

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Annual Return/Report of Employee Benefit Plan</div> <div>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 07/01/2009 and ending 06/30/2010	
A	This return/report is for: <div><div>☐ a multiemployer plan;</div><div>☒ a single-employer plan;</div><div>☐ a multiple-employer plan; or</div><div>☐ a DFE (specify) ____</div></div>
B	This return/report is: <div><div>☐ the first return/report;</div><div>☐ the final return/report;</div><div>☐ an amended return/report;</div><div>☐ a short plan year return/report (less than 12 months).</div></div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☒
D	Check box if filing under: <div><div>☐ Form 5558;</div><div>☐ automatic extension;</div><div>☐ the DFVC program;</div><div>☐ special extension (enter description)</div></div>

Part II	Basic Plan Information—enter all requested information
1a	Name of plan ALLEGHENY ENERGY RETIREMENT PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 07/01/1933
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) ALLEGHENY ENERGY SERVICE CORPORATION ALLEGHENY ENERGY 800 CABIN HILL DRIVE GREENSBURG, PA 15601
2b	Employer Identification Number (EIN) 13-1993896
2c	Sponsor's telephone number 724-837-3000
2d	Business code (see instructions) 221100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	04/18/2011	D. LUTZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	04/18/2011	D. LUTZ
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") EMPLOYEE BENEFITS COMMITTEE ALLEGHENY ENERGY 800 CABIN HILL DRIVE GREENSBURG, PA 15601	3b Administrator's EIN 13-1993896 3c Administrator's telephone number 724-837-3000
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year	5	7558
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	4269
b Retired or separated participants receiving benefits.....	6b	1357
c Other retired or separated participants entitled to future benefits.....	6c	990
d Subtotal. Add lines 6a , 6b , and 6c	6d	6616
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	257
f Total. Add lines 6d and 6e	6f	6873
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	105
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☒ 1 **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

<div>SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small></div>	<div>Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2009 or fiscal plan year beginning 07/01/2009 and ending 06/30/2010		
A Name of plan ALLEGHENY ENERGY RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500. ALLEGHENY ENERGY SERVICE CORPORATION	D Employer Identification Number (EIN) 13-1993896	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
METROPOLITAN LIFE INSURANCE CO.

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
13-5581829	65978	GAC 370	6873	07/01/2009	06/30/2010

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	
5 Current value of plan's interest under this contract in separate accounts at year end	5	342451850

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☒ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	399291
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c Additions: (1) Contributions deposited during the year	7c(1)	0	
(2) Dividends and credits	7c(2)	0	
(3) Interest credited during the year	7c(3)	583	
(4) Transferred from separate account	7c(4)	32792195	
(5) Other (specify below)	7c(5)	0	

(6) Total additions	7c(6)	32792778
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d Total of balance and additions (add b and c(6))	7d	33192069
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	32050387	
(2) Administration charge made by carrier	7e(2)	576106	
(3) Transferred to separate account	7e(3)		
(4) Other (specify below)	7e(4)	63187	

▶ RISK CHARGE

(5) Total deductions	7e(5)	32689680
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f Balance at the end of the current year (subtract e(5) from d)	7f	502389
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 07/01/2009 and ending 06/30/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>ALLEGHENY ENERGY RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ALLEGHENY ENERGY SERVICE CORPORATION</u>	D Employer Identification Number (EIN) <u>13-1993896</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>07</u> Day <u>01</u> Year <u>2009</u>
2	Assets:
a	Market value 2a <u>758103889</u>
b	Actuarial value 2b <u>833914278</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>4857</u> <u>591738233</u>
b	For terminated vested participants 3b <u>1846</u> <u>45570601</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>57784956</u>
(2)	Vested benefits 3c(2) <u>258607410</u>
(3)	Total active 3c(3) <u>4426</u> <u>316392366</u>
d	Total 3d <u>11129</u> <u>953701200</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>7.49</u> %
6	Target normal cost 6 <u>24739829</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>03/22/2011</u>
Signature of actuary	Date
<u>STEVEN JAMES</u>	<u>08-06406</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>	<u>203-326-6261</u>
Firm name	Telephone number (including area code)
<u>ONE STAMFORD PLAZA</u> <u>263 TRESSER BOULEVARD</u> <u>STAMFORD, CT 06901</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	85328884	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	38554183	0
9	Amount remaining (Item 7 minus item 8).....	46774701	0
10	Interest on item 9 using prior year's actual return of <u>-12.54</u> %	-5864144	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of <u>6.19</u> %		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....		
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	40910557	0

Part III Funding percentages			
14	Funding target attainment percentage.....	14	83.15 %
15	Adjusted funding target attainment percentage.....	15	83.15 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	87.98 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/27/2010	65000000				
10/14/2010	12000000				
01/13/2011	11200000				
03/14/2011	11200000				
			Totals ►	18(b)	99400000
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 90301507
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of Quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 3
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	24739829
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	103475407	20076166
b Waiver amortization installment		
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	34	44815995
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	38453789	38453789
36 Additional cash requirement (item 34 minus item 35).....	36	6362206
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	90301507
38 Interest-adjusted excess contributions for current year (see instructions).....	38	83939301
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.
For calendar plan year 2009 or fiscal plan year beginning 07/01/2009 and ending 06/30/2010		
A Name of plan ALLEGHENY ENERGY RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 ALLEGHENY ENERGY SERVICE CORPORATION	D Employer Identification Number (EIN) 13-1993896	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

METROPOLITAN LIFE INS CO

13-5581829

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	NONE	698928	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

STATE STREET RESEARCH

13-3142135

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	448434	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

SSGA

04-1867445

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
18 19 51 52 68 99	NONE	336552	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ENNIS KNUPP & ASSOC

36-3109431

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	213125	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	145636	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

BNY MELLON

25-0065306

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
25	NONE	43160	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

XEROX

16-0468020

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	NONE	27500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

SCHNEIDER DOWNS

25-1408703

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	23767	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

MORGAN LEWIS

23-0891050

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	14775	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

WM M. MERCER

13-2836954

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
17	NONE	13468	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

