION PROCESS: DESK AUDIT

Upon submission of all documents and the non-refundable Application Fee, NBAC staff will review all applications for completeness and compliance with requirements. Confidentiality will be maintained at all times, and a representative of the NBAC Staff will work with the Applicant's designee to ensure that the application is correct and complete. If necessary documents or information are not received, NBAC administrative staff will notify the applicant.

Once the application and documentation are administratively complete, and the application and the appropriate fees have been submitted, the Applicant shall be assigned an NBAC Auditor so that a desk audit can be conducted.

The Auditor performs the Desk Audit to verify that the Applicant's quality manual and quality documents cover the requirements prescribed in the specific program requirements (Producer, Marketer or Laboratory). The BQ-9000 website called Quality Manual Details summarizes the items that must be in the applicant's quality manual to support the specific program requirements. The Auditor will work with the Applicant to ensure that their quality manual satisfactorily meets these specific BQ-9000 program requirements.

If the Applicant is having difficulty developing a satisfactory quality manual, there are a number of consultants listed on the BQ-9000 website that can offer assistance. While this list includes NBAC auditors, neither NBB nor NBAC can endorse or recommend any service provider over another. It is the applicant's prerogative to elect their assigned auditor to serve as their consultant, however the auditor is then disqualified from serving as the assigned auditor and another auditor will be assigned to complete the Desk Audit and remaining audit cycle. Consultant fees are negotiated directly between the consultant and the Applicant.

After all Desk Audit issues have been resolved, the applicant can begin operating under their quality system for the required six months. At the same time, the Auditor will schedule a tentative date for the applicant's On-site certification audit.

The Desk Audit issues should be resolved in less than 30 days. If after 60 days an applicant has not responded to the Auditor's comments on the Desk Audit issues, the NBAC will instruct the Auditor to stop any further work on this application and the applicant's request for certification shall be rejected. The applicant agrees to forfeit all fees rendered.

7. INITIAL CERTIFICATION: PRE-AUDIT REQUIREMENTS

The Certification On-site Audit cannot take place until the following conditions have been met:

- a. The applicant's quality system has been fully implemented and in use for at least six (6) months. A quality system is considered to be fully implemented when all elements of the quality system have been put into operation by the organization.
- b. All initial testing and/or facility validation specified in the program elements of the applicable BQ-9000 program must be completed.
- c. After operating under their quality system for at least 120 days, the applicant shall complete

an Internal Audit of all elements of the quality management system and issue an audit report.

- d. After the Internal Audit, the applicant shall hold at least one quality management review meeting to review the organization's performance under the quality system and to review the status of any nonconformances identified during the internal audit.
- e. The applicant shall submit a copy of their Internal Audit Report and a copy of their management review meeting minutes to the NBAC Auditor at least one week prior to the on-site registration audit date.

8. AUDITS

8.1 Initial Certification Audit

The Initial Certification Audit is an on-site registration audit that verifies compliance with the program by reviewing specific, objective evidence. On-site registration audits involve an NBAC Auditor spending approximately 1.5 days at the applicant's facility where they will meet with management and observe the quality system at work.

The scope will be limited to the processes and procedures of the applicant's quality management system and includes the following elements:

- a. Managerial review of the applicant's quality program and its documentation.
- b. Verification of certificates and calibrations, where appropriate.
- c. Interviews with staff members who are involved in the administration and execution of the quality program.
- d. Evaluation of system adherence and record maintenance.

The Auditor will produce a written audit report, noting any nonconformances, deficiencies and areas of concern. The report will be submitted to the applicant at the close of the audit for the applicant's review and comment.

At the time of the closing meeting, if the QMR or a member of the organization's quality management team believes that a cited nonconformance is the result of different interpretations of a program element, and cannot settle the issue with the Auditor, the QMR can take the following path: Within five days of the closing meeting, contact the NBAC Program Manager at the National Biodiesel Board office and provide written information concerning the interpretation of the specific program element(s) and the organization's position on the nonconformance. The Program Manager will meet with the NBAC Chairman and one or more NBAC Commissioners to review the program requirements and may discuss with the Auditor, their interpretation of the requirement. This NBAC group will make a determination of the correct interpretation and will normally inform the organization of their decision within ten days of the receipt of the information from that organization.

