

# BQ-9000 Quality Management System

## Retailer Requirements



**Revision 1**

**Effective Date: July 1, 2015**

© 2015 National Biodiesel Board

This requirements document has been prepared by the National Biodiesel Accreditation Commission, an autonomous committee of the National Biodiesel Board, P.O. Box 104898, Jefferson City, MO 65110-4898, for use in a cooperative and voluntary program for the certification of retailers of biodiesel and biodiesel blends. Compliance with these requirements is a minimum requirement of the certification process. The existence of this document does not in any respect preclude any entity from retailing, producing, purchasing, or using products, processes, or procedures not conforming to this standard. This document is subject to periodic review and revision control and users are cautioned to obtain the latest edition.

**Table of Contents**

<b><u>Section</u></b>	<b><u>Page</u></b>
Part A: Program Requirements	
Scope .....	3
Terms and Definitions .....	3
References .....	4
Documentation Requirements.....	5
Management Responsibility .....	6
Laboratories .....	7
Receipt of Product.....	7
Biodiesel and Biodiesel Blend Storage .....	9
Fuel Blending and Distribution .....	10
Remediation Elements .....	11
<b>Part B Policy Regulations</b> (informative)	
Certification Process .....	13
Certification, Suspension and Revocation.....	16
Reconsideration and Appeal of NBAC Decisions .....	18
BQ-9000 Provisional Status.....	19
BQ-9000 Producer Seeking BQ-9000 Marketer Certification.....	21
BQ-9000 Marketer Seeking BQ-9000 Retailer Certification.....	22
BQ-9000 Idled Facilities.....	22
Change of Ownership and Acquisitions .....	24

## 1 SCOPE

This document specifies requirements for a quality management system where an organization needs to:

- a) demonstrate its ability to receive, maintain, and deliver product that meets ASTM D6751, D975 and/or D7467;
- b) demonstrate procedures for blending biodiesel and distributing the biodiesel blends; and
- c) address quality assurance through the effective application of the program, including processes for corrective action and the prevention of nonconformity.

The requirements specified herein are applicable to retail companies that supply biodiesel blends to consumers. The requirements are site and/or facility specific. If a retailer operates multiple facilities, only those locations approved by the Commission, and denoted within their application submission, can be included in marketing or distribution material that displays the BQ-9000 logo. The process control requirements are prescriptive, while the remaining clauses are descriptive.

## 2 TERMS AND DEFINITIONS

For use in this text, the following terms and definitions apply. It has been found to be helpful for organizations to define in-house terms and definitions used within their quality assurance programs, but are not a requirement.

**Note:** The word “**shall**” indicates mandatory requirements of this document. The word “**should**” indicates a mandatory requirement with some flexibility allowed in compliance methodology. Those choosing other approaches to satisfy a “should” must be able to show that their approach meets the intent of these requirements.

**2.1 ASTM:** ASTM International, originally known as the American Society for Testing and Materials (ASTM), was formed over a century ago. ASTM International is one of the largest voluntary standards development organizations in the world. ASTM develops technical standards for materials, products, systems, and services.

**2.2 Biodiesel:** A fuel comprised of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats and meeting ASTM D6751, designated B100.

**2.3 Blend:** A blend of biodiesel with fuel oils in a specified ratio designated Bxx, where xx is the volume percent of biodiesel.

**2.4 NBAC:** The National Biodiesel Accreditation Commission is an autonomous committee of the National Biodiesel Board that oversees and directs the BQ-9000 program.

**2.5 Organization:** A producer, marketer, laboratory or retailer involved with biodiesel or biodiesel blends.

**2.6 Producer:** An organization involved in the production of B100 through assets under their direct control. Producers can either sell B100 or biodiesel blends of B99 or higher. The Producer shall be registered with the EPA as a renewable fuels producer.

## BQ-9000 Retailer Program Requirements

**2.7 Marketer:** an organization engaged in the business of the distribution and sale of biodiesel and/or biodiesel blends.

**2.8 Broker:** an organization involved in the transfer of product from a seller to a buyer or end use customer; and does not typically take physical possession of the product.

**2.9 External Laboratory:** A third party laboratory that the organization can use to test fuel samples.

**2.10 Internal Laboratory:** A laboratory that is operated or managed by the organization and is located on site.

**2.11 Retailer:** an organization involved in the sale of biodiesel blends through assets under their direct control. Retailers shall be registered within the state in which they do business with documented inspections from appropriate regulators including Weights & Measures.

**2.12 Quality Manual:** A document that describes the elements of the quality program used to assure that the requirements of this document are met.

**2.13 Quality Program:** The organizational structure, responsibilities, procedures, processes and resources necessary to manage quality.

**2.14 Verification:** Confirmation by examination and provision of objective evidence that specified requirements have been fulfilled.

### 3 REFERENCES

#### 3.1 Normative References

The following references contain provisions which, through reference herein, constitute provisions of these requirements. All referenced documents are subject to revision, and all those applying these requirements are required to obtain and apply the most recent editions of the references indicated below.<sup>1</sup>

*ASTM D396 Standard Specification for Fuel Oils*

*ASTM D975<sup>2</sup>, Standard Specification for Diesel Fuel Oils*

*ASTM D1298, Standard Test Method for Density, Relative Density (Specific Gravity), or API Gravity of Crude Petroleum and Liquid Petroleum Products by Hydrometer Method*

*ASTM D4052, Standard Test Method for Density and Relative Density of Liquids by Digital Density Meter*

*ASTM D4057, Standard Practice for Manual Sampling of Petroleum and Petroleum Products*

*ASTM D4176, Standard Test Method for Free Water and Particulate Contamination in Distillate*

---

<sup>1</sup> ASTM documents are available from [www.astm.org](http://www.astm.org).

<sup>2</sup> Any approved alternative test methods listed in ASTM D975 are acceptable for use in this program.

## BQ-9000 Retailer Program Requirements

*Fuels (Visual Inspection Procedures)*

*ASTM D6751, Standard Specification for Biodiesel Fuel Blend Stock (B100) for Middle Distillate Fuels*

*ASTM D7371, Standard Test Method for Determine of Biodiesel (Fatty Acid Methyl Esters) Content in Diesel Fuel Oil Using Mid Infrared Spectroscopy (FTIR-ATR-PLS Method)*

*ASTM D7467<sup>3</sup>, Standard Specification for Diesel Fuel Oil, Biodiesel Blend (B6 – B20)*

*Form BQF-1, BQ-9000 External Laboratory Verification*

### 3.2 Informative References

The following reference is included as bibliographic information which may contain material useful in the application of this requirements document. Excerpts from this reference were used in the development of the requirements in this document.

