

Common Carrier Pipeline

# ANNUAL REPORT

For Year Ending December 31, 2018

OF

Phillips 66 Carrier LLC

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 2018

	System		Montana	
	Bal Begin Year	Bal End Year	Bal Beg Year	Bal End Year
<b>GATHERING LINES</b>				
Land .....	500,569	500,568	0	0
Right of Way .....	17,291,172	17,291,172	0	0
Line Pipe .....	48,103,309	52,116,994	0	0
Line Pipe Fittings .....	26,378,198	26,936,759	0	0
Pipeline Construction .....	63,456,446	63,199,863	0	0
Buildings .....	4,992,291	5,330,598	0	0
Boilers .....	0	0	0	0
Pumping Equipment .....	21,321,731	22,050,069	0	0
Machine Tools & Machinery .....	678,799	662,101	0	0
Other Station Equipment .....	99,804,732	100,657,213	0	0
Oil Tanks .....	33,370,375	34,931,454	0	0
Delivery Facilities .....	7,360,904	7,360,904	0	0
Communication Systems .....	1,859,680	1,857,218	0	0
Office Furniture and Equipment .....	553,021	647,062	0	0
Vehicles & Other Work Equipment .....	523,676	522,767	0	0
Other Property .....	9,658	9,658	0	0
Asset Retirement Costs for Gathering Lines	893,947	893,947	0	0
<b>TOTAL</b> .....	<b>327,098,508</b>	<b>334,964,688</b>	<b>0</b>	<b>0</b>
<b>TRUNK LINES</b>				
Land .....	2,883,569	2,883,569	707,587	707,587
Right of Way .....	52,899,740	53,045,456	500,129	527,271
Line Pipe .....	245,715,124	252,323,484	35,110,475	38,889,355
Line Pipe Fittings .....	87,027,112	88,106,080	16,725,550	16,732,077
Pipeline Construction .....	294,194,913	294,135,026	52,056,606	52,019,220
Buildings .....	19,843,932	20,221,105	3,845,458	3,834,045
Boilers .....	0	0	0	0
Pumping Equipment .....	37,356,868	39,276,224	9,939,478	11,326,030
Machine Tools & Machinery .....	457,927	450,736	200,055	200,055
Other Station Equipment .....	170,371,543	172,866,906	48,553,605	48,478,585
Oil Tanks .....	103,070,903	103,731,818	18,962,471	18,959,313
Delivery Facilities .....	119,131,522	122,944,780	882,967	882,997
Communication Systems .....	2,838,872	2,939,773	1,136,258	1,136,258
Office Furniture and Equipment .....	2,595,980	2,716,390	367,170	488,535
Vehicles & Other Work Equipment .....	2,844,579	2,874,095	334,958	334,958
Other Property .....	138,074	142,448	134,393	133,627
Asset Retirement Costs for Trunk Lines	5,041,720	5,041,720	798,510	798,509
<b>TOTAL</b> .....	<b>1,146,412,378</b>	<b>1,163,699,610</b>	<b>190,255,670</b>	<b>195,448,422</b>
<b>GENERAL</b>				
Land .....	0	0	0	
Buildings .....	0	0	0	
Machine Tools & Machinery .....	0	0	0	
Communications Systems .....	0	0	0	
Office Furniture .....	0	0	0	
Vehicles & Other Work Equipment .....	0	0	0	
Other Properties .....	0	0	0	
Asset Retirement Costs for General Property	0	0	0	
Construction Work in Progress .....	12,542,689	28,144,706	4,400,446	
<b>TOTAL</b> .....	<b>12,542,689</b>	<b>28,144,706</b>	<b>4,400,446</b>	<b>0</b>
<b>GRAND TOTAL</b> .....	<b>1,486,053,575</b>	<b>1,526,809,004</b>	<b>194,656,116</b>	<b>195,448,422</b>



**INCOME ACCOUNT****MONTANA**

As of December 31, 2018

	This Year	Last Year
<b>OPERATING REVENUES</b>		
Pipeline Operating Revenues .....	50,735,034	41,598,969
Other Earnings from Operations .....	0	0
Total Operating Revenues .....	50,735,034	41,598,969
<b>OPERATING EXPENSES</b>		
Pipeline Trans. & Other Oper. Expenses .....	16,918,814	9,535,846
Rental Expense .....	2,354,082	2,318,276
General Expense .....	9,014,348	8,692,784
Total .....	28,287,244	20,546,905
Depreciation .....	4,945,031	6,437,580
Taxes, Federal Excluded .....	9,625,838	7,602,462
Federal Taxes .....	0	0
Total Operating Expenses .....	42,858,114	34,586,947
Net Operating Expenses .....	7,876,920	7,012,021
Non-Operating Revenues (Net) .....	63,146	85,458
Gross Income .....	7,940,066	7,097,479
<b>DEDUCTIONS FROM GROSS INCOME</b>		
Interest on Funded Debt .....		
Interest on Other Debt .....		
Other Deductions .....		
Total .....	0	0
Net Income .....	7,940,066	7,097,479
<b>DISPOSITION 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

### PHILLIPS 66 CARRIER LLC

As of December 31, 2018

BASIC DATA	SYSTEM	MONTANA	BALANCE OF SYSTEM
<b>INVESTMENT</b>			
Lines of Pipe .....	\$1,498,664,298	\$195,448,422	\$1,303,215,876
Other (included CWIP, M & S) .....	\$28,144,706	\$0	\$28,144,706
<b>USE</b>			
Barrel Miles .....	53,906,877,249	6,826,674,962	47,080,202,287
<b>TERMINAL</b>			
Originating Barrels .....	518,651,687	7,406,160	511,245,527
Terminating Barrels .....	519,451,736	26,982,274	492,469,462
<b>MILES</b>			
Pipe .....	5,249	759	4,490

NOTES:

**PROPERTIES IN MONTANA PURCHASED OR SOLD DURING  
THE YEAR 2018**

<b>TYPE</b>	<b>LOCATION</b>	<b>PURCHASE OR SALES PRICE</b>
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 Carrier 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.

Bethany Nissen  
(Signature)

Bethany Nissen  
Sr. Analyst, Regulatory Reporting  
(Official Title)

SUBSCRIBED AND SWORN to before me at Bartlesville, Oklahoma  
this 15<sup>th</sup> day of April, 2019.

Ladonna Miller  
(Notary Public)

LADONNA MILLER  
NOTARY PUBLIC  
STATE OF OKLAHOMA  
MY COMMISSION EXPIRES: 6-19-22  
COMMISSION #06005952

Ladonna Miller  
(Name printed or typed)

My Commission Expires: 6-19-22