Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
BRAZOS ELECTRIC POWER COOP INC. PENSION PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1960

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
BRAZOS ELECTRIC POWER COOPERATIVE INC.

P. O. BOX 2585
WACO, TX 76702-2585

2b Employer Identification Number (EIN)
74-0524729

2c Sponsor's telephone number
254-750-6500

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.	10/15/2011	SANDI PARKS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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")
BRAZOS ELECTRIC POWER COOPERATIVE INC.

P. O. BOX 2585
WACO, TX 76702-2585

3b Administrator's EIN
74-0524729

3c Administrator's telephone number
254-750-6500

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**	484
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**	262
b	Retired or separated participants receiving benefits	**6b**	121
c	Other retired or separated participants entitled to future benefits	**6c**	83
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	466
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	16
f	Total. Add lines **6d** and **6e**	**6f**	482
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**	0
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 1G

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)	X	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)	X	Trust
(4)		General assets of the sponsor

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

b General Schedules

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

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

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **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
BRAZOS ELECTRIC POWER COOP INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
BRAZOS ELECTRIC POWER COOPERATIVE INC.

D Employer Identification Number (EIN)
74-0524729

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2010			
2	Assets:			
a	Market value	**2a**		56089422
b	Actuarial value	**2b**		58205206
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	125	27604914
b	For terminated vested participants	**3b**	78	4151576
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		1407984
	(2) Vested benefits	**3c(2)**		31300694
	(3) Total active	**3c(3)**	281	32708678
d	Total	**3d**	484	64465168
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**		6.61 %
6	Target normal cost	**6**		2320123

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

Signature of actuary	Date: 10/12/2011
STEVEN C. ERICKSON	11-04118
Type or print name of actuary	Most recent enrollment number
TOWERS WATSON DELAWARE INC.	214-530-4200
Firm name	Telephone number (including area code)
500 N. AKARD STREET, SUITE 4100 DALLAS, TX 75201	
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 [ ]

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)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of 22.38 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		1550221
	b Interest on (a) using prior year's effective rate of 8.10 %		125568
	c Total available at beginning of current plan year to add to prefunding balance		1675789
	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)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	90.28 %
15	Adjusted funding target attainment percentage	15	90.28 %
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	105.51 %
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
09/15/2011	4454635				
			Totals ► 18(b)	4454635	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	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	3993937

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.60 %	6.65 %	6.76 %	☐ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 0

22 Weighted average retirement age — **22**: 62

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**: 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) — **29**: 0

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**: 2320123

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	6259962	1046208
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**: 3366331

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	0	0	0

36 Additional cash requirement (item 34 minus item 35) — **36**: 3366331

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) — **37**: 3993937

38 Interest-adjusted excess contributions for current year (see instructions) — **38**: 627606

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)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan	**B** Three-digit plan number (PN) ▶	
BRAZOS ELECTRIC POWER COOP INC. PENSION PLAN		001
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
BRAZOS ELECTRIC POWER COOPERATIVE INC.	74-0524729	

Part I Service Provider Information (see instructions)

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

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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)

MORGAN STANLEY SMITH BARNEY

13-2919773

(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 17 27 28	NONE	132227	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 ☐

(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 ☐

(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: PATILLO, BROWN & HILL, LLP	**b** EIN:	74-1130599
c	Position: AUDITOR ACCOUNTANT		
d	Address: 401 WEST HIGHT 6 WACO, TX 76712	**e** Telephone:	254-772-4901

Explanation: INCREASE OF FEES

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:

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

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
BRAZOS ELECTRIC POWER COOP INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BRAZOS ELECTRIC POWER COOPERATIVE INC.

D Employer Identification Number (EIN)
74-0524729

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)	0	4454635
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	225811	193994
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	5390766	2587313
(2) U.S. Government securities	1c(2)	10027258	10331051
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	8021892	8483168
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	25169538	30119683
(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)		
(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)	7254157	8780189
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(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	56089422	64950033
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		50295
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	50295
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	56089422	64899738

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) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	4454635	
	(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)		4454635
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1439	
	(B) U.S. Government securities	2b(1)(B)	249641	
	(C) Corporate debt instruments	2b(1)(C)	436585	
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		687665
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	435110	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	179364	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		614474
	(3) Rents	2b(3)		
	(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)	4826069	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		4826069
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(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)		1003158
c Other income	2c		9444
d Total income. Add all **income** amounts in column (b) and enter total	2d		11595445
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2547757	
(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)		2547757
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)	237372	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		237372
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2785129
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		8810316
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)** [X] Disclaimer **(4)** [ ] Adverse

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

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

(1) Name: JAYNES REITMEIER BOYD & THERRELL **(2)** EIN: 74-2533381

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.)	4a		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.)	4b		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.)	4c		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.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		5000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g		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?	4h		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.)	4i	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.)	4j	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?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
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.	4n		X	

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

2010

This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
BRAZOS ELECTRIC POWER COOP INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BRAZOS ELECTRIC POWER COOPERATIVE INC.

D Employer Identification Number (EIN)
74-0524729

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** 0

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): 13-3124172

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** 0

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 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**

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):

---

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):

Brazos Electric Power Cooperative, Inc.
Pension Plan
Financial Statements and
Supplemental Information
December 31, 2010 and 2009
(With Independent Auditors' Report Thereon)

Brazos Electric Power Cooperative, Inc.
Pension Plan

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JAYNES, REITMEIER, BOYD & THERRELL, P.C.
Certified Public Accountants

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P.O. Box 7616 Waco, Texas 76714-7616
Phone 254.776.4190 Fax 254.776.8489
www.jrbt.com

Offices in Austin and Waco

Independent Auditors' Report

The Plan Administrator
Brazos Electric Power Cooperative, Inc.
Pension Plan:

We were engaged to audit the financial statements and supplemental information of Brazos Electric Power Cooperative, Inc. Pension Plan (the Plan) as of December 31, 2010, and for the year then ended, as listed in the accompanying table of contents. These financial statements and supplemental information are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2009 were audited by other auditors. 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 the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by First State Trust Company, the trustee of the Plan. Their report, dated October 7, 2010, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole, and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were 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.

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 described in Note 4 which was certified by First State Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the 2010 financial statements and supplemental information. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained certification from the trustee as of and for the year ended December 31, 2010, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Because of the significance of the information in the Plan's 2010 financial statements and supplemental information that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2010 financial statements and supplemental information taken as a whole. The form and content of the information included in the 2010 financial statements and supplemental information, other than that derived from the information certified by the trustee, 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.

Jaynes, Reitmeir, Boyd & Henell, P.C.

October 12, 2011

Brazos Electric Power Cooperative, Inc.
Pension Plan

Statements of Net Assets Available for Benefits

December 31, 2010 and 2009

	2010	2009
Assets		
Investments, at fair value:		
Corporate bonds	$ 8,483,168	8,021,892
Common stock	30,119,683	25,169,538
Mutual funds	8,780,189	7,254,157
U.S. government securities	10,331,051	10,027,258
Money market mutual funds	2,587,313	5,390,766
Total investments	60,301,404	55,863,611
Receivables:		
Employer's contribution	4,454,635	-
Accrued interest and dividends	193,994	204,005
Due from broker for securities sold	-	21,806
Total receivables	4,648,629	225,811
Total assets	64,950,033	56,089,422
Liabilities		
Due to broker for securities purchased	50,295	-
Net assets available for benefits	$ 64,899,738	56,089,422

See accompanying notes to financial statements.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Statements of Changes in Net Assets Available for Benefits

Years Ended December 31, 2010 and 2009

	2010	2009
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	$ 5,829,227	5,804,785
Interest and dividends	1,302,139	3,262,648
Other	9,444	1,253
	7,140,810	9,068,686
Employer's contributions	4,454,635	2,280,292
Total additions	11,595,445	11,348,978
Deductions from net assets attributed to:		
Benefits paid directly to participants	2,547,757	2,311,099
Administrative expenses	237,372	269,272
Total deductions	2,785,129	2,580,371
Net increase	8,810,316	8,768,607
Net assets available for benefits, beginning of year	56,089,422	47,320,815
Net assets available for benefits, end of year	$ 64,899,738	56,089,422

See accompanying notes to financial statements.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements

December 31, 2010 and 2009

(1) Description of Plan

The following brief description of the Brazos Electric Power Cooperative, Inc. (the Company) Pension Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

(a) General

The Plan is a defined benefit pension plan covering substantially all employees of the Company, except for employees hired after December 31, 2006 due to frozen plan entry. Employees became eligible to participate after attaining age 21 and either (1) the first anniversary of their date of hire in which the employee completed 1,000 hours of service during the twelve-month period following their date of hire or (2) the next January 1 following the first plan year during which the employee completed 1,000 hours of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) Pension Benefits

Plan participants who terminate employment on or after attaining normal retirement age (as defined in the Plan Document) shall be eligible to receive a normal retirement benefit starting the first day of the month following their termination of employment. The normal retirement benefit is based on "final average monthly compensation." "Final average monthly compensation" is a monthly average of a participant's pay, determined by selecting 60 successive months of service in which compensation is the highest out of the 120 successive months of service immediately preceding termination of employment. For participants who are eligible to receive nonmatching contributions under the Company's defined contribution plan, the monthly normal retirement benefit is equal to 1.7% of their "final average monthly compensation" as of December 31, 2007 times their credited service as of December 31, 2007. These participants' benefit accruals, credited service, and "final average monthly compensation" are frozen as of December 31, 2007. For participants who are not eligible to receive nonmatching contributions under the Company's defined contribution plan, the monthly normal retirement benefit is equal to 1.7% of their "final average monthly compensation" as of December 31, 2007 times their credited service as of December 31, 2007 plus 1.2% of their "final average monthly compensation" times their credited service earned after December 31, 2007. The Plan also provides benefits for (1) disability and (2) early retirement at age 55 with

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(1) Description of Plan (continued)

(b) Pension Benefits (continued)

10 years of service. A participant who becomes disabled will continue to accrue benefits under the Plan as if they were an active participant at the same rate of pay that was in effect on their disability date. The amount payable to a participant upon early retirement is equal to the monthly normal retirement benefit described above multiplied by an early retirement factor based on the participant's age. Participants may receive benefits in lump-sum distributions, as a life annuity payable monthly, or other actuarially equivalent payment forms.