<div>SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration</div>	<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2009 or fiscal plan year beginning 07/01/2009 and ending 06/30/2010		
A Name of plan ALLEGHENY ENERGY RETIREMENT PLAN		B Three-digit plan number (PN) ► 001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ALLEGHENY ENERGY SERVICE CORPORATION		D Employer Identification Number (EIN) 13-1993896
Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)	
a Name of MTIA, CCT, PSA, or 103-12 IE: RUSSELL 1000 INDEX SEC. LEND. FUND		
b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS		
c EIN-PN 04-0025081-044	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 71306232
a Name of MTIA, CCT, PSA, or 103-12 IE: DAILY MSCI EAFE SEC LENDING FUND		
b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS		
c EIN-PN 04-0025081-181	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 49109283
a Name of MTIA, CCT, PSA, or 103-12 IE: LONG US GOVT CREDIT BOND INDEX SL F		
b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS		
c EIN-PN 04-0025081-611	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 46269843
a Name of MTIA, CCT, PSA, or 103-12 IE: S & P 500 FLAGSHIP SL FUND		
b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS		
c EIN-PN 04-0025081-002	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 26126917
a Name of MTIA, CCT, PSA, or 103-12 IE: RUSSELL 2000 INDEX SL FUND		
b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS		
c EIN-PN 04-0025081-012	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 21868225
a Name of MTIA, CCT, PSA, or 103-12 IE: US HIGH YIELD BOND INDEX NL COMMON		
b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS		
c EIN-PN 04-3508891-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 25833682
a Name of MTIA, CCT, PSA, or 103-12 IE: RUSSELL 1000 INDEX NL FUND		
b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS		
c EIN-PN 04-0025081-702	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 75496621
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		

a Name of MTIA, CCT, PSA, or 103-12 IE: TUCKERMAN US REIT INDEX NL FUND**b** Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS

c EIN-PN 04-0025081-327	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 18993314
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a Name of MTIA, CCT, PSA, or 103-12 IE: S & P 500 FLAGSHIP NL FUND**b** Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS

c EIN-PN 04-0025081-004	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 23042518
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a Name of MTIA, CCT, PSA, or 103-12 IE: DAILY MSCI EAFE NL FUND**b** Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS

c EIN-PN 04-0025081-182	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 58846382
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a Name of MTIA, CCT, PSA, or 103-12 IE: COLLECTIVE US GOVT STIF FUND**b** Name of sponsor of entity listed in (a): BANK OF NEW YORK MELLON

c EIN-PN 13-6154008-012	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4064797
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a Name of MTIA, CCT, PSA, or 103-12 IE: RUSSELL 2000 INDEX NL FUND**b** Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS

c EIN-PN 04-0025081-013	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 17856943
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a Name of MTIA, CCT, PSA, or 103-12 IE: LONG US CREDIT INDEX NL FUND**b** Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS

c EIN-PN 04-0025081-146	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2195504
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a Name of MTIA, CCT, PSA, or 103-12 IE: LONG US GOVT BOND INDEX NL FUND**b** Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS

c EIN-PN 04-0025081-142	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1860100
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 07/01/2009 and ending 06/30/2010		
A Name of plan ALLEGHENY ENERGY RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 ALLEGHENY ENERGY SERVICE CORPORATION	D Employer Identification Number (EIN) 13-1993896	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	37500000	99400000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	1510299	1357813
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)	386479457	442870361
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	333230176	342045566
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	758719932	885673740

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	73439	634919
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	73439	634919

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	758646493	885038821
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	99400000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		99400000

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	15500723	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		15500723

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	22729	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		22729

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	25921276	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		25921276
(6) Net investment gain (loss) from common/collective trusts	2b(6)		56836732
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		197681460

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	67826283	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		67826283
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	184178	
(2) Contract administrator fees	2i(2)	59636	
(3) Investment advisory and management fees	2i(3)	998111	
(4) Other	2i(4)	2220924	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		3462849
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		71289132

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		126392328
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: SCHNEIDER DOWNS

(2) EIN: 25-1408703

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 07/01/2009 and ending 06/30/2010

A Name of plan <u>ALLEGHENY ENERGY RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ALLEGHENY ENERGY SERVICE CORPORATION</u>	D Employer Identification Number (EIN) <u>13-1993896</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>13-5581829</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3 <u>41</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____



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INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of
Allegheny Energy Retirement Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Allegheny Energy Retirement Plan (Plan) as of June 30, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of assets (held at end of year) and the supplemental schedule of reportable transactions for the year ended June 30, 2010. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information referred to in Note 9, which was certified by Bank of New York Mellon (Trustee) and Metropolitan Life Insurance Company, both custodians of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the custodians hold the Plan's investment assets and executed investment transactions. The Plan administrator has obtained certification from the custodians as of and for the years ended June 30, 2010 and 2009 that the information provided to the Plan administrator by the custodians is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Pittsburgh, Pennsylvania
April 13, 2011

Schneider Downs & Co., Inc.
www.schneiderdowns.com



1133 Penn Avenue
Pittsburgh, PA 15222-4205
TEL 412.261.3644
FAX 412.261.4876

41 S. High Street
Suite 2100
Columbus, OH 43215-6102
TEL 614.621.4060
FAX 614.621.4062

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Allegheny Energy, Inc.
EIN/PN	13-1993896/001
Plan Name	Allegheny Energy Retirement Plan
Valuation Date	July 1, 2009
Enrolled Actuary	Steven James
Enrollment Number	08-06406

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan Name:	Allegheny Energy Retirement Plan
EIN / PN:	13-1993896 / 001
Plan Sponsor:	Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of July 1, 2009

See Appendix A for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

Age (1)	Probability of Retiring in Year (2)	Probability Not Already Retired (3) = (3) _{t-1} - (4) _{t-1}	Percentage Retiring in Year (4) = (2) x (3)	Weighted Retirement Age (1) x (4)
55	10%	100.00%	10.00%	5.500
56	5%	90.00%	4.50%	2.520
57	5%	85.50%	4.28%	2.437
58	5%	81.23%	4.06%	2.356
59	10%	77.16%	7.72%	4.553
60	15%	69.45%	10.42%	6.250
61	20%	59.03%	11.81%	7.202
62	40%	47.22%	18.89%	11.712
63	25%	28.33%	7.08%	4.463
64	25%	21.25%	5.31%	3.400
65	100%	15.94%	15.94%	<u>10.360</u>
Expected Retirement Age :				60.751
Rounded Age :				61

Plan Name: Allegheny Energy Retirement Plan
 EIN / PN: 13-1993896 / 001
 Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Line 24 Changes in Assumptions for Plan Year

Other than the prescribed changes in the interest rate, and mortality assumption, the following other changes in assumptions were made as part of this valuation:

- The age-graded salary scale was updated from an ultimate rate of 3.5% occurring at age 40 to an ultimate rate of 3.0% occurring at age 50.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Line 25

Change in Method

The following changes were made to the funding Method for 2009:

- The interest rate method was changed from the July 3-Segment rates to the March Full Yield Curve.
- The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to refinements in the software are each less than 2% (disregarding the effects of any changes that automatically approved under the final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to change in valuation software receives automatic approval under IRS Announcement 2010-3.
- The plan related expenses were included in the target normal cost for 2009.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of July 1, 2009