ISO 9001:1994<sup>4</sup>, *Quality Management Systems – requirements*

## 4 DOCUMENTATION REQUIREMENTS

The quality management system documentation shall include:

- a) documented statements of a quality policy;
- b) a quality manual;
- c) documented procedures required by the BQ-9000 Program; and
- d) records required by this program.

The organization shall establish and maintain a documented quality management system containing provisions which explicitly or by reference, include items that address the requirements contained in this document. The organization shall implement the newest revision of the BQ-9000 Retailer Program Requirements into their quality management system within 90 days of the effective date of the latest revision. The organization shall document their notification to the NBAC when these quality system changes have been made.

### 4.1 Quality Manual

The quality program shall be documented in a quality manual, which meets the requirements herein, including the means to ensure that the biodiesel blends conform to either ASTM D975 or D7467, whichever is appropriate for the blend concentration being offered. The quality manual shall include, or make reference to, quality system procedures.

### 4.2 Quality Policy

A quality policy shall be defined and documented which includes the objectives for, and

---

<sup>3</sup> Any approved alternative test methods listed in ASTM D7467 are acceptable for use in this program.

<sup>4</sup> International Organization for Standardization (ISO). This material is reproduced from ISO 9001:1994 with permission of the American National Standards Institute (ANSI) on behalf of ISO.

## **BQ-9000 Retailer Program Requirements**

commitment to, quality. The quality policy shall be related to the business goals of the operation and the expectations of its customers. The quality policy shall be invoked throughout the operation and understood by all levels of personnel.

### **4.3 Quality System Procedures**

Documented Quality System Procedures (QSPs) shall be prepared that describe the process to be employed for determining and documenting how operational quality requirements will be met and be consistent with the requirements herein. Procedures shall make reference to work instructions that explicitly define how an activity is performed. Personnel responsible for such activities shall have access to the latest procedures and work instructions.

### **4.4 Document Control**

The quality program shall contain provisions for maintaining and controlling BQ-9000 quality program related documents and records. Document Control shall have at least the following:

- a) A method of identifying the current document; such as a revision letter, a revision date, or an effective date on page each of the document;
- b) A means to establish the document status, such as a form that lists all documents in the Quality System, and that defines the current revision of each document as defined in a) above and the effective date of the revision;
- c) A distribution list of those in possession of your controlled Quality Manuals; and
- d) A method for controlling the distribution of new and updated sections of your Quality System Documents. This should include a mechanism to remind the recipients to destroy the copy of the obsolete documents. This is particularly important where forms are copied in advance of use.

### **4.5 Control and Retention of Records**

Records shall be established and maintained to provide evidence of effective implementation, operation and compliance of the organization's quality system. Records shall be retained for a minimum of two years. Records shall be legible, identifiable and accessible. The storage of quality records shall be done in a manner that ensures record integrity. This requirement does not supersede any federal, state, or other requirement (regulatory or otherwise) for further retention of records.

## **5. MANAGEMENT RESPONSIBILITY**

### **5.1 Quality Management Representative**

A quality management representative (QMR) shall be appointed and irrespective of other duties, should chair quality management review meetings, ensure that a quality program is established and that it meets the requirements herein, report on the performance of the quality program and ensure that the most recent version of the quality documents are made available to personnel.

### **5.2 Internal Quality System Audits**

The organization shall develop and implement a system for performing internal quality audits. Internal quality system audits of each element of the quality system shall occur at a minimum of once per year for each location to verify that the organization's operations comply with the requirements stated in its quality management system to determine the effectiveness of the quality

## **BQ-9000 Retailer Program Requirements**

program. Audits should be performed by persons other than those responsible for the area being audited. Audit frequency should be increased when audit results indicate that increased frequency would be beneficial. Audit results shall be presented to personnel responsible for the audited area and cited nonconformities shall be resolved in a timely manner as defined in documented procedures. The audit process, nonconformance reports, corrective action plans, and effective corrective actions shall be referenced and obtainable through internal audit records.

### **5.3 Quality Management Review**

Quality management review meetings shall be held at least once every six months and should be chaired by the QMR. Records shall be kept of the review meetings. The input to quality management review meetings should include information on the following:

- a) results of Internal Quality System Audits;
- b) customer feedback;
- c) process performance & product conformity;
- d) status of preventive and corrective actions, along with discussions of root causes and effectiveness of implementations;
- e) follow-up actions from previous quality management reviews;
- f) changes that could affect the quality management system;
- g) discussions to optimize procedures and work instructions; and
- h) recommendations for improvement.

## **6 LABORATORIES**

### **6.1 Internal laboratories**

Internal lab audits shall be included as part of the Internal Quality System Audits (see 5.2).

### **6.2 External laboratories**

Organizations using external laboratories shall have a completed and signed Form BQF-1 for each external laboratory used with supporting documentation indicating their compliance with the requirements specified in 6.1. This form shall be completed annually (every 12 months) by the external laboratory and shall be retained by the organization for a minimum of two years.

## **7 RECEIPT OF PRODUCT**

A BQ-9000 Retailer has two purchase options when selling biodiesel blends:

- a) The retailer can purchase biodiesel, or a biodiesel blend, from a BQ-9000 Producer or Marketer; see 7.1
- b) The retailer can purchase the biodiesel, or a biodiesel blend, from a non BQ-9000 Producer or Marketer and verify that testing has been performed to produce a valid Certificate of

## BQ-9000 Retailer Program Requirements

Analysis (COA); and if applicable, an accurate blend; see 7.2.

The retailer shall document from whom the biodiesel and/or biodiesel blend fuel was purchased, their BQ-9000 status and the amount of fuel received. These records shall be accessible. It is important to note that not all facilities under an accredited Producer or Marketer may all be operating under the requirements of these programs. The retailer shall only accept product transfer documents that include an EPA registration number.

In any case, a representative sample of the product purchased shall be taken and retained for a minimum of 60 days.<sup>5</sup> This sample shall also be tested per ASTM D4176 (Procedure 2, Maximum Value of 2).

### 7.1 Product Received from a BQ-9000 Producer or BQ-9000 Marketer

If product is received from a BQ-9000 Producer or Marketer, the BQ-9000 Retailer may accept the COA and other documentation demonstrating that the product met the limits of the tests conducted by the biodiesel producer or marketer prior to discharging product directly into a distribution tank. These records shall be accessible.

