

RECEIVED BY  
2009 APR 17 A 11:11  
PUBLIC SERVICE  
COMMISSION

**Common Carrier Pipeline**

# **ANNUAL REPORT**

**FOR YEAR ENDING DECEMBER 31, 2008**

**CENEX PIPELINE LLC**

to

**The Public Service Commission**

**OF THE STATE OF MONTANA**

**Dept Use Only**

Received	_____
Date	_____
By	_____

# OPERATING PROPERTY

## FOR YEAR ENDING: DECEMBER 31, 2008

	System		Montana	
	Balance Begin Year	Bal End Year	Balance Begin Year	Bal End Year
<b>GATHERING LINES</b>				
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 .....				
<b>TOTAL</b> .....				
<b>TRUNK LINES</b>				
Land .....	88,612	88,612	59,711	59,711
Right of Way .....	3,491,664	3,489,687	868,152	868,152
Line Pipe .....	17,470,293	17,299,634	7,611,418	7,611,418
Line Pipe Fittings .....	2,206,203	2,194,692	1,584,354	1,584,354
Pipeline Construction .....	26,575,747	26,555,815	15,737,367	15,737,367
Buildings .....	540,271	540,271	464,033	464,033
Boilers .....			0	0
Pumping Equipment .....	1,691,709	1,933,968	1,102,583	1,102,583
Machine Tools & Machinery .....	156,362	156,362	156,361	156,361
Other Station Equipment .....	4,114,425	4,339,962	3,193,839	3,193,839
Oil Tanks .....	29,288	29,288	5,692	5,692
Delivery Facilities .....			0	0
Communication Systems .....	185,531	185,531	185,531	185,531
Office Furniture & Equipment .....	524,658	843,750	398,275	398,275
Vehicles & Other Work Equipment ...			0	0
Other Property .....	7,309,628	7,333,419	2,121,998	2,121,998
<b>TOTAL</b> .....	<b>64,384,391</b>	<b>64,990,991</b>	<b>33,489,315</b>	<b>33,489,315</b>
<b>GENERAL</b>				
Land .....				
Buildings .....				
Machine Tools & Machinery .....				
Communication Systems .....				
Office Furniture & Equipment .....				
Vehicles & Other Work Equipment ....				
Other Property .....				
Construction Work in Progress .....	791,062	241,231	241,231	241,231
<b>TOTAL</b> .....	791,062	241,231	241,231	241,231
<b>GRAND TOTAL</b> .....	<b>65,175,453</b>	<b>65,232,222</b>	<b>33,730,546</b>	<b>33,730,546</b>



# INCOME ACCOUNT

MONTANA

## DECEMBER 31, 2008

	This Year	Last Year
<b>Operating Revenues</b>		
Pipeline Operating Revenues .....	8,602,297	5,949,010
Other Earnings from Operations .....		
Total Operating Revenues.....	8,602,297	5,949,010
<b>Operating Expenses</b>		
Pipeline Trans. & Other Oper. Expenses.....	2,469,157	2,646,360
Rental Expenses .....		
General Expenses .....		
Total .....	2,469,157	2,646,360
Depreciation .....	1,396,838	1,395,220
Taxes, Federal Excluded.....	1,253,159	1,365,516
Federal Taxes.....		
Total Operating Expenses.....	2,649,997	2,760,736
Net Operating Expenses.....	5,119,154	5,407,096
Non-Operating Revenues (Net).....		
Gross Income .....	3,483,143	541,914
<b>Deductions From Gross Income</b>		
Interest on Funded Debt.....	0	0
Interest on Other Debt .....		
Other Deductions .....	-332,900	-311,381
Total .....	-332,900	-311,381
Net Income .....	3,816,043	853,295
<b>Disposition Of Net Income</b>		
Dividends.....		
Surplus or Deficit for Year .....		
Surplus or Deficit Beginning of Year .....		
Adjustments During Year .....		
Surplus or Deficit at Close of Year		

# ALLOCATION INFORMATION

CENEX PIPELINE COMPANY LLC

DECEMBER 31, 2008

BASIC DATA	SYSTEM	MONTANA	BALANCE OF SYSTEM
<b>INVESTMENT</b>			
Lines of Pipe.....	\$ 56,603,082.00	\$ 28,335,304.00	\$ 28,267,778.00
Other(included CWIP, M & S)....	\$ 7,116,335.95	\$ 5,395,242.08	\$ 1,721,093.87
<b>USE</b>			
Barrell Miles.....	4,642,677,477	2,971,793,540	1,670,883,937
<b>TERMINAL</b>			
Originating Barrels.....			
Terminating Barrels.....			
<b>MILES</b>			
Pipe.....	702.96	317.00	385.96

**Notes:**

## PROPERTIES IN MONTANA PURCHASED OR SOLD DURING THE YEAR 2008

TYPE	LOCATION	PURCHASE OR SALES PRICE
9783-PS Second Filter Glendive Incom	Dawson 1-F	12,252
9784 I Second Filters P639B	Dawson 1-F	53
9770 PE PLC Communications	Yellowstone -07	13,443
9771 E Pipeline Hydraulic Model	Yellowstone -07	1,000
9772 -PE Pipeline Hydraulic Model	Yellowstone -07	2,355
9773-PE Pipeline Hydraulic Model	Yellowstone -07	90,000
9774-PE Pipeline Hydraulic Model	Yellowstone -07	20,625
9775 -PE Pipeline Hydraulic Model	Yellowstone -07	24,750
9776-PE Pipeline Hydraulic Model	Yellowstone -07	24,750
9766 E CPC Scada System Replacement	Yellowstone -26	1,250
9768 PE CPC Scada System Replacement P-	Yellowstone -26	10,619
9769-PS CPC Scada System Replacement P-	Yellowstone -26	940
9777 PS Ge Variable Frequency Drive P635	Yellowstone -26	187,778
9778 PE Ge Variable Frequency Drive P-635C	Yellowstone -26	41,159
9779 E GE Variable Frequency Drive	Yellowstone -26	2,000
9780 I Ge Variable Frequency Drive	Yellowstone -26	18,143
9781- Billings Pump Station Improvement - P6	Yellowstone -26	7,904
9782 PE Billings Pump	Yellowstone -26	3,971
9765 C Scada System Replacement	Yellowstone-26	319,092
9767 I CPC Scada System	Yellowstone-26	1,271
9015 R Tranfer	Centrally	-1,977
9070 PF Transfer	Centrally	-11,510
9112 G Transfer	Centrally	-19,932
9163 PE	Centrally	-3,493
9051 PP Transfer	Centrally	-170,659

575,785

# AFFIDAVIT

STATE OF MONTANA ) ss  
County of Yellowstone )

I, the undersigned, on oat do say that the foregoing return and any accompanying schedules have been prepared from the original books, papers and records of Cenex Pipeline, LLC; 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.

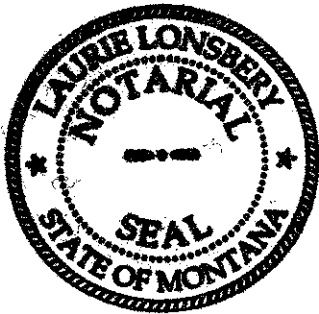
*John Jaeger*  
(Signature)

PRESIDENT AND CHIEF OPERATING OFFICER  
(Official Title)

SUBSCRIBED AND SWORN to before me at  
this 15<sup>th</sup> day of April 2009

CENEX PIPELINE LLC

*Laurie Lonsbery / Laurie Lonsbery*  
Signature of Notary Public



Laurel, montana  
(Residing at)

My Commission Expires: May 9<sup>th</sup>, 2009