	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
Attained Age	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	19		76	49,147																
25 - 29	18		160	57,418	45	67,853														
30 - 34	19		112	58,245	129	69,815	20	64,473	1											
35 - 39	10		112	70,272	158	73,057	69	70,741	55	80,931	3									
40 - 44	17		77	69,574	130	75,828	63	69,193	227	85,341	152	89,474	6							
45 - 49	9		51	61,239	106	75,056	59	74,322	167	79,718	232	87,630	248	85,416	51	77,632				
50 - 54	3		32	88,360	87	69,888	43	65,895	126	77,806	147	79,641	322	83,305	289	87,972	20	83,784		
55 - 59	1		23	116,890	45	86,638	22	67,640	52	72,540	93	70,540	112	76,835	134	78,514	74	86,228	5	
60 - 64			4		8		6		17		29	69,475	27	75,978	26	75,597	25	76,026	34	82,365
65 - 69					2		1		1		1		5		1				3	
70 & Over									1						1				3	

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of July 1, 2009

Type of Base		Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1	Shortfall	07/01/2009	(7,935,928)	7	(7,935,928)	(1,354,737)
2	Shortfall	07/01/2008	128,321,818	6	111,411,335	21,430,903
Total					103,475,407	20,076,166

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 07/01/2009 and ending 06/30/2010

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>Allegheny Energy Retirement Plan</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>Allegheny Energy Service Corporation</u>	D Employer Identification Number (EIN) <u>13-1993896</u>	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>7</u> Day <u>1</u> Year <u>2009</u>			
2 Assets:			
a Market value	2a	<u>758,103,889</u>	
b Actuarial value	2b	<u>833,914,278</u>	
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	<u>4,857</u>	<u>591,738,233</u>
b For terminated vested participants	3b	<u>1,846</u>	<u>45,570,601</u>
c For active participants:			
(1) Non-vested benefits	3c(1)		<u>57,784,956</u>
(2) Vested benefits	3c(2)		<u>258,607,410</u>
(3) Total active	3c(3)	<u>4,426</u>	<u>316,392,366</u>
d Total	3d	<u>11,129</u>	<u>953,701,200</u>
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions			4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor			4b
5 Effective interest rate			<u>7.49 %</u>
6 Target normal cost			<u>24,739,829</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Steven T. James Signature of actuary	<u>03/22/2011</u> Date
<u>Steven James</u> Type or print name of actuary		<u>08-06406</u> Most recent enrollment number
<u>Towers Watson Delaware Inc.</u> Firm name		<u>(203) 326-6261</u> Telephone number (including area code)
<u>One Stamford Plaza</u> <u>263 Tresser Boulevard</u> <u>Stamford</u> Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	85,328,884	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	38,554,183	0
9	Amount remaining (Item 7 minus item 8).....	46,774,701	0
10	Interest on item 9 using prior year's actual return of (12.54)%	(5,864,144)	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of 6.19%		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	40,910,557	0

Part III Funding percentages			
14	Funding target attainment percentage.....	14	83.15 %
15	Adjusted funding target attainment percentage.....	15	83.15 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	87.98 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/27/2010	65,000,000				
10/14/2010	12,000,000				
01/13/2011	11,200,000				
03/14/2011	11,200,000				
Totals ▶			18(b)	99,400,000	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	90,301,507

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 3
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	24,739,829
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	103,475,407	20,076,166
b Waiver amortization installment		
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33).....	34	44,815,995
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	38,453,789	0
36 Additional cash requirement (item 34 minus item 35).....	36	6,362,206
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	90,301,507
38 Interest-adjusted excess contributions for current year (see instructions).....	38	83,939,301
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions and Methods as of July 1, 2009

Plan Name

Allegheny Energy Retirement Plan

Plan Sponsor

Allegheny Energy, Inc.

EIN / PN

131993896 / 001

Discount Rates	July 1, 2009 Full Yield Curve March 2009	July 1, 2008 3-Segment Rate July 2008
----------------	--	---

Effective Rates	7.49%	6.19%
-----------------	-------	-------

Compensation Increases

For purposes of determining the target normal cost and the additional funding target for maximum deductible contribution, future compensation is assumed to increase at the following rates per year, compounded annually. Salary increases during 2009 are assumed to be 0.5% lower than these rates to reflect actual budgeted compensation increases.

Age	Rate
20 – 24	7.0%
25 – 29	6.0
30 – 34	5.0
35 – 39	4.0
40 – 49	3.5
50 and Older	3.0

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Future increases in Social Security

3.75% annual increases in the national average wage index are assumed.

Future increases in maximum benefits and plan compensation limitations

Accrued benefits projected to be paid in future years are limited to the maximum presently allowed under IRC Section 415. Plan compensation is limited to the maximum presently allowed under IRC Section 401(a)(17). No provision is made for future increases in the maximum annual benefit or compensation limit.

Assumed Cost-of-Living Adjustments

None.

Inclusion Date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Mortality

The prescribed mortality assumption under Section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate rates for annuitants and non-annuitants.

Retirement Decrements

Attained Age	Percent Retiring
55	10.0%
56 – 58	5.0
59	10.0
60	15.0
61	20.0
62	40.0
63 – 64	25.0
65 and Older	100.0

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Representative Termination Rates Not Due to Disability, Retirement or Mortality

Attained Age	Percent Terminating
20	22.5%
25	15.0
30	10.5
35	7.5
40	4.5
45	3.0
50	1.5
55 and Older	0.0

Form of Payment

Participants are assumed to elect the normal form.

Marriage

85% of eligible participants are assumed to be married and male spouses are assumed to be 4 years older than female spouses.

Asset Method

Under this method, the valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date. The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.54%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.25%, and the applicable limitation for the plan year, equal to 6.54%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 6.61%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.25%, and the applicable limitation for the plan year, equal to 6.61%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.4. Because expected investment returns under this method are limited under WREIRA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Participant Data

Participant data as of July 1, 2009 was supplied by Allegheny Energy.

Tax Policy

The actuarial valuation performed for the plan year ending June 30, 2010 is used to determine the maximum deductible contribution for the tax year ending December 31, 2009.

Benefits Not Included in Valuation

We believe that we have reflected all significant plan provisions in this valuation.

PBGC Premium Funding Target

The Alternative Premium Funding Target was determined using the assumptions described above.

Nature of Actuarial Valuations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed immaterial and therefore are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

A range of results, different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision, which is not inherent in actuarial calculations.

