CSOEM Subcommittee Member
Guidance on Achieving Consensus

American Petroleum Institute
Committee on Standardization of Oilfield Equipment and Materials
Topics

- General API information
- Antitrust compliance
- CSOEM Subcommittee structure and officer duties
- API standards staff duties
- Subordinate groups
- Meeting guidelines and practices
- Standards development process
- Recognition and awards
- Reference documents
General API Standards Information
Mission Statements

❖ API mission statement: promote safety across the industry globally and to influence public policy in support of a strong, viable U.S. oil and natural gas industry

❖ Standards program mission: provide a forum for development of consensus-based industry standards, and technical cooperation to improve the industry’s safety performance and competitiveness
Standards Program

- API publishes ~700 technical standards covering all aspects of the oil and natural gas industry

- Over 7000 active volunteers representing over 50 countries

- Approximately 25% of all API standards are referenced in the U.S. regulations

- API is accredited by the American National Standards Institute (ANSI)
  - Transparent process
  - Openness, balance, consensus, due process
  - Program audited by ANSI every five years
Antitrust Compliance

The Sherman Anti-Trust Act

In the decades following the Civil War, the U.S. economy grew rapidly with the emergence of large powerful and influential business interests. A few large companies started to control specific industries. The resulting monopolies restricted trade and commerce and became a focus of public and political debate. In the 1880s, both parties' platforms called for the regulation of these. Ohio Senator John Sherman sponsored a bill to end these practices that resulted monopolies in American industry. With intense public pressure, the bill passed and was signed into law on May 1, 1890. It marked the end of a period in the economic history of the United States where the Standard Oil Trust and similar businesses were allowed to operate with little government oversight.
Antitrust Compliance

- Because trade associations are usually composed of competitors, such associations may be subject to investigations and litigation under the antitrust laws. Consequently, trade association personnel and their member organizations must recognize that their activities may be closely scrutinized for antitrust compliance.

- Because of this scrutiny, officials, staff, and members of the API must be constantly aware of the antitrust implications of association activities.

- Antitrust guidelines should be presented prior to the start of each meeting.
Antitrust Guidelines

- No disparaging remarks about specific products, vendors, services, or competitors
- No discussion or forecasting of prices for goods or services provided or received by a company
- No sharing or discussion of a company’s confidential or proprietary information
- No discussion of any company’s specific purchasing plans, merger/divestment plans, production information, inventories, or costs
- No discussion of company compliance costs unless publically available
- No agreement or discussion of the purchase or sale of goods or services
- No discussion of how individual companies intend to respond to potential market/economic scenarios or government action unless in general terms
CSOEM Subcommittee Structure and Officer Duties
API S1 – Organization and Procedures for the CSOEM

- Provides information on policies and procedures for the activities of the CSOEM and guidelines for its conduct
  - Committee organization
  - Committee operations
  - Meetings
  - Recognition and awards
  - Publication of standards
  - International working groups
  - CSOEM forms

- Balloting procedures are covered in API’s Procedures for Standards Development, not S1!
Typical Standards Committee Structure

NOTE References are to sections in API S1, 24th edition.
Requirements for Standards Subcommittee Participation

- Be technically proficient in a discipline related to the standard
- Have the support of company management to participate
- Attend/participate in subcommittee and subordinate group meetings
- Agree to work on subcommittee business such as standards revisions and technical inquiries
- API corporate membership is not a requirement for participation on API standards subcommittees
Granting Voting Rights

The following are considerations when granting voting rights:

- Regular attendance and participation at subcommittee meetings
- Regular participation on subordinate groups working under a given subcommittee
- Limited to one vote per company
- Ongoing vote participation (regularly missing votes can result in loss of voting privileges)
- Contact the SC/TG chair or the API Standards Associate for the granting of voting rights
Subcommittee Officers & Approving Authorities

Subcommittee officers are as follows:

- Chair (approved by the CSOEM)
- Vice-chair (appointed by the SC chair)
- Secretary (appointed by the SC chair)
- Subordinate group chairs (appointed by the SC chair)

Subcommittee chairs should be from the Operator-User interest category and preferably from API member companies

