

Common Carrier Pipeline

# ANNUAL REPORT

For Year Ending December 31, 2017

OF

Yellowstone Pipe Line Company

to

THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MONTANA

Dept. Use Only

Received	
Date	_____
By	_____

## INSTRUCTIONS

Section 69-13-301, MCA, Requirements in ARM 38.7.102, **Rule II: ANNUAL REPORTS** (1) Each Intrastate Common Carrier Pipeline Company shall file with the Commission, at its office in Helena, MT an annual report for each calendar year. This Report shall be filed not later than the 30th day of April next following the year for which the report is made. The report shall show the names of officers, directors and the residences of each; amount of capital stock and bonded indebtedness outstanding; capital investment with additional investments made during the year; assets and liabilities; revenues and expenditures; depreciation; statistical data as to petroleum delivered and lost during transportation (as it relates to Montana).

(2)... The above stated ARM 38.7.102 may be fulfilled by submission of Federal Energy Regulatory Commission (FERC) Form 6 Annual Report of oil pipeline companies, supplemented by such other forms as the Commission may prescribe. The supplemental forms shall be duly verified under oath by an officer of the company.

## OPERATING PROPERTY

For Year 2017

	System		Montana	
	Bal Begin Year	Bal End Year	Bal Beg Year	Bal End Year
<b>GATHERING LINES</b>				
Land .....	0	0	0	0
Right of Way .....	0	0	0	0
Line Pipe .....	0	0	0	0
Line Pipe Fittings .....	0	0	0	0
Pipeline Construction .....	0	0	0	0
Buildings .....	0	0	0	0
Boilers .....	0	0	0	0
Pumping Equipment .....	0	0	0	0
Machine Tools & Machinery .....	0	0	0	0
Other Station Equipment .....	0	0	0	0
Oil Tanks .....	0	0	0	0
Delivery Facilities .....	0	0	0	0
Communication Systems .....	0	0	0	0
Office Furniture and Equipment .....	0	0	0	0
Vehicles & Other Work Equipment .....	0	0	0	0
Other Property .....	0	0	0	0
Asset Retirement Costs for Gathering Lines	0	0	0	0
<b>TOTAL</b> .....	0	0	0	0
<b>TRUNK LINES</b>				
Land .....	152,582	152,582	133,934	133,934
Right of Way .....	525,911	525,911	346,240	346,240
Line Pipe .....	23,936,793	29,661,341	15,018,340	19,565,369
Line Pipe Fittings .....	4,485,025	4,613,992	3,262,054	3,262,090
Pipeline Construction .....	56,443,842	55,114,606	20,324,346	18,859,909
Buildings .....	1,768,092	1,784,155	1,066,628	1,082,691
Boilers .....	0	0	0	0
Pumping Equipment .....	4,962,137	4,938,622	3,118,474	3,042,407
Machine Tools & Machinery .....	231,762	231,762	177,694	177,694
Other Station Equipment .....	14,603,728	14,563,810	9,862,062	9,693,214
Oil Tanks .....	596,380	596,380	0	0
Delivery Facilities .....	5,595,042	5,609,420	4,614,937	4,629,316
Communication Systems .....	146,570	146,570	66,197	66,198
Office Furniture and Equipment .....	502,603	545,183	346,173	365,038
Vehicles & Other Work Equipment .....	274,990	297,776	160,195	182,982
Other Property .....	655,042	655,042	480,144	480,144
Asset Retirement Costs for Trunk Lines	0	0	0	0
<b>TOTAL</b> .....	114,880,499	119,437,152	58,977,418	61,887,226
<b>GENERAL</b>				
Land .....	0	0	0	0
Buildings .....	0	0	0	0
Machine Tools & Machinery .....	0	0	0	0
Communications Systems .....	0	0	0	0
Office Furniture .....	0	0	0	0
Vehicles & Other Work Equipment .....	0	0	0	0
Other Properties .....	0	0	0	0
Asset Retirement Costs for General Property	0	0	0	0
Construction Work in Progress .....	4,636,823	6,005,957	2,805,548	5,415,508
<b>TOTAL</b> .....	4,636,823	6,005,957	2,805,548	5,415,508
<b>GRAND TOTAL</b> .....	119,517,322	125,443,109	61,782,966	67,302,734