(c) Funding Policy

Participants are not allowed to contribute to the Plan. The Company contributes amounts to the Plan required to maintain the benefits provided herein. The Company's contributions for 2010 and 2009 met the minimum funding requirements of ERISA.

Although they have not expressed any intention to do so, the Company has the right under the Plan to discontinue their contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

(b) Investments

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 9 for further discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(2) Summary of Significant Accounting Policies (continued)

(c) Payment of Benefits

Benefit payments to participants are recorded upon distribution.

(d) Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and 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 would be material to the financial statements.

(e) Income Taxes

The Plan recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

(f) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Accordingly, actual results may differ from those estimates.

(g) Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(3) Investments

The following table presents the fair value of investments held at December 31, 2010 and 2009. Investments that represent five percent or more of the Plan's net assets available for benefits are separately identified.

	2010	2009
Investments at fair value as determined by quoted market prices:		
Common stock	$ 30,119,683	25,169,538
Mutual funds:		
Vanguard 500 Index Fund-Sign	8,324,533	7,092,454
Other funds	455,656	161,703
Total mutual funds	8,780,189	7,254,157
Investments at estimated fair value:		
Corporate bonds	8,483,168	8,021,892
U. S. government securities	10,331,051	10,027,258
Money market mutual funds:		
Prime Obligation #234	-	4,236,286
Other funds	2,587,313	1,154,480
Total money market mutual funds	2,587,313	5,390,766
Total investments	$ 60,301,404	55,863,611

During 2010 and 2009, the Plan's investments (including investments bought, sold and held during the year) appreciated in value as follows:

	2010	2009
Corporate bonds	$ 152,181	312,098
Common stock	4,402,156	4,205,895
Mutual funds	1,003,158	1,228,265
U.S. government securities	271,732	58,527
	$ 5,829,227	5,804,785

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(4) Information Certified by the Trustee

The financial information included in the Plan financial statements, except for employer's contributions receivable, employer's contributions, benefits paid directly to participants, and administrative expenses, have been derived from information certified as complete and accurate by the trustees of the Plan, in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

(5) Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated May 13, 2011, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code and, therefore, the related trust is exempt from taxation.

The Plan is no longer subject to examination by the Internal Revenue Service for years prior to 2007.

(6) Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits payable under all circumstances - retirement, death, disability and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by a consulting actuary from Towers Watson and is that amount that 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 for death, disability, withdrawal, or termination) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuation as of January 1, 2010 were (a) life expectancy of participants (statutory optional tables using the blended static table option for smaller plans), (b) retirement age assumptions (the assumed retirement age was 65), and (c) discount rate (6%). 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.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(6) Actuarial Present Value of Accumulated Plan Benefits (continued)

The Plan is actuarially valued as of January 1 of each year for the plan year ending December 31. The actuarial present value of accumulated plan benefits as of January 1, 2010 is as follows:

Vested benefits:	
Participants currently receiving payments	$ 28,687,232
Other participants	39,625,340
	68,312,572
Non-vested benefits	1,437,307
Total actuarial present value of accumulated plan benefits	$ 69,749,879

The following details the change in the actuarial present values from January 1, 2009 to January 1, 2010:

Total actuarial present value of accumulated plan benefits as of January 1, 2009	$ 64,717,864
Benefits accumulated	2,221,846
Actuarial losses	1,174,218
Decrease in the discount period	3,947,050
Benefits paid	(2,311,099)
Total actuarial present value of accumulated plan benefits as of January 1, 2010	$ 69,749,879

(7) Plan Termination

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(7) Plan Termination (continued)

2. Annuity benefits which former employees or their beneficiaries have been receiving for at least three years, or employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of an annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.

3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U. S. governmental agency) up to the applicable limitations.

4. All other vested benefits (that is, vested benefits not insured by the PBGC).

5. All nonvested benefits.

Certain benefits under the Plan are insured by the 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. However, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees. For plan terminations occurring during 2010 and 2009, that ceiling which is adjusted periodically was $4,500 per month, throughout both years. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefits obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

(8) Party-In-Interest Transactions

The Plan does not consider Company contributions to the Plan or benefits paid by the Plan to participants as party-in-interest transactions.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(9) Fair Value Hierarchy and Measurements

Generally accepted accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a financial instrument in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Corporate bonds and U.S. government securities: Valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Common stock and mutual funds: Valued at the closing price reported in the active market in which the individual securities are traded.

Money market mutual fund: Valued at the net asset value of shares held by the Plan at year-end.

The preceding methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(9) Fair Value Hierarchy and Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2010 and 2009:

		Fair Value Measurements at Reporting Date Using		
	Fair Value December 31, 2010	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate bonds	$ 8,483,168	-	8,483,168	-
Common stock:				
Domestic	21,092,721	21,092,721	-	-
Foreign	9,026,962	9,026,962	-	-
Mutual funds:				
Domestic	8,780,189	8,780,189	-	-
U.S. government securities	10,331,051	-	10,331,051	-
Money market mutual fund	2,587,313	-	2,587,313	-
	$ 60,301,404	38,899,872	21,401,532	-

		Fair Value Measurements at Reporting Date Using		
	Fair Value December 31, 2009	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate bonds	$ 8,021,892	-	8,021,892	-
Common stock:				
Domestic	16,190,112	16,190,112	-	-
Foreign	8,979,426	8,979,426	-	-
Mutual funds:				
Domestic	7,254,157	7,254,157	-	-
U.S. government securities	10,027,258	-	10,027,258	-
Money market mutual funds	5,390,766	-	5,390,766	-
	$ 55,863,611	32,423,695	23,439,916	-

Brazos Electric Power Cooperative, Inc.
Pension Plan

Notes to Financial Statements
(Continued)

(10) Subsequent Event

The Plan has evaluated subsequent events from the balance sheet date through October 12, 2011, the date at which the financial statements were available to be issued, and determined there are no items to disclose.

Supplemental Information

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2010

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Corporate Bonds			
	AT&T Inc	5.50% interest, due 2/1/18	$ 355,014	395,474
	Bank Of Amer Corp	5.75% interest, due 8/15/16	328,562	337,075
	Bank of America Corp	7.625% interest, due 6/1/19	391,057	385,731
	Boeing Cap Corp	6.10% interest, due 3/1/11	296,745	282,474
	Boeing Cap Corp	6.50% interest, due 2/15/12	71,668	68,988
	Bottling Group	5.50% interest, due 4/1/16	134,804	153,845
	ComcAst Corp	5.70% interest, due 7/1/19	377,972	409,971
	ConocoPhillips	5.625% interest, due 10/15/16	342,179	383,028
	CSX Corp	5.50% interest, due 8/1/13	376,536	370,379
	CVS Caremark Corp	5.75% interest, due 6/1/17	341,656	388,315
	Florida Pwr & Lt	5.85% interest, due 2/1/33	24,942	26,772
	Gen Elec Cap Crp	4.80% interest, due 5/1/13	367,157	384,872
	Goldman Sachs GP Mtn	6.00% interest, due 5/1/14	376,890	400,996
	Hewlett-Packard Co	2.125% interest, due 9/13/15	409,537	404,845
	Household Fin Co	6.375% interest, due 10/15/11	234,849	234,565
	Household Fin Corp	4.75% interest, due 7/15/13	19,917	21,093
	JPMorgan Chase	4.75% interest, due 3/1/15	42,751	42,710
	JPMorgan Chase & Co	3.70% interest, due 1/20/15	337,714	346,687
	Kroger Co	7.50% interest, due 1/15/14	352,408	381,627
	MetLife Inc	7.717% interest, due 2/15/19	427,349	448,122
	Prin Life Inc Fd	5.10% interest, due 4/15/14	24,958	26,962
	Telstra Corp Ltd	6.375% interest, due 4/1/12	22,579	21,162
	Time Warner Cable	5.85% interest, due 5/1/17	394,572	407,266
	Toyota Motor Credit Corp	3.20% interest, due 6/17/15	384,523	397,682
	UnitedHealth Group	5.25% interest, due 3/15/11	295,419	297,500
	Verizon New England	6.50% interest, due 9/15/11	130,330	129,862
	Verizon Wireless	5.55% interest, due 2/1/14	386,242	385,947
	Wells Fargo Co	4.375% interest, due 1/31/13	376,017	396,844
	Barrick Gold Corp	6.95% interest, due 4/1/19	369,178	392,666
	Banc Of America CMO	5.787% interest, due 5/11/35	45,291	47,382
	Cs First Boston CMO	6.133% interest, due 4/15/37	37,833	36,452
	GMAC CMO	4.93% interest, due 7/10/39	36,217	36,735
	JP Morgan Chase CMO	4.275% interest, due 1/12/37	9,762	9,696
	Morgan Stanley CMO	6.39% interest, due 7/15/33	29,181	26,549
	Morgan Stanley CMO	6.66% interest, due 2/15/33	3,456	2,894
			8,155,265	8,483,168