- Exceptions can be approved by the CSOEM
Subcommittee Chair Responsibilities

- Guides the activities of the subcommittee and leads meetings
- Leads the group in achieving consensus on SC issues
- Appoints the chairs of subordinate groups established within the subcommittee
- Approves requests for voting rights
- Establishes the time, date, and agenda for subcommittee meetings and submits the agenda to staff for distribution
Subcommittee Chair Responsibilities

- Attends the CSOEM meetings and provides an update on the status of the SC work program and research projects

- Periodically reviews the status and progress of its subordinate groups to validate ongoing projects

- Nominates deserving SC participants worthy of recognition by API for distinguished service

- Three-year term
Subcommittee Officer Responsibilities

- **Vice-chair**
  - Assists chair with SC management and planning
  - Presides over SC meetings in the absence of the chair

- **Secretary**
  - Documents action items and decisions for the meeting minutes
  - Ensures record of meeting attendance is completed and provided to API staff

- **Subordinate group chair**
  - Sets meeting dates and locations
  - Guides the activities of the group and leads meetings
  - Leads the group in achieving consensus
  - Reports to the subcommittee on the status of the project
Project Justification & Assessment

- API provides funding for standards-related projects
  - Development or revision of a new or existing standard by volunteer resources
  - Research followed by the development or revision of a new or existing standard
  - Use of contracted experts (e.g. master editor)

- A Standards Resource and Research Request (SRRR) form shall be completed for new projects (download form [here](#))

- Approvals
  - Subcommittee vote
  - CSOEM vote
API Staff Duties/Expectations

- The API staff person is responsible for administration of the standards under that SC

- API Staff Secretary is there for assistance with
  - Setting up work group meetings, including net meetings, as requested
  - Attending work group meetings as necessary
  - Helping resolve contentious issues
  - Developing any API project contracts
  - Balloting of documents
  - Proving guidance on API policies and procedures, use of copyrighted material and patent-related issues

- Meeting minutes should be submitted to API immediately after each meeting, net meeting, or conference call

- Meeting minutes undergo review by API legal counsel before being posted
Meeting Guidelines and Practices
Meeting Guidelines

- Develop an agenda for the meeting
- Open the meeting with introductions
- Present the API Antitrust Guidelines
- Ensure the attendance sheet is circulated at the beginning of the meeting, and is returned to API staff
  - If new participants wish to be added and are approved, coordinate with API staff or the chair and provide their contact information to get added to the roster
- Ensure meeting minutes are completed
  - If there is no permanent Secretary, appoint a scribe and follow the guidelines for meeting minutes
  - Review the minutes after the meeting to ensure they are a complete and accurate
  - Confirm that all minutes are provided to API staff
Good Meeting Practices

❖ Keep to the agenda

❖ Strive for balance in companies/interest categories represented

❖ Be a good facilitator and seek consensus

❖ Keep to the subject; limit discussion to issues within the scope of the specific standard

❖ Recognize who the strong team members are, who have the technical skills required to make the project/group move forward

❖ Be flexible and open minded to new ideas and improvements from all sources
Good Meeting Practices

- Discussion of an issue should end when the discussion is clearly repeating itself and the arguments are being restated without the addition of new information or insight. Consider taking a break (informal discussion can sometimes yield solutions).

- If termination of the discussion topic requires a vote, once the vote has been taken it should be considered closed. Do not revisit or rehash items that have been voted upon and closed. **Document group decisions to avoid revisiting issues previously discussed.**

- Do not dwell on editorial or grammatical concerns; API’s editorial staff is responsible for this function. A draft should be technically accurate and written in understandable, clear language.

- **API standards should include proven industry practices.** API committee and subordinate group meetings are not forums for commercial/economic discussions, voicing personal prejudices or displaying grievances between companies.
Standards Development Process
Expression of Provisions

Only these terms shall be used!

