Committee on Standardization of Oilfield Equipment & Materials (CSOEM)

New Member Orientation

Roland Goodman
Manager, Upstream Standards
goodmanr@api.org
New Member Orientation

Presentation will cover:

- API background
- API standards program
- Value of standards and participation
- Committee organization
- Standards development process
- Membership criteria
- Antitrust
- General information
API Background

- API formed in 1919 as national trade association to support the U.S. oil and natural gas industry through legislative and regulatory advocacy and standards development

- The API Standards Department was formed in 1923, and the first API standard was published in 1925

- All industry segments are now active in standardization – Exploration & Production, Refining, Marketing, Petroleum Measurement, and Pipeline & Rail Transportation
API Roles

- Develop industry standards
- Government advocacy
- Conduct research
- Gather statistics
- Inform government and public
- Administer industry quality and certification programs
API Standards Program

- **Foundation** of self-supporting programs, including API Monogram Program
- **Basis** for the industry’s worldwide operations
- **Core** of Institute’s technical authority
API Standards Program

- **API publishes more than 700 technical standards covering multiple aspects of industry equipment and operations**

- **Over 7000 active volunteers representing over 50 countries**

- **Approximately 25% of all API standards are referenced in the U.S. Regulations**
Value of API Standards

- Improve **safety and reliability**
- Improve **equipment interchangeability**
- Reduce **compliance costs**
- Reduce **procurement costs**
- Foundation of **company standards**
- Foundation of API **quality and certification programs**
Value of Participation

- Gives your company a voice in the development of a standard
- Networking with experts from other companies to learn from their experiences
- Sharing lessons learned to prevent problems before they occur
- Early access to information
- Use knowledge to help demonstrate compliance with industry standards to customers and regulators
- Opportunity for company personnel to gain expertise through consistent participation
API Standards Committees

Upstream

Committee on Standardization of Oilfield Equipment & Materials (CSOEM)
Drilling and Production Operations Subcommittee (DPOS)

Midstream

Committee on Petroleum Measurement (COPM)
Committee on Pipeline Standards (COPS)

Downstream

Committee on Refinery Equipment (CRE)
➤ Safety & Fire Protection
➤ Marketing & Distribution

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Upstream Standards Committees

❖ CSOEM & DPOS:
  – Supervises work of subcommittees
  – Coordinates cross-subcommittee issues
  – Approves standards research

❖ Subcommittees:
  – Develops maintains standards
  – Serves as the consensus voting body
  – Supervises standards research
Requirements for Standards Committee Membership

- Be **technically proficient** in a discipline related to the standard
- **Attend or participate** in committee meetings
- Agree to **work on committee** business such as standards revisions and technical inquiries
- **Have the support of company management** to participate
- **Contact the SC/TG chair or the API Standards Associate** for the granting of voting rights
Standards Development Process

API is an ANSI-accredited Standards Developing Organization (SDO)

- Open, transparent consensus process
- Approved and published procedures
- Regular program audits (every 5 years)
Standards Development Process

- Developed using a consensus-based process
- Subcommittee/task group participants are voters
- Voting categories are established in some subcommittees
- **One company – one vote**
- **Balance** between owner/users, manufacturers, contractors, and consultants
- Entire process typically takes 18-36 months (balloting/comment resolution 3-12 months)
- **API corporate membership is not** a requirement for participation on API standardization committees
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 is defined as a majority of those eligible to vote shall have voted and approval by at least two-thirds of those voting, excluding abstentions.
What Makes a Good Standard?

- Clear objective based on sound technical principles
- Reasonable and practical
- Not restrictive of technology development
- Proven engineering practices – not necessarily “good” or “best” practices (terms are subjective)
- Input from all stakeholders
- Addresses those issues that make a difference
- Risk-based when necessary
Prescriptive vs. Performance-based Standards

- **Prescriptive standard** – typically prescribes materials, design, and construction methods without stating goals and objectives ("how")

- **Performance-based standard** – expresses desired characteristics of the final product, service, or activity rather than requirements for the processes to produce it ("what")
Prescriptive vs. Performance-based Standards

- API generally prefers performance-based standards.