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Common Stock			
	Abercrombie & Fitch Co	974 shares	$ 30,131	56,132
	Agco Corp	626 shares	17,524	31,713
	Agilent Technologies Inc	4,997 shares	147,967	207,026
	Ak Stl Hldg Corp	5,635 shares	107,481	92,245
	Alcoa Inc	11,065 shares	147,920	170,290
	Alere Inc	3,886 shares	115,473	142,228
	Allergan Inc	2,242 shares	135,772	153,958
	Allstate Corp	1,223 shares	37,200	38,989
	Amazon Com Inc	1,439 shares	161,312	259,020
	American Electric Power Inc	4,372 shares	185,217	157,305
	American Express Co	7,613 shares	285,980	326,750
	American Tower Corp	4,933 shares	196,986	254,740
	Ameriprise Financial Inc.	2,884 shares	97,271	165,974
	Anadarko Petroleum Corp	1,437 shares	69,118	109,442
	Apple Computer Inc	1,719 shares	252,677	554,481
	AT&T Inc	6,353 shares	218,505	186,651
	Avis Budget Group	4,405 shares	51,083	68,542
	Baker Hughes Inc	3,637 shares	142,478	207,927
	Bally Technologies Inc	3,811 shares	125,466	160,786
	Brinker Intl Inc	4,928 shares	83,926	102,897
	Brocade Communications Sys Inc	31,724 shares	173,166	167,820
	Ca Inc	3,746 shares	70,504	91,552
	Carefusion Corp	5,347 shares	131,150	137,418
	Cathay General Bancorp	4,834 shares	55,644	80,728
	Cbs Corporation Class B W/I	5,623 shares	83,296	107,118
	Cephalon Inc	1,981 shares	121,381	122,267
	Chevron Corporation	2,965 shares	223,016	270,556
	Citigroup Inc	34,883 shares	155,065	164,997
	Citrix Sys Inc	3,293 shares	195,457	225,274
	Comcast Corp-CI A	8,426 shares	178,499	185,119
	Comerica Inc	2,694 shares	66,850	113,795
	Comstock Res Inc	4,097 shares	140,106	100,622
	Con-Way Inc	2,627 shares	87,017	96,069
	ConocoPhillips	3,669 shares	202,173	249,859
	Constellation Brands Inc	5,580 shares	73,205	123,597
	Cummins Inc	2,233 shares	156,813	245,652
	Curtiss Wright Corp	2,800 shares	90,098	92,960
	CVS Caremark Corp	2,827 shares	83,744	98,295
	Dana Holding	1,638 shares	27,820	28,190
	Dell Inc	8,889 shares	154,349	120,446
	Delta Air Lines Inc	9,918 shares	92,890	124,967

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Devon Energy Corporation New	2,645 shares	$ 166,213	207,659
	Digital Riv Inc	1,952 shares	53,145	67,188
	DirecTV-CI A	3,600 shares	146,518	143,748
	Disney Walt Co	7,006 shares	226,673	262,795
	E M C Corp Mass	5,873 shares	96,360	134,492
	Eaton Corp	2,363 shares	179,982	239,868
	Emerson Electric Co	3,626 shares	198,588	207,298
	Energizer Hldgs Inc	1,089 shares	66,842	79,388
	Enersys	2,550 shares	60,313	81,906
	Express Scripts Inc	3,122 shares	139,770	168,744
	F5 Networks Inc	1,157 shares	91,303	150,595
	Ford Motor Co Del "New"	16,413 shares	157,271	275,574
	GameStop Corp-A	4,512 shares	116,237	103,235
	Gap Inc	6,730 shares	122,949	149,002
	Gaylord Entertainment Co	2,665 shares	78,035	95,780
	General Cable Corp Del	2,071 shares	50,503	72,671
	General Electric Co	8,196 shares	214,287	149,905
	Google Inc-CI-A	293 shares	180,569	174,033
	Hain Celestial Group Inc	2,935 shares	45,834	79,421
	Halliburton Co	4,321 shares	175,784	176,426
	Hologic Inc	20,629 shares	347,228	388,238
	Home Depot Inc	5,959 shares	153,390	208,923
	Honeywell Intl Inc	4,300 shares	190,028	228,588
	Intel Corp	8,373 shares	153,789	176,084
	International Business Machines Corp	1,456 shares	152,244	213,683
	J P Morgan Chase & Co	5,643 shares	238,231	239,376
	Janus Capital Group Inc	21,656 shares	241,346	280,878
	Juniper Networks Inc	5,301 shares	145,263	195,713
	Kansas City Southn Inds Inc	1,702 shares	41,886	81,458
	Keycorp New	18,727 shares	113,789	165,734
	Kimberly Clark Corp	2,593 shares	165,637	163,463
	King Pharmaceuticals Inc	6,381 shares	71,603	89,653
	Kohl's Corp	2,444 shares	135,154	132,807
	Kraft Foods Inc-A	6,653 shares	197,406	209,636
	Lamar Advertising Co	3,195 shares	91,587	127,289
	Landstar Sys Inc	3,907 shares	150,605	159,953
	Leap Wireless	13,639 shares	154,178	167,214
	Lennar Corp	8,299 shares	90,873	155,606
	Lincoln Natl Corp	7,321 shares	168,663	203,597
	Macy S Inc	6,429 shares	137,638	162,654
	Manitowoc Company Inc	2,928 shares	38,506	38,386
	Marriott International Inc	4,401 shares	145,927	182,818
	Marshall and Ilsley Corp	16,774 shares	111,879	116,076

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Masco Corp	10,442 shares	$ 118,334	132,196
	Mbia Inc	7,323 shares	41,383	87,803
	MeadWestvaco Corp	4,869 shares	131,240	127,373
	Monster Worldwide Inc	6,450 shares	92,458	152,413
	Morgan Stanley	5,628 shares	163,545	153,138
	Motorola Inc	19,822 shares	196,386	179,786
	Myriad Genetics Inc	3,587 shares	67,787	81,927
	Navistar Intl Corp New	1,378 shares	61,570	79,800
	Netapp Inc	2,556 shares	90,208	140,478
	Newfield Expl Co	2,154 shares	109,861	155,325
	Nii Holdings Inc CL B	4,319 shares	126,236	192,887
	Occidental Pete Corp	2,236 shares	172,943	219,352
	Opnext Inc	23,808 shares	69,317	41,902
	Oracle Corporation	9,858 shares	259,793	308,555
	Owens III Inc	8,872 shares	212,414	272,370
	Paetec Holding Corp	27,318 shares	108,918	102,169
	Penn Natl Gaming Inc	1,629 shares	58,180	57,259
	Petrohawk Energy Corp	8,076 shares	163,071	147,387
	Pfizer Inc	11,186 shares	238,974	195,867
	Pharmaceutical Prod Dev Inc	5,332 shares	109,382	144,710
	Pinnacle Entertainment Inc	7,784 shares	99,110	109,132
	Pmc-Sierra Inc	11,839 shares	83,369	101,697
	Precision Castparts Corp	1,446 shares	187,716	201,298
	Priceline.Com Inc	489 shares	83,975	195,380
	Qualcomm Inc	4,162 shares	203,683	205,977
	Range Res Corp Com	2,289 shares	87,908	102,959
	Regions Financial Corp New	16,842 shares	76,961	117,894
	Salesforce.com	931 shares	83,420	122,892
	Savvis Inc	6,438 shares	137,268	164,298
	Sba Communications Corp	2,685 shares	71,283	109,924
	Smithfield Foods Inc	5,441 shares	88,625	112,248
	Sprit Aerosystems Hold CI-A	1,880 shares	39,081	39,123
	Sprint Nextel Corp	22,131 shares	99,972	93,614
	State Street Corp	2,556 shares	103,947	118,445
	Symantec Corporation	4,935 shares	78,618	82,612
	Synovus Finl Corp	58,121 shares	192,541	153,439
	Tenet Healthcare Corp	16,227 shares	88,814	108,559
	Terex Corp New	4,980 shares	103,154	154,579
	Textron Inc	7,605 shares	150,267	179,782
	Time Warner Inc	3,643 shares	130,184	117,195
	Travelers Companies Inc	4,411 shares	215,291	245,737
	Union Pac Corp	1,998 shares	180,716	185,135
	United States Steel Corp	2,575 shares	99,860	150,431

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	UnitedHealth Group Inc	4,704 shares	$ 158,395	169,861
	Valero Energy Corp	3,487 shares	86,392	80,619
	Valueclick Inc	7,208 shares	94,194	115,544
	Varian Medical Systems Inc	1,433 shares	61,098	99,278
	VMware Inc	2,237 shares	182,647	198,892
	Walter Energy Inc	621 shares	56,402	79,389
	Waste Mgmt Inc Del	2,347 shares	77,999	86,534
	Watson Pharmaceuticals Inc	3,302 shares	94,267	170,548
	Wet Seal Inc CI-A	24,782 shares	91,563	91,693
	Wright Medical Group Inc	6,026 shares	99,817	93,584
	Yahoo Inc	7,102 shares	111,620	118,106
	Zion's Bancorpation	5,847 shares	111,745	141,673
	Aeon Company Ltd Adr	7,354 shares	70,375	92,124
	Agrium Inc	1,190 shares	88,686	109,182
	Allianz SE Spons Adr	13,924 shares	243,739	166,175
	Asahi Glass Co LTD-UNSP ADR	12,319 shares	133,073	144,143
	AstraZeneca Plc Adr	3,524 shares	148,505	162,774
	Au Optonics Corp Spons Adr	13,035 shares	118,649	135,825
	Aviva Plc Spns Adr	4,825 shares	55,584	59,878
	Bae Sys Plc Spons Adr	5,206 shares	114,668	107,591
	Baidu Inc Spons Adr	1,437 shares	109,624	138,714
	Banco Do Brasil Spons Adr	4,256 shares	73,067	80,556
	Bank of China-UNSPN ADR	3,245 shares	42,007	42,787
	Barclays Plc Adr	6,392 shares	197,853	105,596
	Basf SE Spons Adr	750 shares	41,800	60,380
	Bayer A Gadrmodel	1,805 shares	99,339	133,303
	Bhp Billiton Plc Spons Adr	1,305 shares	78,595	105,052
	Bnp Paribas Adr	4,412 shares	216,935	140,899
	BP Amoco Plc	4,821 shares	207,739	212,944
	British Amern tob Plc Spns Adr	1,013 shares	66,078	78,710
	China Pete & Chem Corp	407 shares	32,824	38,946
	Cia Saneamento Basico De Adr	975 shares	37,916	51,558
	CIE GEN Geophysique-SP ADR	1,311 shares	27,693	40,103
	Daimlerchrysler Ag Ord	2,438 shares	116,549	164,760
	Danske Bank A/S Adr	8,465 shares	107,478	108,958
	Delhaize Group Adr	1,710 shares	119,822	126,044
	E On Ag Spons Adr	6,163 shares	241,287	189,046
	East Japan Railway Co-Adr	4,241 shares	45,379	46,107
	EDF Unspons Adr	9,187 shares	97,821	77,054
	Eni S P A Spon Adr	2,056 shares	114,752	89,929
	Ensco Plc Spons Adr	3,484 shares	157,104	185,976
	Esprit Holdings Spons Adr	9,241 shares	125,774	87,968