- **shall** – indicates that a provision is mandatory
- **should** – indicates that a provision is not mandatory, but recommended as good practice
- **may** – denotes a course of action permissible within the limits of a standard
- **can** – used for statements of possibility or capability

**NOTE** The word “must” is only used to express regulatory requirements.
Expression of Provisions

Table 1—Verbal Forms to Express Mandatory Provisions (Requirements)

<table>
<thead>
<tr>
<th>Verbal Form</th>
<th>Equivalent Expressions for Use in Exceptional Cases&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>shall&lt;sup&gt;b, c&lt;/sup&gt;</td>
<td>is to&lt;br&gt;is required to&lt;br&gt;it is required that&lt;br&gt;has to&lt;br&gt;only...is permitted&lt;br&gt;it is necessary&lt;br&gt;needs to</td>
</tr>
<tr>
<td>shall not</td>
<td>is not allowed (permitted) (acceptable) (permissible)&lt;br&gt;is required to be not&lt;br&gt;is required that...be not&lt;br&gt;is not to be&lt;br&gt;need not&lt;br&gt;do not</td>
</tr>
</tbody>
</table>

Table 2—Verbal Forms to Express Recommendations

<table>
<thead>
<tr>
<th>Verbal Form</th>
<th>Equivalent Expressions for Use in Exceptional Cases&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>should</td>
<td>it is recommended that&lt;br&gt;ought to</td>
</tr>
<tr>
<td>should not</td>
<td>it is not recommended that&lt;br&gt;ought not to</td>
</tr>
</tbody>
</table>

<sup>a</sup> The equivalent expressions given in the second column shall be used only in exceptional cases when the form given in the first column cannot be used for linguistic reasons.

<sup>b</sup> Do not use “must” as an alternative for “shall” (this will avoid any confusion between the requirements of a document and jurisdictional regulatory obligations).

<sup>c</sup> Do not use “may not” when “shall not” is meant, i.e. to express a prohibition.
Expression of Provisions

Table 3—Verbal Forms to Express Permission

<table>
<thead>
<tr>
<th>Verbal Form</th>
<th>Equivalent Expressions for Use in Exceptional Cases *</th>
</tr>
</thead>
<tbody>
<tr>
<td>may</td>
<td>is permitted to</td>
</tr>
<tr>
<td></td>
<td>is allowed</td>
</tr>
<tr>
<td></td>
<td>is permissible</td>
</tr>
<tr>
<td>need not</td>
<td>it is not required that</td>
</tr>
<tr>
<td></td>
<td>no...is required</td>
</tr>
</tbody>
</table>

Do not use “possible” or “impossible” in this context.
Do not use “can” instead of “may” in this context.
Do not use “might” instead of “may” in this context.

NOTE: “May” signifies permission expressed by the document, whereas “can” refers to the ability of a user of the document or to a possibility open to him/her.

Table 4—Verbal Forms to Express Possibility and Capability

<table>
<thead>
<tr>
<th>Verbal Form</th>
<th>Equivalent Expressions for Use in Exceptional Cases a</th>
</tr>
</thead>
<tbody>
<tr>
<td>can</td>
<td>be able to</td>
</tr>
<tr>
<td></td>
<td>there is a possibility of</td>
</tr>
<tr>
<td></td>
<td>it is possible to</td>
</tr>
<tr>
<td>cannot</td>
<td>be unable to</td>
</tr>
<tr>
<td></td>
<td>there is no possibility of</td>
</tr>
<tr>
<td></td>
<td>it is not possible to</td>
</tr>
</tbody>
</table>

NOTE: See Note in Table 3.

* The equivalent expressions given in the second column shall be used only in exceptional cases when the form given in the first column cannot be used for linguistic reasons.
Expression of Provisions

❖ A clear distinction **shall** be made between requirements, statements, and recommendations

❖ Contractual requirements (concerning claims, guarantees, covering of expenses, etc.) and legal or statutory requirements **shall not** be included

❖ Documents listing characteristics for which suppliers are required to state values not specified in the document itself shall specify how such values are to be measured and stated
Expression of Provisions

- Avoid using vague expressions that are not truly informative and may cause the reader to make an incorrect judgment call

- Words like “very,” “excessive,” “slightly,” “approximately,” “nearly,” or “significant” are subjective and are not useful in standards
Standards Development Process

- **Governing documents**
  - API Procedures for Standards Development
  - API S1, Organization and Procedures for the CSOEM: Policy Document

- Developed using a consensus-based process (does not mean unanimity)

- Generally written for flexibility as performance-based documents

- One vote per company on standards ballots

- Voting rights are determined by level of participation
Standards Development Process

❖ Voting during meetings to establish consensus on specific issues may be done informally (i.e. no ballot), although final approval of a standard’s content is always subject to balloting.

