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# Standard cost coding system for oil and gas production and processing facilities

*Système de codage du coût standard pour la production de gaz et d'huile, et des installations de traitement* 



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### Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see <a href="https://www.iso.org/directives">www.iso.org/directives</a>).

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For an explanation on the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the WTO principles in the Technical Barriers to Trade (TBT) see the following URL: Foreword - Supplementary information

The committee responsible for this document is ISO/TC 67, *Materials, equipment and offshore structures for petroleum, petrochemical and natural gas industries*.

## Introduction

This International Standard provides the specifications for a standard cost coding system (SCCS) to be used for classification of costs associated with the development and operation of oil and gas production and processing facilities.

The purpose of the SCCS is to enable the costs of exploration, development projects and operations to be organized, collected and reported allowing analysis and comparison across (parts of) projects and assets.

This International Standard is designed to provide a uniform coding basis for both estimate preparation and collecting/collating related historical data in order to facilitate benchmarking and analysis. It is also intended to provide the basis for exchange of cost and quantity data between parties, e.g. between companies or contractors or across projects.

This International Standard establishes a coding system that enables any in-house or commercial data system to meet these data exchange requirements.

The SCCS may also be utilized to capture consistent data for physical quantities, e.g. weight, length, areas, volumes, flow rate, work hours and durations. This will facilitate the development and measure of unit costs and cost metrics.

The scope of work that is being classified has three key aspects (also known as facets) namely, physical asset [coded by the physical breakdown structure (PBS)], activity [coded by the standard activity breakdown structure (SAB)] and resource [coded by the code of resource (COR)].

Hence the SCCS is composed of three complementary and disjoint sub-classifications, each one dealing with one of the aspects. This is technically known as a poly-hierarchical or faceted classification system.

The main body of this International Standard contains the principles and usage of the SCCS. It also includes implementation requirements for the expansion of the coding system by individual organisations.

The annexes include:

- the SCCS codes their names and description;
- examples of use of the codes.

Application of ISO 19008 can also be useful when performing production assurance, reliability management and Life Cycle Cost (LCC) analysis; see ISO 20815, ISO 14224 and ISO 15663.