The applicant is required to submit an action plan to the Auditor within 30 days of the audit describing how the organization will address the nonconformances identified. The organization may use its own Corrective Action Plan form or they may use the form found on the BQ-9000 website, www.BQ9000.org. At a minimum, the following information must be supplied to the Auditor:

- The nonconformance stated;
- The root cause of the nonconformance;
- The action plan to address the nonconformance;
- The person responsible for executing the action plan;
- The expected time to complete the corrective action;
- An approval signature of the QMR or responsible management person who is approving this specific action plan.

If the applicant satisfactorily completes the corrective actions on their nonconformances within 30 days of the audit date, the organization is not required to submit their action plans.

Evidence that corrective actions have addressed the nonconformances can be mailed or emailed to the Auditor.

All nonconformances are expected to be closed within 60 days of the audit date. The Commission recognizes that there may be a specific nonconformance that cannot be closed within 60 days, and this will be acceptable if the Auditor is informed of such when the organization issues their action plans. An Auditor may reject one or more of the organization's action plans if the action plan(s) do not fully address the nonconformance. The organization must then revise and resubmit this action plan to the Auditor.

If an organization cannot reach an agreement with the Auditor on an action plan for a specific nonconformance and has submitted at least two action plans to remedy the nonconformance, the organization's QMR or designated representative can take the following path: Within five days of the rejection of a second submitted action plan for a nonconformance, contact the NBAC Program Manager at the National Biodiesel Board office and provide written information concerning the validity of the proposed action plan(s) for this nonconformance. The Program Manager will meet with the NBAC Chairman and one or more NBAC Commissioners to review the submitted action plan(s) as it relates to the cited nonconformance, and may discuss with the Auditor, their position on the proposed action plan(s). This NBAC group will make a determination on the proposed action plan(s) and will normally inform the organization of their decision within ten days of the receipt of the information from that organization.

If the organization does not close their nonconformances within 60 days, requiring further Auditor attention, the organization may be charged **\$150** per hour for the extra time that the Auditor had to spend on verifying the closure on late corrective actions.

If after 90 days from the date of the audit, the NBAC Auditor has received no communications pertaining to the action plans or corrective actions, the Auditor is required to drop all work with the Applicant. The Applicant agrees to forfeit all fees rendered. The Applicant shall have to reapply to the NBAC if they are interested in future BQ-9000 certification.

In Appendix A is a sample letter that will be sent to the Applicant summarizing their pre and post Certification Audit requirements.

8.2 Certification Audits of Companies with Multiple Facilities

To verify that the quality management system has been implemented at all locations, on-site audits of a representative number of outlets or locations is necessary. The auditors will determine which locations will be audited. The audit schedule is as follows:

- a. BQ-9000 Producers with multiple production locations.

Each production facility will be subject to an on-site audit and appropriate fees.

- b. BQ-9000 Marketers with multiple distribution locations will be subject to one application fee and appropriate audit fees based on the number of on-site audits required. .
 - 1 – 3 locations 1 On-Site Audit
 - 4 – 10 locations 2 On-Site Audits
 - 11 -20 locations 4 On-Site Audits
 - 21+ locations Square root of the number of locations plus 1 (e.g. 36 locations would require 7 audits)

The first On-site Audit is included in the base audit fee. Each additional On-site Audit requires an additional \$1,900 NBB Member / \$2,850 Non-NBB Member plus travel expenses.

- c. BQ-9000 Labs with multiple testing locations.
 - Each testing facility will be subject to an on-site audit and appropriate fees.

8.3 Certification Decisions

When the auditor has verified that all nonconformances have been closed through corrective actions, a final audit report will be submitted to the NBAC.

The applicant may submit written comments on this final report by submitting those comments to the Commission chair up to one week after receiving the final audit report from the auditor. The Commission normally holds monthly meeting and tries to respond to Auditor's reports and recommendations within 30 days.