Advantages

- Allows earlier use of new technology
- Encourages innovation
- Goals and objectives are clearly stated
- Development and maintenance requires less effort
Prescriptive vs. Performance-based Standards

- A mixed approach may be necessary depending on whether or not the requirements meet the goals and objectives of the standard.

- Prescriptive requirements may be necessary for safety and interchangeability – e.g. thread sizes for connections, pressure testing requirements, etc.

- Prescriptive requirements should be considered when performance-based requirements lead to costly and complicated testing procedures.
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
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.
Compliance with Industry Standards

- All API documents are voluntary unless imposed by regulation, contract, or company procedures.
- The document type does not determine compliance.
- Refer to national and local regulations.
API Document Designations

- Specifications
- Standards
- Recommended Practices
- Bulletins
- Technical Reports
API Document Designations

- **Specifications** – Documents written to facilitate communications between purchasers, manufacturers, and/or service suppliers

- **Standards** – Documents that combine elements of both specifications and recommended practices
API Document Designations

- **Recommended Practices** – Documents that communicate proven industry practices; RPs may include both mandatory and non-mandatory provisions

- **Bulletins & Technical Reports** – Documents that convey technical information on a specific subject or topic and are generally issued on a one time-basis
Antitrust Concerns

- 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
- No disparaging remarks about specific products, vendors, services, or competitors
Antitrust Concerns

- Development and interpretation of standards are sensitive activities

- AVOID:
  - Anti-competitive activities
  - Conflicts of interest
  - Bias or lack of objectivity

- The API Antitrust Compliance Guide is available in your new member packet
API Information Links

- Committee SharePoint Sites – http://mycommittees.api.org/standards/ecs/default.aspx
- Ballot System – http://ballots.api.org
  All open API Ballots - http://ballots.api.org/openBallots.aspx
- Requests for Interpretations of Standards (RFI’s)
  Submit an RFI – http://apiti.api.org/Index.aspx
- Meeting Information – www.api.org/meetings
- Catalog of Publications – www.api.org/publications
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.
CSOEM: Committee on Standardization of Oilfield Equipment and Materials

Calendar

There are currently no upcoming events.

Our Mission

The Committee on Standardization of Oilfield Equipment and Materials (CSOEM) is broken up into several subcommittees. Each subcommittee works with a specific area of exploration and production of oilfield equipment. Below is a list of the subcommittees and the areas they work with. You can access these subcommittee pages using the links at the top of the page:

- SC2 - Subcommittee on Offshore Structures
- SC5 - Subcommittee on Tubular Goods
- SC6 - Subcommittee on Valves and Wellhead Equipment
- SC8 - Subcommittee on Drilling Structures & Equipment
- SC10 - Subcommittee on Well Cements
- SC11 - Subcommittee on Field Operating Equipment
- SC13 - Subcommittee on Drill Completion & Fracturing Fluids
- SC15 - Subcommittee on Fiberglass & Plastic Tubulars
- SC16 - Subcommittee on Drilling Well Control Equipment
- SC17 - Subcommittee on Subsea Production Equipment
- SC18 - Subcommittee on Quality
- SC19 - Subcommittee on Completion Equipment
- SC20 - Subcommittee on Supply Chain Management

Ballots WP

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API Standards Contact Information

- **David Miller**, Director, API Standards Development, miller@api.org, (202) 682-8159
- **Ed Baniak**, Senior Standards Associate, baniake@api.org, (202) 682-8135; SC 6, SC 17, Std 1104
- **Jacqi Roueche**, Standards Associate, rouechej@api.org, (202) 682-8286; SC 8, SC 10, SC 13, SC 15, SC 16
- **Katie Burkle**, Standards Associate, burklek@api.org, (202) 682-8507; SC 11, SC 18, SC 19, SC 20, SC 21
- **Ben Coco**, Senior Standards Associate, cocob@api.org, (202) 682-8056; SC 2, SC 5, Drilling & Production Operations SC
- **Kierra Wilkins**, Program Assistant, wilkinsk@api.org, (202) 682-8565; ballot system, rosters updates, website