

**Common Carrier Pipeline**

**ANNUAL REPORT**

**FOR YEAR ENDING DECEMBER 31, 2012**

**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, 2012

	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 .....	3,732,004	4,282,368	1,110,468	1,660,832
Line Pipe .....	19,109,398	21,801,939	9,357,290	12,049,831
Line Pipe Fittings .....	2,262,418	2,262,418	1,652,080	1,652,080
Pipeline Construction .....	28,589,244	32,076,037	17,566,062	21,052,856
Buildings .....	540,271	540,271	464,033	464,033
Boilers .....				
Pumping Equipment .....	2,268,458	2,268,458	1,732,362	1,732,362
Machine Tools & Machinery .....	163,722	163,722	163,721	163,721
Other Station Equipment .....	4,341,672	4,341,672	2,905,078	2,905,078
Oil Tanks .....	29,288	29,288	5,692	5,692
Delivery Facilities .....				
Communication Systems .....	185,531	185,531	185,531	185,531
Office Furniture & Equipment .....	410,567	410,567	410,031	410,031
Vehicles & Other Work Equipment ...				
Other Property .....	7,323,088	7,481,917	2,548,947	2,707,776
<b>TOTAL</b> .....	<b>69,044,273</b>	<b>75,932,800</b>	<b>38,161,006</b>	<b>45,049,534</b>
<b>GENERAL</b>				
Land .....				
Buildings .....				
Machine Tools & Machinery .....				
Communication Systems .....				
Office Furniture & Equipment .....				
Vehicles & Other Work Equipment ...				
Other Property .....				
Construction Work in Progress .....	7,625,809	2,244,616	7,625,809	2,244,616
<b>TOTAL</b> .....	<b>7,625,809</b>	<b>2,244,616</b>	<b>7,625,809</b>	<b>2,244,616</b>
<b>GRAND TOTAL</b> .....	<b>76,670,082</b>	<b>78,177,416</b>	<b>45,786,815</b>	<b>47,294,150</b>



# INCOME ACCOUNT

MONTANA

## DECEMBER 31, 2012

	This Year	Last Year
<b>Operating Revenues</b>		
Pipeline Operating Revenues .....	9,661,425	8,726,871
Other Earnings from Operations .....		
<b>Total Operating Revenues</b> .....	<b>9,661,425</b>	<b>8,726,871</b>
<b>Operating Expenses</b>		
Pipeline Trans. & Other Oper. Expenses.....	2,983,680	3,109,252
Rental Expenses .....		
General Expenses .....		
<b>Total</b> .....	<b>2,983,680</b>	<b>3,109,252</b>
Depreciation .....	1,557,362	1,527,932
Taxes, Federal Excluded.....	2,227,579	1,736,236
Federal Taxes.....		
<b>Total Operating Expenses</b> .....	<b>3,784,941</b>	<b>3,264,168</b>
<b>Net Operating Expenses</b> .....	<b>6,768,621</b>	<b>6,373,420</b>
Non-Operating Revenues (Net).....		
<b>Gross Income</b> .....	<b>2,892,804</b>	<b>2,353,451</b>
<b>Deductions From Gross Income</b>		
Interest on Funded Debt.....	0	0
Interest on Other Debt .....		
Other Deductions .....	-678,737	-850,496
<b>Total</b> .....	<b>-678,737</b>	<b>-850,496</b>
<b>Net Income</b> .....	<b>✓ 3,571,541</b>	<b>3,203,947</b>
<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, 2012**

BASIC DATA	SYSTEM	MONTANA	BALANCE OF SYSTEM
<b>INVESTMENT</b>			
Lines of Pipe.....	\$ 67,737,831.00	\$ 39,563,560.00	\$ 28,174,271.00 ✓
Other(Included CWIP, M & S)....	\$ 9,453,407.34	\$ 7,730,591.04	\$ 1,722,816.30 ✓
<b>USE</b>			
Barrell Miles.....	4,909,215,380	3,433,232,170	1,475,983,210
<b>TERMINAL</b>			
Originating Barrels.....	16,398,372	14,683,771	1,714,601
Terminating Barrels.....	16,396,555	6,749,389	9,647,166
<b>MILES</b>			
Pipe.....	685.71	299.50	386.21

**Notes:**

# PROPERTIES IN MONTANA PURCHASED OR SOLD DURING DECEMBER 31, 2012

TYPE	LOCATION	PURCHASE OR SALES PRICE
9813 R 10 " Pipe Replacement	CENTRALLY	550,364
9814 P 10 " Pipe Replacement	CENTRALLY	2,692,542
9815 I 10 " Pipe Replacement	CENTRALLY	149,830
9816 E 10 " Pipe Replacement	CENTRALLY	9,000
9817 G 10 " Pipe Replacement	CENTRALLY	3,486,793

6,888,529

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 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 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.

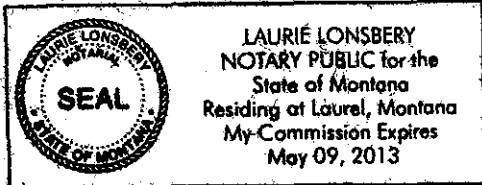
John Trauer  
(Signature)

PRESIDENT AND CHIEF OPERATING OFFICER  
(Official Title)

SUBSCRIBED AND SWORN to before me at this 11<sup>th</sup> day of April 20 13

CENEX PIPELINE LLC

Laurie Lonsbery / Laurie Lonsbery  
Signature of Notary Public



Laurel, MT  
(Residing at)

My Commission Expires: May 9<sup>th</sup>, 2013