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Flextronics Intl Ltd	18,084 shares	$ 152,152	141,959
	France Telecom Adr	4,846 shares	122,750	102,154
	Fujitsu Ltd Unspons Adr	1,400 shares	45,980	48,764
	Gazprom Spon Adr	4,456 shares	104,040	111,400
	Imperial Tobacco Group Plc-Spsd Adr	2,432 shares	144,393	149,870
	Itau Unibanco Holding Spons Adr	6,056 shares	105,506	145,405
	Kb Financial Group Inc Spons Adr	2,584 shares	162,170	136,668
	Kddi Corp Unspons Adr	1,626 shares	83,070	94,026
	Kon Dsm Nv-Adr	4,682 shares	63,279	66,902
	Konami Corp-Adr	1,662 shares	31,659	35,384
	Koninklijke Ahold Spons Adr	2,742 shares	35,126	36,329
	Lyondellbasell INDU-CL A	3,584 shares	94,939	123,290
	Marks & Spencer Plc-Adr	3,191 shares	40,468	36,870
	Mitsubishi Corp Spns Adr	3,035 shares	153,883	164,501
	Mitsui & Co Ltd Spons Adr	391 shares	110,539	128,139
	Muenchener Unspons Adr	4,953 shares	74,736	75,344
	Nabors Industries Ltd.	5,081 shares	108,169	119,200
	National Australia Bk Ltd Spons Adr	5,678 shares	90,165	137,940
	New World De Spons Adr	12,896 shares	53,385	48,441
	Nexen Inc	5,260 shares	121,610	120,454
	Nippon Teleg & Tel Corp Spons Adr	6,108 shares	148,761	140,118
	Nissan Mtr Ltd Adr	9,721 shares	182,061	185,299
	Novartis Ag Sponsored Adr	3,064 shares	155,697	180,623
	Oil Co Lukoil Spons Adr	500 shares	33,621	28,200
	Old Mutual Plc Spons Adr	2,406 shares	36,070	37,097
	Orix Corp Spons Adr	2,716 shares	94,043	132,128
	Penn West Energy	3,225 shares	64,927	77,142
	Rio Tinto Plc Spnsd Adr	3,362 shares	182,295	240,921
	Royal Dutch-Adr A	3,624 shares	269,433	242,011
	Sanofi Aventis Adr	4,171 shares	169,073	134,431
	Seagate Technology	7,834 shares	108,294	117,745
	Sharp Corp	13,394 shares	183,460	138,226
	Societe Generale-Spons Adr	11,092 shares	235,902	119,698
	Sony Corp Adr	4,340 shares	161,361	154,981
	Sumitomo Corp Spons Adr	2,745 shares	38,790	38,888
	Sumitomo Mitsui-Spons ADR	15,229 shares	204,852	108,278
	Suncor Energy Inc	2,480 shares	82,662	94,959
	Telecom Italia Spa-Spon Adr	10,467 shares	141,303	135,443
	Telstra Corp Adr (Final)	2,880 shares	39,661	41,183
	Toyota Mtr Corp Spnsd Adr	1,549 shares	122,155	121,798
	Turkiye Garanti Bankasi Spons Adr	11,553 shares	54,523	58,703
	Tyco Electronics Ltd	6,617 shares	179,934	234,242
	Tyco International Ltd	4,296 shares	169,673	178,026

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	UBS Ag	2,284 shares	$ 37,650	37,617
	Vale S.A. Adr	5,552 shares	143,574	167,781
	Vivendi-Spons Adr	4,444 shares	131,279	120,429
	Vodafone Group Adr	7,934 shares	192,625	209,775
	Xstrata Plc Unspons Adr	43,911 shares	146,921	207,005
	Yue Yuen Industrial Unpons Adr	2,119 shares	30,754	37,999
			26,649,746	30,119,683
	Mutual Funds			
	Vanguard 500 Index Fund-Sign	87,004 shares	8,703,812	8,324,533
	Ishares Msci Japan	7,536 shares	76,912	82,218
	Spdr Dj Wilshire Intl Real Estate	2,101 shares	72,757	81,792
	Chimera Investment Corp Reit	24,871 shares	89,550	102,220
	Diamondrock Hospital	6,651 shares	61,967	79,812
	Prologis	7,591 shares	89,395	109,614
			9,094,393	8,780,189
	U.S. Government Securities			
	U.S. Treasury Notes	0.625% interest, due 7/31/12	747,299	747,034
	U.S. Treasury Notes	1.00% interest, due 7/15/13	2,191,625	2,185,701
	U.S. Treasury Notes	1.875% interest, due 6/30/15	1,138,534	1,114,422
	U.S. Treasury Notes	3.50% interest, due 5/15/20	101,805	102,438
	U.S. Treasury Notes	2.75% interest, due 2/15/19	1,061,800	1,080,885
	U.S. Treasury Notes	3.125% interest, due 1/31/17	568,156	550,703
	U.S. Treasury TIPS	1.25% interest, due 7/15/20	399,764	380,555
	FNMA	1.50% interest, due 6/26/13	1,723,580	1,734,581
	FNMA	2.375% interest, due 7/28/15	838,908	821,391
	FHLMC Gd Pl #a64142	6.00% interest, due 8/1/37	301,809	331,605
	FHLMC Gd Pl #g02422	6.00% interest, due 12/1/36	26,739	28,916
	FNMA Pl #899717	6.00% interest, due 9/1/37	508,126	521,551
	FHLB	5.00% interest, due 11/17/17	652,552	731,269
			10,260,697	10,331,051
	Money Market Mutual Fund			
	Northern Instl Diversified Assets-SW	2,587,313 shares	2,587,313	2,587,313
			$ 56,747,414	60,301,404

* *Represents a party-in-interest to the Plan.*

See accompanying independent auditors' report.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4j - Schedule of Reportable Transactions

Year Ended December 31, 2010

Employer identification number: 74-0524729
Plan Number: 001

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
First State Trust Company	Northern Instl Diversified Assets - SW 689 Purchases	$ 20,634,398	-	-	20,634,398	-
First State Trust Company	Prime Obligation Fd Cl C#234 35 purchases	1,263,851	-	-	1,263,851	-
First State Trust Company	U.S. Treasury Notes, 1.375% interest, due 02/15/13 1 purchase	1,925,315	-	-	1,925,315	-
First State Trust Company	U.S. Treasury Notes, 2.25% interest, due 01/31/15 2 purchases	2,062,516	-	-	2,062,516	-
First State Trust Company	Northern Instl Diversified Assets - SW 362 sales	-	18,047,084	18,047,084	-	-
First State Trust Company	Prime Obligation Fd Cl C#234 31 sales	-	6,654,618	6,654,618	-	-
First State Trust Company	U.S. Treasury Notes, 1.375% interest, due 02/15/13 2 sales	-	1,935,196	1,925,315	-	9,881
First State Trust Company	U.S. Treasury Notes, 2.25% interest, due 01/31/15 5 sales	-	2,132,357	2,062,516	-	69,841

See accompanying independent auditors' report.

Schedule SB, Line 26 – Schedule of Active Participant Data
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

	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	2		0		0		0		0		0		0		0		0		0	
25 - 29	0		3		3		0		0		0		0		0		0		0	
30 - 34	2		6		11		4		0		0		0		0		0		0	
35 - 39	1		7		12		5		1		0		0		0		0		0	
40 - 44	1		10		6		5		6		4		0		0		0		0	
45 - 49	3		9		7		9		7		14		6		0		0		0	
50 - 54	1		7		9		6		7		22		11		0		0		0	
55 - 59	2		1		5		4		2		5		8		6		1		0	
60 - 64	0		0		2		5		2		10		7		9		1		0	
65 - 69	0		1		0		2		1		0		0		0		0		0	
70 & Over	0		0		0		0		0		0		0		0		0		0	

Schedule SB, Line 32 – Schedule of Amortization of Bases
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1 Shortfall	01/01/2010	6,259,962	7	6,259,962	1,046,208
Total		6,259,962		6,259,962	1,046,208

