

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
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ 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:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES</u>	1b Three-digit plan number (PN) ►	<u>023</u>	
	1c Effective date of plan	<u>01/01/1950</u>	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>WASCO LLC C/O VEOLIA WATER NORTH AMERICA</u> <u>101 WEST WASHINGTON STREET</u> <u>SUITE 1400 EAST</u> <u>INDIANAPOLIS, IN 46204</u>	2b Employer Identification Number (EIN) <u>33-0266015</u>	2c Sponsor's telephone number <u>281-985-5502</u>	2d Business code (see instructions) <u>221300</u>

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	<u>Filed with authorized/valid electronic signature.</u>	<u>12/23/2011</u>	<u>PAM PRICE</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>12/23/2011</u>	<u>PAM PRICE</u>
	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

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

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") WASCO LLC C/O VEOLIA WATER NORTH AMERICA 101 WEST WASHINGTON STREET SUITE 1400 EAST INDIANAPOLIS, IN 46204	3b Administrator's EIN 33-0266015 3c Administrator's telephone number 281-985-5502
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year	5	236
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	157
b Retired or separated participants receiving benefits.....	6b	15
c Other retired or separated participants entitled to future benefits.....	6c	53
d Subtotal. Add lines 6a , 6b , and 6c	6d	225
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	5
f Total. Add lines 6d and 6e	6f	230
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 3H

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

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

a Pension Schedules

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

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☒ **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
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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 <u>PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>023</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>WASCO LLC C/O VEOLIA WATER NORTH AMERICA</u>	D Employer Identification Number (EIN) <u>33-0266015</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>
2	Assets:
a	Market value 2a <u>9361514</u>
b	Actuarial value 2b <u>9728659</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>21</u> <u>720006</u>
b	For terminated vested participants 3b <u>52</u> <u>1250443</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>1166059</u>
(2)	Vested benefits 3c(2) <u>7626297</u>
(3)	Total active 3c(3) <u>161</u> <u>8792356</u>
d	Total 3d <u>234</u> <u>10762805</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>6.68</u> %
6	Target normal cost 6 <u>721850</u>

Statement by Enrolled Actuary

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

SIGN HERE	<u>10/17/2011</u>
Signature of actuary	Date
<u>GARY D. DICKSON</u>	<u>11-03764</u>
Type or print name of actuary	Most recent enrollment number
<u>MERCER</u>	<u>513-632-2600</u>
Firm name	Telephone number (including area code)
<u>525 VINE STREET SUITE 1600</u> <u>CINCINNATI, OH 45202-3121</u>	
Address of the firm	

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

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II	Beginning of year carryover and prefunding balances	(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	175	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	175	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of <u>26.37</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		32
b	Interest on (a) using prior year's effective rate of <u>8.00</u> %		3
c	Total available at beginning of current plan year to add to prefunding balance		35
d	Portion of (c) to be added to prefunding balance.....		
12	Reduction in balances due to elections or deemed elections.....		
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III	Funding percentages		
14	Funding target attainment percentage.....	14	90.39 %
15	Adjusted funding target attainment percentage.....	15	90.39 %
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	106.93 %
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
09/14/2011	1400000				
Totals ▶			18(b)	1400000	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 1254087
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: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)	21b			0
22 Weighted average retirement age	22			61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	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	721850
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	603634	100883
b Waiver amortization installment	0	0
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	822733
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement		0
36 Additional cash requirement (item 34 minus item 35).....	36	822733
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	1254087
38 Interest-adjusted excess contributions for current year (see instructions).....	38	431354
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110
			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 <u>PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>023</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WASCO LLC C/O VEOLIA WATER NORTH AMERICA</u>	D Employer Identification Number (EIN) <u>33-0266015</u>

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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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)

ERNST & YOUNG

34-6565596

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	17900	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLS FARGO

94-1347393

(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?
21	NONE	15813	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MERCER

13-2834414

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 17	NONE	57367	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

SEYFARTH SHAW

36-2152202

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	11578	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

BRYAN, PENDLETON, SWATS, & MCALLIST

62-0853448

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	NONE	7500	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:	ERNST & YOUNG	b EIN:	34-6565596
c Position:	ACCOUNTANT		
d Address:	SUITE 2600 111 MONUMENT CIRCLE INDIANAPOLIS, IN 46204	e Telephone:	317-681-7000

Explanation: SOUGHT TO DO BUSINESS WITH A DEDICATED BENEFITS AUDIT FIRM.