**NON-OPERATING PROPERTY**

As of December 31, 2017

(Include only the Noncarrier Property which is included on the Balance Sheet)

Name & Description of Property held at close of year	Date Included as Noncarrier	Book Cost Close of Year	Market Value Close of Year	Remarks
Land at Big Timber - HT-MPT Station	10/31/2003	3,685		
<b>TOTAL</b>		3,685	0	

**INCOME ACCOUNT****MONTANA**

As of December 31, 2017

	This Year	Last Year
<b>OPERATING REVENUES</b>		
Pipeline Operating Revenues .....	26,582,743	28,367,867
Other Earnings from Operations .....	0	0
Total Operating Revenues .....	26,582,743	28,367,867
<b>OPERATING EXPENSES</b>		
Pipeline Trans. & Other Oper. Expenses .....	8,650,863	10,830,200
Rental Expense .....	81,980	60,726
General Expense .....	5,138,165	135,978
Total .....	13,871,008	11,026,904
Depreciation .....	947,057	586
Taxes, Federal Excluded .....	3,849,893	2,665,219
Federal Taxes .....	(3,036,485)	4,439,800
Total Operating Expenses .....	15,631,473	18,132,509
Net Operating Expenses .....	10,951,270	10,235,358
Non-Operating Revenues (Net) .....	222,244	20,293
Gross Income .....	11,173,514	10,255,651
<b>DEDUCTIONS FROM GROSS INCOME</b>		
Interest on Funded Debt .....	0	0
Interest on Other Debt .....	0	0
Other Deductions .....	0	0
Total .....	0	0
Net Income .....	11,173,514	10,255,651
<b>DISPOSTION OF NET INCOME</b>		
Dividends .....	<b>Not Allocated Among States</b>	
Surplus or Deficit for Year .....		
Surplus or Deficit Beginning of Year .....		
Adjustments During Year .....		
Surplus or Deficit at Close of Year		

**ALLOCATION INFORMATION**  
**YELLOWSTONE PIPE LINE COMPANY**

As of December 31, 2017

BASIC DATA	SYSTEM	MONTANA	BALANCE OF SYSTEM
<b>INVESTMENT</b>			
Lines of Pipe .....	\$119,437,152	\$61,887,226	\$57,549,926
Other (included CWIP, M & S) .....	\$6,005,957	\$5,415,508	\$590,449
<b>USE</b>			
Barrel Miles .....	7,588,412,194	6,549,338,041	1,039,074,153
<b>TERMINAL</b>			
Originating Barrels .....	37,062,337	33,404,742	3,657,595
Terminating Barrels .....	37,062,161	24,074,405	12,987,756
<b>MILES</b>			
Pipe .....	698	477	221

**NOTES:**

**PROPERTIES IN MONTANA PURCHASED OR SOLD DURING  
THE YEAR 2017**

<b>TYPE</b>	<b>LOCATION</b>	<b>PURCHASE OR SALES PRICE</b>
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No acquisitions or dispositions of properties in Montana

**AFFIDAVIT**

STATE OF OKLAHOMA )  
 ) ss.  
County of WASHINGTON )

I, the undersigned, on oath do say that the foregoing return and any accompanying schedules have been prepared from the original books, papers and records of Yellowstone Pipe Line Company; 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 and 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.

Carl W Castleberry  
(Signature)

Carl W. Castleberry  
Coordinator, Regulatory Reporting  
(Official Title)

SUBSCRIBED AND SWORN to before me at Bartlesville, Oklahoma  
this 23<sup>rd</sup> day of March, 2018.

LADONNA MILLER  
NOTARY PUBLIC  
STATE OF OKLAHOMA  
MY COMMISSION EXPIRES: 6-19-18  
COMMISSION #06005952

Ladonna Miller  
(Notary Public)

Ladonna Miller  
(Name printed or typed)

My Commission Expires: 6-19-18