### 7.2 Product Received from a Producer or Marketer that is not BQ-9000 Certified

Product received from a producer or marketer that is not BQ-9000 certified shall have certificate(s) of analysis showing the tests were performed by an independent lab to verify that the biodiesel meets full ASTM D6751 specifications, and if applicable the biodiesel blend meets all of the requirements of D975 or D7467 as applicable in addition to the accuracy of the biodiesel blend prior to offloading. If a BQ-9000 Retailer is unable to have the product analyzed in accordance with the appropriate specification prior to offloading the product, then the BQ-9000 Retailer must purchase their biodiesel and/or biodiesel blends from a BQ-9000 Producer or Marketer.

**Note:** If a BQ-9000 Retailer is purchasing Biodiesel product or a Biodiesel blend **and** will not be offloading the product but proceeding to re-sale and distribute the product, then the BQ-9000 Retailer must seek BQ-9000 Marketer status as well.

### 7.3 Commingling of Biodiesel or Biodiesel Blend Fuel Shipments or Lots

Once the requirements of Section 7.1 or 7.2 have been met that indicate the fuel has been tested and has met the specification limits of the tests conducted, the fuel shipments or lots can be commingled with other verified lots.

If the product(s) are all biodiesel blends up to 5.49% by volume, and meet the specifications of ASTM D975, then the product can be labeled as diesel fuel in accordance with local, state and federal regulations.

If the product(s) are all biodiesel blends ranging from 5.50 to 20.49% by volume, and all meet the specifications of ASTM D7467, then the product can be labeled as a biodiesel blend from B6-B20 in accordance with local, state and federal regulations.

---

<sup>5</sup> Retained samples (“retains”) shall be kept in an environmentally appropriate location to avoid spoilage of the sample for the period of time being retained. In most cases, retention of at least one liter of fuel should be sufficient. If it is anticipated that cetane number will need to be tested from the retained sample, then an additional liter of fuel may be needed.

## BQ-9000 Retailer Program Requirements

If the product from any of these categories (D6751, D975, and D7467) is commingled with another, assuming that all lots meet their appropriate specifications, then the resulting lot must be tested for the biodiesel blend concentration before labeling the lot and offering the product for sale.

### 7.4 Diesel Fuel & Fuel Oil as a Blend Component

Since ASTM D975 and ASTM D396 specifications permit diesel fuel to be supplied with up to 5% Biodiesel content, the Retailer shall know whether the diesel fuel or fuel oil used in the Retailer's blending operations contains any percentage of biodiesel. Since the diesel fuel and fuel oil certificates of analysis may not contain information on the amount of biodiesel in the purchased diesel used for blending, the Retailer shall determine the biodiesel content through testing or by specifying the biodiesel content in the purchase contract.

## 8 BIODIESEL AND BIODIESEL BLEND STORAGE

### 8.1 Biodiesel and Blend Storage and Distribution Tanks

All biodiesel and blend storage and distribution tanks shall be dedicated to biodiesel service, along with the necessary hoses and materials for compatibility. If a tank is changed from some other service to biodiesel blend storage, the tank should be drained dry, cleaned, and then inspected. The inspection shall be documented.

### 8.2 Biodiesel and Blend Storage Tank Sampling and Testing

Inspection and testing functions, associated with the verification that specified product requirements are being met, shall be defined in documented procedures. Such procedures shall include the types of inspection and testing performed and the records established by same.<sup>6</sup>

The procedures for each inspection and testing shall require that all specified inspections and tests have been carried out and that the results meet specified requirements. Procedures for control of nonconforming product shall be employed (see 10.1) when a product fails to pass a required inspection or test.

### 8.3 Biodiesel and Biodiesel Blend Tank Testing

Each tank used to store biodiesel, or biodiesel blends, shall be part of a documented tank maintenance program. At a minimum, each tank shall be inspected weekly for free water and the results documented.<sup>7</sup>

Each biodiesel blend tank or blending system shall be sampled and tested initially and quarterly thereafter to determine and confirm the actual blend concentration (reference section 9.1.1) against the labeled concentration. Additionally, these samples shall also be tested for its Haze rating; ASTM D4176 Procedure 2 with a Maximum Value of 2. Test results shall be documented and retained for at least 2 years. Sampling from a dispenser is an acceptable alternative to tank sampling but if multiple dispensers are connected to the same tank subsequent quarterly samples shall be taken from different dispensers.

The organization shall also have a documented cleanliness program for both the fuel delivery area,

---

<sup>6</sup> Organizations should check with their laboratories to determine the optimal volume of fuel needed for testing the product and for acceptable shipping containers and procedures.

<sup>7</sup> Free water is known to lead to microbial growth and corrosion within tanks. Care shall be taken to prevent and address any water accumulation within a fuel tank.

## BQ-9000 Retailer Program Requirements

and fueling area. All attempts shall be made to keep the pumps, hoses and nozzles clean for the consumer.

Each pump dispensing diesel or biodiesel blends may include a dispenser filter. Dispensing filter maintenance practices shall be documented as part of the tank maintenance program.

If a biodiesel or biodiesel blend storage tank is inactive (no deliveries into) for 30 days, product shall not be dispensed from the storage tank until a dispenser sample, or a representative sample of the product according to ASTM D4057, is taken. The sample shall be tested for Haze per ASTM D4176 and for Oxidation Stability. If the sample fails to meet specification, the tank shall be isolated and the procedures for the control of nonconforming product shall apply.

All analytical results shall be documented. If the product is out of specification the appropriate corrective action shall be taken including documentation.

### 9 FUEL BLENDING AND DISTRIBUTION

#### 9.1 Fuel Blending

For retailers creating Biodiesel blends, the blending operation shall be monitored to assure adequate mixing of the products in the correct proportions. This includes measuring and recording the volumes and blend levels as verified through bills of lading, meter printouts or other auditable records of both the biodiesel and diesel fuel, which comprise the blend. These records shall be kept for a minimum of two years.

**9.1.1** The quarterly samples (referenced in section 8.3) shall be analyzed for percent biodiesel using ASTM D7371, Determination of Biodiesel Content in Diesel Fuel, or EN 14078. The methyl ester concentration in each of the samples must be within 0.50% by volume for intended blends less than or equal to B5 and 1.0% by volume for intended blends greater than B6.<sup>8</sup>

**9.1.2** The validation test results shall be recorded and retained for a period of two years.

#### 9.2 Storage and Distribution Tanks Containing Biodiesel

Diesel, biodiesel and biodiesel blended tanks shall be inspected and checked for compatibility, including the tanks, pumps, and hoses necessary for storage and dispensing. If a tank is changed from non-diesel service to diesel, biodiesel or biodiesel blended storage or distribution, the tank should be appropriately serviced as directed by knowledgeable personnel prior to use. The inspections shall be documented.

