Oil and gas producers maintain position on standards

by Alf Reidar Johansen, Hydro, Chairman OGP Standards committee

The petroleum and natural gas industries use a great number of standards developed by industry organizations, through national and regional standardization bodies, by the individual companies in the industries and by international standards bodies. The use of these standards enhances technical integrity, improves safety, reduces environmental damage, and promotes business efficiency that result in reduced costs. The current, intensified period of International Standards development, reflects the global nature of the industry, and the imperative to operate more effectively and reduce costs further. International Standards are the focus area of the International Association of Oil & Gas Producers (OGP) through its Standards Committee.

OGP is in a unique position to influence industry attitudes towards International Standards development and use, through its membership, which includes major operating companies and national oil industry associations. In this respect, OGP welcomed re-establishment of ISO/TC 67, *Materials, equipment and offshore structures for petroleum, petrochemical and natural gas industries*, of which it is a "Category A" liaison member.

OGP has recently reconfirmed its position on the development and use of International Standards, maintaining strong support for ISO and IEC standards. *OGP Report* No. 381, April 2007 is available for free download at **www.ogp.org.uk**.

Industry standards

The equipment and materials used by the petroleum and natural gas industries are often highly specialized, and result from many years of development catering for specific industry needs. An original objective of ISO/TC 67 was to convert a significant proportion of the globally applicable American Petroleum Institute (API) industry standards to equivalent ISO standards.

OGP has encouraged and supported ISO/TC 67, whose work programme has resulted in the publication of some 135 standards, many of them based on API documents. Now ISO/TC 67 is including the development of ISO standards that are based on other documents. This will become increasingly important in the future.

International Standards

OGP's goal is to foster the development of standards on an international level for the broadest possible application. The aim is to produce one set of words and :

"Do it once, do it right, and do it internationally."

All International Standards should be published by the International Organization for Standardization (ISO) or the International Electrotechnical Commission (IEC). The development and revision of International Standards will require an ongoing effort by the industry in all areas to unify and standardize oil company and manufacturer requirements. The progressive and systematic revision of standards is also part of the process of adapting to changing requirements as and when they are defined. This will work towards the goal of :

"Global standards used locally worldwide"

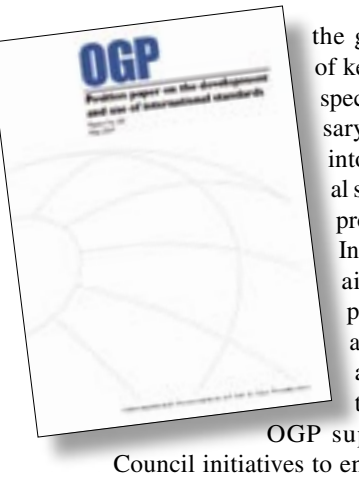
OGP's stand and role in standards development

OGP believes the industry needs to work on a cultural change to use International Standards and minimize company specifications, and the related procurement practices based on them. This minimization of additional requirements is necessary if the advantages of good International Standards are to be fully achieved.

Ultimately, the use of supplementary requirements in company specifications must serve a transparent purpose and be by exceptions only. They may reflect more stringent requirements than those set out by an International Standard to account for the owners' and operators' responsibilities for health, safety and environmental protection, as is the case in regional standards.

OGP supports the prioritization of the development of standards based on criteria developed and agreed upon by the international industry community. The cost saving potential is one criterion for identifying the standards requiring most urgent attention, and effort must be concentrated in areas where international standardization will yield the best returns.

In this way, members will maximize the use of hard to find resources to support standards development and maintenance. Duplication of effort is to be avoided, which implies that, if industry agrees to develop a standard at an ISO level, different parallel standards should not be developed at a regional (e.g. the European Committee for Standardization (CEN)), national, or industry (e.g. API) level.



OGP supports the gradual transfer of key standards and specifications necessary for the industry into the international sphere, if this will promote efficiency. In the long term, the aim should be to publish key local and regional standards as International Standards. OGP supports the ISO Council initiatives to encourage organizations such as API, the American Society of Mechanical Engineers (ASME), the American Society for Testing and Materials (ASTM) and the Institute of Electrical and Electronics Engineers (IEEE) to internationalize their standards through a transitional period of joint branding.

International Standards should recognize regional requirements either by the use of special annexes, optional supplementary requirements, or by the use of Product Specification Levels (PSLs).

It is realized that, through the development of a single market by the European Union (EU), European Standards (harmonized or not) have to be developed to facilitate non-discriminatory purchasing practices in the frame of the European Directives. In this respect, OGP recognizes the Vienna Agreement for the development of those International Standards required at European level.

OGP will continue to inform the industry and the regulators on the availability of International Standards, and to encourage their implementation and use as far as possible without modification. It is firmly believed that this will assist in reducing capital and operating costs whilst enhancing safety and quality.

OGP's Standards Committee published a catalogue of ISO and IEC International Standards (nearly 2 000) currently used in the petroleum and natural gas industries to encourage their use. This publication (Report No: 362, January 2005) is available on the OGP Web site (www.ogp.org.uk).

While OGP does not develop standards itself, OGP members are encouraged to support and provide substantial resources to the work of ISO and IEC, and in particular ISO/TC 67, through individual representation, via the national standardization bodies, and by participation in OGP.

Conclusions

OGP strongly supports the internationalization of key standards used by the petroleum and natural gas industries. OGP's goal is to assist in the development of International Standards that can be utilized for the broadest possible application. The following points emphasize the key issues:

- Development and use of International Standards should be promoted; ISO or IEC should publish them.
- Simplicity and fitness for purpose should be guiding principles in developing International Standards.
- International Standards should be used without modification wherever possible, but they should have flexibility to recognize regional variations; the identification number of the International Standard should remain visible whatever the method of publication.
- Priorities for development of International Standards should be based on a consensus of need.
- Available resources should be used in the most efficient way so as to avoid duplication of effort; communication among companies should be improved to this end.
- Company specifications should be minimized and written, where possible, as functional requirements, with supplementary requirements in company specifications being transparent as to why they are required and by exception only.
- "Users" should be well represented on all critical standardization work groups.

It is OGP's belief that the adoption of this approach will minimize non-technical barriers to trade, enable more efficient worldwide operations, and improve the technical integrity of equipment, materials, and offshore structures used by the petroleum and natural gas industries. ■

About the author

Alf Reidar Johansen started with Det Norske Veritas in 1968 and worked in the Offshore Department with inspection and certification of offshore installations and pipelines in the US, the United Kingdom and Norway.
He then went to Saga Petroleum in 1984 and then Norsk Hydro in 2000 (two Norwegian oil companies) until the present, working on various offshore projects. He has been the Standards Manager for Norsk Hydro's Oil & Gas activities from 2000 until the present.
Mr. Johansen was actively engaged in the restarting of ISO/TC 67 and served as Norway's head of delegation to ISO/TC 67 and CEN/TC 12 from its inception in 1988 until 1998. He is also a member of the OGP Standards Committee since 1986 and has been Chair of the committee from 1993 until the present.