**Common Carrier Pipeline** 

# **ANNUAL REPORT**

For Year Ending December 31, 2012

Of

Front Range Pipeline, LLC

to

## **The Public Service Commission**

## OF THE STATE OF MONTANA

	Dept Use Only	
Receiv	ved	
Date	·····	

By

### **OPERATING PROPERTY**

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### FOR YEAR 2012

	Syst	em	Mor	ntana	
	Balance Begin	Bal End	Balance Begin	Bal End	
	Year	Year	Year	Year	
GATHERING LINES					
Land	-	-	-	-	
Right of Way	-	-	-	-	
Line Pipe		-	-	-	
Line Pipe Fittings		-	-	-	
Pipeline Construction	-	-		-	
Buildings	-	-	-	-	
Boilers			-	-	
Pumping Equipment			-	-	
Machine Tools & Machinery	-	-	-		
Other Station Equipment	-	-	-	-	
Oil Tanks	-		-	-	
Delivery Facilities	·		-	-	
Communication Systems Office Furniture & Equipment	-	-	-		
Vehicles & Other Work Equipment		-	-		
Other Property			-	-	
TOTAL		-	-	-	
TRUNK LINES					
Land	39,453	39,453	39,453	39,453	
Right of Way	1,688,460	1,696,676	1,688,460	1,696,670	
Line Pipe	29,498,324	29,649,418	29,498,324	29,649,418	
Line Pipe Fittings	1,622,465		1,622,465		
Pipeline Construction	51,315,646	52,378,638	51,315,646		
Buildings	905,927	905,927	905,927	905,92	
Boilers			-	-	
Pumping Equipment	4,048,728	4,092,726	4,048,728	4,092,72	
Machine Tools & Machinery	23,079		23,079		
Other Station Equipment	4,982,322		4,982,322		
Oil Tanks	4,118,940	4,118,940	4,118,940	4,118,94	
Delivery Facilities	4 050 707	1 050 707	-	-	
Communication Systems	1,050,787	1,050,787	1,050,787	1,050,78	
Office Furniture & Equipment	32,382	32,382	32,382		
Vehicles & Other Work Equipment Other Property	109,226	109,226	109,226		
TOTAL	99,435,739		99,435,739		
	88,403,708	100,702,040	88,430,738	100,702,04	
GENERAL					
Land					
Buildings Machine Tools & Machinery					
Communication Systems					
Office Furniture & Equipment			1		
Vehicles & Other Work Equipment	49,399	49,399	49,399	49,39	
Other Property	-10,000		40,000		
Construction Work in Progress	751,281	992,737	751,281	992,73	
TOTAL	800,680				
GRAND TOTAL	100,236,419	101,744,177	100,236,419	101,744,17	

## **NON-OPERATING PROPERTY**

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### As of December 31, 2012

(Include only the NonCarrier Property which is Inc	cluded on the Balance Sheet)
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Name & Description of Property held at close of year	Date Included as Noncarrier	Book Cost Close Of Year	Market Value Close of Year	Remarks
1/3 HP BENCH GRINDER (8218)	12/1/1986	-		
CURTIS AIR COMPRESSOR (8219)	12/2/1986	-		
CENTRIFUGE (MODEL 100) (8220)	12/3/1986	-		
SCRUBBER (8221)	12/4/1986			
1,527 BBL HIGH BOLTED OILMONT STATION (8214)	12/5/1986	-		
80 SQ' 10x16 CNTRLER BLDG CUTBANK T/F (8110)	12/6/1986	-		
96 SQ' METER BUILDING CUTBANK T/F (8111)	12/7/1986	-		
NEW MAINLINE PUMP UNIT AT KEVIN STATION (83	( 12/8/1986	*		
192 SQ' 12x16 OFFICE ADDN FEY STATION (8222)	12/9/1986	-		
NEW MAINLINE PUMP UNIT AT KEVIN STATION (82	2 12/10/1986	-		
6" RECEIPT LINE FROM UNOCAL ACT UNIT (8246)	12/11/1986	953.89		
MISCELLANEOUS EQUIPMENT (8196)	12/12/1986	-		
MISCELLANEOUS EQUIPMENT (8192)	12/13/1986	-		
3 LINE CONTROL METERS FEY STATION (8226)	12/14/1986	-		
CATHODIC PROTECTION SYS (8230)	12/15/1986	-		
CATHODIC PROTECTION (8229)	12/16/1986	÷		
MISCELLANEOUS EQUIPMENT (8193)	12/17/1986	-		
MISCELLANEOUS EQUIPMENT (8194)	12/18/1986	-		
500 BBL BOLTED STEEL CUTBANK T/F(8207)	12/19/1986	-		
76.47 MILES PIPE (8419)	12/20/1986	•		
CPL CONNECTION (OB)	12/21/1986	-		
CPL CONNECTION (OB)	12/22/1986	-		
CPL CONNECTION (OB)	12/23/1986	-		
CPL CONNECTION (OB)	12/24/1986	-		
CPL CONNECTION (OB)	12/25/1986	1,219.56		
LAUREL STATION (OB)	12/26/1986	-		
17.27 8" PIPE	12/27/1986			
CPL CONNECTION GLENDIVE & MINOT PROVERS	12/28/1986	· · · · · · · · · · · · · · · · · · ·		
TOTAL		2,173.45	~	