The assumptions selected for this valuation other than those prescribed by law, generally reflect long-term average expectations. If overall future plan experience is less favorable than assumed, the relative level of plan costs or contribution requirements determined in this valuation will likely increase in future valuations. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this actuarial valuation to analyze the potential range of future pension contributions, but we can do so upon request.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Changes in Assumptions and Methods since Last Actuarial Valuation

Other than the prescribed changes (including the plan sponsor's elections when alternative choices were allowed) with regard to the discount rate, the following change was made part of this valuation.

The age-graded salary scale was updated from an ultimate rate of 3.5% occurring at age 40 to an ultimate rate of 3.0% occurring at age 50.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V - Summary of Plan Provisions as of July 1, 2009

Plan Name

Allegheny Energy Retirement Plan

Plan Sponsor

Allegheny Energy, Inc.

EIN / PN

131993896 / 001

Effective Date and Most Recent Amendment

The plan was originally effective July 1, 1933.

Plan Year

The twelve-month period ending June 30.

Coverage and Participation

An employee becomes a participant upon completion of 1,000 hours of employment in the 12-month period beginning with the date of employment.

Members of a unit covered by a collective bargaining agreement are not eligible to participate unless that agreement provides for their participation.

Credited Service

All periods of employment for which an Employee is paid or entitled to payment for services rendered.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Vesting Service

Plan year during which a Controlled Group Employee has at least 1,000 Hours of Employment.

A participant is 100% vested after the earlier of five years of vesting service or the first day of the month coincident with or next following age 55.

Compensation (Base Annual Rate)

The lesser of (1) and (2):

- (1) Highest July 1st base salary plus any lump sum payment received under the annual base salary administration program.
- (2) Highest average Earnings for any 60 consecutive months of Earnings.

Definition of Earnings

All wages and salaries payable by the Company including base pay, overtime pay, shift differential, premium pay, commissions, lump sums, payments under a non-executive variable or incentive compensation plan, and other similar items as the Employment Benefits Committee may determine.

Covered Compensation

Determined as of each July 1st, equal to the average annual Social Security Wage Base during the 35-year period ending on the last day of the calendar year, rounded to the nearest multiple of \$600.

Normal Retirement Benefit

Normal Retirement Date

The first day of the month coincident with or next following age 65.

Benefit Formula

The Accrued Benefit.

Normal Form of Retirement Income

For married participants – A 50% joint and survivor annuity.

For unmarried participants – A single life annuity.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Accrued Benefit

The greatest of:

A. The sum of:

- I. 1.1% of Base Annual Rate below Covered Compensation Level for each year of Service Credit, up to a maximum of 35 years.
- II. 1.5% of Base Annual Rate in excess of Covered Compensation Level for each year of Service Credit, up to a maximum of 35 years.
- III. 1.3% of Base Annual Rate for each year of Service Credit in excess of 35 years.

B. The sum of:

- I. The benefit accrued under the Plan as of June 30, 1989.
- II. 1.5% of annual Compensation of each Plan Year thereafter, or portion thereof.

Annual compensation used in B.II. is the higher of:

- a. Annualized base rate of pay for that year, or
- b. Compensation for the prior calendar year.

- C. Retirement benefit accrued under any prior plan through June 30, 1989, based upon Service Credit and Earnings, as defined under that plan.
- D. Retirement benefit accrued under any prior plan on or after July 1, 1990, based on Service Credit and Earnings, as defined under that given plan, through June 30 of the applicable plan year.

Benefits described in B., C., and D. applied only to employees covered under this plan prior to July 1, 1989.

Minimum Benefit

Annual benefit of \$200 times years of service up to 15 years.

Late Retirement

Accrued benefit at Deferred Commencement Date.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Early Retirement Benefit

Eligibility

The first day of any month coincident with or following age 55.

Benefit

The greatest of:

- A. The benefit calculated under Part A of the Accrued Benefit, except that Parts II and III are reduced by 3% for each year that the participant retires before age 62.
- B. The benefit calculated under Part B of the Accrued Benefit, except that Parts I and II of the formula will be based upon a percentage of annual earnings in accordance with the table below. The benefit is also reduced by 4% for each year that the participant retires before age 60, until the participant attains age 65.

Age	Part I	Part II
55	1.27%	1.645%
56	1.24	1.605
57	1.21	1.545
58	1.16	1.475
59	1.11	1.395
60	1.05	1.295
61	0.88	1.125
62 – 65	0.85	1.125

- C. The benefit calculated under Part C of the Accrued Benefit, adjusted according to the early retirement provisions of the applicable plan.
- D. The benefit calculated under Part D of the Accrued Benefit, adjusted according to the early retirement provisions of the applicable plan

Vested Benefits Upon Termination of Service

The Accrued Benefit, payable at age 65. The employee may begin receiving benefits as early as age 55, with an actuarial reduction.

Pre-Retirement Death Benefits

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

SCHEDULE SB ATTACHMENTS (cont.)

Eligibility

The spouse is eligible for a benefit if the participant was vested and death occurs prior to early or normal retirement.

Benefit

The participant will be treated as having retired immediately preceding the date of death. If no election was made the benefit will be in the form of a 50% Joint and Survivor Annuity. The annuity will begin no sooner than the first day of the month following the month in which the participant would have attained age 55.

Optional Forms of Retirement Income in Lieu of Normal Form

A participant may elect to receive a life annuity, a 50% joint and survivor annuity or the contingent annuitant option. The optional forms are actuarially equivalent to the Normal Form.

Former Mountaineer Gas participants are eligible to receive the portion of their benefit attributable to their Mountaineer Gas service as a lump sum.

Employee Contributions

They are not required or permitted.

Substantive Commitments

No substantive commitments other than the above plan provisions have been included in this valuation.

Changes in Plan Provisions since Last Actuarial Valuation

There have been no significant plan changes since the prior valuation.

Plan Name: Allegheny Energy Retirement Plan
EIN / PN: 13-1993896 / 001
Plan Sponsor: Allegheny Energy, Inc.

ALLEGHENY ENERGY RETIREMENT PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
AS OF JUNE 30, 2010 AND 2009
AND FOR THE YEARS THEN ENDED

**ALLEGHENY ENERGY RETIREMENT PLAN
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Note: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA") have been omitted because they are not applicable.