❖ Loss of voting can occur if a person

➢ does not attend/participate in three consecutive meetings

➢ fail to vote on two consecutive ballots

❖ Voting rights can be reinstated after a six months
API Standards Development Process

**Key**
- CG: consensus group
- SME: subject matter expert
- SRRR: Standards Resource & Research Request

* Seek clarity on meaning from API if needed

1. **Initiate new standards action**
   - Complete SRRR form
   - Submit SRRR form to parent committee

2. **Parent committee approval?**
   - Yes: Existing group of SME's?
   - No: Revise SRRR form

3. **Existing group of SME's?**
   - Yes: Solicit volunteer SME's for the consensus group (CG)
   - No: New or revised standard?

4. **New or revised standard?**
   - Yes: Develop scope of standard
   - No: New

5. **Master editor required?**
   - Yes: CG develops proposed draft
   - No: CG approves for balloting?

6. **CG approves for balloting?**
   - Yes: Ballot draft to consensus group
   - No: Revise draft

7. **Ballot draft to consensus group**
   - Yes: Valid consensus ballot?
   - No: Resolve ballot comments

8. **Valid consensus ballot?**
   - Yes: Resolve comments
   - No: Revise draft standard

9. **Resolve ballot comments**
   - Yes: Revise draft standard
   - No: Resolve comments

10. **Resolve comments**
    - Yes: Final ballot results approved?
    - No: Resolve comments

11. **Final ballot results approved?**
    - Yes: Submit draft to API editor
    - No: Revise draft standard

12. **Submit draft to API editor**
    - Yes: Publish new or revised standard
    - No: Resolve comments

13. **Recirculate revised draft to CG**
    - Yes: Final ballot results approved?
    - No: Resolve comments

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**Unresolved negatives?**

* Seek clarity on meaning from API if needed
What is “Consensus”?

- Consensus is established when substantial agreement has been reached by directly and materially affected interests.

- Substantial agreement means more than a simple majority but not necessarily unanimity.

- Consensus requires that all views and objections be considered, and that a reasonable effort be made toward their resolution.

- API’s criteria for achieving consensus are defined as a majority of those eligible to vote shall have voted and approval by at least two-thirds of those voting, excluding abstentions.
Achieving Consensus

- Achieving consensus is the chair’s primary responsibility
- Clearly outline what needs to be decided
- Group members have an obligation to participate
- All perspectives are taken into account
Tips for Achieving Consensus in Meetings

- Enforce meeting etiquette (one person speaks at a time)
  - Allows a complete statement of the objection without interruption
  - “all views and objections be considered”
  - “an effort be made toward their resolution”

- Objections can be based on
  - Technical issues (ok)
  - Commercial issues (not ok)
  - Lack of understanding (ok)
  - Unwillingness to change (not ok)

- Voting to determine consensus is a last resort
  - One company, one vote
  - TG members present make the determination
  - Final document consensus determined by API ballot
Resolving Ballot Comments

- The most important part of the process!

- All comments must be considered regardless of the source

- Comment resolution must be done in an open meeting(s)

- It’s ok to develop preliminary resolutions in a small group but final approval must come from the consensus group in an open meeting
Resolving Ballot Comments

- The resolution of comments are documented as follows:
  - **Accepted** – text is modified as the commenter suggested
  - **Accepted in principle** – commenter’s premise is accepted however the modified text is different
  - **Not accepted** – no changes made
  - **Noted** – no action necessary by consensus group or text has been considered but changes are made at a later date

- Commenters shall be advised of the disposition of their comments
API Editorial Team

**PROOFREAD**
- Spelling
- Grammar
- Accuracy

**Revise**

```
brown jumped
cat got on
cat bed
```

**Every time you make a typo, the errorists win.**
What we do:

- Format and lay out document to ISO/API standards
- Provide traditional copyediting (grammar, spelling, syntax, etc.)
- Provide substantive editing, suggesting and implementing revisions to improve clarity, organization, and consistency in a document
- Query technical content and clarify content that may be unclear
- Work with standards associates and committee members to resolve issues with documents and make necessary changes
- Provide the last line of defense against errors before publishing
- Publish and archive documents
What keeps us from publishing as efficiently as we can?