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 PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES	B Three-digit plan number (PN) ►	023
C Plan sponsor's name as shown on line 2a of Form 5500 WASCO LLC C/O VEOLIA WATER NORTH AMERICA	D Employer Identification Number (EIN) 33-0266015	

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	197	19
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	86877	1400000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	5541	4042
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	196725	221505
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(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)	9076722	9760311
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	9366062	11385877

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	9366062	11385877
---	-----------	---------	----------

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)	1400000	
(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)		1400000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	362	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		362
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	167436	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		167436
(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)	840190	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		840190
(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)		238864
c Other income.....	2c		5628
d Total income. Add all income amounts in column (b) and enter total.....	2d		2652480

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	522507	
(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)		522507
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)	94344	
(2) Contract administrator fees	2i(2)	15814	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		110158
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		632665

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2019815
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: KATZ, SAPPER, & MILLER

(2) EIN: 35-1090346

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

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

A Name of plan <u>PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>023</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WASCO LLC C/O VEOLIA WATER NORTH AMERICA</u>	D Employer Identification Number (EIN) <u>33-0266015</u>

Part I	Distributions
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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	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>94-1347393</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>2</u>

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

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

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

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

Schedule R (Form 5500) 2010
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

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

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

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

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

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

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

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

**PENSION PLAN FOR COLLECTIVELY BARGAINED
INDIANAPOLIS WATER EMPLOYEES**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

December 31, 2010 and 2009

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

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800 East 96th Street
Suite 500
Indianapolis, IN 46240

Tel 317.580.2000
Fax 317.580.2117

Independent Auditors' Report

The Employee Benefits and Compensation Committee
Pension Plan for Collectively Bargained Indianapolis Water Employees

We were engaged to audit the accompanying financial statements and supplemental schedules of Pension Plan for Collectively Bargained Indianapolis Water Employees (the Plan) as of and for the year ended December 31, 2010, as listed in the accompanying table of contents. These financial statements and schedules are the responsibility of the Plan's management. The financial statements of the Plan as of and for the year ended 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 2009 investment information certified by SEI Private Trust Company, the Plan's trustee through October 30, 2009, and by Wells Fargo Bank, N.A., the Plan's trustee since October 30, 2009. Their report, dated February 18, 2011, indicated that because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the 2009 financial statements taken as a whole, and the form and content of the information included in the 2009 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 ERISA.

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 investment information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., trustee of the Plan, except for comparing the investment information certified by the Trustee with the related investment information included in the 2010 financial statements and supplemental schedules. 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 a certification from the Trustee as of and for the year ended December 31, 2010, that the investment 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 schedules that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2010 financial statements and supplemental schedules taken as a whole. The form and content of the information included in the 2010 financial statements and supplemental schedules, other than that derived from the investment information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States and, except as noted in the following paragraph, 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.

Katz, Saper & Miller, LLP

Indianapolis, Indiana
December 21, 2011

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2010 and 2009**

	2010	2009
ASSETS		
Investments at fair value:		
Mutual fund shares	\$ 9,760,311	\$9,076,722
Money market fund shares	221,524	196,922
Total Investments	<u>9,981,835</u>	<u>9,273,644</u>
Receivables:		
Employer contributions	1,400,000	86,877
Investment income	4,042	5,541
Total Receivables	<u>1,404,042</u>	<u>92,418</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$11,385,877</u></u>	<u><u>\$9,366,062</u></u>