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INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of
Allegheny Energy Retirement Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Allegheny Energy Retirement Plan (Plan) as of June 30, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of assets (held at end of year) and the supplemental schedule of reportable transactions for the year ended June 30, 2010. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information referred to in Note 9, which was certified by Bank of New York Mellon (Trustee) and Metropolitan Life Insurance Company, both custodians of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the custodians hold the Plan's investment assets and executed investment transactions. The Plan administrator has obtained certification from the custodians as of and for the years ended June 30, 2010 and 2009 that the information provided to the Plan administrator by the custodians is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Pittsburgh, Pennsylvania
April 13, 2011

Schneider Downs & Co., Inc.
www.schneiderdowns.com



1133 Penn Avenue
Pittsburgh, PA 15222-4205
TEL 412.261.3644
FAX 412.261.4876

41 S. High Street
Suite 2100
Columbus, OH 43215-6102
TEL 614.621.4060
FAX 614.621.4062

**ALLEGHENY ENERGY RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

	As of June 30,	
	2010	2009
<u>ASSETS</u>		
Investments, at fair value:		
Collective trust funds	\$ 442,870,361	\$ 386,479,457
Group annuity contract	342,045,566	333,230,176
Total investments	<u>784,915,927</u>	<u>719,709,633</u>
Receivables:		
Contributions receivable from employer	99,400,000	37,500,000
Group annuity contract accrued interest	1,357,647	1,440,177
Other	166	70,122
Total receivables	<u>100,757,813</u>	<u>39,010,299</u>
Total assets	<u>885,673,740</u>	<u>758,719,932</u>
<u>LIABILITIES</u>		
Payable for securities purchased	448,975	-
Accrued expenses	185,944	73,439
Net assets available for benefits	<u>\$ 885,038,821</u>	<u>\$ 758,646,493</u>

See accompanying Notes to Financial Statements.

ALLEGHENY ENERGY RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year ended June 30,	
	2010	2009
<u>ADDITIONS</u>		
Employer contributions	\$ 99,400,000	\$ 37,500,000
Investment income, including appreciation (depreciation) in fair value of investments:		
Collective trust funds	56,836,732	(123,927,615)
Group annuity contract	25,921,276	(217,225)
Subtotal	82,758,008	(124,144,840)
Interest income on group annuity contract	15,500,723	16,922,745
Dividend income	22,729	-
Total income (loss) on investments	98,281,460	(107,222,095)
Total additions (deductions)	197,681,460	(69,722,095)
<u>DEDUCTIONS</u>		
Benefit payments to participants or their beneficiaries	67,826,283	67,024,829
Administrative expenses	3,462,849	2,788,751
Total deductions	71,289,132	69,813,580
Increase (decrease) in net assets available for benefits	126,392,328	(139,535,675)
Net assets available for benefits:		
Beginning of year	758,646,493	898,182,168
End of year	\$ 885,038,821	\$ 758,646,493

See accompanying Notes to Financial Statements.

**ALLEGHENY ENERGY RETIREMENT PLAN
STATEMENTS OF ACCUMULATED PLAN BENEFITS**

	As of June 30,	
	2010	2009
Actuarial present value of accumulated plan benefits (Note 2):		
Vested benefits:		
Participants currently receiving payments	\$ 559,215,838	\$ 547,488,478
Other participants	299,616,273	265,309,592
Subtotal	<u>858,832,111</u>	<u>812,798,070</u>
Nonvested benefits	<u>56,649,941</u>	<u>59,799,519</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 915,482,052</u>	<u>\$ 872,597,589</u>

See accompanying Notes to Financial Statements.

ALLEGHENY ENERGY RETIREMENT PLAN
STATEMENTS OF CHANGES IN ACCUMULATED PLAN BENEFITS

	Year ended June 30,	
	<u>2010</u>	<u>2009</u>
Actuarial present value of accumulated plan benefits at beginning of year	\$ 872,597,589	\$ 848,500,255
Increase (decrease) during the year attributable to:		
Benefits accumulated and actuarial experience	17,124,140	22,292,809
Increase for interest due to the decrease in the discount period	70,830,725	68,829,354
Benefits paid	(67,826,283)	(67,024,829)
Change in actuarial assumptions	22,755,881	-
Net increase	<u>42,884,463</u>	<u>24,097,334</u>
Actuarial present value of accumulated plan benefits at end of year	<u>\$ 915,482,052</u>	<u>\$ 872,597,589</u>

See accompanying Notes to Financial Statements.

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2010 and 2009 AND FOR THE YEARS THEN ENDED

NOTE 1 – DESCRIPTION OF PLAN

The following brief description of the Allegheny Energy Retirement Plan (the "Plan") is intended to give a general summary of its principal provisions. Participants should refer to the plan description for more complete information.

General

The Plan is a defined benefit pension plan under which contribution requirements are developed by actuarial computation. The Plan covers substantially all employees of Allegheny Energy Service Corporation ("Company") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Eligibility and Vesting

All regular and probationary employees who have completed 1,000 hours of service during a twelve-month period are eligible to participate in the Plan. All plan participants become 100 percent vested upon completing five years of service or attainment of age 55.

Plan Benefits

Under plan provisions, the base annual rate of benefits payable at the normal retirement age of 65 are credited based on:

- (a) 1.1 percent of base annual rate up to covered compensation times years of service up to 35 years, plus
- (b) 1.5 percent of base annual rate in excess of covered compensation times years of service up to 35 years, plus
- (c) 1.3 percent of base annual rate times years of service in excess of 35 years.

Covered compensation is the average of the average annual Social Security wage bases during the 35 years preceding the participant's retirement.

The base annual rate benefit is based on the lesser of the participant's average annual compensation during the 60 highest-paid consecutive months or the participant's highest base rate of pay as of any July 1. For this purpose, the participant's earnings are restricted by the limits placed on pensionable earnings by the Internal Revenue Code ("IRC").

Early Retirement

A plan participant may elect early retirement any time after age 55. Plan benefits are determined using the percentages of earnings set forth in the Plan for this purpose and are reduced 3 percent each year prior to age 62 for benefits as shown under Plan Benefits (parts b and c) above.

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

Terminated Vested

A vested plan participant who leaves the Company prior to age 55 is eligible to receive a benefit as early as age 55. Any benefit that commences prior to age 65 is subject to an actuarial reduction.

Death Benefits

When a vested active participant who has been married at least one year dies, a survivor's benefit is payable to the eligible spouse. The survivor's benefit is determined as if the employee had elected a joint and survivor annuity on the day preceding death. The annuity will begin no sooner than the first day of the month following the month in which the employee would have attained age 55.

When a retired participant dies, a survivor annuity is payable to a surviving spouse unless the participant elected to receive a single life annuity. The amount of the survivor annuity is based on the option chosen by the participant at the time of retirement.

Participants previously employed by Mountaineer Gas ("MG"):

The MG Plan was merged into the Allegheny Energy Retirement Plan on August 17, 2000. Former Mountaineer Gas employees had their benefit under the MG Plan frozen as of the date they switched to the Allegheny Energy benefit formula. However, these participants are entitled to the greater of the frozen MG Plan benefit or the Allegheny Energy benefit with credited service measured from their original MG date of hire. Optional benefit forms (such as a lump sum option) under the MG Plan are still preserved as it applies to the MG benefit accrued to the date of transition to the Allegheny Energy benefit structure.

