Term	Final Definition or Clarification	Original or Source Definition	Source	Comment
Third Party Audit	A Third Party Audit is an audit of a company's Safety and Environmental Management System (SEMS) by an accredited Audit Service Provider (ASP). The audit team lead must be an employee, representative, or agent of the ASP, and must not have any affiliation with the operator. The remaining team members may be chosen from the ASP and/or the company being audited.	Additionally, the audit team lead must be an employee, representative, or agent of the ASP, and must not have any affiliation with the operator. The remaining team members may be chosen from your personnel and those of the ASP.	Regulatory Impact Analysis for RIN 1014 AD04, Final Rule. Oil and Gas and Sulphur Operations in the Outer Continental Shelf - Revisions to Safety and Environmental Management Systems. Bureau of Safety and Environmental Enforcement (BSEE), Department of the Interior. August 10, 2012. http://www.gpo.gov/fdsys/pkg/FR-2013-04-05/html/2013-07738.htm	Approved by COS Board on 9/18/2013

Term	Final Definition	Working Definition	Source	Comment
Compliance				
		Act or process of satisfying the legal and other applicable requirements of a regulation or regulatory body.	API Spec Q2, Specification for Quality Management System Requirements for Service, Supply Organizations for the Petroleum and Natural Gas Industries, Upstream Segment, First Edition, December 2011.	approved, no dissent
Non-compliance				
		Act or process of **not** satisfying the legal and other applicable requirements of a regulation or regulatory body.	Added a negative to the statement - API Spec Q2, Specification for Quality Management System Requirements for Service, Supply Organizations for the Petroleum and Natural Gas Industries, Upstream Segment, First Edition, December 2011.	approved, no dissent
Conformity (or Conformance)				

Term		Definition	Discussion	Approval Notes
		meets or exceeds the management system element or its components	BSEE uses the terminology "deficiency" and COS uses "nonconformance". We can all agree on the definition of a "finding", but BSEE makes a special point of using the word "deficiency(ies) separate from the word "finding" (see the SEMS II regulation below). Does this mean we can use the term "deficiency" instead of "nonconformity" in the audit reports? It would be a burden on the operator and ASP to generate a report for BSEE a report using "deficiency" and a report for COS using "nonconformity", so we need to be consistent in what we call a finding that is not consistent with the requirement of the regulation. The regulation requires that, where there is a conflict between the BSEE requirements and a document incorporated by reference, "you must follow the requirements" of the subpart. A good example is RP 75 requires an audit of elements 2-12 but the SEMS rule requires an audit of all elements (1-17), which by the way, question 1640(a) in the	need to go back and review "or its component" rest approved no dissent
Non-conformity (or Non-conformance)				
		Does not meet or exceed the management system element or its components	Negation of above	need to go back and review "or its component" rest approved no dissent
Concern				
		A condition that marginally meets the *management system element* requirements but could lead to a nonconformity if sufficient controls are not in place to maintain the management system.	Based on COS-2-03, 3.3.2 - A condition that marginally meets the requirements but could lead to a nonconformity if sufficient controls are not in place to maintain the management system.	Near unanimous approval, but need substitute for "marginally"
Deficiency				
		Dos not meet the management system element. Is either a Finding Level 1 or 2.	Member Derived	
Finding				

		Generic term for a conformity, non-conformity, or strength	Member Derived	Notes: may not roll up to a non-conformity, but should include non-compliances, and concerns 5/20: finding level 1; changed "part of element" to component.
Conclusion				
		A written summary of audit findings, such as whether the management system element(s) is properly implemented and maintained	Adaptation of API RP 75 12.7j" "j. Audit findings and conclusions, such as whether the program element(s) is properly implemented and maintained. The findings and conclusions of the audit should be provided to the management personnel responsible... Management should establish a system to determine and document the appropriate response to the findings and to assure satisfactory resolution."	approved, no dissent
Observation				
		Evidence that supports a conformity or a deficiency	Member Derived	approved, no dissent
Opportunity for Improvement				
		a condition that meets requirements, but based on auditor experience and knowledge, can be more effectively implemented using a modified approach or using good practices.	COS-2-03, 3.3.3	5/20: near unanimous approval; need new defn for final vote. WG comments (5) since the last meeting have requested a re-evaluation of this term.
Results				
		a nonconformity, concern or an opportunity for improvement	COS-2-03, 3.3	Note: Question for WG, how is a result differentiated from a conclusion? Four members have posed this question
Human Factors				
		The interaction and application of scientific knowledge about people, facilities and management systems to improve their interaction in the work place and reduce the likelihood and / or consequences of human error.	API RP 75, Appendix D .6	approved, no dissent
Safe Work Practices				

		Practices designed to minimize the risks associated with operating, maintenance, and modification activities and the handling of materials and substances that could affect safety or the environment.	Derived from API RP75 section 6.1	approved, no dissent
HSE Management System				
		Declined		approved, no dissent
Hazard Analysis				
		The application of one or more methodologies that aid in identifying and evaluating hazards.	Derived from: API RP 75, Appendix D .5	approved, no dissent
Critical Equipment				
		Equipment and other systems determined to be essential in preventing the occurrence of or mitigating the consequences of an uncontrolled release. Such equipment may include vessels, machinery, piping, blowout preventers, wellheads and related valving, flares, alarms, interlocks, fire protection equipment and other monitoring, control and response systems.	API RP 75, Appendix D .2	approved, no dissent
SEMS				
		Safety and Environmental Management System that complies with 30 CFR 250.	30 CFR Part 250	approved, no dissent
Competency				
		Declined		approved, no dissent
Recommendation				
		An inappropriate practice for independent 3rd party auditors.		approved, no dissent An auditor should not offer 'recommendations' as this violates independence. Approved, no dissent; not a definition but needs to be in the white paper.
Written Operating Procedures				
		A detailed written procedure used to safely execute a recurring work process in a consistent manner.	Standard Operating Procedure (SOP) - API RP 96, Deepwater Well Design and Construction, First Edition, March 2013.	approved, no dissent
Procedure				
		Series of steps to be carried out in a logical order for a defined operation or in a given situation.	ISO 17776:2000, Petroleum and natural gas industries – Offshore production installations – Guidelines on tools and techniques for hazard identification and risk assessment.	approved, no dissent
Strengths				

| | | A SEMS-related practice that has been identified by the audit service provider and the company as exceeding requirements or recommended practice, and one that could potentially benefit others in the industry by being shared. | Suggestion from a Legal Dept. The definition is accurate, but I think that using the word "exemplary" could lead to an extremely narrow interpretation of a strength (and thus a reluctance on the part of the ASP lead to label our positive SEMS attributes as "strengths".) To some auditors, "exemplary" might be equated with perfection – a standard that in my experience regulators / auditors / inspectors are reluctant to admit. What if we suggested using the "admirable" or "commendable" instead? | approved no decent; the company changes to "the auditee" |