See accompanying notes.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

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	\$ 1,079,055	\$ 1,681,875
Dividend income	173,425	278,615
Total Investment Income	<u>1,252,480</u>	<u>1,960,490</u>
Employer contributions	<u>1,400,000</u>	<u>86,877</u>
Total Additions	<u>2,652,480</u>	<u>2,047,367</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO		
Benefits paid to participants	522,507	77,366
Administrative expenses	<u>110,158</u>	<u>153,659</u>
Total Deductions	<u>632,665</u>	<u>231,025</u>
NET INCREASE	2,019,815	1,816,342
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year	<u>9,366,062</u>	<u>7,549,720</u>
End of Year	<u><u>\$ 11,385,877</u></u>	<u><u>\$ 9,366,062</u></u>

See accompanying notes.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES

The following description of Pension Plan for Collectively Bargained Indianapolis Water Employees (the Plan) provides only general information. Plan participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General: The Plan, originally organized effective January 1, 1950 as a defined benefit pension plan, is sponsored by WASCO, LLC (the Employer) and currently covers the production and maintenance employees who are members of the National Conference of Firemen and Oilers, the S.E.I.U. Local 131 and who are designated as Indianapolis Water Employees. Employees are not eligible to participate in the Plan if they were hired after May 12, 2004. Effective December 31, 2003, all benefit accruals under the Plan were frozen. See Note 9. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

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

Estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, the actuarial present value of accumulated benefit obligations and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Contributions: Contributions to the Plan are made annually by the Employer as calculated by the Plan's actuary to fund the Plan's current service costs, and to meet the benefits to be paid to Plan participants. The Plan has met the ERISA minimum funding requirements for 2010.

Vesting: Participants become fully vested in their Plan benefits after 5 years of credited service. Prior to the completion of five years of service, a participant's vested percentage is zero. Participants may also become fully vested at the Plan's Normal Retirement Age, or in the event of a partial or full Plan termination.

Payment of Benefits: Benefits under the Plan are based on the participant's years of credited service and average compensation. Plan participants may commence benefit payments upon reaching the Plan's normal retirement age. Normal retirement age with respect to a participant who has ceased receiving benefit accruals but has not terminated employment is the latest of age 55, the date when benefits accrual ceased, or December 28, 2010. Normal retirement age with respect to all other participants is the later of age 65 or the 5th anniversary of employment. Participants may also be eligible for early retirement, late retirement, or disability retirement as defined in the Plan Agreement.

Normal retirement benefits are paid monthly commencing on the participant's retirement date and continue throughout his or her lifetime in the form of an annuity or joint annuity, as applicable. The accrued benefit is calculated based on years of service, age, and wages while employed. The monthly benefit of a participant electing early retirement is reduced, as defined in the Plan Agreement, based on the number of months which precede the participant's normal retirement date. The monthly benefit of a participant electing late retirement is based on the credited years of service at the retirement date. Retirement benefits may also be elected to be received in a lump-sum payment.

Benefits are recorded by the Plan when paid.

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition: The Plan's investments are reported 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 2 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date 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.

Plan Expenses: Administrative expenses for maintaining the Plan may be paid by the Employer or the Plan, at the Employer's discretion.

Plan Termination: Although it has not expressed any intent to do so, the Employer has the right to terminate its participation in the Plan and to discontinue contributions at any time. Should the Plan terminate at some future time, its net assets generally will not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing Plan assets and the PBGC guaranty, while other benefits may not be provided for at all.

Tax Status: The Internal Revenue Service (IRS) has determined and informed the Employer by a letter dated September 30, 2011, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan Administrator believes that the Plan is being operated in compliance with the applicable requirements of the IRC. Therefore, the Plan Administrator believes that the Plan is qualified and the related trust is tax-exempt at the financial statement date.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Plan and to recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other taxing authorities. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2010, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements.

The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in process. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2007.

Subsequent Events: The Plan Administrator has evaluated the financial statements for subsequent events occurring through December 21, 2011, the date the financial statements were available to be issued. See Note 9.

