

Committee on Standardization of Oilfield Equipment & Materials (CSOEM)

New Member Orientation

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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

Value of Participation

- ❖ **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

**Committee on
Standardization of
Oilfield Equipment &
Materials (CSOEM)**

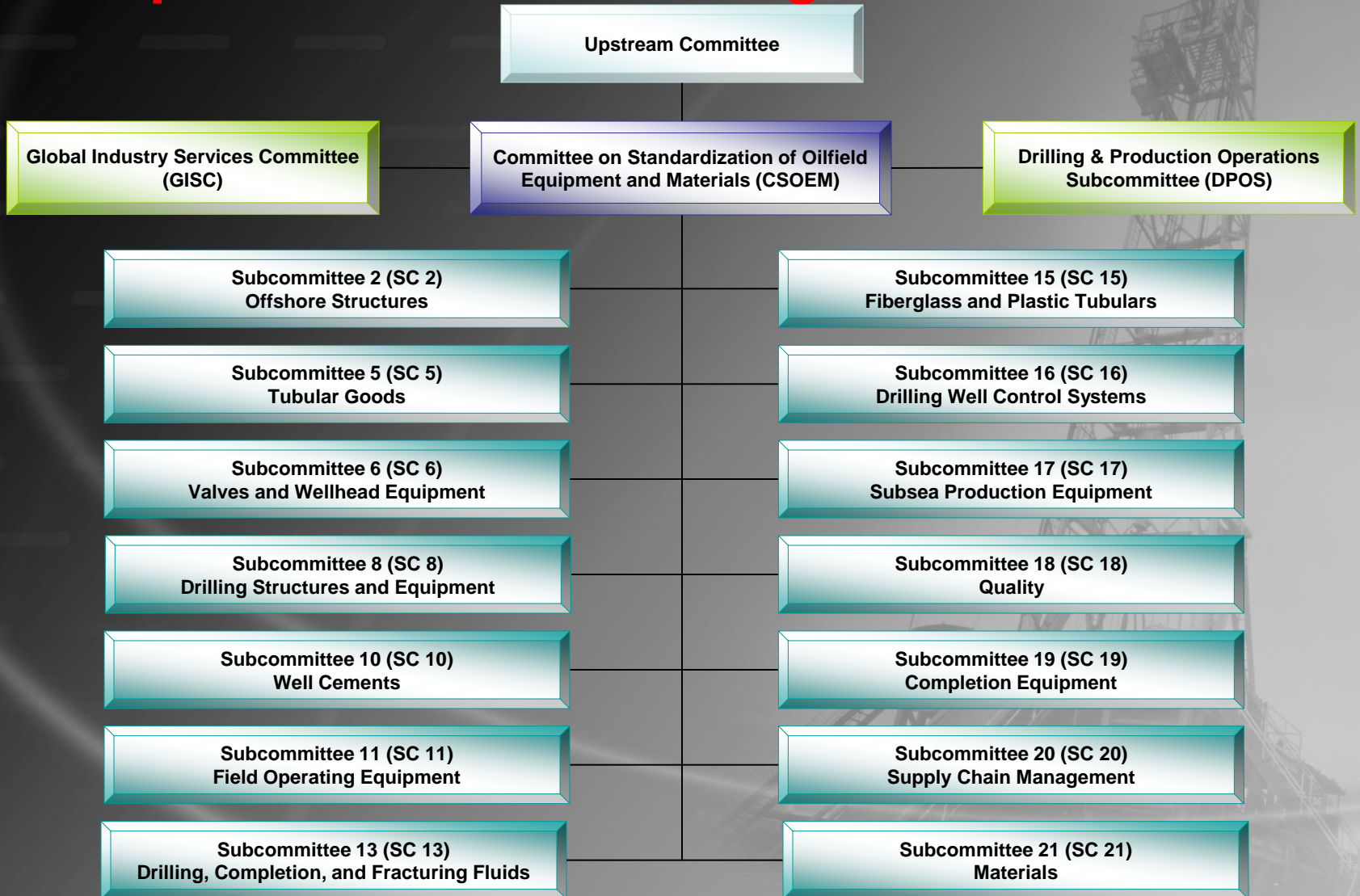
**Drilling and Production
Operations Subcommittee
(DPOS)**

**Committee on Refinery
Equipment
(CRE)**

**Committee on
Petroleum Measurement
(COPM)**

- **Safety & Fire Protection**
- **Marketing & Distribution**
- **Transportation Pipelines**

Upstream Standards Organization Chart



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

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 by **consensus** (does not mean unanimity)
- ❖ 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**
- ❖ **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** – signifies permission and indicates a provision is optional
- ❖ **can** – used for statements of possibility or capability

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/>
- ❖ **Meeting Information** – www.api.org/meetings
- ❖ **Catalog of Publications** – www.api.org/publications
- ❖ **Annual Standards Plan** – <http://www.api.org/publications-standards-and-statistics/annual-standards-plan>

Reference Documents

- ❖ API Procedures for Standards Development
- ❖ API S1, 24th Edition – Organization and Procedures for the CSOEM: Policy Document
- ❖ API Document Format and Style Manual
- ❖ API Antitrust Compliance Guide
- ❖ [The A-B-C's Of Parliamentary Procedure](#), (Robert's Rules of Order)
- ❖ 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

My Committees | **My Rosters**

RDA Tree View

- My Committees
 - Center for Offshore Safety
 - Certification
 - Corporate Affairs
 - Downstream
 - Government Affairs
 - Lubricants
 - Marine
 - RASA
 - Standards
 - API-AGA Committee 1104
 - COPM
 - CRE
 - CSOEM
 - Drilling & Production Operations
 - Marketing
 - Pipeline
 - Process Safety
 - Reference Materials
 - Request for Interpretations
 - Safety & Fire Protection
 - Statistics
 - Upstream

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[My Committees](#) > [Standards](#) > [CSOEM](#)

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.

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

BallotsWP

Ballot ID	Status	Results	Opens	Closes	Description
Committee ID : 1314 CSOEM Voters Only					
2700	Closed	In Progress	06/27/2012	09/01/2012	Ballot to approve 23rd edition of S1
2852	Closed	Resolution Required	01/14/2013	02/25/2013	SC15-- Approved Revision of 15HR

Meeting Minutes

Reference Documents

Links

- API Home Page
- API Meetings
- E&P Errata and Addenda
- Purchase API Standards
- API Publications - Access catalog here
- ECS Archives
- API Ballot System
- S1
- SR3 Form

API Standards Contact Information

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- ❖ **Ed Baniak**, Senior Standards Associate, baniake@api.org, (202) 682-8135; SC 6, SC 16, SC 17, Std 1104
- ❖ **John Buflod**, Standards Associate, buflodj@api.org, (202) 682-8344; SC 10, SC 13, SC 15, Pipeline Transportation
- ❖ **Katie Burkle**, Standards Associate, burklek@api.org, (202) 682-8507; SC 8, SC 11, SC 18, 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