

# Manual of Petroleum Measurement Standards Chapter 23.1

## Reconciliation of Liquid Pipeline Quantities

FIRST EDITION, JUNE 2016



AMERICAN PETROLEUM INSTITUTE

## Special Notes

API publications necessarily address problems of a general nature. With respect to particular circumstances, local, state, and federal laws and regulations should be reviewed.

Neither API nor any of API's employees, subcontractors, consultants, committees, or other assignees make any warranty or representation, either express or implied, with respect to the accuracy, completeness, or usefulness of the information contained herein, or assume any liability or responsibility for any use, or the results of such use, of any information or process disclosed in this publication. Neither API nor any of API's employees, subcontractors, consultants, or other assignees represent that use of this publication would not infringe upon privately owned rights.

API publications may be used by anyone desiring to do so. Every effort has been made by the Institute to ensure the accuracy and reliability of the data contained in them; however, the Institute makes no representation, warranty, or guarantee in connection with this publication and hereby expressly disclaims any liability or responsibility for loss or damage resulting from its use or for the violation of any authorities having jurisdiction with which this publication may conflict.

API publications are published to facilitate the broad availability of proven, sound engineering and operating practices. These publications are not intended to obviate the need for applying sound engineering judgment regarding when and where these publications should be utilized. The formulation and publication of API publications is not intended in any way to inhibit anyone from using any other practices.

Any manufacturer marking equipment or materials in conformance with the marking requirements of an API standard is solely responsible for complying with all the applicable requirements of that standard. API does not represent, warrant, or guarantee that such products do in fact conform to the applicable API standard.

Users of this standard should not rely exclusively on the information contained in this document. Sound business, scientific, engineering, and safety judgment should be used in employing the information contained herein.

The examples used in the standard are merely examples for illustration purposes only. (Each company should develop its own approach.) They are not to be considered exclusive or exhaustive in nature. API makes no warranties, express or implied, for reliance on or any omissions from the information contained in this document.

Users of instructions should not rely exclusively on the information contained in this document. Sound business, scientific, engineering, and safety judgment should be used in employing the information contained herein.

Where applicable, authorities having jurisdiction should be consulted.

Work sites and equipment operations may differ. Users are solely responsible for assessing their specific equipment and premises in determining the appropriateness of applying the instructions. At all times users should employ sound business, scientific, engineering, and judgment safety when using this standard.

All rights reserved. No part of this work may be reproduced, translated, stored in a retrieval system, or transmitted by any means, electronic, mechanical, photocopying, recording, or otherwise, without prior written permission from the publisher.

Contact the publisher, API Publishing Services, 1220 L Street, NW, Washington, DC 20005.

Copyright © 2016 American Petroleum Institute

## Foreword

This Standard, API *MPMS* Chapter 23.1, supersedes API *MPMS* Standard 2560, *Reconciliation of Liquid Pipeline Quantities*, 1st Edition, and API *MPMS* Standard 2560 has therefore been withdrawn.

Nothing contained in any API publication is to be construed as granting any right, by implication or otherwise, for the manufacture, sale, or use of any method, apparatus, or product covered by letters patent. Neither should anything contained in the publication be construed as insuring anyone against liability for infringement of letter patent.

Shall: As used in a standard, “shall” denotes a minimum requirement in order to conform to the specification.

Should: As used in a standard, “should” denotes a recommendation or that which is advised but not required in order to conform to the specification.

This document was produced under API standardization procedures that ensure appropriate notification and participation in the developmental process and is designated as an API standard. Questions concerning the interpretation of the content of this publication or comments and questions concerning the procedures under which this publication was developed should be directed in writing to the Director of Standards, American Petroleum Institute, 1220 L Street, NW, Washington, DC 20005. Requests for permission to reproduce or translate all or any part of the material published herein should also be addressed to the director.

Generally, API standards are reviewed and revised, reaffirmed, or withdrawn at least every five years. A one-time extension of up to two years may be added to this review cycle. Status of the publication can be ascertained from the API Standards Department, telephone (202) 382-8000. A catalog of API publications and materials is published annually by API, 1220 L Street, NW, Washington, DC 20005.

Suggested revisions are invited and should be submitted to the Standards Department, API, 1220 L Street, NW, Washington, DC 20005, standards@api.org.