- Document held during the page proof process
  - Missing permissions for copyrighted figures
  - Committees can keep page proofs for several weeks/months
  - API workload or industry need can change the editor’s priorities and delay work on other documents
  - Specific content can prompt delay in legal approval from API general counsel (commercial terms)

- Source files for figures not sent with document, or not available (need original file, not a picture or pdf)

- Draft manuscript does not comply with the API Format & Style Guide

- Significant changes made to the draft during the page proof stage
The API Editorial Process

1. Standards associate sends final balloted document to editorial
2. Editorial manager assigns document to editor
3. Editor formats document according to API style
4. Editor edits document according to Chicago Manual of Style and API guidelines; records queries and requests for validation
5. Editor makes PDF of document; sends PDF and queries' validation file to standards associate. This is known as "Page Proof 1"
6. Standards associate sends Page Proof 1 to committee for review
7. Committee reviews Page Proof 1 and returns marked-up document to standards associate
8. Document in limbo for several weeks/months; may be waiting for review, or review is lengthy
9. If there are few or no changes, editor prepares final proof (includes cover, front matter, and table of contents)
10. Editor sends final proof, publications announcement, and pricing sheet to standards associate
11. Standards associate sends price to editor and gives OK to publish
12. Editor publishes document; notifies distributors; and archives published PDF and all related files

- Large quantity of corrections necessary
- Sections and/or figures must be reordered and renumbered
- Figures/graphics need to be redrawn/resized/corrected
- New information/changes added
- New changes or information may require legal review by API
- Equation variables and/or value and measurement corrections needed
- If changes are significant, editor will create "Page Proof 2" for committee to review again
- The ideal path
- Divergence from ideal path

Areas of divergence
CSOEM Recognition & Awards
Recognition & Awards

❖ Recognition for outstanding leadership or a significant technical contribution to a CSOEM work product

❖ There are four types of awards available for CSOEM participants (in ascending order):
  ➢ CSOEM Subcommittee Resolution of Appreciation
  ➢ CSOEM Citation for Service
  ➢ CSOEM Chair’s Award (presented to outgoing chairs)
  ➢ API Certificate of Appreciation

❖ Coordinate with API staff on recommendations for awards
Resolution of Appreciation

- Presented to individuals with a demonstrated history of one or more of the following:
  - Leadership
  - Significant technical expertise
  - New innovations in the development of a standard

- Signed by the SC chair and API Upstream Standards Manager

- May be presented by the CSOEM chair at a main gathering of members
Citation for Service

- Presented to individuals with a demonstrated history over 10 or more years of one the following:
  - Continued and dedicated service
  - Leadership and technical expertise in support of a variety of SC activities

- Signed by the CSOEM chair and API Director of Standards

- Presented by the CSOEM chair at a main gathering of members
API Certificate of Appreciation

- Presented to senior individuals who have committed their career to advancing the work of API standards activities via one of the following:
  - Multiple leadership positions within the SC or CSOEM
  - Significant influence on the work of the SC and its subgroups in strategic areas
  - Chaired a senior level committee

- Signed by senior API staff

- Presented by the CSOEM chair at a main gathering of members
CSOEM Chair’s Award

- Presented to outgoing SC chairs at the end of their term of service
- Wooden plaque with a half-gavel
- Presented by the CSOEM chair at a main gathering of members
Years of Service Awards

- Recognizes individuals for years of service and participation on API standards committees

- Awarded for 5, 10, 15, 20, 25, 30, 35, 40, 45 & 50 years service on API standards committees

- Awarded to everyone who reaches a milestone within that particular year (i.e. it doesn’t matter whether you started participating in January or October of a particular year)

- Years of service pins given at Summer CSOEM meeting. Higher milestone awards (typically 25 years and above) presented at the awards luncheon.
Reference Documents

- API Procedures for Standards Development
- API Document Format and Style Manual
- API Antitrust Compliance Guide
- API Operating Procedures for the U.S. Technical Advisory Group (U.S. TAG) to ISO Technical Committee (TC) 67
- API Guide for National Adoption of ISO Standards as API/American National Standards

NOTE These documents can be found on the CSOEM SharePoint site here