#### 9.3 Trucks and Tanks Containing Biodiesel and Blended Biodiesel

The quality program shall provide cleanliness specification standards that address material and chemical compatibility issues, inspections and cleanliness for trucks and tanks used for delivering biodiesel and biodiesel blends to a BQ-9000 Retailer. Each Retailer shall:

1. Request in writing the cleanliness program from each distributor delivering product, such that the program is obtained annually or when any changes have been made by the distributor. It shall be documented which contracted transportation companies are used and that they have received such requests.

---

<sup>8</sup> For those retailers not dispensing pre-blended fuels and not in-line blending on site may require additional oversight to ensure that the blends offered for sale are accurately represented.

2. If the BQ-9000 Retailer has their own fuel transportation capabilities, then the cleanliness program on hand must include procedures for all trucks and vessels to be inspected prior to loading. If the previous load is suspected to have contained a product that would contaminate the biodiesel (e.g., gasoline, ethanol, methanol, lube oils, raw vegetable oil or animal fats), the procedures shall enable the Retailer to document the course of action taken to prevent any contamination. This would include dyed products and products in excess of 15 ppm sulfur when the biodiesel is destined for ULSD applications. These inspections shall be documented and retained per program requirements. It shall be documented when contracted transportation companies are used, that they have been forwarded the organization's cleanliness requirements on an annual basis or when the procedures have changed.

Any known transportation that does not meet an organizations cleanliness requirements, would require documented approval to load.

### 10 REMEDIATION ELEMENTS

#### 10.1 Nonconforming Product

The organization shall develop documented procedures that will ensure that product is prevented from unintended use, sale or further delivery if it is found to be nonconforming. Controls shall be defined that provide for identification, documentation, evaluation, segregation (when practical), disposition of nonconforming product, and for notification to the stakeholders concerned. Personnel with the authority to review and "sign-off" on the disposition of nonconforming product shall be identified and documented. The review of nonconforming product shall be conducted according to the documented procedures along with initiating a Corrective Action, as per section 10.2. The disposition of nonconforming product may be categorized as:

- a) reprocessed to meet specification;
- b) re-classified to another non-motor vehicle fuel application; or
- c) rejected or destroyed.

If product is reprocessed, it shall be re-inspected and tested to assure it meets specification. The re-inspection shall be documented.

#### 10.2 Corrective and Preventive Action Procedures

Corrective and Preventive Actions shall be managed through the use of documented procedures. Records shall be maintained for corrective and preventive actions. Corrective actions shall be issued in response to product quality nonconformities (including both internally identified and customer complaints related to product quality) and identified nonconformities related to processes of the Quality Management System (including internal and external audits).

For Corrective Actions, the procedure shall require the clear statement of the nonconformity; assignments of responsibility for definition and completion of the corrective action; identification of root cause; identification of the corrective action(s) that are intended to prevent recurrence of the nonconformity and verification of the effectiveness, at an appropriate interval following the implementation of the corrective action. Corrective actions shall not be closed until verification of

## **BQ-9000 Retailer Program Requirements**

effectiveness activities have been completed and recorded. Records of corrective actions shall be documented using a form that supports the above required processes.

For Preventive Actions, the procedure shall require the clear statement of the condition that could result in a nonconformity (either related to product quality or processes of the Quality Management System); assignments of responsibility for the definition and completion of the preventive action and the identification of the preventive action(s) that are intended to prevent the occurrence of the nonconformity. Records of preventive actions shall be documented via memos and/or the use of forms implemented for corrective actions.

Within these procedures, these forms shall have documented timeline requirements for their completion, review and verification.

### Part B Policy Regulations

#### 1.0 CERTIFICATION PROCESS

##### 1.1 Initial Certification

The initial certification process is described in the NBAC BQ-9000 Application Package document. The date that the NBAC Commission approves the BQ-9000 certification for an applicant becomes the anniversary date of their certification. Approximately one year from their certification anniversary date, an on-site Surveillance Audit will be held. Approximately two years from their certification anniversary date a second Surveillance Audit will be held. At the end of three years, the organizations BQ-9000 certification expires. If the organization wishes to continue in the BQ-9000 certification program, they must reapply and complete a re-certification audit before their certification expiration date.

##### 1.2 Surveillance Audit

The Surveillance Audit is a one day on-site audit where the Auditor reviews the program elements of the BQ-9000 organization. This audit is to verify that the BQ-9000 certified organization continues to comply with the requirements of the BQ-9000 program including any changes in the Program Requirements since the last audit.

A second Surveillance Audit is required within two years from their original certification date.

##### 1.3 Re-Certification Renewal

At 3 years from the original certification date, an organizations BQ-9000 certification expires. The organization may request to continue in the program and must go through a Recertification Audit. A Recertification Audit is a one and one half day audit similar to the initial Certification Audit in that the auditor looks at all elements of the organizations quality system.

See section 1.4 for pre-audit requirements and section 1.5 for post-audit requirements and a description on how the audit information is processed by the Commission.

An Auditor is assigned to perform a certification (or recertification) audit and the following two surveillance audits as well as any interim follow-up audits. When the organization is up for its next recertification audit, a new auditor may be assigned to get a second perspective on the organizations performance of its quality system. However, an organization may request the same auditor for a second cycle of 3 years only once following their initial certification.

At least 6 months prior to the expiration of the BQ-9000 certification, the NBAC will provide the certified organization a notice that its certification is about to expire. The notice will be accompanied by a renewal application. The NBAC must receive the renewal application and the current version of the organization's quality manual at least 4 months before the certification has expired. The recertification audit is scheduled to allow the organization to process any nonconformances, and allows NBAC time to review the audit and approve recertification before the organization's current certificate expires. The same cycle of Surveillance Audits will then follow the recertification.

A copy of the Recertification Application Form is in the Appendix at the end of this section.

##### 1.4 Pre-audit Requirements: Surveillance and Recertification Audits

Prior to a scheduled Surveillance Audit or Recertification Audit, the BQ-9000 organization shall:

- 1) Have completed their annual Internal Audit and have generated an Audit Report.

## BQ-9000 Retailer Program Requirements

- 2) Within a reasonable time after this Internal Audit, the QMR should have held a Management Review Meeting to discuss how the organization is performing under their quality system and to discuss the status of any nonconformances from their Internal Audit.
- 3) A copy of the Internal Audit and the most recent two Management Review Meeting minutes must be forwarded to the NBAC Auditor prior to the upcoming Surveillance or Recertification Audit.

### 1.5 Post-audit Requirements: Surveillance and Recertification Audits

Prior to the close of the audit, the Auditor will produce a written audit report, noting any nonconformances, deficiencies and areas of concern. The report will be submitted to the organization's quality management team at the close of the audit for the organization'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 organization is required to submit an action plan to the Auditor within 30 days of the audit date describing how the organization will address each of the identified nonconformances. The organization must submit a Corrective Action form and at a minimum must supply the following information 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

In the Appendix is a sample letter that may be sent out to BQ-9000 organizations prior to an upcoming Surveillance Audit or Recertification Audit that discusses these requirements.