Under the provisions of the MG Plan, annual benefits payable at normal retirement age of 65 is the greater of (a) or (b):

(a) The sum of (1), (2), (3), and (4) minus (5):

- (1) 2.70 percent of the first \$16,000 of final average compensation times credited service not greater than 30;
- (2) 1.85 percent of the next \$16,000 of final average compensation times credited service not greater than 30;
- (3) 1.55 percent of final average compensation in excess of \$32,000 times credited service not greater than 30;
- (4) 0.50 percent of final average compensation multiplied by years of credited service in excess of 30 years but not greater than 40; and
- (5) the participant's adjusted social security benefit.

(b) The June 30, 1994 accrued benefit plus the sum of (1), (2), (3), and (4) minus (5), where credited service is service from June 30, 1994 to normal retirement date.

The MG Plan's compensation represents base salary including commissions. Bonuses, overtime and other special pay are excluded.

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

The average compensation is based on the highest average earnings received in any 60 consecutive months during the last 10 years prior to normal retirement date.

Benefit accruals under the MG formula are eligible for lump sum distribution.

Other provisions of the MG Plan may vary from the Allegheny Energy Retirement Plan. Refer to the plan documents for more complete information.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Plan's financial statements are presented on the accrual basis of accounting and in accordance with U.S. generally accepted accounting principles, or GAAP. Management has evaluated subsequent events through April 13, 2011, the issuance date of the financial statements. (See Note 13).

Use of Estimates

The preparation of the Plan's financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, the disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits and changes in accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan has investments in various investment securities that include collective trust funds and a group annuity contract that has underlying investments comprised of U.S. government securities, corporate debt instruments, and interest-bearing cash. Investment securities, in general, are exposed to various risks, such as interest rate risk, market risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the near term could materially affect the amounts reported in the Statements of Net Assets Available for Benefits and in the Statements of Changes in Net Assets Available for Benefits.

The actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

Investment Valuation and Income Recognition

The Plan's investments are stated at their fair values. See Note 7 for additional information regarding fair value measurements.

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income is recorded as earned on an accrual basis.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits, as determined by the plan's actuary, Towers Watson & Company, are those future periodic payments required under the plan's provision based on the service rendered by employees.

Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of deceased employees, and (c) present employees or their beneficiaries.

Benefits payable under all circumstances – retirement, death, and termination of employment – are included to the extent they are deemed attributable to employee service rendered until the valuation date, which for the respective plan years is June 30, 2010 and 2009.

The actuarial present value of accumulated plan benefits is that amount which results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the actuarial valuation for compliance with the IRC at June 30, 2010 and 2009 are as follows:

- a) the Retirement Plan - 2000 Mortality Table (RP-2000) projected to 2007 using Scale AA was used for 2010 and 2009 and
- b) interest discount rates of 8.00 percent and 8.25 percent were used for the periods ending June 30, 2010 and 2009, respectively and
- c) a Retirement Plan participant's base annual rate of pay for which a retirement benefit is determined is calculated by using the lesser of 1) the highest July 1 base salary or 2) the highest average earnings for any 60 consecutive months of earnings.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Contributions Receivable

Contributions receivable to the Plan are amounts due as of the date of the financial statements from the employer.

Benefit Payments

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses of the Plan are paid from Plan assets.

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

NOTE 3 – RECENTLY ADOPTED AND RECENTLY ISSUED ACCOUNTING STANDARDS

Accounting Standards Codification (“ASC”)

In June 2009, the Financial Accounting Standards Board (“FASB”) issued authoritative guidance that replaced the previous hierarchy of GAAP and established the FASB Accounting Standards Codification (“FASB Codification”) as the single source of authoritative U.S. GAAP recognized by the FASB to be applied to the financial statements of nongovernmental entities for periods ending after September 15, 2009. Securities and Exchange Commission (“SEC”) rules and interpretive releases are also sources of authoritative GAAP for SEC registrants. This guidance modifies the GAAP hierarchy to include only two levels of GAAP: authoritative and nonauthoritative. The FASB Codification was not intended to change or alter existing GAAP. The Plan’s adoption of this guidance did not impact its financial statements, other than the manner for which GAAP is referenced.

Subsequent Events

On June 16, 2009, the Plan adopted FASB Codification Topic 810. This guidance establishes general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued. Specifically, this guidance sets forth the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that an entity should make about events or transactions that occurred after the balance sheet date.

Fair Value Measurements and Disclosure

On April 1, 2009, the Plan adopted the provisions of FASB Codification Topic 820, *“Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly.”* These provisions provide additional guidance for estimating fair value in accordance with the previously issued Fair Value Measurements provisions, when the volume and level of activity for the asset or liability have significantly decreased and includes guidance for identifying circumstances that indicate a transaction is not orderly. This guidance also provides additional disclosure requirements for defining major categories of debt and equity securities and the valuation techniques used to measure fair value. See Note 7 for additional disclosures.

The FASB’s Accounting Standards Update (“ASU”) No. 2010-06, “Fair Value Measurements and Disclosures: Improving Disclosures about Fair Value Measurements” is effective for annual reporting periods beginning after December 15, 2009. This guidance added new requirements for disclosures about transfers into and out of fair value Levels 1 and 2 and separate disclosures about purchases, sales, issuances and settlements relating to Level 3 measurements. This guidance also clarified existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value.

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

NOTE 4 – FUNDING POLICY

Contributions under the Plan are determined by the actuary and authorized by Allegheny's Board of Directors ("Board") in accordance with the objective that contributions in each year be made in such amounts as are necessary to maintain the Plan on a sound actuarial basis and to at least meet the minimum funding standards prescribed by ERISA or other applicable law. The Plan has met the minimum funding requirements as determined by ERISA and other applicable law for the plan years ended June 30, 2010 and 2009.

NOTE 5 – PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event of Plan termination, the net assets of the Plan will be allocated for payment of plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

NOTE 6 - INVESTMENTS

Trustee and Custodians:

The Bank of New York Mellon Corporation, the designated Trustee and a custodian of the Plan's assets, provides accounting and investment performance information. The Plan's collective trust fund investments are managed by State Street Bank and Trust Company. State Street Bank and Trust Company on behalf of Metropolitan Life Insurance Company ("MetLife") has custody of the Plan's group annuity contract managed by State Street Research and Management Company.

