



API Standards and the Standards Development Process

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Discussion will cover:

- ❖ API history and organizational structure
- ❖ Standards development process
- ❖ Standards committee structure and organization
- ❖ Format and style guide
- ❖ Global standards update

API History

- ❖ **1919: API founded as non-profit national trade association, New York City**
 - ✓ Taxes
 - ✓ Statistics
 - ✓ Standards (equipment and operations)
- ❖ **1923: Standards Department formed; first standard published in 1924 (drill pipe threads)**
- ❖ **1980s: API relocates to Washington, DC**
- ❖ **2007 – 2010: Opened three international offices in Beijing, Dubai, and Singapore**

API Mission

- ❖ Influence public policy in support of strong US oil and natural gas industry
- ❖ Engage in legislative and regulatory advocacy
- ❖ Provide a forum to develop consensus industry policies
- ❖ Work collaboratively with other associations
- ❖ Develop industry standards that ensure reliability address safety, and codify best work practices

Other API Roles

- ❖ Gather statistics
- ❖ Conduct research
- ❖ Inform government and public
- ❖ Implement and manage industry certification programs
- ❖ Provide education and training

API Structure

- ❖ **Over 500 member companies involved in all aspects of the oil and natural gas industry**
- ❖ **Over 700 committees and task forces covering various advocacy and technical issues**
- ❖ **Staff of ~240 led by board of directors who are the CEO's of API member companies**

API Standards Program

- ❖ All industry segments active in standardization:
 - ✓ Exploration and Production
 - ✓ Refining
 - ✓ Petroleum measurement
 - ✓ Marketing
 - ✓ Pipeline Transportation

API Standards

- ❖ API now publishes and maintains ~600 standards covering all aspects of the oil and natural gas industry
- ❖ Foundation of self-supporting industry programs
- ❖ Basis for company's worldwide operations
- ❖ Developed by industry volunteers

Standards Development Process

- ❖ API is accredited by the American National Standards Institute (ANSI)
 - Openness, balance, consensus, due process
 - Periodic program audits (conducted by ANSI)
- ❖ Transparent process
- ❖ Any interested party can participate on committees and comment on API standards
- ❖ All comments **must** be considered
- ❖ One vote per company

Standards Development Process

- ❖ Developed by consensus (does not mean unanimity)
- ❖ Committee balance between users, manufacturers and contractors/consultants
- ❖ Standards developed using ANSI-approved API *Procedures for Standards Development*
- ❖ API corporate membership is not a requirement for participation on API standards committees

API Standards Committees

**Committee on
Standardization of
Oilfield Equipment
& Materials**

**Committee on
Petroleum
Measurement**

**Committee on
Refinery Equipment**

- **Marketing/Aviation**
- **Pipeline Transportation**
- **Safety & Fire Protection**

**Drilling and
Production
Operations
Subcommittee**

API Document Designations

- ❖ Specifications
- ❖ Standards
- ❖ Recommended Practices
- ❖ Bulletins and Technical Reports

API Document Designations

- ❖ **Specifications** - Documents that are written in such a way as 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 recognized industry practices; RPs may include both mandatory and non-mandatory requirements
- ❖ **Bulletins & Technical Reports** - Documents that convey technical information on a specific subject or topic and are generally issued on a one time-basis

Expression of Provisions in a Standard

- ❖ **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

Common Mistakes

- ❖ Scope contains information that is unrelated to what the standard covers and/or contains requirements
- ❖ Dated vs. undated references to other standards
- ❖ Definitions contain requirements or are too lengthy
- ❖ Defined terms or abbreviations are not used in the document
- ❖ Annexes are in the wrong order
- ❖ Hanging paragraphs

Scope

- ❖ **Appears at the beginning of each document and define without ambiguity the subject of the document and the aspects covered**
- ❖ **Indicates the limits of applicability of the document and cannot contain “shall” or “should” statements**
- ❖ **The scope should be brief so that it can be used as a summary for and the API Publications Catalog**

References to other Documents

- ❖ Undated references may be made to a complete document or a part thereof
- ❖ Dated references are references to a specific edition, indicated by the year of publication
- ❖ References to specific sections or subsections, tables, and figures of another document should be dated

Definitions

- ❖ Only terms used in the document can be defined
- ❖ Cannot contain requirements
- ❖ Should be a brief, self-contained description of the term in question (one sentence)
- ❖ Any term that is not self-explanatory or commonly known and which can be differently interpreted in different contexts should be defined

Annexes

- ❖ **Must be referenced at least once in the text**
- ❖ **Must appear in the order in which they are cited in the text**
- ❖ **Their presence is optional**
- ❖ **Annexes must be identified as “informative” (FYI) or “normative” (required)**

Annexes

- ❖ Normative annexes give provisions additional to those in the body of the document
- ❖ Informative annexes give additional information intended to assist the understanding or use of the document
- ❖ Informative annexes may contain optional requirements
- ❖ An annex's normative/informative status must be made clear by the way in which it is referred to in the text

Hanging Paragraphs

Incorrect

5 Designation

The quick brown fox jumps over the lazy dog.

5.1 **Xxxxxxxxxxxxx**

The quick brown fox jumps over the lazy dog.

5.2 **Xxxxxxxxxxxxx**

The quick brown fox jumps over the lazy dog.

Correct

5 Designation

5.1 **General**

The quick brown fox jumps over the lazy dog.

5.2 **Xxxxxxxxxxxxx**

The quick brown fox jumps over the lazy dog.

5.3 **Xxxxxxxxxxxxx**

The quick brown fox jumps over the lazy dog.

Global Standards Update

- ❖ **API has ceased its interactions with ISO due to sanctions concerns**
 - ✓ **Participation/information sharing**
 - ✓ **sublicensing**
- ❖ **API's Executive Committee (subgroup of the Board of Directors) requested Global Industry Services Committee develop recommendations**

Global Standards Update

- ❖ **Executive Committee endorsed five guiding principles at June 2012 meeting:**
 - ✓ **Need for single set of standards**
 - ✓ **Global acceptance and wide use**
 - ✓ **Regulatory acceptance**
 - ✓ **Build on existing API standards infrastructure**
 - ✓ **Legal compliance**
- ❖ **Requested API work with OGP on long-term plan for industry standardization (meeting held on August 1st)**

Global Standards Update

- ❖ **API/OGP Standards Task Force established**
- ❖ **Purpose: determine a process for the continued development of globally accepted international standards for the oil and gas industry, given the current US and EU trade sanctions**
- ❖ **Deliverables: recommend a process for global standards development with options, including roles of API/OGP/others, resourcing requirements, and a recommended timeline and transition process to implement**

Global Standards Update

- ❖ Task Force has ten representatives (five from each organization) from BP, Cameron, Chevron, ConocoPhillips, ExxonMobil, Halliburton, Pemex, Shell, Qatar Petroleum, and Total
- ❖ Goal is to provide recommendations by the end of the 1st quarter 2013
- ❖ Four face-to-face meetings, bi-weekly conference calls

Global Standards Update

- ❖ **API, OGP, and ISO/TC 67 Chair presented at September 26th IRF meeting – focus was on current status and API/OGP Standards Task Force**
- ❖ **August OFAC response to ANSI petition – response limited to existing law**
- ❖ **API Law Committee approved filing of supplemental request on October 4th**

Questions??