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

Evidence that corrective actions have addressed the nonconformances can usually be mailed or emailed to the Auditor. Under unusual circumstances a follow-up visit may be required to confirm the corrective action of a specific nonconformance.

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

## BQ-9000 Retailer Program Requirements

60 days; and this will be acceptable if the Auditor is informed of such when the organization issues its action plans. An Auditor may reject one or more of the organization's action plans if the plan(s) does not fully address the nonconformance(s). 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 delays closing their nonconformances beyond the 60 days (except in the circumstance noted in the above paragraphs) requiring further Auditor attention, the organization may be charged \$150 per hour for the extra time that the Auditor had to spend on the audit.

If after 60 days from the audit date, the Auditor has not received any communication pertaining to the action plans or corrective actions for this audit, the organization will receive a warning letter from the National Biodiesel Accreditation Commission stating that the organizations nonconformance must be completed within the next 30 days or their certification will be suspended – if this is a surveillance audit; or their request for recertification will be denied – if this is a re-certification audit.

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

The organization may submit written comments on this final report by submitting them to the Commission chair up to one week after receiving the final audit report from the Auditor. The Commission normally holds monthly meetings 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 on certification status of the organization. The Commission may request to have the Auditor present via telephone during its review to answer questions about the audit report. After dismissing the Auditor, the Commission will perform a final review the Audit Report and any written comments. The Commission can then proceed with one of the following actions:

- Based on a satisfactory Certification or Recertification Audit Report, vote to approve certification or recertification.
- Based on the review of a satisfactory Surveillance Audit Report, allow certification to continue.
- Based on the need for additional facts, vote to postpone the certification status decision and require additional information.
- Based on the determination that the organization needs significant improvement in the execution of their quality system, vote to postpone certification status and require a follow-up audit. This follow-up audit will take place after the organization has had an opportunity

## BQ-9000 Retailer Program Requirements

to improve their quality system performance. A vote on the certification status will then take place after the results from the follow-up audit have been reviewed.

- Based on the determination that the organization's performance was unsatisfactory, vote to suspend the organization's certification. A follow-up audit is recommended. The Commission can then vote on reconsideration of the suspension based on the results of the follow-up audit.
- Based on the determination that the organization's performance was poor, vote to revoke the organization's certification.

If the Commission determines additional facts are necessary, the Commission may postpone the determination for no longer than sixty (60) days. If not, the Commission shall proceed to determination. The determination will be accomplished by a vote of the commission, with each commissioner having 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 the denial, identifying all material deficiencies, will be sent to the applicant in writing.

If a follow-up audit is required, the audit fee and travel expenses shall be paid by the organization.

If the organization believes that they have received an adverse decision from the NBAC Commission, the organization may use the Reconsideration or Appeal process to address their concerns. The details for Reconsideration and Appeals are found in the section 3.0

### **Reconsideration and Appeal Process for NBAC Decisions.**

#### **1.6 Audit Scheduling**

If a Marketer or Retailer has multiple terminals or retail outlets that are included in the company's BQ-9000 certification, these terminals or retail outlets are audited as well as the corporate facilities. If a Marketer or Retailer has up to three terminals or retail outlets included, one of the three terminals or retail outlets is audited at the same time as the corporate facilities. Different terminals or retail outlets are audited each cycle so that all terminals or retail outlets over time will be audited. If a Marketer or Retailer has more than three terminals or retail outlets included in their BQ-9000 certification program, one or more additional terminal or retail outlet audits are required each audit cycle. See the program costs on the BQ-9000 website for details and costs.

Under most circumstances, the two Surveillance Audits and the next Recertification Audit shall be scheduled as noted above. Any interim follow-up audit between these required audits shall not change the due dates of the Surveillance and Recertification Audits.

Normally at the close of a Surveillance Audit or Recertification Audit, the next audit should be scheduled. This is required even if the next audit is a Recertification Audit and the Auditor might be changed. In such a case, the Auditor will report to NBAC when the Recertification Audit is scheduled. If a new Auditor is assigned, and cannot accommodate that specific date, the new Auditor will contact the organization and establish a mutual audit date.

#### **1.7 Audit Fee Structure**

See the BQ-9000 website for details on the fee structure for each type of audit.

## **2.0 Certification, Suspension and Revocation**

### **2.1 Suspending BQ-9000 Producer, Marketer, Laboratory or Retailer Status**

Effective Date: July 1, 2015

## BQ-9000 Retailer Program Requirements

NBAC may suspend BQ-9000 Producer, Marketer, Laboratory, or Retailer status and remove a company's name from the list of BQ-9000 companies at [www.bq9000.org](http://www.bq9000.org) for any of the following reasons:

1. Failure to follow the approved quality management system, policies, or procedures resulting in a major nonconformance without implementing corrective action;
2. Denying access to an operation's facilities and records to the BQ-9000 auditors within the scope of the requested certification;
3. Failure to pay NBAC required fees;
4. Failure to respond to NBAC corrective actions in the timeframe provided; or
5. A production facilities falls under the suspension criteria in **7.0 BQ-9000 Idled Facilities**.

NBAC will notify the organization in writing of the suspension and the actions required to regain BQ-9000 status, including a deadline for the specified actions. Once suspended, entities will have 6 months to remedy the reasons for suspension with a reassessment audit. If the suspended entity does not respond to the NBAC's initial notification of suspension within thirty (30) days, the entity's BQ-9000 status will be revoked. Information provided will not include specific remedies to violations.

If an organization's actions or lack of actions do not meet the criteria described above, the NBAC may issue a Warning Letter to an organization that their continued certification is in jeopardy. The organization shall receive a recommendation to initiate some action such as hiring a consultant to help them better develop their program or to better execute their program, perform some internal training, and/or scheduling an interim follow-up audit that could demonstrate their improved performance under their quality system.

### 2.2 Reinstatement of Suspended BQ-9000 Certification

BQ-9000 status for companies will remain suspended for reasons 1, 2 and 4 above until an on-site audit verifies that effective corrective action has been taken. Final decisions on the suitability of corrective action and the company's eligibility for reinstatement are at the discretion of the NBAC.

BQ-9000 status for companies suspended for failure to pay fees will be reinstated when all outstanding fees and interest have been paid in full, unless the certification has been subsequently revoked.

BQ-9000 status for companies suspended due to an idled production plant may be reinstated after the plant begins production and specific quality system requirements are met as defined in section **7.0 BQ-9000 Idled Facilities**.