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

Group Annuity Contract

The Plan has a fully participating group annuity contract with MetLife. The assets contained in the group annuity contract are primarily comprised of highly-rated debt securities that are used to provide pension benefit payments to certain retirees and beneficiaries. The assets contained in the group annuity contract had a fair value of \$342.0 million and \$333.2 million at June 30, 2010 and 2009, respectively. Under the terms of the contract, the Plan must maintain the underlying assets at a level sufficient to meet the present value of all annuities guaranteed under the contract, otherwise known as the Minimum Balance Requirement ("MBR"). The group annuity contract included in the accompanying Statements of Net Assets Available for Benefits and in the Statements of Changes in Net Assets Available for Benefits is at the fair value of the underlying securities within the participating annuity contract. The benefit obligations associated with the benefits covered under this contract are included in the accompanying Statements of Accumulated Plan Benefits and in the Statements of Changes in Accumulated Plan Benefits.

Investments at Five Percent or More of Plan Assets

The fair value of individual investments that represent five percent or more of the Plan's net assets as of June 30, 2010 and June 30, 2009 are as follows:

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
MetLife Group Annuity Contract	\$ 342,045,566	\$ 333,230,176
State Street Bank and Trust Company collective trust funds:		
Russell 1000 Index Non Lending Fund	75,496,621	(a)
Russell 1000 Index Securities Lending Fund	71,306,232	100,517,397
Daily MSCI EAFE Non Lending Fund	58,846,382	(a)
Daily MSCI EAFE Securities Lending Fund	49,109,283	75,092,660
Long US Government Credit Bond Index Securities Lending Fund	46,269,843	65,095,868

(a) - Represents less than 5% of net assets available for benefits as of this date.

NOTE 7 – FAIR VALUE MEASUREMENTS

The Plan determines the fair value of assets and liabilities based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants and based on assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and the risks inherent in valuation techniques and the inputs to valuations. This includes not only the credit standing of counterparties and the impact of credit enhancements, but also the impact of the Plan's own nonperformance risk on its liabilities. The Plan uses a fair value hierarchy based on whether the inputs to valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Plan's own assumptions about the assumptions that market participants would use. The fair value hierarchy includes three levels of inputs that may be used to measure fair value as described below.

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

Level 1 – Quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets;

- quoted prices for identical or similar instruments in markets that are not active; and
- model-derived valuations for which all significant inputs are observable market data.

Level 3 – Unobservable inputs significant to the fair value measurement supported by little or no market activity.

In some cases, the inputs used to measure fair value may meet the definition of more than one level of fair value hierarchy. The lowest level input that is significant to the fair value measurement in its totality determines the applicable level in the fair value hierarchy.

The following table disaggregates by level within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2010:

	Fair Value Hierarchy Level			
	Level 1	Level 2	Level 3	Total
Collective trust funds:				
Cash equivalents (a)	\$ -	\$ 4,064,797	\$ -	\$ 4,064,797
Equity securities:				
U.S. large-cap (b)	-	195,972,288	-	195,972,288
U.S. mid-cap growth (c)	-	39,725,168	-	39,725,168
International large-cap (d)	-	107,955,665	-	107,955,665
Domestic real estate (e)	-	18,993,314	-	18,993,314
Fixed income securities:				
Corporate bonds (f)	-	28,029,186	-	28,029,186
Government securities (g)	-	48,129,943	-	48,129,943
Sub-total	-	442,870,361	-	442,870,361
Group annuity contract (h)	-	342,045,566	-	342,045,566
Total investments	<u>\$ -</u>	<u>\$ 784,915,927</u>	<u>\$ -</u>	<u>\$ 784,915,927</u>

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

The following table disaggregates by level within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2009:

	Fair Value Hierarchy Level			Total
	Level 1	Level 2	Level 3	
Collective trust funds:				
Cash equivalents (a)	\$ -	\$ 5,565,212	\$ -	\$ 5,565,212
Equity securities:				
U.S. large-cap (b)	-	168,306,944	-	168,306,944
U.S. mid-cap growth (c)	-	31,745,547	-	31,745,547
International large-cap (d)	-	81,447,031	-	81,447,031
Domestic real estate (e)	-	12,226,973	-	12,226,973
Fixed income securities:				
Corporate bonds (f)	-	22,091,882	-	22,091,882
Government securities (g)	-	65,095,868	-	65,095,868
Sub-total	-	386,479,457	-	386,479,457
Group annuity contract (h)	-	333,230,176	-	333,230,176
Total investments	\$ -	\$ 719,709,633	\$ -	\$ 719,709,633

- (a) This class seeks to generate a reasonable rate of return by investing in securities that are either issued or guaranteed by the U.S. Treasury and/or U.S. Government Agencies.
- (b) This class seeks to match the returns of the Russell 1000 Index and the S&P 500 Index. Approximately 75% of these assets are invested to match the Russell 1000 Index and approximately 25% are invested to match the S&P 500 Index.
- (c) This class seeks to match the return of the Russell 2000 Index.
- (d) This class seeks to match the performance of the Morgan Stanley Capital International EAFE Index while providing low cost, broadly diversified, non-U.S. exposure.
- (e) This class seeks to match the return of the Dow Jones U.S. Select REIT Index.
- (f) This class primarily seeks to match the return of the High Yield \$200 Million Very Liquid Index, a customized Barclays Capital Index.
- (g) This class seeks to match the return of the Barclays Capital U.S. Long Government/Credit Bond Index.
- (h) A participating group annuity contract with MetLife. Valued at a price per unit that is based upon the underlying value of the domestic fixed income securities.

NOTE 8 – SECURITIES LENDING

At June 30, 2010 and 2009, a portion of the Plan's assets were invested in collective trust funds that participate in a securities lending program. Under this program, securities of the collective trust fund investments are loaned for a fee. Securities so loaned by the collective trust funds are fully collateralized by cash, letters of

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

credit, and securities. Income to the Plan from this program was \$163,461 and \$714,819 for the years ended June 30, 2010 and 2009, respectively.

NOTE 9 – CERTIFIED FINANCIAL DATA (UNAUDITED)

The following information as of June 30, 2010 and 2009, and for the years then ended have been certified by the plan's custodians as complete and accurate in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA:

- Investments, at fair value
- Net appreciation (depreciation) in fair value of investments
- Interest income
- Dividend income
- Schedule of Assets (Held at End of Year)
- Schedule of Reportable Transactions
- Accrued interest

NOTE 10 - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated January 14, 2008, that the Plan and related trust are designed in accordance with applicable provisions of the IRC. The Company and the Plan administrator believe that the Plan is designed and is currently being operated in compliance with applicable provisions of the IRC and has no income subject to unrelated business income tax and, accordingly no provision for income taxes has been included in the Plan's financial statements.

