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PUBLIC SERVICE
COMMISSION

Common Carrier Pipeline

ANNUAL REPORT

For Year Ending December 31, 2008

Of

Front Range Pipeline, LLC

to

The Public Service Commission

OF THE STATE OF MONTANA

Dept Use Only

Received	
Date	_____
By	_____

OPERATING PROPERTY

FOR YEAR 2008

	System		Montana	
	Balance Begin Year	Bal End Year	Balance Begin Year	Bal End 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	1,690,438	1,688,460	1,690,438
Line Pipe	29,874,285	29,668,983	29,874,285	29,668,983
Line Pipe Fittings	1,622,465	1,633,976	1,622,465	1,633,976
Pipeline Construction	51,436,652	51,335,577	51,436,652	51,335,577
Buildings	914,533	905,927	914,533	905,927
Boilers	-	-	-	-
Pumping Equipment	3,741,266	3,741,579	3,741,266	3,741,579
Machine Tools & Machinery	15,279	14,979	15,279	14,979
Other Station Equipment	4,871,997	4,982,322	4,871,997	4,982,322
Oil Tanks	2,588,367	2,576,990	2,588,367	2,576,990
Delivery Facilities	-	-	-	-
Communication Systems	657,778	657,778	657,778	657,778
Office Furniture & Equipment	226,384	166,536	226,384	166,536
Vehicles & Other Work Equipment ...	-	-	-	-
Other Property	109,226	109,226	109,226	109,226
TOTAL	97,786,145	97,523,764	97,786,145	97,523,764
GENERAL				
Land	-	-	-	-
Buildings	-	-	-	-
Machine Tools & Machinery	-	-	-	-
Communication Systems	-	-	-	-
Office Furniture & Equipment	-	-	-	-
Vehicles & Other Work Equipment ...	49,399	49,399	49,399	49,399
Other Property	-	-	-	-
Construction Work in Progress	236,291	-	236,291	-
TOTAL	285,690	49,399	285,690	49,399
GRAND TOTAL	98,071,835	97,573,164	98,071,835	97,573,164

NON-OPERATING PROPERTY

As of December 31, 2008

(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
1/3 HP BENCH GRINDER (8218)	12/1/1986	17.00		
CURTIS AIR COMPRESSOR (8219)	12/1/1986	17.00		
CENTRIFUGE (MODEL 100) (8220)	12/1/1986	17.00		
SCRUBBER (8221)	12/1/1986	17.00		
1,527 BBL HIGH BOLTED OILMONT STATION (8214)	12/1/1986	244.56		
1,565 BBL RIVETED STEEL WHITLASH (8205)	12/1/1986	250.67		
80 SQ' 10x16 CNTRLR BLDG CUTBANK T/F (8110)	12/1/1986	293.12		
96 SQ' METER BUILDING CUTBANK T/F (8111)	12/1/1986	351.72		
2,215 BBL FEY PUMP STATION (8213)	12/1/1986	385.05		
NEW MAINLINE PUMP UNIT AT KEVIN STATION (830	9/1/1985	287.80		
192 SQ' 12x16 OFFICE ADDN FEY STATION (8222)	12/1/1986	703.43		
5,320 BBL FEY PUMP STATION (8212)	12/1/1986	852.42		
NEW MAINLINE PUMP UNIT AT KEVIN STATION (821	9/1/1985	727.78		
6" RECEIPT LINE FROM UNOCAL ACT UNIT (8246)	1/1/1993	3,073.69		
MISCELLANEOUS EQUIPMENT (8196)	12/1/1986	1,700.00		
MISCELLANEOUS EQUIPMENT (8192)	12/1/1986	6,421.58		
3 LINE CONTROL METERS FEY STATION (8226)	7/31/1988	4,081.72		
CATHODIC PROTECTION SYS (8230)	9/1/1990	10,006.77		
CATHODIC PROTECTION (8229)	9/1/1989	8,845.70		
MISCELLANEOUS EQUIPMENT (8193)	12/1/1986	14,319.78		
MISCELLANEOUS EQUIPMENT (8194)	12/1/1986	16,036.60		
500 BBL BOLTED STEEL CUTBANK T/F(8207)	12/1/1986	80.06		
76.47 MILES PIPE (8419)	12/1/1986	63,913.41		
Scada System Upgrade (8423)	2/12/1998	-		
Scada System Upgrade (8422)	2/12/1998	-		
Scada System Upgrade (8578)	2/12/1998	-		
Scada System Upgrade (8577)	2/12/1998	-		
Scada System Upgrade (8590)	2/12/1998	-		
TOTAL		132,643.86	-	