NOTE 2 – FAIR VALUE MEASUREMENTS

The Plan has categorized its assets and liabilities that are measured at fair value into a three-level fair value hierarchy. The hierarchy 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 unobservable inputs (Level 3 measurements). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. In situations where there is little or no market activity for the asset or liability, the Plan makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Following is a description of the valuation methodologies used by the Plan for investment assets that are measured at fair value on a recurring basis. There have been no changes in the methodologies used at December 31, 2010 and 2009.

Mutual Fund Shares and Money Market Fund Shares: Valued at the published net asset value (NAV) of the shares held by the Plan at the reporting date.

The preceding methods 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's management 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 investments could result in a different fair value measurement at the reporting date.

NOTE 2 – FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a summary, by major nature and risks class within each level of the fair value hierarchy, of the Plan's investment assets that are measured at fair value on a recurring basis as of December 31, 2010 and 2009:

2010	Level 1	Total
Mutual fund shares:		
Value funds	\$1,860,428	\$1,860,428
Bond funds	3,642,843	3,642,843
Growth funds	1,801,549	1,801,549
Small cap funds	932,692	32,692
International funds	1,522,799	1,522,799
Money market fund share	<u>221,524</u>	<u>221,524</u>
Total Investments at Fair Value	<u>\$9,981,835</u>	<u>\$9,981,835</u>
2009		
Mutual fund shares:		
Value funds	\$1,997,720	\$1,997,720
Bond funds	3,348,101	3,348,101
Growth funds	2,222,771	2,222,771
Small cap funds	657,533	657,533
International funds	850,597	850,597
Money market fund shares	<u>196,922</u>	<u>196,922</u>
Total Investments at Fair Value	<u>\$9,273,644</u>	<u>\$9,273,644</u>

At December 31, 2010 and 2009, the Plan had no other assets and no liabilities that are measured at fair value on a recurring basis.

NOTE 3 – UNAUDITED INVESTMENT INFORMATION CERTIFIED BY TRUSTEE

The following is a summary of the Plan's unaudited investment information which has been certified as complete and accurate as of December 31, 2010 and 2009, and for the years ended December 31, 2010 and 2009, by Wells Fargo Bank, N.A., the trustee of the Plan since October 30, 2009, and SEI Private Trust Company, the trustee of the Plan until October 30, 2009, in accordance with Section 2520.103-5 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA:

	2010	2009
Mutual Fund Shares:		
Federated Total Return Bonds Class I #288	\$1,073,161*	\$ 992,090*
Mainstay Large Cap Growth I Fund #1483	462,070	510,528*
Metropolitan West Funds Total Return Bonds Class M #312	735,591*	663,798*
MFS Value Fund Class W #2400	916,041*	994,621*
Wells Fargo Advantage Intrinsic Value Fund #517	469,071	499,101*
Wells Fargo Advantage Total Return Bond Fund Admin #943	1,834,091*	1,692,213*
Wells Fargo Advantage Capital Growth Admin Class #3603	893,938*	992,559*
Wells Fargo Advantage Equity Value Fund Admin #1093	475,316	503,998*
Wells Fargo Advantage Growth Fund Admin #3608	445,541	502,009*
Other mutual fund shares	2,455,491	1,725,805
Money Market Fund Shares	<u>221,524</u>	<u>196,922</u>
Total Investments held by Trustee	<u>\$9,981,835</u>	<u>\$9,273,644</u>

* Represents 5% or more of the Plan's net assets available for benefits at the date indicated.

	2010	2009
Dividend income	<u>\$ 173,425</u>	<u>\$ 278,615</u>
Net appreciation in fair value of investments:		
Fair value measured by quoted prices in an active market:		
Mutual fund shares	<u>\$1,079,055</u>	<u>\$1,681,875</u>

NOTE 4 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments 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 Plan's consulting actuary calculated the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants 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 retirement) between the valuation date and the expected date of payment.