### 2.3 Revoking BQ-9000 Certification

NBAC may revoke BQ-9000 status and remove an organization's name from the list of approved organizations at [www.bq9000.org](http://www.bq9000.org) for any of the following reasons:

1. Repeated failure to maintain its system in conformance with the requirements of this directive and the approved quality system;
2. Failure of a suspended operation to meet conditions for reinstatement within the required timeframe;
3. Failure to respond to NBAC in given timeframe;

## **BQ-9000 Retailer Program Requirements**

4. Willful violation of Federal or State regulations relevant to BQ-9000 standards;
5. Deliberate misrepresentation of the products or services distributed under a BQ-9000 system;
6. Fraudulent use of BQ-9000 Logo in advertising and promotional material; or
7. A production facilities falls under the revocation criteria in Policy 7.0 Idled Facilities.

NBAC will notify organizations in writing of the revocation. Companies whose approval has been revoked may reapply for BQ-9000 certification after a period of one year.

Organizations may request Reconsideration or Appeal of an adverse decision by the NBAC. See section **3.0 Reconsideration and Appeal of NBAC Decisions**.

### **2.4 License Use of BQ-9000 Logo**

The NBAC's License Agreement with an organization is coextensive with their BQ-9000 certification per NBAC License Agreement, section 3. Thus when an organization's certification is suspended or revoked, the organization must remove the BQ-9000 logo from the organization's materials and cease to use it. An organizations continued use of the BQ-9000 logo beyond the suspension or revocation date will be actionable as unlawful infringement of intellectual property. The organization's name will be removed from the List of BQ-9000 Producers, Marketers, Laboratories and/or Retailers on the NBAC website, but no other steps will be taken by the Commission to publicize this step.

## **3.0 Reconsideration and Appeal of NBAC Decisions**

### **3.1 Reconsideration of Adverse Decision**

An applicant denied certification has thirty (30) days after the Commission's adverse decision in which to submit a written request for reconsideration of a denied certification or other adverse decision to the National Biodiesel Accreditation Commission. The Commission will grant Reconsideration if it believes there is a genuine issue of fact material to the decision it made. The reconsideration request must identify the elements of the audit report or other basis for the Commission decision alleged to be inaccurate or otherwise erroneous. The applicant may attach written evidence of the alleged inaccuracy or error. Before acting on Reconsideration, the Commission reserves the right to submit to the applicant additional questions in writing or to direct further investigation by its staff or auditor, and to consider also the evidence so acquired.

The question upon Reconsideration shall be exactly the same question as upon original consideration: Shall the Application be approved? The vote required shall be the same as upon original consideration: A majority of the Commissioners in office. In its vote upon Reconsideration, the Commission shall, weighing the evidence before it, act upon the basis of the evidence presented. The Commission's decision shall contain findings of fact and conclusions based thereon.

### **3.2 Appealing NBAC Rulings**

A party aggrieved by a decision of the Commission upon Reconsideration may appeal that decision to an Appeal Board if within twenty (20) calendar days of the decision upon Reconsideration the party writes a letter to the Commission stating the grounds for appeal, requesting a hearing, and enclosing a fee of \$2,000 to offset the Commission's miscellaneous costs incurred in the Appeal.

## **BQ-9000 Retailer Program Requirements**

Upon request of such letter, the Commission shall appoint an independent Appeal Board of three industry experts: Preferably, one from academia, one from government, and one from private industry.

The Commission shall forward to each Appeal Board member the entire record of the matter appealed. The record on appeal shall consist of: All documents in the possession of the Commission with respect to Appellant at time of Reconsideration. The Appeal Board's decision shall be based solely on the record; no additional evidence shall be considered.

The Appeal Board shall:

- Within five days of appointment, elect a Chair;
- Within ten days of appointment, receive and thoroughly review the record;
- Invite the Appellant to submit any further written argument, to be received no later than fourteen (14) days after appointment;
- Thoroughly review any written argument submitted;
- Schedule a telephone hearing on the appeal, to be conducted no later than thirty (30) days after appointment.

At the oral argument session, the Commission shall be represented by its Chair or its counsel. The appellant may appear in person or be represented by counsel. Each party may make an oral statement of no longer than ten minutes. There shall be no further evidence introduced; however each party shall, during oral argument, respond fully and faithfully to questions from the Appeal Board. There shall be no direct or cross-examination by the parties.

After all questions from the Appeal Board have been answered, the Board shall dismiss the parties and reach a decision. The Board may affirm the Commission decision, reverse the Commission decision, or remand to the Commission for further action in accord with the Board's decision. The Board shall reverse or remand it if it determines that the decision of the Commission was not supported by substantial evidence in the record before the Commission when reviewed as a whole. The Board shall affirm it if it determines that the decision of the Commission was supported by substantial evidence in the record before the Commission when viewed as a whole. The Appeal Board Chair shall write the decision and send it to both parties. The written decision of the Appeal Board shall be final.

### **4.0 BQ-9000 Provisional Status**

#### **4.1 Background**

When an organization becomes certified as a BQ-9000 company, the certification applies only to those specific facilities having been registered and voted upon. As the company becomes more established, they may want to have other facilities owned or operated by the parent organization to become BQ-9000 certified. The following information provides guidance on how these facilities can become certified. At this time, no other procedures exist to provide Provisional Status for Laboratories.

A BQ-9000 Producer, Marketer, or Retailer shall not imply or represent that any additional facilities owned or operated by the accredited company falls under an existing BQ-9000 certification. Nor shall the company imply or represent that any other facility has met the BQ-9000 requirements unless they have received BQ-9000 certification for that particular site.

## **BQ-9000 Retailer Program Requirements**

The NBAC recognizes that an existing BQ-9000 company's successful implementation of their quality management system demonstrates commitment to the BQ-9000 program and an understanding of the challenges of producing and/or marketing product from multiple facilities. The NBAC has created a Provisional designation to expedite the recognition of additional facilities that the organization wants to become BQ-9000 certified.

In the normal BQ-9000 certification process a biodiesel facility must operate for six months under their quality management system before they can be audited by NBAC to seek full BQ-9000 certification. This allows for sufficient time for the facility personnel to become ingrained in the program elements of the BQ-9000 requirements, generate production and test data, and allows sufficient time for the QMR to gain experience in managing their quality management system. When an organization wants its other biodiesel facilities to become BQ-9000 certified, the organization implements its existing BQ-9000 quality management system into these other facilities. This allows these other facilities to qualify under the BQ-9000 Provisional Status and can be recognized as a BQ-9000 facility and can use the BQ-9000 logo before completing the six months operational requirements and its certification audit.