Upon receipt of the Audit Report the Commission will set a meeting to vote upon certification status of the Applicant. The Commission may request to have the auditor present telephonically during its review to answer questions about the application. After dismissing the Auditor, the Commission will review the Audit Report and any written comments. If the Commission determines that additional facts are necessary, the Commission may postpone the determination for no longer than 60 days. If not, the Commission shall proceed to determination. The determination shall be accomplished by a vote of the commission, with each commissioner having exactly one vote. A majority of the commissioners must vote affirmatively on the certification request for certification to be granted. If certification is not granted, the basis for denial, identifying all material deficiencies, will be sent to the applicant in writing.

Part B of the BQ-9000 Program Requirements Manual discusses program element rankings, as critical, major or minor. The ranking system is integral to identifying deficiencies in quality management systems. The number and significance of these deficiencies will determine how the NBAC votes on audit reviews. An unsatisfactory audit may result in a certification decision being postponed until after a follow-up audit is held. Any decision of this type shall be approved by a vote of the NBAC Commissioners. If a follow-up audit is required, audits fee and travel expenses shall be paid by the Applicant.

Upon approval for certification by the Commission, the Applicant shall receive a Certification Certificate that is good for a three year period.

If the Applicant believes that they have received an adverse decision from the NBAC Commission, the applicant may use the Reconsideration or Appeal process to address their concerns. The details on Reconsideration and Appeal are found in Part B of their Quality Management System Requirements manual.

9. FUTURE AUDITS

The date that the NBAC approves the BQ-9000 certification for an applicant becomes the anniversary date of their certification. If the NBAC requires a follow-up audit before the certification audit vote, and the Applicant then has a successful follow-up audit, the date that the Commission receives the Follow-up Audit report and votes on certification, becomes the Applicant's certification date.

Approximately one year prior to the applicant's certification anniversary date an on-site Surveillance Audit will be held. Approximately two years prior to their certification anniversary date a second Surveillance Audit will be held. At the end of three years, the organization's BQ-9000 certification expires. If the organization wishes to maintain certification under the BQ-9000 program, they must reapply and complete a re-certification audit before their certification expiration date.

Details of the Surveillance Audits and Recertification Audits are found in Part B of the Quality Management System Requirements manual, section 1, Certification Process.

For future audits for Marketers with multiple locations, the NBAC Auditor will select different locations that have not been previously audited, so that eventually all locations will be audited.

10. CONFIDENTIALITY

10.1 Confidentiality

NBAC Staff and the BQ-9000 Auditor must review documents submitted by Applicants. These documents may contain commercially-sensitive information to the Applicant. Maintenance of the Applicant's confidentiality of this information is critical to the success of the BQ-9000 Program. For this reason, the NBAC shall comply with the following:

10.2. Definitions

Confidential Material means any document or item submitted to the NBAC or the BQ-9000 Auditor. *Confidential Material* shall not include, however, information known to NBAC independently, information generally available to the public, or information obtained by NBAC from a third party under no obligation to Applicant not to disclose such information.

Distributed means put into the possession of a recipient by any method approved herein.

Staff means the assigned BQ-9000 Auditor and any staff persons working for or retained by the NBAC.

10.3 Distribution

Confidential Material shall never be distributed by email in connection with any NBAC business. Confidential Material shall be distributed only by the following means:

- a. Personal, in-hand delivery,
- b. The United States Postal Service,
- c. Any private delivery service, or
- d. Facsimile machine.

10.4 Staff Access to Confidential Material

NBAC Staff may, in accordance with subsection 5 herein, review Confidential Material containing company identifiable information.

10.5 Commissioner Access to Confidential Material

No Confidential Material shall be distributed to an NBAC Commissioner except upon appeal by Applicant. In an appeal, only that Confidential Material which is relevant to the issue on appeal shall be distributed. Before distributing any Confidential Material to an NBAC Commissioner, Staff shall first remove or obliterate all company identifiable information.