NOTE 4 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)

The following represents the accumulated plan benefits information at January 1, 2010 and 2009 (the dates of the Plan's most recent actuarial valuations):

	January 1, 2010	2009
Actuarial Present Value of Accumulated Plan Benefits:		
Vested:		
Participants currently receiving payments	\$ 561,960	\$ 688,157
Other participants	<u>8,950,082</u>	<u>7,735,964</u>
	9,512,042	8,424,121
Nonvested	<u>1,247,511</u>	<u>1,112,880</u>
Balance at End of Year	<u><u>\$10,759,553</u></u>	<u><u>\$9,537,001</u></u>

The changes in the actuarial present value of accumulated plan benefits for the years ended January 1, 2010 and 2009 are as follows:

	Years Ended January 1, 2010	2009
Balance at Beginning of Year	\$ 9,537,001	\$8,932,736
Changes during the year attributed to:		
Benefits paid	(77,366)	(205,951)
Interest	712,373	661,588
Benefits accumulated and actuarial gain/loss	587,545	609,251
Change in actuarial assumptions	<u>(460,623)</u>	<u>(460,623)</u>
Net Increase	<u>1,222,552</u>	<u>604,265</u>
Balance at End of Year	<u><u>\$10,759,553</u></u>	<u><u>\$9,537,001</u></u>

The significant actuarial assumptions used in the valuations as of the beginning of the 2010 and 2009 Plan years are as follows:

Assumed rate of interest	7.5%, both years
Normal retirement age	Age 65, both years
Mortality basis	RP-200 Mortality Tables (2010) Unisex Pensioners 1994 Mortality Table Projected to 2010 (2009)

These actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The actuarial valuation of accumulated plan benefits does not reflect the effect of the subsequent event discussed in Note 9.

NOTE 5 – PLAN AMENDMENTS

The Plan Agreement was amended and restated effective January 1, 2010, to comply with changes in the tax laws as required under the IRC, including provisions intended to comply with the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART).

NOTE 6 – PARTY-IN-INTEREST TRANSACTIONS

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association, or relatives of such persons.

Certain of the Plan's investments are managed by an affiliate of Wells Fargo Bank, N.A., the trustee of the Plan, and therefore, transactions in these investments qualify as exempt party-in-interest transactions under ERISA. Administrative fees paid by the Plan to the Trustee totaled \$31,519 in 2010 and \$31,536 in 2009.

Fees paid by the Plan to JP Morgan Chase for investment advisory services totaled \$75,267 in 2010 and \$77,612 in 2009.

The Employer provides certain accounting, administrative and investment management services to the Plan for which it receives no compensation.

NOTE 7 – RISKS AND UNCERTAINTIES

The Plan's 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 and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the Plan's financial statements.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates and participant demographics, which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in estimates and assumptions in the near term would be material to the Plan's financial statements.

NOTE 8 – FUNDING STATUS

Based on funding regulations required by the Pension Protection Act of 2006, no benefit restrictions were associated with the current Plan year, and the Plan is not considered "At Risk" for the current Plan year.

NOTE 9 – SUBSEQUENT EVENT

Effective August 26, 2011, the Employer terminated its contract with the City of Indianapolis Department of Water and also proceeded with terminating its business. All of the Employer's employees terminated employment on that date and subsequently became employees of Citizen's Energy Group (CEG). In conjunction with these actions, the Plan Sponsor Committee of the WASCO Employee Benefit Plans and CEG executed an amendment effective August 26, 2011, whereby CEG would assume sponsorship of the Plan and serve as its Plan Administrator in all capacities within the meaning of ERISA.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