# **INCOME ACCOUNT**

### MONTANA

## As of December 31, 2012

Operating Revenues    25,078,579    24,161,450      Other Earnings from Operations    25,078,579    24,161,450      Other Earnings from Operating Revenues    25,078,579    24,161,450      Operating Expenses    25,078,579    24,161,450      Operating Expenses    25,078,579    24,161,450      Operating Expenses    25,078,579    24,161,450      Operating Expenses    7,154,459    5,633,785      Rental Expenses    7,154,459    5,633,785      General Expenses    7,154,459    5,633,785      Depreciation    4,813,329    4,851,901      Taxes, Federal Excluded    3,634,128    3,269,398      Federal Taxes    15,601,915    13,755,085      Non-Operating Expenses    9,476,664    10,406,366      Non-Operating Revenues (Net)    (1,804,934)    (1,532,624)      Interest on Funded Debt    (1,804,934)    (1,532,624)      Interest on Other Debt    (67,000)    (12,013)      Other Deductions    (1,804,934)    (1,54,637)      Net Income    11,348,597    11,951,003      D		This Year	Last Year
Other Earnings from Operations    25,078,579    24,161,450      Operating Expenses    25,078,579    24,161,450      Pipeline Trans. & Other Oper. Expenses    7,154,459    5,633,785      Rental Expenses    7,154,459    5,633,785      General Expenses    7,154,459    5,633,785      Depreciation    4,813,329    4,851,901      Taxes, Federal Excluded    3,634,128    3,289,398      Federal Taxes    15,601,915    13,755,085      Net Operating Expenses    9,476,664    10,406,366      Non-Operating Revenues (Net)    67,000    (1,532,624)      Interest on From Gross Income    (1,804,934)    (1,544,637)      Interest on Other Debt    (1,804,934)    (1,544,637)      Other Debt    (1,871,934)    (1,544,637)      Net Income    11,348,597    11,951,003      Dispostion Of Net Income    11,348,597    11,951,003      Dispostion Of Net Income    20,000    20,000      Dividends    20,000    20,000    20,000      Surplus or Deficit Beginning of Year    20,000    20,000    <	Operating Revenues		
Other Earnings from Operations    25,078,579    24,161,450      Operating Expenses    25,078,579    24,161,450      Pipeline Trans. & Other Oper. Expenses    7,154,459    5,633,785      Rental Expenses    7,154,459    5,633,785      General Expenses    7,154,459    5,633,785      Depreciation    4,813,329    4,851,901      Taxes, Federal Excluded    3,634,128    3,289,398      Federal Taxes    15,601,915    13,755,085      Net Operating Expenses    9,476,664    10,406,366      Non-Operating Revenues (Net)    67,000    (1,532,624)      Interest on From Gross Income    (1,804,934)    (1,544,637)      Interest on Other Debt    (1,804,934)    (1,544,637)      Other Debt    (1,871,934)    (1,544,637)      Net Income    11,348,597    11,951,003      Dispostion Of Net Income    11,348,597    11,951,003      Dispostion Of Net Income    20,000    20,000      Dividends    20,000    20,000    20,000      Surplus or Deficit Beginning of Year    20,000    20,000    <	Pipeline Operating Revenues	25.078.579	24,161,450
Total Operating Revenues    25,078,579    24,161,460      Operating Expenses    7,154,459    5,633,785      Pipeline Trans. & Other Oper. Expenses    7,154,459    5,633,785      General Expenses    7,154,459    5,633,785      Depreciation    7,154,459    5,633,785      Depreciation    4,813,329    4,851,901      Taxes, Federal Excluded    3,634,128    3,269,398      Federal Taxes    15,601,915    13,755,085      Non-Operating Expenses    9,476,664    10,406,366      Non-Operating Expenses    9,476,664    10,406,366      Non-Operating Revenues (Net)    67,000    (1,532,624)      Interest on From Gross Income    (1,804,934)    (1,532,624)      Interest on Other Debt    (1,871,934)    (1,544,637)      Other Debt    11,348,597    11,951,003      Dispostion Of Net Income    11,348,597    11,951,003      Dispostion Of Net Income    2,9476,664    10,406,366      Dispostion Of Net Income    11,348,597    11,951,003	Other Earnings from Operations		
Operating Expenses    7,154,459    5,633,785      Pipeline Trans. & Other Oper. Expenses		25,078,579	24,161,450
Pipeline Trans. & Other Oper. Expenses			
Rental Expenses			
General Expenses    7,154,459    5,633,785      Depreciation    4,813,329    4,851,901      Taxes, Federal Excluded    3,634,128    3,269,398      Federal Taxes    3    3,634,128    3,269,398      Federal Taxes    9,476,664    10,406,366      Non-Operating Expenses    9,476,664    10,406,366      Non-Operating Revenues (Net)    67000    (1,532,624)      Interest on Funded Debt    (1,804,934)    (1,532,624)      Interest on Funded Debt    (67,000)    (12,013)      Total    (1,871,934)    (1,544,637)      Net Income    11,348,597    11,951,003      Dispostion Of Net Income    11,348,597    11,951,003      Dispostion Of Net Income    4,304,934    11,951,003		7,154,459	5,633,785