10.6 Use of Confidential Material

NBAC Staff and Commissioners shall use the Applicant's Confidential Material only for purposes directly related to BQ-9000 Program. Except for Staff's distribution to Commissioners in an appeal, neither NBAC Staff nor Commissioners shall copy or disclose any Confidential Material received. NBAC Staff and Commissioners shall use that same degree of care to prevent the copying or disclosure to others, as he or she would use to prevent the disclosure of his or her own confidential information.

10.7 Auditor's Non-Disclosure of Audit Observations

NBAC and its Staff shall keep confidential all information regarding procedures and equipment gained during facility assessments/audits.

10.8 Maintenance; Duty to Destroy or Return

By Commissioners: Upon consideration and action for which Confidential Materials were distributed, all Commissioners shall immediately destroy same or return same to NBAC Staff or auditor.

By Staff or Auditor. Staff shall retain Confidential Materials in a secure location during the period of applicant's certification. Upon request, Staff shall either return or destroy said Confidential Materials within thirty (30) days of expiration of Applicant's certification.

10.9 Non-Confidential Information

NBAC, its auditors and Staff may disclose to interested parties the following information which is considered non-confidential: Company name, address, contact, telephone number, scope of audit, audit days, and auditor(s).

10.10 Sanction

Any NBAC Staff, auditor, or Commissioner who violates the terms of this Confidentiality Policy may be sanctioned by the NBAC in a manner consistent with the damage done the NBAC and the Applicant. This sanction may include verbal reprimand, written reprimand, suspension, dismissal, or expulsion.

11. RELEASE OF CLAIMS AGAINST ACCREDITATION DECISION

Applicant hereby waives and releases the National Biodiesel Board, its committee the National Biodiesel Accreditation Commission, its Appeal Board and their commissioners, directors, officers and agents from any and all claims we may have as a result of or in connection with any audits or examinations conducted by the Commission which we agree to undergo, the results thereof given by the Auditor and decisions of the Commission or Appeal Board based thereon, including if applicable the failure of the Commission to issue an accreditation or certification, or the Commission's revocation of any certification or accreditation previously issued to my company. It is understood that the decision as to whether my company qualifies for a certificate vests solely and exclusively in the Commission and its Appeal Board and that the decision of

either shall not be litigated in the courts.

12. HOLD HARMLESS AND INDEMNIFY

In consideration of the value of the designation to be received, Applicant hereby agrees to release from, to hold harmless and to indemnify the National Biodiesel Board and its committee the National Biodiesel Accreditation Commission and all of their commissioners, directors, officers, and staff (collectively, NBAC) against and for any and all liability, loss or damage any of them may suffer as a result of claims, demands, costs, or judgments against them arising from NBAC's issuance of either the BQ-9000 Producer or BQ-9000 Marketer designation as requested by Applicant, including the costs of defending against such claims. NBAC agrees to notify Applicant in writing within thirty days by registered mail of any claim made against NBAC on any of the obligations indemnified against. This section survives the Agreement and shall continue in full force and effect until ten years from the last designation or renewal granted by the Commission hereunder.

BQ-9000 APPLICATION FORM

Company Name: _____

Mailing
Address: _____

Is your facility a subsidiary of another company?

Yes No

If "Yes" please identify the parent organization:

Mailing
Address: _____

Contact
Person: _____

E-mail: _____

Telephone: _____ Fax: _____

Type of certification sought (circle as applicable):

BQ-9000 Producer

BQ-9000 Marketer

BQ-9000 Lab

For Marketers, please indicate the locations of all facilities or sites where the BQ-9000 program will apply. Include physical addresses.

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Please provide a description of all products and services that are provided by your organization which are related to this quality program:

Please submit a complete copy of your quality manual and related documents which describe your quality management system.

I hereby attest to the truth of all information supplied on this Application Form and agree to all the terms and conditions of this BQ-9000 Application Package.

APPLICANT COMPANY: _____

By: _____

Title: _____

Date: _____

Applications are to be submitted to:

National Biodiesel Accreditation Commission
605 Clark Ave
P.O. Box 104898
Jefferson City, Missouri 65110-4898
(573) 635-3893.

(Application fees must accompany form)