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2010

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Corporate Bonds			
	AT&T Inc	5.50% interest, due 2/1/18	$ 355,014	395,474
	Bank Of Amer Corp	5.75% interest, due 8/15/16	328,562	337,075
	Bank of America Corp	7.625% interest, due 6/1/19	391,057	385,731
	Boeing Cap Corp	6.10% interest, due 3/1/11	296,745	282,474
	Boeing Cap Corp	6.50% interest, due 2/15/12	71,668	68,988
	Bottling Group	5.50% interest, due 4/1/16	134,804	153,845
	ComcAst Corp	5.70% interest, due 7/1/19	377,972	409,971
	ConocoPhillips	5.625% interest, due 10/15/16	342,179	383,028
	CSX Corp	5.50% interest, due 8/1/13	376,536	370,379
	CVS Caremark Corp	5.75% interest, due 6/1/17	341,656	388,315
	Florida Pwr & Lt	5.85% interest, due 2/1/33	24,942	26,772
	Gen Elec Cap Crp	4.80% interest, due 5/1/13	367,157	384,872
	Goldman Sachs GP Mtn	6.00% interest, due 5/1/14	376,890	400,996
	Hewlett-Packard Co	2.125% interest, due 9/13/15	409,537	404,845
	Household Fin Co	6.375% interest, due 10/15/11	234,849	234,565
	Household Fin Corp	4.75% interest, due 7/15/13	19,917	21,093
	JPMorgan Chase	4.75% interest, due 3/1/15	42,751	42,710
	JPMorgan Chase & Co	3.70% interest, due 1/20/15	337,714	346,687
	Kroger Co	7.50% interest, due 1/15/14	352,408	381,627
	MetLife Inc	7.717% interest, due 2/15/19	427,349	448,122
	Prin Life Inc Fd	5.10% interest, due 4/15/14	24,958	26,962
	Telstra Corp Ltd	6.375% interest, due 4/1/12	22,579	21,162
	Time Warner Cable	5.85% interest, due 5/1/17	394,572	407,266
	Toyota Motor Credit Corp	3.20% interest, due 6/17/15	384,523	397,682
	UnitedHealth Group	5.25% interest, due 3/15/11	295,419	297,500
	Verizon New England	6.50% interest, due 9/15/11	130,330	129,862
	Verizon Wireless	5.55% interest, due 2/1/14	386,242	385,947
	Wells Fargo Co	4.375% interest, due 1/31/13	376,017	396,844
	Barrick Gold Corp	6.95% interest, due 4/1/19	369,178	392,666
	Banc Of America CMO	5.787% interest, due 5/11/35	45,291	47,382
	Cs First Boston CMO	6.133% interest, due 4/15/37	37,833	36,452
	GMAC CMO	4.93% interest, due 7/10/39	36,217	36,735
	JP Morgan Chase CMO	4.275% interest, due 1/12/37	9,762	9,696
	Morgan Stanley CMO	6.39% interest, due 7/15/33	29,181	26,549
	Morgan Stanley CMO	6.66% interest, due 2/15/33	3,456	2,894
			8,155,265	8,483,168

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Common Stock			
	Abercrombie & Fitch Co	974 shares	$ 30,131	56,132
	Agco Corp	626 shares	17,524	31,713
	Agilent Technologies Inc	4,997 shares	147,967	207,026
	Ak Stl Hldg Corp	5,635 shares	107,481	92,245
	Alcoa Inc	11,065 shares	147,920	170,290
	Alere Inc	3,886 shares	115,473	142,228
	Allergan Inc	2,242 shares	135,772	153,958
	Allstate Corp	1,223 shares	37,200	38,989
	Amazon Com Inc	1,439 shares	161,312	259,020
	American Electric Power Inc	4,372 shares	185,217	157,305
	American Express Co	7,613 shares	285,980	326,750
	American Tower Corp	4,933 shares	196,986	254,740
	Ameriprise Financial Inc.	2,884 shares	97,271	165,974
	Anadarko Petroleum Corp	1,437 shares	69,118	109,442
	Apple Computer Inc	1,719 shares	252,677	554,481
	AT&T Inc	6,353 shares	218,505	186,651
	Avis Budget Group	4,405 shares	51,083	68,542
	Baker Hughes Inc	3,637 shares	142,478	207,927
	Bally Technologies Inc	3,811 shares	125,466	160,786
	Brinker Intl Inc	4,928 shares	83,926	102,897
	Brocade Communications Sys Inc	31,724 shares	173,166	167,820
	Ca Inc	3,746 shares	70,504	91,552
	Carefusion Corp	5,347 shares	131,150	137,418
	Cathay General Bancorp	4,834 shares	55,644	80,728
	Cbs Corporation Class B W/I	5,623 shares	83,296	107,118
	Cephalon Inc	1,981 shares	121,381	122,267
	Chevron Corporation	2,965 shares	223,016	270,556
	Citigroup Inc	34,883 shares	155,065	164,997
	Citrix Sys Inc	3,293 shares	195,457	225,274
	Comcast Corp-CI A	8,426 shares	178,499	185,119
	Comerica Inc	2,694 shares	66,850	113,795
	Comstock Res Inc	4,097 shares	140,106	100,622
	Con-Way Inc	2,627 shares	87,017	96,069
	ConocoPhillips	3,669 shares	202,173	249,859
	Constellation Brands Inc	5,580 shares	73,205	123,597
	Cummins Inc	2,233 shares	156,813	245,652
	Curtiss Wright Corp	2,800 shares	90,098	92,960
	CVS Caremark Corp	2,827 shares	83,744	98,295
	Dana Holding	1,638 shares	27,820	28,190
	Dell Inc	8,889 shares	154,349	120,446
	Delta Air Lines Inc	9,918 shares	92,890	124,967

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Devon Energy Corporation New	2,645 shares	$ 166,213	207,659
	Digital Riv Inc	1,952 shares	53,145	67,188
	DirecTV-CI A	3,600 shares	146,518	143,748
	Disney Walt Co	7,006 shares	226,673	262,795
	E M C Corp Mass	5,873 shares	96,360	134,492
	Eaton Corp	2,363 shares	179,982	239,868
	Emerson Electric Co	3,626 shares	198,588	207,298
	Energizer Hldgs Inc	1,089 shares	66,842	79,388
	Enersys	2,550 shares	60,313	81,906
	Express Scripts Inc	3,122 shares	139,770	168,744
	F5 Networks Inc	1,157 shares	91,303	150,595
	Ford Motor Co Del "New"	16,413 shares	157,271	275,574
	GameStop Corp-A	4,512 shares	116,237	103,235
	Gap Inc	6,730 shares	122,949	149,002
	Gaylord Entertainment Co	2,665 shares	78,035	95,780
	General Cable Corp Del	2,071 shares	50,503	72,671
	General Electric Co	8,196 shares	214,287	149,905
	Google Inc-CI-A	293 shares	180,569	174,033
	Hain Celestial Group Inc	2,935 shares	45,834	79,421
	Halliburton Co	4,321 shares	175,784	176,426
	Hologic Inc	20,629 shares	347,228	388,238
	Home Depot Inc	5,959 shares	153,390	208,923
	Honeywell Intl Inc	4,300 shares	190,028	228,588
	Intel Corp	8,373 shares	153,789	176,084
	International Business Machines Corp	1,456 shares	152,244	213,683
	J P Morgan Chase & Co	5,643 shares	238,231	239,376
	Janus Capital Group Inc	21,656 shares	241,346	280,878
	Juniper Networks Inc	5,301 shares	145,263	195,713
	Kansas City Southn Inds Inc	1,702 shares	41,886	81,458
	Keycorp New	18,727 shares	113,789	165,734
	Kimberly Clark Corp	2,593 shares	165,637	163,463
	King Pharmaceuticals Inc	6,381 shares	71,603	89,653
	Kohl's Corp	2,444 shares	135,154	132,807
	Kraft Foods Inc-A	6,653 shares	197,406	209,636
	Lamar Advertising Co	3,195 shares	91,587	127,289
	Landstar Sys Inc	3,907 shares	150,605	159,953
	Leap Wireless	13,639 shares	154,178	167,214
	Lennar Corp	8,299 shares	90,873	155,606
	Lincoln Natl Corp	7,321 shares	168,663	203,597
	Macy S Inc	6,429 shares	137,638	162,654
	Manitowoc Company Inc	2,928 shares	38,506	38,386
	Marriott International Inc	4,401 shares	145,927	182,818
	Marshall and Ilsley Corp	16,774 shares	111,879	116,076

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Masco Corp	10,442 shares	$ 118,334	132,196
	Mbia Inc	7,323 shares	41,383	87,803
	MeadWestvaco Corp	4,869 shares	131,240	127,373
	Monster Worldwide Inc	6,450 shares	92,458	152,413
	Morgan Stanley	5,628 shares	163,545	153,138
	Motorola Inc	19,822 shares	196,386	179,786
	Myriad Genetics Inc	3,587 shares	67,787	81,927
	Navistar Intl Corp New	1,378 shares	61,570	79,800
	Netapp Inc	2,556 shares	90,208	140,478
	Newfield Expl Co	2,154 shares	109,861	155,325
	Nii Holdings Inc CL B	4,319 shares	126,236	192,887
	Occidental Pete Corp	2,236 shares	172,943	219,352
	Opnext Inc	23,808 shares	69,317	41,902
	Oracle Corporation	9,858 shares	259,793	308,555
	Owens III Inc	8,872 shares	212,414	272,370
	Paetec Holding Corp	27,318 shares	108,918	102,169
	Penn Natl Gaming Inc	1,629 shares	58,180	57,259
	Petrohawk Energy Corp	8,076 shares	163,071	147,387
	Pfizer Inc	11,186 shares	238,974	195,867
	Pharmaceutical Prod Dev Inc	5,332 shares	109,382	144,710
	Pinnacle Entertainment Inc	7,784 shares	99,110	109,132
	Pmc-Sierra Inc	11,839 shares	83,369	101,697
	Precision Castparts Corp	1,446 shares	187,716	201,298
	Priceline.Com Inc	489 shares	83,975	195,380
	Qualcomm Inc	4,162 shares	203,683	205,977
	Range Res Corp Com	2,289 shares	87,908	102,959
	Regions Financial Corp New	16,842 shares	76,961	117,894
	Salesforce.com	931 shares	83,420	122,892
	Savvis Inc	6,438 shares	137,268	164,298
	Sba Communications Corp	2,685 shares	71,283	109,924
	Smithfield Foods Inc	5,441 shares	88,625	112,248
	Sprit Aerosystems Hold CI-A	1,880 shares	39,081	39,123
	Sprint Nextel Corp	22,131 shares	99,972	93,614
	State Street Corp	2,556 shares	103,947	118,445
	Symantec Corporation	4,935 shares	78,618	82,612
	Synovus Finl Corp	58,121 shares	192,541	153,439
	Tenet Healthcare Corp	16,227 shares	88,814	108,559
	Terex Corp New	4,980 shares	103,154	154,579
	Textron Inc	7,605 shares	150,267	179,782
	Time Warner Inc	3,643 shares	130,184	117,195
	Travelers Companies Inc	4,411 shares	215,291	245,737
	Union Pac Corp	1,998 shares	180,716	185,135
	United States Steel Corp	2,575 shares	99,860	150,431