Total    7,154,459    5,633,785      Depreciation    4,813,329    4,851,901      Taxes, Federal Excluded    3,634,128    3,269,398      Federal Taxes    15,601,915    13,755,085      Net Operating Expenses    9,476,664    10,406,366      Non-Operating Revenues (Net)    9    4      Gross Income    (1,804,934)    (1,532,624)      Interest on Funded Debt    (1,804,934)    (1,532,624)      Other Deductions    (67,000)    (12,013)      Total    (1,871,934)    (1,544,637)      Net Income    11,348,597    11,951,003      Dispostion Of Net Income    11,348,597    11,951,003      Surplus or Deficit for Year    2    2      Surplus or Deficit for Year    2    2      Adjustments During Year    2    2	Rental Expenses		
Depreciation    4,813,329    4,851,901      Taxes, Federal Excluded    3,634,128    3,269,398      Federal Taxes    15,601,915    13,755,085      Net Operating Expenses    9,476,664    10,406,366      Non-Operating Revenues (Net)    9,476,664    10,406,366      Non-Operating Revenues (Net)    11,804,934    (1,532,624)      Interest on Funded Debt    (67,000)    (12,013)      Other Deductions    (67,000)    (12,013)      Total    11,348,597    11,951,003      Dispostion Of Net Income    11,348,597    11,951,003      Dividends    2    2      Surplus or Deficit for Year    2    2      Adjustments During Year    4    4			
Taxes, Federal Excluded	Total	7,154,459	5,633,785
Taxes, Federal Excluded	Depresiation		4.054.004
Federal Taxes			
Total Operating Expenses.    15,601,915    13,755,085      Net Operating Expenses.    9,476,664    10,406,366      Non-Operating Revenues (Net).    9,476,664    10,406,366      Cross Income    9,476,664    10,406,366      Deductions From Gross Income    (1,804,934)    (1,532,624)      Interest on Funded Debt.    (1,804,934)    (1,532,624)      Interest on Other Debt    (67,000)    (12,013)      Other Deductions    (1,871,934)    (1,544,637)      Net Income    11,348,597    11,951,003      Dispostion Of Net Income    11,348,597    11,951,003      Dividends    Surplus or Deficit for Year    10,406,366      Surplus or Deficit Beginning of Year    10,406,366    10,406,366		3,034,128	3,209,398
Net Operating Expenses    9,476,664    10,406,366      Non-Operating Revenues (Net)		15 601 015	13 755 085
Non-Operating Revenues (Net)		15,001,915	13,703,003
Non-Operating Revenues (Net)			
Non-Operating Revenues (Net)	Net Operating Expenses	9.476.664	10,406,366
Gross Income  Interest on Funded Debt.  (1,804,934)  (1,532,624)    Interest on Other Debt  (1,804,934)  (1,532,624)    Other Deductions  (67,000)  (12,013)    Total  (1,871,934)  (1,544,637)    Net Income  11,348,597  11,951,003    Dispostion Of Net Income  11,348,597  11,951,003    Surplus or Deficit for Year  Adjustments During Year  10		-,,	
Deductions From Gross Income    (1,804,934)    (1,532,624)      Interest on Other Debt    (67,000)    (12,013)      Other Deductions    (1,871,934)    (1,544,637)      Net Income    11,348,597    11,951,003      Dispostion Of Net Income    11,951,003      Surplus or Deficit for Year        Adjustments During Year			
Interest on Funded Debt  (1,804,934)  (1,532,624)    Interest on Other Debt  (67,000)  (12,013)    Other Deductions  (1,871,934)  (1,544,637)    Net Income  11,348,597  11,951,003    Dispostion Of Net Income  11,348,597  11,951,003    Surplus or Deficit for Year      Adjustments During Year			
Interest on Other Debt    (67,000)      Other Deductions    (12,013)      Total    (1,871,934)      Net Income    11,348,597      Dispostion Of Net Income    11,951,003      Surplus or Deficit for Year       Adjustments During Year			
Other Deductions    (67,000)    (12,013)      Total    (1,871,934)    (1,544,637)      Net Income    11,348,597    11,951,003      Dispostion Of Net Income    11,951,003      Dividends    11,951,003      Surplus or Deficit for Year    11,000      Adjustments During Year    1000		(1,804,934)	(1,532,624)
Total  (1,871,934)  (1,544,637)    Net Income  11,348,597  11,951,003    Dispostion Of Net Income  11,348,597  11,951,003    Dividends  Surplus or Deficit for Year  11,348,597  11,951,003    Surplus or Deficit Beginning of Year  11,000  11,000  11,000    Adjustments During Year  11,000  11,000  11,000			
Net Income  11,348,597  11,951,003    Dispostion Of Net Income  11,348,597  11,951,003    Dividends  Surplus or Deficit for Year  11,951,003    Surplus or Deficit Beginning of Year  11,951,003  11,951,003    Adjustments During Year  11,951,003  11,951,003			
Dispostion Of Net Income    Dividends    Surplus or Deficit for Year    Surplus or Deficit Beginning of Year    Adjustments During Year		(1,871,934)	(1,544,637)
Dispostion Of Net Income    Dividends    Surplus or Deficit for Year    Surplus or Deficit Beginning of Year    Adjustments During Year	Notingene	11 240 507	14.054.000
Dividends    Surplus or Deficit for Year    Surplus or Deficit Beginning of Year    Adjustments During Year		11,348,597	11,951,003
Dividends    Surplus or Deficit for Year    Surplus or Deficit Beginning of Year    Adjustments During Year	Dispostion Of Net Income		
Surplus or Deficit for Year			
Surplus or Deficit Beginning of Year	Surplus or Deficit for Year	· · · · · · · · · · · · · · · · · · ·	
Adjustments During Year	Surplus or Deficit Beginning of Year		
	Adjustments During Year	· · · ·	
Surplus or Deficit at Close of Year			
	Surplus or Deficit at Close of Year		