INCOME ACCOUNT

MONTANA

As of December 31, 2008

	This Year	Last Year
Operating Revenues		
Pipeline Operating Revenues	25,823,596	22,510,624
Other Earnings from Operations		
Total Operating Revenues.....	25,823,596	22,510,624
Operating Expenses		
Pipeline Trans. & Other Oper. Expenses.....	7,368,229	7,596,002
Rental Expenses		
General Expenses		
Total	7,368,229	7,596,002
Depreciation	4,872,853	4,851,927
Taxes, Federal Excluded.....	3,474,919	3,423,645
Federal Taxes.....		
Total Operating Expenses.....	15,716,001	15,871,574
Net Operating Expenses.....	10,107,595	6,639,050
Non-Operating Revenues (Net).....		
Gross Income		
Deductions From Gross Income		
Interest on Funded Debt.....	(310,726)	96,802
Interest on Other Debt		
Other Deductions	(11,533)	(10,695)
Total	(322,260)	86,107
Net Income	10,429,855	6,552,943
Disposition Of Net Income		
Dividends.....		
Surplus or Deficit for Year		
Surplus or Deficit Beginning of Year		
Adjustments During Year		
Surplus or Deficit at Close of Year		

ALLOCATION INFORMATION

Front Range Pipeline, LLC
As of December 31, 2008

BASIC DATA	SYSTEM	MONTANA	BALANCE OF SYSTEM
INVESTMENT			
Lines of Pipe.....	\$ 84,673,026.46	\$ 84,673,026.46	\$ -
Other(included CWIP, M & S)....	\$ 12,850,737.95	\$ 12,850,737.95	\$ -
USE			
Barrell Miles.....	8,029,135,398	8,029,135,397.91	0.00
TERMINAL			
Orginating Barrels.....	36,752,208	36,752,208.25	0.00
Terminating Barrels.....	36,781,263	36,781,262.80	0.00
MILES			
Pipe.....	412.00	412.00	0.00

Notes:

**PROPERTIES IN MONTANA PURCHASED OR SOLD DURING
FOR YEAR 2008**

TYPE	LOCATION	PURCHASE OR SALES PRICE
UPGRADE INTEGRITY MANAGEMENT 8647		84,618.52
FRPL SCADA SYSTEM REPLACE 8641		319,092.08
PIPELINE HYDRAULIC MODEL 8652		20,625.00
PIPELINE HYDRAULIC MODEL 8653		24,750.00
PIPELINE HYDRAULIC MODEL 8654		24,750.00
CPL CONNECTION (OB) 8632		4,687.00
CPL CONNECTION (OB) 8633		15,244.53
PLC COMMUNICATION FRP 8605	MILEAGE	13,539.95
LAUREL STATION (OB) 8634	YELLOWSTONE 07	3,492.50
FRPL SCADA SYSTEM REPLACE 8644		10,619.33
PIPELINE HYDRAULIC MODEL 8650		2,355.00
CPL CONNECTION (OB) 8630		9,874.12
CPL CONNECTION (OB) 8631		1,636.06
17.27 8" PIPE 8635		170,349.89
4.54 8" PIPE 8636	YELLOWSTONE	-
4.96 8" PIPE 8637	YELLOWSTONE	-
4.96 8" PIPE 8638	YELLOWSTONE	-
2.81 8" PIPE 8639	YELLOWSTONE	-
CPL CONNECTION GLENDIVE & MINOT PROVE		309.35
FIBER OPTIC CABLE TO ADD CONRAD STN 86C STILLWATER		16,549.67
FIBER OPTIC CABLE TO ADD CONRAD STN 86C GOLDEN VALLEY		4,278.15
FIBER OPTIC CABLE TO ADD CONRAD STN 86C WHEATLAND 21		17,112.59
FIBER OPTIC CABLE TO ADD CONRAD STN 86C YELLOWSTONE 7		5,066.23
FIBER OPTIC CABLE TO ADD CONRAD STN 861 JUDITH BASIN		29,158.95
FIBER OPTIC CABLE TO ADD CONRAD STN 861 CASCADE A098		21,390.73
FIBER OPTIC CABLE TO ADD CONRAD STN 861 TETON 28		10,807.95
FIBER OPTIC CABLE TO ADD CONRAD STN 861 GLACIER 1402		8,218.55
FRPL SCADA SYSTEM REPLACE 8645		940.18
CPL CONNECTION (OB) 8628		1,977.38

AFFIDAVIT

STATE OF MONTANA) ss
County of Yellowstone)

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 Front Range 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 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.

John Trapez
(Signature)

Vice President & Treasurer
(Official Title)

SUBSCRIBED AND SWORN to before me at
this 14 day of APRIL, 2009

FRONT RANGE PIPELINE LLC



Laurie Lonsbery
(Notary Public)

Laurie Lonsbery
(Name printed or typed)

My Commission Expires: May 9th, 2009