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	UnitedHealth Group Inc	4,704 shares	$ 158,395	169,861
	Valero Energy Corp	3,487 shares	86,392	80,619
	Valueclick Inc	7,208 shares	94,194	115,544
	Varian Medical Systems Inc	1,433 shares	61,098	99,278
	VMware Inc	2,237 shares	182,647	198,892
	Walter Energy Inc	621 shares	56,402	79,389
	Waste Mgmt Inc Del	2,347 shares	77,999	86,534
	Watson Pharmaceuticals Inc	3,302 shares	94,267	170,548
	Wet Seal Inc CI-A	24,782 shares	91,563	91,693
	Wright Medical Group Inc	6,026 shares	99,817	93,584
	Yahoo Inc	7,102 shares	111,620	118,106
	Zion's Bancorpation	5,847 shares	111,745	141,673
	Aeon Company Ltd Adr	7,354 shares	70,375	92,124
	Agrium Inc	1,190 shares	88,686	109,182
	Allianz SE Spons Adr	13,924 shares	243,739	166,175
	Asahi Glass Co LTD-UNSP ADR	12,319 shares	133,073	144,143
	AstraZeneca Plc Adr	3,524 shares	148,505	162,774
	Au Optonics Corp Spons Adr	13,035 shares	118,649	135,825
	Aviva Plc Spns Adr	4,825 shares	55,584	59,878
	Bae Sys Plc Spons Adr	5,206 shares	114,668	107,591
	Baidu Inc Spons Adr	1,437 shares	109,624	138,714
	Banco Do Brasil Spons Adr	4,256 shares	73,067	80,556
	Bank of China-UNSPN ADR	3,245 shares	42,007	42,787
	Barclays Plc Adr	6,392 shares	197,853	105,596
	Basf SE Spons Adr	750 shares	41,800	60,380
	Bayer A Gadrmodel	1,805 shares	99,339	133,303
	Bhp Billiton Plc Spons Adr	1,305 shares	78,595	105,052
	Bnp Paribas Adr	4,412 shares	216,935	140,899
	BP Amoco Plc	4,821 shares	207,739	212,944
	British Amern tob Plc Spns Adr	1,013 shares	66,078	78,710
	China Pete & Chem Corp	407 shares	32,824	38,946
	Cia Saneamento Basico De Adr	975 shares	37,916	51,558
	CIE GEN Geophysique-SP ADR	1,311 shares	27,693	40,103
	Daimlerchrysler Ag Ord	2,438 shares	116,549	164,760
	Danske Bank A/S Adr	8,465 shares	107,478	108,958
	Delhaize Group Adr	1,710 shares	119,822	126,044
	E On Ag Spons Adr	6,163 shares	241,287	189,046
	East Japan Railway Co-Adr	4,241 shares	45,379	46,107
	EDF Unspons Adr	9,187 shares	97,821	77,054
	Eni S P A Spon Adr	2,056 shares	114,752	89,929
	Ensco Plc Spons Adr	3,484 shares	157,104	185,976
	Esprit Holdings Spons Adr	9,241 shares	125,774	87,968

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Flextronics Intl Ltd	18,084 shares	$ 152,152	141,959
	France Telecom Adr	4,846 shares	122,750	102,154
	Fujitsu Ltd Unspons Adr	1,400 shares	45,980	48,764
	Gazprom Spon Adr	4,456 shares	104,040	111,400
	Imperial Tobacco Group Plc-Spsd Adr	2,432 shares	144,393	149,870
	Itau Unibanco Holding Spons Adr	6,056 shares	105,506	145,405
	Kb Financial Group Inc Spons Adr	2,584 shares	162,170	136,668
	Kddi Corp Unspons Adr	1,626 shares	83,070	94,026
	Kon Dsm Nv-Adr	4,682 shares	63,279	66,902
	Konami Corp-Adr	1,662 shares	31,659	35,384
	Koninklijke Ahold Spons Adr	2,742 shares	35,126	36,329
	Lyondellbasell INDU-CL A	3,584 shares	94,939	123,290
	Marks & Spencer Plc-Adr	3,191 shares	40,468	36,870
	Mitsubishi Corp Spns Adr	3,035 shares	153,883	164,501
	Mitsui & Co Ltd Spons Adr	391 shares	110,539	128,139
	Muenchener Unspons Adr	4,953 shares	74,736	75,344
	Nabors Industries Ltd.	5,081 shares	108,169	119,200
	National Australia Bk Ltd Spons Adr	5,678 shares	90,165	137,940
	New World De Spons Adr	12,896 shares	53,385	48,441
	Nexen Inc	5,260 shares	121,610	120,454
	Nippon Teleg & Tel Corp Spons Adr	6,108 shares	148,761	140,118
	Nissan Mtr Ltd Adr	9,721 shares	182,061	185,299
	Novartis Ag Sponsored Adr	3,064 shares	155,697	180,623
	Oil Co Lukoil Spons Adr	500 shares	33,621	28,200
	Old Mutual Plc Spons Adr	2,406 shares	36,070	37,097
	Orix Corp Spons Adr	2,716 shares	94,043	132,128
	Penn West Energy	3,225 shares	64,927	77,142
	Rio Tinto Plc Spnsd Adr	3,362 shares	182,295	240,921
	Royal Dutch-Adr A	3,624 shares	269,433	242,011
	Sanofi Aventis Adr	4,171 shares	169,073	134,431
	Seagate Technology	7,834 shares	108,294	117,745
	Sharp Corp	13,394 shares	183,460	138,226
	Societe Generale-Spons Adr	11,092 shares	235,902	119,698
	Sony Corp Adr	4,340 shares	161,361	154,981
	Sumitomo Corp Spons Adr	2,745 shares	38,790	38,888
	Sumitomo Mitsui-Spons ADR	15,229 shares	204,852	108,278
	Suncor Energy Inc	2,480 shares	82,662	94,959
	Telecom Italia Spa-Spon Adr	10,467 shares	141,303	135,443
	Telstra Corp Adr (Final)	2,880 shares	39,661	41,183
	Toyota Mtr Corp Spnsd Adr	1,549 shares	122,155	121,798
	Turkiye Garanti Bankasi Spons Adr	11,553 shares	54,523	58,703
	Tyco Electronics Ltd	6,617 shares	179,934	234,242
	Tyco International Ltd	4,296 shares	169,673	178,026

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
(Continued)

Employer identification number: 74-0524729
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	UBS Ag	2,284 shares	$ 37,650	37,617
	Vale S.A. Adr	5,552 shares	143,574	167,781
	Vivendi-Spons Adr	4,444 shares	131,279	120,429
	Vodafone Group Adr	7,934 shares	192,625	209,775
	Xstrata Plc Unspons Adr	43,911 shares	146,921	207,005
	Yue Yuen Industrial Unpons Adr	2,119 shares	30,754	37,999
			26,649,746	30,119,683
	Mutual Funds			
	Vanguard 500 Index Fund-Sign	87,004 shares	8,703,812	8,324,533
	Ishares Msci Japan	7,536 shares	76,912	82,218
	Spdr Dj Wilshire Intl Real Estate	2,101 shares	72,757	81,792
	Chimera Investment Corp Reit	24,871 shares	89,550	102,220
	Diamondrock Hospital	6,651 shares	61,967	79,812
	Prologis	7,591 shares	89,395	109,614
			9,094,393	8,780,189
	U.S. Government Securities			
	U.S. Treasury Notes	0.625% interest, due 7/31/12	747,299	747,034
	U.S. Treasury Notes	1.00% interest, due 7/15/13	2,191,625	2,185,701
	U.S. Treasury Notes	1.875% interest, due 6/30/15	1,138,534	1,114,422
	U.S. Treasury Notes	3.50% interest, due 5/15/20	101,805	102,438
	U.S. Treasury Notes	2.75% interest, due 2/15/19	1,061,800	1,080,885
	U.S. Treasury Notes	3.125% interest, due 1/31/17	568,156	550,703
	U.S. Treasury TIPS	1.25% interest, due 7/15/20	399,764	380,555
	FNMA	1.50% interest, due 6/26/13	1,723,580	1,734,581
	FNMA	2.375% interest, due 7/28/15	838,908	821,391
	FHLMC Gd Pl #a64142	6.00% interest, due 8/1/37	301,809	331,605
	FHLMC Gd Pl #g02422	6.00% interest, due 12/1/36	26,739	28,916
	FNMA Pl #899717	6.00% interest, due 9/1/37	508,126	521,551
	FHLB	5.00% interest, due 11/17/17	652,552	731,269
			10,260,697	10,331,051
	Money Market Mutual Fund			
	Northern Instl Diversified Assets-SW	2,587,313 shares	2,587,313	2,587,313
			$ 56,747,414	60,301,404

* *Represents a party-in-interest to the Plan.*

See accompanying independent auditors' report.

