Form PSC 17

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PUBLIC SERVICE
COMMISSION

Common Carrier Pipeline

ANNUAL REPORT

For Year Ending December 31, 2004

OF

Yellowstone Pipe Line Company

to

THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MONTANA

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Date	
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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 2004

	System		Montana	
	Bal Begin Year	Bal End Year	Bal Beg 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 and Equipment				
Vehicles & Other Work Equipment				
Other Property				
TOTAL				
TRUNK LINES				
Land	152,582	152,582	133,933	133,933
Right of Way	536,021	536,021	346,240	346,240
Line Pipe	12,308,252	12,308,252	9,208,289	9,274,237
Line Pipe Fittings	1,334,241	1,792,948	898,344	1,191,551
Pipeline Construction	22,302,515	23,725,566	13,988,494	14,346,180
Buildings	1,019,537	1,030,995	684,132	695,590
Boilers	0	0	0	0
Pumping Equipment	2,002,432	2,093,548	1,889,378	1,980,494
Machine Tools & Machinery	262,914	262,914	198,837	198,837
Other Station Equipment	9,911,153	11,166,451	6,732,135	7,968,453
Oil Tanks	264,420	298,010	0	0
Delivery Facilities	787,011	805,379	571,131	576,911
Communication Systems	72,079	72,079	21,983	21,983
Office Furniture and Equipment	18,804	18,804	5,623	5,623
Vehicles & Other Work Equipment	49,578	49,578	46,514	46,514
Other Property	627,116	627,116	498,037	498,036
TOTAL	**51,648,655**	**54,940,243**	**35,223,070**	**37,284,582**
GENERAL				
Buildings				
Machine Tools & Machinery				
Communications Systems				
Office Furniture				
Vehicles & Other Work Equipment				
Other Properties				
Construction Work in Progress	5,832,153	3,101,791	5,687,220	2,865,392
TOTAL	**5,832,153**	**3,101,791**	**5,687,220**	**2,865,392**
GRAND TOTAL	**57,480,808**	**58,042,034**	**40,910,290**	**40,149,974**

NON-OPERATING PROPERT

As of December 31, 2004

(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
Land at Big Timber - HT-MPT Station		3,685		
TOTAL		3,685	0	

INCOME ACCOUNT

MONTANA

As of December 31, 2004

	This Year	Last Year
OPERATING REVENUES		
Pipeline Operating Revenues	20,568,917	21,329,780
Other Earnings from Operations	21,721	440
Total Operating Revenues	**20,590,638**	**21,330,220**
OPERATING EXPENSES		
Pipeline Trans. & Other Oper. Expenses	5,983,516	13,229,087
Rental Expense	29,621	216,442
General Expense	2,981,416	551,617
Total	**8,994,553**	**13,997,146**
Depreciation	586,755	1,088,861
Taxes, Federal Excluded	666,673	904,609
Federal Taxes	1,912,083	3,416,072
Total Operating Expenses	**12,160,064**	**19,406,688**
Net Operating Expenses	**8,430,574**	**1,923,532**
Non-Operating Revenues (Net)	0	9,606
Gross Income	**8,430,574**	**1,933,138**
DEDUCTIONS FROM GROSS INCOME		
Interest on Funded Debt	0	0
Interest on Other Debt	83,477	155,526
Other Deductions	0	0
Total	**83,477**	**155,526**
Net Income	**8,347,097**	**1,777,612**
DISPOSTION OF NET INCOME	**Not Allocated Between States**	
Dividends		
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, 2004

BASIC DATA	SYSTEM	MONTANA	BALANCE OF SYSTEM
INVESTMENT			
Lines of Pipe	54,787,661	37,150,649	17,637,012
Other (included CWIP, M & S)	3,258,058	3,003,010	255,048
USE			
Barrel Miles	7,568,040,352	6,377,288,967	1,190,751,385
TERMINAL			
Originating Barrels	36,570,538	32,415,029	4,155,509
Terminating Barrels	36,534,445	23,089,246	13,445,199
MILES			
Pipe	690	481	209

NOTES:

PROPERTIES IN MONTANA PURCHSASED OR SOLD DURING THE YEAR 2004

TYPE	LOCATION	PURCHASE OR SALES PRICE
None to Report		

AFFIDAVIT

STATE OF OKLAHOMA)
) ss.
County of WASHINGTON)

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 Yellowstone Pipe Line Company; 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.

Gary L. Clendenning
(Signature)

Gary L. Clendenning
Coordinator, Regulatory Reporting
(Official Title)

SUBSCRIBED AND SWORN to before me at Bartlesville, Oklahoma

this 28th day of April, 2005.

Jana Harder
(Notary Public)

Notary Public Oklahoma
OFFICIAL SEAL
JANA HARDER
WASHINGTON COUNTY
COMMISSION #03000664
Comm. Exp. 01-13-2007

Jana Harder
(Name printed or typed)

My Commission Expires: 1-13-07