EIN 33-0266015 PN 023

**SCHEDULE H, ITEM 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2010**

(a)	(b) and (c)	(d)	(e)
Identity of Issue / Description of Investment	Number of Shares	Cost	Current Value
MUTUAL FUND SHARES			
Federated Total Return Bond Class I #288	96,248	1,052,941	\$ 1,073,161
Goldman Sachs Small Cap Value Fund Institutional	5,880	175,342	243,429
Harbor International Fund-Admin Class #2211	8,404	432,494	505,566
Invesco Small Cap Growth Fund Class A #1564	7,860	163,723	224,717
Janus Overseas Fund Class A #1254	9,953	406,139	503,429
JP Morgan Small Cap Equity Select Shares #367	12,644	356,026	464,546
Mainstay Large Cap Growth I Fund #1483	63,822	365,699	462,070
Metropolitan West Funds Total Return Bonds Class M #312	70,866	706,143	735,591
MFS Value Fund Class W #2400	40,213	789,356	916,041
Thornburg International Value Fund Class A #139	18,331	434,175	513,804
* Wells Fargo Advantage Intrinsic Value Fund #517	42,412	379,716	469,071
* Wells Fargo Advantage Total Return Bond Fund Admin #943	147,080	1,890,222	1,834,091
* Wells Fargo Advantage Capital Growth Admin Class #3603	54,877	698,598	893,938
* Wells Fargo Advantage Equity Value Fund Admin #1093	35,873	380,105	475,316
* Wells Fargo Advantage Growth Fund Admin #3608	13,300	316,032	445,541
Total Mutual Fund Shares			<u>9,760,311</u>
MONEY MARKET FUND SHARES			
* Wells Fargo Advantage Cash Investment Fund	221,524	221,524	<u>221,524</u>
TOTAL			<u><u>\$ 9,981,835</u></u>

* Party-in-interest, but not prohibited transactions.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

EIN 33-0266015 PN 023

SCHEDULE H, ITEM 4(j) - SCHEDULE OF REPORTABLE TRANSACTIONS
Year Ended December 31, 2010

(a)	(b)	(c)	(d)	(g)	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
Identity of Party Involved	Description of Asset and Description of Transaction	Purchase Price	Selling Price	Cost of Asset		
CATEGORY (i)-SINGLE TRANSACTIONS IN EXCESS OF 5% OF PLAN ASSETS						
Goldman Sachs Structured International Class I #863	Mutual Fund Shares Sale		\$547,659	\$578,589	\$ 547,659	\$(30,930)
CATEGORY (iii)-SERIES OF TRANSACTIONS IN EXCESS OF 5% OF PLAN ASSETS						
Goldman Sachs Structured International Class I #863	Mutual Fund Shares Purchases (1) Sales (1)	\$250,136	\$547,659	\$250,136 578,589	\$ 250,136 547,659	(30,930)
Thornburg International Value Fund	Mutual Fund Shares Purchases (3) Sales (2)	464,228	33,034	464,228 30,053	464,228 33,034	2,981
Wells Fargo Advantage Cash Investment Fund	Money market fund shares Purchases (33) Sales (44)	947,188	922,586	947,188 922,586	947,188 922,586	

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment 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.

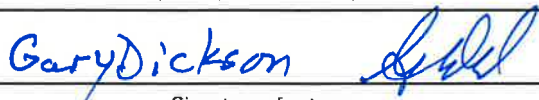
A Name of plan PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES	B Three-digit plan number (PN) ▶ 023
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF WASCO LLC	D Employer Identification Number (EIN) 33-0266015
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>		
2 Assets:		
a Market value.....	2a	9,361,514
b Actuarial value.....	2b	9,728,659
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 21	720,006
b For terminated vested participants.....	3b 52	1,250,443
c For active participants:		
(1) Non-vested benefits.....	3c(1)	1,166,059
(2) Vested benefits.....	3c(2)	7,626,297
(3) Total active.....	3c(3) 161	8,792,356
d Total.....	3d 234	10,762,805
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	6.68 %
6 Target normal cost.....	6	721,850

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		10/11/2011
GARY D. DICKSON		Date
MERCER		11-03764
525 VINE STREET SUITE 1600		Most recent enrollment number
CINCINNATI		(513) 632-2600
OH 45202-3121		Telephone number (including area code)
Address of the firm		