NOTE 11 – PENSION PROTECTION ACT OF 2006

The Pension Protection Act of 2006 (the "Pension Protection Act") may affect the manner in which many companies, including Allegheny, administer their pension plans. Effective January 1, 2008, the Pension Protection Act will require many companies to more fully fund their pension plans according to new funding targets, potentially resulting in greater annual contributions. Allegheny has incorporated the Pension Protection Act funding targets and requirements into its future pension funding determination.

NOTE 12 – EXEMPT PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in cash and cash equivalents managed by the Trustee and custodians and pays trustee and management fees to the Trustee and the custodians; therefore, these transactions qualify as exempt party-in-interest transactions that are allowable under ERISA. Fees paid by the Plan for the investment management

ALLEGHENY ENERGY RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS – (Continued)

services were approximately \$1.0 million for each of the years ended June 30, 2010 and 2009, respectively.

NOTE 13 – SUBSEQUENT EVENT

On February 25, 2011, Allegheny Energy Inc. completed its previously announced merger with FirstEnergy Corp. Pursuant to the terms and conditions of the Agreement and Plan of Merger (the Merger Agreement), by and among FirstEnergy, Allegheny and Element Merger Sub, Inc., a direct wholly-owned subsidiary of FirstEnergy (Merger Sub), dated as of February 10, 2010, as amended as of June 4, 2010, Merger Sub was merged with and into Allegheny, with Allegheny surviving the merger (the Merger) and becoming a wholly-owned subsidiary of FirstEnergy.

Plan participants will continue to accrue a pension under the Allegheny Energy Retirement Plan through December 31, 2011. Effective January 1, 2012, the accrued pension will be frozen and eligible Allegheny employees will become participants in the FirstEnergy Corp. Pension Plan.

ALLEGHENY ENERGY RETIREMENT PLAN
Plan number: 001
Employer Identification Number: 13-1993896

Form 5500, Schedule H, Part IV, Line 4(i) - Schedule of Assets (Held at End of Year)
As of June 30, 2010

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
*	SSgA - Russell 1000 Index NL Fund	Collective Trust	\$ 71,653,320	\$ 75,496,621
*	SSgA - Russell 1000 Index SL Fund	Collective Trust	69,961,992	71,306,232
*	SSgA - Daily MSCI EAFE Index NL Fund	Collective Trust	63,654,557	58,846,382
*	SSgA - Daily MSCI EAFE SL Fund	Collective Trust	46,359,999	49,109,283
*	SSgA - Long US Govt Cr Bd Index SL Fund	Collective Trust	37,978,161	46,269,843
*	SSgA - S&P 500 Flagship SL Fund	Collective Trust	22,813,917	26,126,917
*	SSgA - US High Yield Bond NL Index CTF	Collective Trust	29,211,454	25,833,682
*	SSgA - S&P 500 Flagship NL Fund	Collective Trust	21,615,183	23,042,518
*	SSgA - Russell 2000 Index SL Fund	Collective Trust	26,353,664	21,868,225
*	SSgA - Tuckerman US Reit Index NL Fund	Collective Trust	25,770,000	18,993,314
*	SSgA - Russell 2000 Index NL Fund	Collective Trust	17,214,359	17,856,943
*	The Bank of NY Mellon - Collective US Govt Stif	Collective Trust	4,064,797	4,064,797
*	SSgA - Long US Credit Index NL Fund	Collective Trust	2,139,903	2,195,504
*	SSgA - Long US Govt Bond Index NL Fund	Collective Trust	1,731,534	1,860,100
		Collective trust -	440,522,840	442,870,361
*	MetLife	Group Annuity Contract	318,926,603	342,045,566
		Group Annuity Contract -	318,926,603	342,045,566
		TOTAL ASSETS (Held at End of Year) -	\$ 759,449,443	\$ 784,915,927

* Denotes party-in-interest for which a statutory exemption exists

ALLEGHENY ENERGY RETIREMENT PLAN
Plan number: 001
Employer Identification Number: 13-1993896

Form 5500, Schedule H, Part IV, Line 4(j) - Schedule of Reportable Transactions
For the Year Ended June 30, 2010

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of party Involved	Description of asset	Purchase price	Selling price	Cost of Asset	Current value on date of transaction	Net gain or (loss)
Single security transactions in excess of 5% of plan assets						
none						
Series of security transactions in excess of 5% of plan assets						
* The Bank of New York Mellon	Collective US Govt Stif 3	\$ 35,114,637 (A)	\$ -	\$ 35,114,637	\$ 35,114,637	\$ -
* The Bank of New York Mellon	Collective US Govt Stif 3	\$ -	\$ 36,615,051 (B)	\$ 36,615,051	\$ 36,615,051	\$ -
* State Street Global Advisors	Russell 1000 Index NL Fund	\$ 53,581,374 (C)	\$ -	\$ 53,581,374	\$ 53,581,374	\$ -
* State Street Global Advisors	Russell 1000 Index NL Fund	\$ -	\$ 1,000,000 (D)	\$ 834,389	\$ 1,000,000	\$ 165,611
* State Street Global Advisors	Daily MSCI EAFE Index NL	\$ 57,370,314 (E)	\$ -	\$ 57,370,314	\$ 57,370,314	\$ -
* State Street Global Advisors	Russell 1000 Index Fund	\$ -	\$ 43,296,221 (F)	\$ 40,901,623	\$ 43,296,221	\$ 2,394,598

(A) Consists of 29 purchase transactions

(B) Consists of 24 sale transactions

(C) Consists of 13 purchase transactions

(D) Consists of 1 sale transaction

(E) Consists of 19 purchase transactions

(F) Consists of 11 sale transactions

* Denotes party-in-interest for which a statutory exemption exists

ALLEGHENY ENERGY RETIREMENT PLAN
Plan number: 001
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Single security transactions in excess of 5% of plan assets						
none						
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* The Bank of New York Mellon	Collective US Govt Stif 3	\$ -	\$ 36,615,051 (B)	\$ 36,615,051	\$ 36,615,051	\$ -
* State Street Global Advisors	Russell 1000 Index NL Fund	\$ 53,581,374 (C)	\$ -	\$ 53,581,374	\$ 53,581,374	\$ -
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ALLEGHENY ENERGY RETIREMENT PLAN
Plan number: 001
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As of June 30, 2010

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* MetLife	Group Annuity Contract	318,926,603	342,045,566	
	Group Annuity Contract -	318,926,603	342,045,566	
	TOTAL ASSETS (Held at End of Year) -	\$ 759,449,443	\$ 784,915,927	

* Denotes party-in-interest for which a statutory exemption exists