## Contents

1	Scope	1
1.1	General	1
1.2	Field of Application	2
2	Normative References	1
3	Terms and Definitions	2
4	Loss/Gain Analysis	3
4.1	General	3
4.2	Loss/Gain Equations	3
4.3	Presentation of Data	4
4.4	Control Charts	4
4.5	Pipeline System Control Charts	6
4.6	Meter Factor Control Charts	9
4.7	Trending Charts	10
4.8	Cross Plots	11
4.9	Cumulative Charts	12
4.10	Two Types of Cumulative Percent	14
5	Troubleshooting	15
5.1	General	15
5.2	The Troubleshooting Process	16
5.3	Inaccuracies and Uncertainties	17
5.4	Explainable Loss/Gain	22
6	Reporting	23
6.1	Resolving the Loss/Gain	23
7	Calculating Statistical Uncertainties	24
	Annex A (informative) Statistical Calculations	26
	Annex B (informative) Troubleshooting Guide for Pipeline Measurement Operations	31
	Bibliography	35
	Figures	
1	Sample Control Chart	5
2	Two Years of Data for Control Limits	6
3	Control Chart for the Following Year	6
4	Control Chart with Three Patterns	7
5	Control Chart with Cyclic Patterns	8
6	Control Chart with a Change in the Process	8
7	Moving Range Chart	9
8	Trending Control Chart	10
9	Simultaneous Variations in Meter Factor and Flow Rate	11
10	Cross Plot of Meter Factor vs Flow Rate	11
11	Cumulative Plots	13
12	Cumulative GSV and NSV	13
13	System with a Leak	14
14	Types of Cumulative Percent	15
15	Initial Meter Proving	18
16	Meter Proving Continued	18

## Contents

A.1 Correlation Between Two Data Sets .....	29
Tables	
1 Example of Cumulative Sum .....	1
2 Example of Moving Sum .....	15
A.1 Sample Calculation of Mean and Standard Deviation .....	26
A.2 Sample Calculation of Estimated Standard Deviation .....	27
A.3 Example of Calculation of a Correlation Coefficient .....	28

Currently in preview, click buy full versi

## Introduction

In the ideal world, every drop of liquid received into a pipeline system and every drop delivered out of the system, as well as all liquid inventory within the system, would be measured and accounted for precisely, and a comparison of all receipts and all deliveries—adjusted for inventory changes—would be exactly the same. The system would never experience a loss or a gain. Unfortunately, this ideal pipeline balance seldom exists in the real world.

Most pipeline systems typically experience some degree of loss or gain over time. This represents the normal loss/gain performance for a system. From time to time, losses or gains greater than normal may occur for a variety of reasons. Excessive or unexplained loss/gain often leads to contention between participating parties, sometimes requiring monetary settlements to adjust for abnormal loss/gain. In such cases, it is necessary to be able to (1) identify abnormal loss/gain as quickly as possible, (2) determine the magnitude of abnormal loss/gain, and (3) institute corrective actions.

Sometimes losses or gains are real, and adjustments shall be made to correct shipper batches and/or inventories. Most of the time, though, there are no real physical losses or gains. The loss/gain that occurs in day-to-day operation is usually small (a fraction of a percent) and is caused by small imperfections in a number of measurements in a system.

In a sense, loss/gain is a measure of the ability to measure within a system. Loss/gain should be monitored for any given system at regular intervals to establish what is normal for that system and to identify any abnormal loss/gain so that corrective action can be taken.

# Reconciliation of Liquid Pipeline Quantities

## 1 Scope

### 1.1 General

**1.1.1** This publication provides methodologies for monitoring liquid pipeline loss/gain and for determining the normal loss/gain level for any given pipeline system. Troubleshooting suggestions are also presented.

**1.1.2** This document does not establish industry standards for loss/gain level because each system is individual and exhibits its own loss/gain level and/or patterns under normal operating conditions.

**1.1.3** The document provides operational and statistically based tools for identifying when a system has deviated from normal, the magnitude of the deviation, and guidelines for identifying the cause of deviation from normal.

### 1.2 Field of Application

**1.2.1** The primary application of this publication is in custody transfer liquid pipeline systems in which there is provision for measuring all liquids that enter the system and exit the system, as well as liquid inventory within the system. The application is not intended for nonliquid or mixed-phase systems.

**1.2.2** The applications and examples in this document are intended primarily for custody transfer pipeline systems, but the principles may be applied to any system that involves the measurement of liquids into and out of the system and possibly, inventory of liquids within the system. Such systems may include pipelines, marine terminals, marine voyages, bulk loading or storage terminals, tank farms, and rail and trucking systems.

## 2 Normative References

The following referenced documents are indispensable for the application of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

API Manual of Petroleum Measurement Standards (MPMS) Chapter 2, *Tank Calibration*

API Manual of Petroleum Measurement Standards (MPMS) Chapter 3.1A, *Manual Gauging of Petroleum and Petroleum Products*

API Manual of Petroleum Measurement Standards (MPMS) Chapter 4.8, *Operation of Proving Systems*

API Manual of Petroleum Measurement Standards (MPMS) Chapter 11.1, *Temperature and Pressure Volume Correction Factors for Generalized Crude Oils, Refined Products, and Lubricating Oils*

API Manual of Petroleum Measurement Standards (MPMS) Chapter 12.3, *Volumetric Shrinkage Resulting from Blending Light Hydrocarbons with Crude Oil*

API Manual of Petroleum Measurement Standards (MPMS) Chapter 13.1, *Statistical Concepts and Procedures in Measurement Methods of Evaluating Meter Proving Data*

API Manual of Petroleum Measurement Standards (MPMS) Chapter 13.2, *Statistical Methods of Evaluating Meter Proving Data*