### **4.2 Eligibility Requirements**

- a) If the BQ-9000 company has operated under the BQ-9000 program long enough to satisfactorily complete one Surveillance Audit, the corporation may seek Provisional Status for an additional facility or facilities.
- b) If more than one new facility is seeking Provisional Status, each facility is handled separately (or may be grouped as appropriate within the Marketer or Retailer program).
- c) Under normal circumstances Provisional Status is granted for a period not to exceed twelve months. After six months, this facility must have a satisfactory certification audit for full certification. Otherwise the facility loses its Provisional Status and may no longer use the BQ-9000 logo for this facility.

### **4.3 Provisional Status Prerequisites**

There are a certain number of prerequisites that must be completed before NBAC can award Provisional Status. These prerequisites should take approximately three months.

A corporation requesting provisional certification for an additional facility shall complete the following steps:

1. The BQ-9000 company shall submit a written request to the NBAC requesting permission to pursue Provisional BQ-9000 status for a specific facility;
2. Submit a completed application, and the appropriate Provisional Status fees;
3. The new facility shall submit copies to NBAC of any documented work instructions or procedures that are specific to this new facility that are not currently in the parent company's quality manual;
4. Complete full requirements as necessary within the respective BQ-9000 Program Requirements;
5. The initial, appointed QMR shall be from the parent organization for a minimum of 6 months;
6. Conduct at least one internal audit. The internal audit shall be completed under the supervision of the internal auditor or QMR either of which is from the existing BQ-9000 certified facility;
7. Hold at least one quality management review meeting led by the QMR from the existing BQ-9000 certified facility;
8. Submit the data from the full requirements (i.e. testing or blending validation), a copy of the internal audit report and a copy of the Management Review Meeting to the NBAC appointed auditor for verification.

## **BQ-9000 Retailer Program Requirements**

After verification that the prerequisites have been met, the NBAC auditor shall make a recommendation to the National Biodiesel Accreditation Commission on the facility's request for Provisional Status. The NBAC shall then vote on awarding Provisional Status to the specified facility.

While the new facility is operating under the Provisional Status, it must operate under its parent's quality manual. If the new facility plans to operate under its own quality manual, the organization can develop its own manual during this time. The new facility's quality manual must be submitted to the NBAC Auditor so the Auditor can perform a Desk Audit of the new manual prior to the organization's certification audit. The new facility cannot operate under its new quality manual until it has been approved by the NBAC Auditor.

### **4.4 Provisional Status Fee**

The fee for an organization seeking Provisional Status is identical to the Application Fee of any organization seeking the same respective BQ-9000 Certification.

### **4.5 Steps to Full BQ-9000 Certification**

1. The facility must operate under their quality management system for a minimum of six months after receiving Provisional Status;
2. During the time in which the new Producer organization is operating under the Provisional Status, the facility's quality system shall be managed by the personnel involved in managing the quality management system of the parent BQ-9000 certified company.
3. The facility must complete a satisfactory On-Site registration audit by the NBAC appointed auditor;
4. Resolve all nonconformances identified during the registration audit;

After all nonconformances have been successfully closed out, the NBAC auditor shall issue an Audit Report to the National Biodiesel Accreditation Commission on the facility's request for full BQ-9000 certification. The NBAC shall then vote on awarding the organization full BQ-9000 accreditation.

### **4.6 Audit Cycles**

1. The audit dates of the existing BQ-9000 company do not change with the addition of the new BQ-9000 facility.
2. The audit scheduling of the new BQ-9000 facility is totally independent of the audit dates of the existing BQ-9000 company. The new BQ-9000 facility is treated as an independent organization and its audit scheduling is based on when the new facility achieves full BQ-9000 accreditation.

## **5.0 BQ-9000 Producer Seeking BQ-9000 Marketer Certification**

### **5.1 Requirements**

If a BQ-9000 Producer wishes to exceed the volumes specified in section 12.0 of Part A, Producer Requirements, on Producers Purchasing Biodiesel, or if the Producer wishes to sell blends lower than B99, the Producer must seek BQ-9000 Marketer certification.

### **5.2 Seeking Marketer Certification**

The process for a BQ-9000 Producer to become a BQ-9000 Marketer is no different than any other marketer wanting to become BQ-9000 certified. An application must be filed, fees paid, a marketing quality manual must be developed based on the BQ-9000 Marketer Requirements

## **BQ-9000 Retailer Program Requirements**

manual, and audits executed in the same manner as for BQ-9000 Producer certification.

### **5.3 BQ-9000 Producers Who Have Received Their BQ-9000 Marketer Designation**

BQ-9000 Producers who have received their BQ-9000 Marketer certification but:

- have not marketed or distributed B99 or B100 purchased from a third party supplier or;
- have not sold biodiesel blends of B98 or lower;

have one year from the date of their BQ-9000 Marketer certification to perform these activities under their BQ-9000 Marketer quality management system. If no BQ-9000 Marketer activity has been recorded during this year, then the company shall forfeit their BQ-9000 Marketer Status.

## **6.0 BQ-9000 Marketer Seeking BQ-9000 Retailer Certification**

### **6.1 Requirements**

If a BQ-9000 Marketer wishes to sell biodiesel blends to consumers at retail, the Marketer must seek BQ-9000 Retailer certification.

### **6.2 Seeking Retailer Certification**

The process for a BQ-9000 Marketer to become a BQ-9000 Retailer is no different than any other retailer wanting to become BQ-9000 certified. An application must be filed, fees paid, a retailer quality manual must be developed based on the BQ-9000 Retailer Requirements manual, and audits executed in the same manner as for BQ-9000 Marketer certification.

### **6.3 BQ-9000 Marketers Who Have Received Their BQ-9000 Retailer Designation**

BQ-9000 Marketers who have received their BQ-9000 Retailer certification but:

- have not sold biodiesel blends of B20 or lower;

have one year from the date of their BQ-9000 Retailer certification to perform these activities under their BQ-9000 Retailer quality management system. If no BQ-9000 Retailer activity has been recorded during this year, then the company shall forfeit their BQ-9000 Retailer Status.

## **7.0 BQ-9000 Idled Facilities**

### **7.1 Background**

BQ-9000 certification is granted for a period of three years and may be renewed. However, a company undergoes annual surveillance audits to verify that they are maintaining and using their quality management system. The National Biodiesel Accreditation Commission (NBAC) expects that BQ-9000 companies are continuously operating within the scope of their quality management system.

Nevertheless, a BQ-9000 facility may choose to shut down or idle their facility for an extended period of time due to any number of factors like poor economic conditions, major plant retooling or labor issues. The questions that arise from this temporary change in operating status are “How does a facility shutdown or idling affect a company’s BQ-9000 status?” and “Are there any requirements for restarting the facility?”