Brazos Electric Power Cooperative, Inc.
Pension Plan

Schedule H, Line 4j - Schedule of Reportable Transactions

Year Ended December 31, 2010

Employer identification number: 74-0524729
Plan Number: 001

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
First State Trust Company	Northern Instl Diversified Assets - SW 689 Purchases	$ 20,634,398	-	-	20,634,398	-
First State Trust Company	Prime Obligation Fd Cl C#234 35 purchases	1,263,851	-	-	1,263,851	-
First State Trust Company	U.S. Treasury Notes, 1.375% interest, due 02/15/13 1 purchase	1,925,315	-	-	1,925,315	-
First State Trust Company	U.S. Treasury Notes, 2.25% interest, due 01/31/15 2 purchases	2,062,516	-	-	2,062,516	-
First State Trust Company	Northern Instl Diversified Assets - SW 362 sales	-	18,047,084	18,047,084	-	-
First State Trust Company	Prime Obligation Fd Cl C#234 31 sales	-	6,654,618	6,654,618	-	-
First State Trust Company	U.S. Treasury Notes, 1.375% interest, due 02/15/13 2 sales	-	1,935,196	1,925,315	-	9,881
First State Trust Company	U.S. Treasury Notes, 2.25% interest, due 01/31/15 5 sales	-	2,132,357	2,062,516	-	69,841

See accompanying independent auditors' report.

Schedule SB – Statement by Enrolled Actuary
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Valuation Date	January 1, 2010
Enrolled Actuary	Steven C. Erickson
Enrollment Number	11-04118

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.

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

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **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

Brazos Electric Power Cooperative, Inc. Pension Plan

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

Brazos Electric Power Cooperative, Inc.

D Employer Identification Number (EIN)

74-0524729

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2010

2	Assets:			
	a Market value		**2a**	56,089,422
	b Actuarial value		**2b**	58,205,206
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	125	27,604,914
	b For terminated vested participants	**3b**	78	4,151,576
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		1,407,984
	(2) Vested benefits	**3c(2)**		31,300,694
	(3) Total active	**3c(3)**	281	32,708,678
	d Total	**3d**	484	64,465,168
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**	6.61 %
6	Target normal cost		**6**	2,320,123

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 C. Erickson

Signature of actuary

10/12/2011

Date

Steven C. Erickson

Type or print name of actuary

11-04118

Most recent enrollment number

Towers Watson Delaware Inc.

Firm name

(214)530-4200

Telephone number (including area code)

500 N. Akard Street, Suite 4100

Dallas TX 75201

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 [ ]

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)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of 22.38 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		1,550,221
	b Interest on (a) using prior year's effective rate of 8.10 %		125,568
	c Total available at beginning of current plan year to add to prefunding balance		1,675,789
	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)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	90.28 %
15	Adjusted funding target attainment percentage	15	90.28 %
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	105.51 %
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
09/15/2011	4,454,635				
			Totals ▶ 18(b)	4,454,635	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	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	3,993,937

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.60 %	6.65 %	6.76 %	☐ N/A, full yield curve used

b Applicable month (enter code)	21b	0
22 Weighted average retirement age	22	62

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	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
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		2,320,123
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		6,259,962	1,046,208
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		3,366,331

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	0	0	0

36 Additional cash requirement (item 34 minus item 35)	36	3,366,331
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	3,993,937
38 Interest-adjusted excess contributions for current year (see instructions)	38	627,606
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, Part V – Summary of principal plan provisions
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Plan Sponsor

Brazos Electric Power Cooperative, Inc.

Effective Date and Most Recent Amendment

The plan was originally effective January 1, 1960. The plan was amended and restated effective January 1, 2009.

Plan Year

The twelve-month period ending December 31, 2010.

Coverage and Participation

Includes all employees who were participants in the superseded plan as of September 30, 1990, and all other employees on the later of the following dates: (a) October 1, 1990; or, (b) the date the employee has attained age 21 and either (1) the first anniversary of his date of hire if the employee completes 1,000 hours of service during the 12-month period following his date of hire or (2) the January 1 next following the first plan year during which he completes 1,000 hours of service.

The plan is closed to all employees hired after December 31, 2006.

Benefit Accruals

Participants eligible to receive the 6.5% of pay nonmatching contribution in the defined contribution plan have frozen benefit accruals as of December 31, 2007.

Credited Service

Credited service is the sum of (a) the number of years (and months) of pension credit, if any, that the participant had accrued under the superseded plan as of September 30, 1990, plus (b) the period of service computed in completed months from the later of (i) October 1, 1990, and (ii) the date that the employee became a participant in the plan, to the participant's date of termination, excluding any complete months of unpaid absence.

Participants eligible to receive the 6.5% of pay nonmatching contribution in the defined contribution plan have their credited service frozen as of December 31, 2007.

Schedule SB, Part V – Summary of principal plan provisions (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Vesting Service

Vesting service is the sum of (a) the number of "Years of Service Credit," if any, that an employee accrued through December 31, 1990, under the terms of the superseded plan as in effect on September 30, 1990, plus(b) the number of calendar years since January 1, 1990, during which he completed 1,000 hours of service; provided, however, for service prior to October 1, 1990, any hours of service in a month in which an employee was eligible to make employee contributions to the plan but failed to do so will not be counted for determining Vesting service.

Participants eligible to receive the 6.5% of pay nonmatching contribution in the defined contribution plan continue to earn service after December 31, 2007 for the purposes of vesting and eligibility for early retirement benefits.

Final Average Compensation/Salary

Final average monthly compensation is the average monthly rate of compensation from the employer for the 60 successive calendar months out of the 120 successive calendar months immediately preceding the date on which the participant's service terminates, taking into account only those calendar months in which the participant received regular compensation.

Compensation for the plan means compensation actually paid by the employer as reported on the participant's federal income tax withholding statement (Form W-2 or its subsequent equivalent) excluding overtime, reimbursements or other expense allowances, fringe benefits (cash or noncash), moving expenses, deferred compensation, and welfare benefits. In addition, salary deferrals under an Internal Revenue Code Section 125 plan or an Internal Revenue Code Section 401(k) plan are counted as compensation for the plan if such amounts would have otherwise been counted had they not been deferred. Compensation for any 12-month period is limited to $200,000 (indexed beginning in 2002), as required.

Participants eligible to receive the 6.5% of pay nonmatching contribution in the defined contribution plan have their final average monthly compensation frozen as of December 31, 2007.

Schedule SB, Part V – Summary of principal plan provisions (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Normal Retirement Benefit

Normal Retirement Date: Later of age 65 and fifth anniversary of date of participation

Benefit Formula: Based on the following formula:

Group (1): Participants eligible to receive the 6.5% of pay nonmatching contribution:

Monthly benefit: 1.7% of Final Average Monthly Compensation as of December 31, 2007 times Credited Service as of December 31, 2007

Group (2): Participants not eligible to receive the 6.5% of pay nonmatching contribution:

Monthly benefit: 1.7% of Final Average Monthly Compensation times Credited Service as of December 31, 2007

plus

1.2% of Final Average Monthly Compensation times Credited Service earned after December 31, 2007

Normal Form of Benefit: The normal form of payment for benefits earned under the 1.7% formula is joint and 50% contingent with 10 years certain for married participants and 10 years certain and life thereafter for nonmarried participants. The normal form of payment for benefits earned under the 1.2% formula is life only.

Late Retirement

If retirement occurs after the normal retirement date, the late retirement income will be based on the greater of:

a. The plan formula using credited service and final average monthly compensation as of the late retirement date; or

b. The income provided by the single-sum value of the retirement income as of normal retirement date, accumulated with interest to actual retirement.

Schedule SB, Part V – Summary of principal plan provisions (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Early Retirement Benefit

Eligibility: Age 55 and 10 years of service.

Benefit: The participant's accrued benefit is multiplied by the appropriate early retirement factor listed in Tables 1 and 2 below.

Table 1.		Table 2.	
Age	Early Retirement Factor for the benefit earned under the 1.7% benefit multiplier	Age	Early Retirement Factor for the benefit earned under the 1.2% benefit multiplier
65	100%	65	100%
64	98%	64	98%
63	96%	63	96%
62	94%	62	94%
61	92%	61	88%
60	90%	60	82%
59	84%	59	76%
58	78%	58	70%
57	72%	57	64%
56	66%	56	58%
55	60%	55	52%

Disability Benefit

Eligibility: Total and permanent disability of the participant after attaining age 30 and 5 years of vesting service and prior to reaching normal retirement age and the participant applies for benefits within six months after date of termination due to disability.

Disability Benefit: Commencing on the participant's normal retirement date, if he is then living and still disabled, the monthly income, payable in the normal form, shall be calculated according to the retirement benefit formula, assuming that his service with the Cooperative and his monthly rate of basic compensation as of his date of disability continued to his normal retirement date. A maximum of 5 years of credited service will be granted for absence due to disability.

Death of Disabled Participant Prior to Normal Retirement: Prior to normal retirement, disabled participants are entitled to a death benefit identical to the one for active employees. This is determined as if the disabled participant had remained in service until his date of death and his last rate of pay had continued unchanged. A maximum of 5 years of credited service will be granted for absence due to disability.

Schedule SB, Part V – Summary of principal plan provisions (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Vested Benefits Upon Termination of Service

Vesting: A participant is 100% vested upon completion of 5 years of vesting service or attainment of normal retirement age.

Termination Benefit: Vested accrued retirement income payable at normal retirement date in the normal form of payment. Payments may commence on or after the date that the participant turns age 55. If payments commence prior to normal retirement age, the amount will be reduced for early commencement using the actuarial early retirement factors specified in the plan, as shown on Table 3.

Age	Table 3. Percentage of Vested Accrued Retirement Income Payable
65	100.00%
64	92.18%
63	85.26%
62	79.02%
61	73.38%
60	68.30%
59	63.76%
58	59.49%
57	55.70%
56	52.12%
55	49.00%

Death of Terminated Participant Prior to Commencement of Retirement Income: The surviving spouse or beneficiary will be entitled to the monthly retirement income that would have been payable if the terminated participant had survived to his earliest possible early retirement date, retired with his normal form of payment (based on marital status at date of death) and had died immediately after such retirement.

Death Benefits for Participants in Active Service

Eligibility: Completion of 5 years of vesting service.