## **ALLOCATION INFORMATION**

#### Front Range Pipeline, LLC As of December 31, 2012

	BASIC DATA	SYSTEM		MON	ITANA	BALANCE OF SYSTEM	
INVESTME	NT						
	Lines of Pipe	\$	86,297,922.90	\$	86,297,922.90	\$	-
	Other(included CWIP, M & S)	\$	15,396,854.23	\$	15,396,854.23	\$	-
USE	Barrell Miles		7,006,321,486		7,006,321,485.93		0.00
TERMINAL							
	Orginating Barrels		34,986,288	ļ	34,986,288.26		0.00
	Terminating Barrels		35,005,635	<u> </u>	35,005,634.86		0.00
MILES							
	Pipe		405.36		405.36		0.00

Notes:

#### PROPERTIES IN MONTANA PURCHASED OR SOLD DURING FOR YEAR 2012

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YPE		LOCATION	PURCHASE OR S	
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STATE OF MONTANA ) SS County of Yellowstone )

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I, the undersigned, on oat do say that the foregoing return and any accompanying schedules have been prepared from the orginal books, papers and records of **Front Range** <u>Pipeline LLC</u>: that I

have carefully examined the same; and declare the same to be a complete and correct statement of the business and affairs of the said company in respect to each and every matter ant thing set forth, to the best of my knowledge and belief; and I further say that no deductions were made before stating the gross earnings or receipts herein set forth, except those shown in the foregoing accounts.

Vice President & Treasurer (Official Title)

SUBSCRIBED AND SWORN to before me at this if day of April, &>13

FRONT RANGE PIPELINE LLC

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LAURIE LONSBERY NOTARY PUBLIC for the State of Montana Residing at Laurel, Montana My-Commission Expires May 09, 2013

Laurie Lons

(Name printed or typed)

2013 My Commission Expires: // Que