## BQ-9000 Retailer Program Requirements

Facility shutdowns may affect plant staffing, quality management system maintenance and employee familiarity with the system. As a result, the effectiveness of the company's quality management system may be impacted. Therefore, the Commission has outlined the following quality management system restarting verification requirements for a facility after a shutdown. These requirements are based upon the shutdown category classification.

### 7.2 Definitions

**Category I Shutdown:** The facility is not producing (Producer) nor selling (Marketer / Retailer) biodiesel for 60 days but the quality management system is still being followed and maintained and the quality management representative (QMR), facility manager, and possibly the lead operator all retain their positions.

**Category II Shutdown:** The facility is not producing (Producer) nor selling (Marketer / Retailer) biodiesel and either the quality management system is not being followed and maintained, or the entity has been under Category I for greater than 180 days. The QMR and the facility manager are still part of the organization but may be on other assignments.

**Category III Shutdown:** The facility is not producing (Producer) nor selling (Marketer / Retailer) biodiesel and the quality management system is not being followed and maintained. The QMR and/or plant manager are no longer part of the biodiesel operations.

### 7.3 Guidance

#### **Category I Shutdown:**

A facility enters Category I Shutdown for less than **180** days but greater than 60 days shall complete the following requirements.

- During the shutdown period the company shall maintain product and tank testing requirements outlined in the quality management system;
- After the 90<sup>th</sup> day they shall test stored product for all critical parameters prior to shipment;
- Prior to startup the company shall hold an abbreviated Quality Management Review Meeting to focus on startup issues such as refresher training, sampling and testing. All affected personnel shall have had refresher training;
- If the organization has been in a Category 1 Shutdown for at least ninety days, within sixty days after startup the company shall hold an internal audit to verify the effectiveness of the quality system;
- A full quality management review meeting shall then be held within 30 days after the internal audit;
- NBAC shall receive notification of this classification.

No on-site NBAC Audit is required at the time of start-up and the company's BQ-9000 status is maintained.

After **180** days of no biodiesel activity, the company enters Category II Shutdown.

#### **Category II Shutdown:**

- BQ-9000 status is suspended;  
For entities interested in eventual recertification, the following must be adhered to:
- Prior to shipping stored product from their tanks, the biodiesel shall be sampled and tested for all critical parameters which are identified in the Part A section on Program Requirements;
- If a Producer, the first production lot produced at startup shall receive full Biodiesel ASTM D6751 testing (except Cetane number) and must meet the specifications.

## BQ-9000 Retailer Program Requirements

- Prior to startup they shall hold a Quality Management Review Meeting to focus on the startup issues such as refresher training, sampling and testing. All affected personnel shall have had refresher training;
- Within sixty days after startup the company shall hold an internal audit to verify the effectiveness of the quality system;
- Another quality management review meeting shall be held within 30 days after the internal audit;
- An external audit shall be scheduled and occur within 6 months of startup;
- NBAC shall receive notification of this classification.

The next Surveillance Audit shall be scheduled within a year from the date of this new external audit.

### **Category III Shutdown:**

- BQ-9000 status is revoked. (refer to section 2.3 of the Policy Requirements)

## **8.0 Change of Ownership and Acquisitions**

### **8.1 Background**

As the biodiesel industry expands, it is possible that biodiesel companies will acquire other biodiesel facilities (producer, marketer, or laboratory). This policy provides guidelines to ensure that the ownership changes are properly accounted for when it involves an organization with a BQ-9000 certification.

### **8.2 Ownership Changes and Acquisition Scenarios**

There are three common scenarios that involve ownership change or acquisition.

- The BQ-9000 organization is purchased by another BQ-9000 organization.
- The BQ-9000 organization is purchased by an organization that does not have a BQ-9000 certification.
- The BQ-9000 organization purchases a non BQ-9000 organization and wants it to become BQ-9000 certified.

A BQ-9000 organization involved in an ownership change must meet requirements outlined as follows to maintain BQ-9000 certification.

In the first scenario, if the acquired BQ-9000 organization will maintain its identity and wants to maintain its BQ-9000 certification, the acquiring organization must inform the NBAC Program Manager in writing of this request. If either entity is a member of the National Biodiesel Board they must also complete the Name Change or Company Merger Notification form and submit it to the Chief Operating Officer of the NBB, and must submit the Name Change Fee to the NBAC. Should this be the case, both entities will exist under their respective BQ-9000 certifications, and from a BQ-9000 perspective, they will be treated as separate and independent entities for audit scheduling.

In the second scenario, if the acquiring entity is not a BQ-9000 organization, and the entity being acquired is BQ-9000 certified, there are two possible cases: one where the existing BQ-9000 quality system is maintained and one where it is not.

If the entity being acquired retains its original quality management system and the quality management team will remain (or remain for a sufficient time) to train a new quality management team, the certification is maintained under the following provisions. The acquiring entity must inform the BQ-9000 Program Manager in writing that the acquired BQ-9000 organization's quality

## **BQ-9000 Retailer Program Requirements**

system and quality management team will continue. If the acquired entity is a member of the National Biodiesel Board they must also complete the Name Change or Company Merger Notification form and submit it to the Chief Operating Officer of the NBB, and must submit the Name Change Fee to the NBAC.

If the non-BQ9000 organization does not adsorb the BQ-9000 organization's quality system and its quality management team, then the acquired BQ-9000 organization is no longer considered BQ-9000 certified.

In the third scenario, the organization being acquired may achieve BQ9000 certification via the process described in the NBAC BQ-9000 Application Package. The acquired entity may be eligible for expedited recognition as a BQ-9000 certified organization under the Provisional Status process. This is outlined in the Policies on Producer Provisional Status and Marketer Provisional Status. There is not yet a provisional policy for Laboratories.

### **8.3 Fees and Payments**

The additional number of audits and audit costs when mergers occur are described in the BQ-9000 website under Program Costs.

**BQ-9000 RE-CERTIFICATION 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:

\_\_\_\_\_

Recertification sought (circle as applicable):

- BQ-9000 Producer
- BQ-9000 Marketer
- BQ-9000 Retailer
- BQ-9000 Lab

For Marketers and Retailers, please indicate the location of facilities or sites where the BQ-9000 program applies. Include the physical address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please submit a complete copy of your current Quality Manual and all related documents, which describe your Quality System.

**Re-certification forms are to be submitted to:**

National Biodiesel Accreditation Commission  
P.O. Box 104898  
Jefferson City, Missouri 65110-4898  
(573) 635-3893  
Desiree Hale at dhale@biodiesel.org