Benefit for Married Participants: In the event of the death of an active participant who is married at the date of his death, the participant's surviving spouse will be entitled to the monthly income that would have been payable if the participant had (i) terminated employment on his date of death, (ii) survived to his earliest possible retirement date, (iii) retired with the normal form of payment for married participants with reduction for commencement before age 65 determined as if he had both attained age 55 and completed ten years of credited service while an active participant, and (iv) had died immediately after retirement.

Schedule SB, Part V – Summary of principal plan provisions (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Benefit for Single Participants: In the event of the death of an active participant who is not married at the date of his death, the participant's beneficiary will be entitled to the monthly income that would have been payable if the participant had (i) terminated employment on his date of death, (ii) survived to his earliest possible retirement date, (iii) retired with the normal form of payment for participants who are not married with reduction for commencement before age 65 determined as if he had both attained age 55 and completed ten years of credited service while an active participant, and (iv) had died immediately after retirement.

Optional Forms of Retirement Income in Lieu of Normal Form

Optional forms of payment under the plan that may be elected are as follows:

Life Only: An income payable for life (the normal form of payment for benefits accrued under the 1.2% benefit multiplier).

10-Year Certain and Life: A monthly income payable for 10 years certain and for the participant's lifetime thereafter (the normal form of payment for benefits accrued under the 1.7% benefit multiplier for single participants).

Joint and 50% Contingent with 10-years certain: A modified income payable as long as the participant survives. Upon the death of the participant, an income that is 50% of the original amount will be payable during the lifetime of the spouse, with a guarantee that the original amount will be payable for 10 years certain (the normal form of payment for benefits accrued under the 1.7% benefit multiplier for married participants).

Joint and 75% (or 100%) Contingent with 10-years certain: A modified income payable as long as the participant survives. Upon the death of the participant, an income that is 75% (or 100%) of the original amount will be payable during the lifetime of the spouse, with a guarantee that the original amount will be payable for 10 years certain.

Social Security Adjustment Option: A modified monthly income commencing on the participant's early retirement date and continuing for his remaining lifetime. The amount of monthly income will be in a greater amount before the date on which the participant expects to begin receiving Primary Insurance Benefits under the Federal Social Security Act ("his Social Security Commencement Date") and will be reduced after such date so that the initial adjusted monthly income will be as nearly equal as possible to the sum of the participant's reduced monthly income and his Primary Insurance Amount after his Social Security Commencement Date. In the event of the death of the participant within the ten-year period following the date payments commence, the reduced monthly income will be paid to a beneficiary for the remainder of such ten-year period.

Lump-Sum Payment: If the participant’s monthly normal retirement benefit is less than $500, the participant will have the option to elect to receive their benefit as a one-time lump-sum payment.

Schedule SB, Part V – Summary of principal plan provisions (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Pension Increases

All monthly benefits in payment status earned under the 1.7% benefit multiplier will be increased by 1.5% each January 1st as long as the income is payable.

Plan Participants' Contributions

Effective October 1, 1990, employee contributions to the plan were no longer required for participation. Voluntary employee contributions are not permitted under the plan.

Changes in Plan Provisions since Last Actuarial Valuation

None.

Schedule SB, Line 25 – Change in Method
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

In accordance with 1.430(d)-1(g)(3)(ii)(A), automatic approval has been granted for the first plan year for which all the provisions of 1.430(d)-1, 1.430(f)-1, 1.430(g)-1, 1.430(i)-1, and 1.436-1 are reflected of any changes to funding methods permitted by the Pension Protection Act. 2010 is the first plan year for which all of these provisions were reflected, and thus all funding method changes are automatically approved.

Schedule SB, Part V – Statement of actuarial assumptions and methods
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Discount Rates

Current plan year PPA effective interest rate: 6.61%
Prior plan year PPA effective interest rate: 8.10%
3-segment yield curve (24 month average)
Applicable month: January
Transition election: No

Inclusion Date

The valuation date coincident with or next following the date on which the employee becomes a participant. The plan was closed to all employees hired after December 31, 2006.

Plan-related Expenses

The amount included this year for plan-related expenses is $350,000.

Mortality

Statutory optional tables using the blended static table option for smaller plans. For disabled participants, the mortality assumption is in accordance with Revenue Ruling 96-7.

Compensation Increases

For purposes of determining the additional Funding Target for maximum deductible contribution purposes, compensation is assumed to increase by 5.00% per annum.

Disability Rates

70% of Wyatt 1985 Disability Study Class 1 unisex rates.

Schedule SB, Part V – Statement of actuarial assumptions and methods (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age and gender are shown below.

Attained Age	Retirement Rates (per 100 Employees)	
	Males	Females
55	10.0	10.0
56	3.0	3.0
57	3.0	3.0
58	3.0	3.0
59	3.0	3.0
60	5.0	5.0
61	5.0	5.0
62	20.0	20.0
63	10.0	10.0
64	10.0	10.0
65	100.0	100.0

Future Increases in Social Security

For purposes of the determining target normal cost and the additional funding target for maximum deductible contribution purposes, the National Average Wage Index is assumed to increase by 3.50% per annum and the Consumer Price Index is assumed to increase by 3.50% per annum.

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.

Schedule SB, Part V – Statement of actuarial assumptions and methods (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Representative Termination Rates not Due to Disability, Retirement or Mortality

Attained Age	Representative Termination Rates (per 100 employees)	
	Males	Females
20	14.9	24.9
25	9.9	14.9
30	6.9	9.9
35	4.9	6.9
40	2.8	4.9
45	1.7	2.8
50	0.4	1.7
55	0.0	0.4
60	0.0	0.0

Form of Payment

Single participants are assume to elect the life only form of payment. Married participants are assumed to elect the joint and 50% contingent form of payment.

Marriage

80% of eligible participants are assumed to be married and male spouses are assumed to be three years older than female spouses.

Employees

It was assumed that there will be no new or rehired employees.

Plan Compensation

Compensation assumed paid in the current year beginning on the valuation date is the current annual rate of pay.

Schedule SB, Part V – Statement of actuarial assumptions and methods (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Asset Method

Under this method, the valuation assets are equal to the average of three market adjusted asset 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.

Participant Data

Employee data was supplied on electronic format as of the census date by the plan sponsor.

Tax Policy

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

Benefits not Included in Valuation

None.

Schedule SB, Part V – Statement of actuarial assumptions and methods (cont.)
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

Nature of Actuarial Calculations

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 insignificant 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.

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ___

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan Brazos Electric Power Coop Inc. Pension Plan

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1960

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
Brazos Electric Power Cooperative
Inc.

P. O. Box 2585

Waco TX 76702-2585

2b Employer Identification Number (EIN)
74-0524729

2c Sponsor's telephone number
(254)750-6500

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		10-14-11	Lee Ray III
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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") SAME	**3b** Administrator's EIN	
	3c Administrator's telephone number	
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**	484
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**	262
b Retired or separated participants receiving benefits	**6b**	121
c Other retired or separated participants entitled to future benefits	**6c**	83
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	466
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	16
f Total. Add lines **6d** and **6e**	**6f**	482
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**	0
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 1G

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)		**9b** Plan benefit arrangement (check all that apply)	
(1)	☐ Insurance	**(1)**	☐ Insurance
(2)	☐ Code section 412(e)(3) insurance contracts	**(2)**	☐ Code section 412(e)(3) insurance contracts
(3)	☒ Trust	**(3)**	☒ Trust
(4)	☐ General assets of the sponsor	**(4)**	☐ General assets of the sponsor

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		**b General Schedules**		
(1)	☒ **R** (Retirement Plan Information)	**(1)**	☒	**H** (Financial Information)
(2)	☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	**(2)**	☐	**I** (Financial Information – Small Plan)
		(3)	☐ ___	**A** (Insurance Information)
		(4)	☒	**C** (Service Provider Information)
(3)	☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	**(5)**	☐	**D** (DFE/Participating Plan Information)
		(6)	☐	**G** (Financial Transaction Schedules)

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

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **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

Brazos Electric Power Cooperative, Inc. Pension Plan

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

Brazos Electric Power Cooperative, Inc.

D Employer Identification Number (EIN)

74-0524729

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2010

2	Assets:			
	a Market value		**2a**	56,089,422
	b Actuarial value		**2b**	58,205,206
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	125	27,604,914
	b For terminated vested participants	**3b**	78	4,151,576
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		1,407,984
	(2) Vested benefits	**3c(2)**		31,300,694
	(3) Total active	**3c(3)**	281	32,708,678
	d Total	**3d**	484	64,465,168
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**	6.61 %
6	Target normal cost		**6**	2,320,123

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 C. Erickson

Signature of actuary

10/12/2011

Date

Steven C. Erickson

Type or print name of actuary

11-04118

Most recent enrollment number

Towers Watson Delaware Inc.

Firm name

(214)530-4200

Telephone number (including area code)

500 N. Akard Street, Suite 4100

Dallas TX 75201

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 [ ]

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)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of 22.38 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		1,550,221
	b Interest on (a) using prior year's effective rate of 8.10 %		125,568
	c Total available at beginning of current plan year to add to prefunding balance		1,675,789
	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)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	90.28 %
15	Adjusted funding target attainment percentage	15	90.28 %
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	105.51 %
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
09/15/2011	4,454,635				
			Totals ▶ 18(b)	4,454,635	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	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	3,993,937

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.60 %	6.65 %	6.76 %	☐ N/A, full yield curve used

b Applicable month (enter code)	21b	0
22 Weighted average retirement age	22	62

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	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
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		2,320,123
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		6,259,962	1,046,208
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		3,366,331

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	0	0	0

36 Additional cash requirement (item 34 minus item 35)	36	3,366,331
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	3,993,937
38 Interest-adjusted excess contributions for current year (see instructions)	38	627,606
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, Line 22 – Description of Weighted Average Retirement Age
Plan Name: Brazos Electric Power Cooperative, Inc. Pension Plan
EIN/PN: 74-0524729/001

See Statement of actuarial assumptions and methods for retirement rates. The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.