

Common Carrier Pipeline

# ANNUAL REPORT

For Year Ending December 31, 2016

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 2016

	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 .....	544,178	525,911	364,507	346,240
Line Pipe .....	21,058,884	23,936,793	12,378,768	15,018,340
Line Pipe Fittings .....	4,071,903	4,485,025	2,894,669	3,262,054
Pipeline Construction .....	56,400,709	56,443,842	20,326,487	20,324,346
Buildings .....	1,625,828	1,768,092	1,066,628	1,066,628
Boilers .....	0	0	0	0
Pumping Equipment .....	4,962,137	4,962,137	3,065,921	3,118,474
Machine Tools & Machinery .....	231,762	231,762	177,694	177,694
Other Station Equipment .....	14,544,084	14,603,728	9,862,062	9,862,062
Oil Tanks .....	596,380	596,380	0	0
Delivery Facilities .....	5,595,042	5,595,042	4,614,937	4,614,937
Communication Systems .....	146,570	146,570	66,197	66,197
Office Furniture and Equipment .....	199,840	502,603	64,428	346,173
Vehicles & Other Work Equipment .....	265,505	274,990	160,195	160,195
Other Property .....	655,042	655,042	480,144	480,144
Asset Retirement Costs for Trunk Lines	0	0	0	0
<b>TOTAL</b> .....	111,050,446	114,880,499	55,656,571	58,977,418
<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 .....	3,664,843	4,636,823	385,812	2,805,548
<b>TOTAL</b> .....	3,664,843	4,636,823	385,812	2,805,548
<b>GRAND TOTAL</b> .....	114,715,289	119,517,322	56,042,383	61,782,966



**INCOME ACCOUNT****MONTANA**

As of December 31, 2016

	This Year	Last Year
<b>OPERATING REVENUES</b>		
Pipeline Operating Revenues .....	28,367,867	29,495,246
Other Earnings from Operations .....	0	0
Total Operating Revenues .....	28,367,867	29,495,246
<b>OPERATING EXPENSES</b>		
Pipeline Trans. & Other Oper. Expenses .....	10,830,200	8,796,385
Rental Expense .....	60,726	56,307
General Expense .....	135,978	179,258
Total .....	11,026,904	9,031,950
Depreciation .....	586	0
Taxes, Federal Excluded .....	2,665,219	2,981,650
Federal Taxes .....	4,439,800	5,749,488
Total Operating Expenses .....	18,132,509	17,763,088
Net Operating Expenses .....	10,235,358	11,732,158
Non-Operating Revenues (Net) .....	20,293	2,181
Gross Income .....	10,255,651	11,734,339
<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 .....	10,255,651	11,734,339
<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, 2016

BASIC DATA	SYSTEM	MONTANA	BALANCE OF SYSTEM
<b>INVESTMENT</b>			
Lines of Pipe .....	\$114,880,499	\$58,977,418	\$55,903,081
Other (included CWIP, M & S) .....	\$4,636,823	\$2,805,548	\$1,831,275
<b>USE</b>			
Barrel Miles .....	8,002,241,006	6,856,622,635	1,145,618,371
<b>TERMINAL</b>			
Originating Barrels .....	38,377,700	34,475,339	3,902,361
Terminating Barrels .....	38,378,028	24,545,710	13,832,318
<b>MILES</b>			
Pipe .....	698	477	221

**NOTES:**

**PROPERTIES IN MONTANA PURCHASED OR SOLD DURING  
THE YEAR 2016**

<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 Phillips 66 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.

Carl Castleberry  
(Signature)

Carl Castleberry  
Coordinator, Regulatory Reporting  
(Official Title)

SUBSCRIBED AND SWORN to before me at Bartlesville, Oklahoma

this 25<sup>th</sup> day of April, 2017.

LaDonna Miller  
(Notary Public)

LaDonna Miller  
(Name printed or typed)

My Commission Expires: 6-19-18