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

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	175	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	175	0
9 Amount remaining (Item 7 minus item 8)	0	0
10 Interest on item 9 using prior year's actual return of <u>26.37%</u>		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		32
b Interest on (a) using prior year's effective rate of <u>8.00%</u>		8
c Total available at beginning of current plan year to add to prefunding balance		40
d Portion of (c) to be added to prefunding balance		
12 Reduction in balances due to elections or deemed elections		
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14 Funding target attainment percentage	14	90.39 %
15 Adjusted funding target attainment percentage	15	90.39 %
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	106.93 %
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
09/14/2011	1,400,000				
Totals ▶			18(b)	1,400,000	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.	19a 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 1,254,087

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: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	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	721,850
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	603,634	100,883
b Waiver amortization installment	0	0
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	822,733
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement		0
36 Additional cash requirement (item 34 minus item 35)	36	822,733
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	1,254,087
38 Interest-adjusted excess contributions for current year (see instructions)	38	431,354
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 19 — Discounted employer contributions

Date	Contribution amount	Plan year	Applicable effective interest rate	Discounted value of contribution
09-14-2011	\$ 1,400,000	2010	6.68%	\$ 1,254,087
Total	\$ 1,400,000			\$ 1,254,087

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 61.

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5.00%	10,000	500	27,500
56	5.00%	9,500	475	26,600
57	5.00%	9,025	451	25,721
58	5.00%	8,574	429	24,864
59	5.00%	8,145	407	24,028
60	30.00%	7,738	2,321	139,281
61	20.00%	5,416	1,083	66,081
62	50.00%	4,333	2,167	134,328
63	20.00%	2,167	433	27,299
64	20.00%	1,733	347	22,186
65	100.00%	1,387	1,387	90,130
Total				608,018
Average				60.80

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions****Discount rate sponsor elections**

▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	0
▪ First 5 years	4.60%
▪ Next 15 years	6.65%
▪ Over 20 years	6.76%

Mortality sponsor elections

▪ Healthy participants and disabled participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.
--	--

417(e) lump sums

Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality.

Other economic assumptions

▪ Salary increases	3.5% per year compounded annually
▪ Flat-dollar benefit increases	Not applicable
▪ Inflation	2.5% per year compounded annually
▪ Expected investment return	7.00% per year for years 2008 through 2010.
▪ Expenses	\$70,000 added to current year normal cost.

Demographic assumptions

Withdrawal Table 2 of the Actuary's Pension Handbook. See table of sample rates.

Disability incidence See table of sample rates.

Retirement age

Retirement Rates

Attained Age	Percentage
55-59	5%
60	30%
61	20%
62	50%
63-64	20%
65	100%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Benefit commencement age for

- Future vested deferred 65
- Current vested deferred 65

Spouse assumptions

Male participants**Female participants**

- Percentage married 100% 100%
- Spouse age difference 3 years younger 3 years older

Form of payment**Lump sum****Single life****50% J&S**

- Active retirements 100% 0% 0%
- Future vested deferred 100% 0% 0%
- Future disabilities 100% 0% 0%
- Future deaths 100% 0% 0%
- Current vested deferred 100% 0% 0%

Unpredictable contingent event assumptions Not applicable

Table of sample rates**Table of Sample Rates**

Attained Age	Disability		Withdrawal
	Male	Female	
20	.015%	.020%	5.43%
25	.015	.025	5.29
30	.020	.030	5.06
35	.025	.040	4.70
40	.035	.050	3.50
45	.050	.075	1.77
50	.090	.130	0.40
55	.180	.245	0.00
60	.450	.605	0.00

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Earnings Progression**

Attained Age	Ratio of Salary at Age 65 to Salary at Attained Age
20	470%
25	396
30	333
35	281
40	236
45	199
50	168
55	141
60	119

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial methods

Asset methods

The asset valuation method is an average of the adjusted market value at the valuation date and the two January 1's immediately preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date.
- **Participants excluded:** No participants have been excluded from the valuation.
- **Insurance contracts:** Insurance contracts payable under the former AUL plan are excluded from liabilities.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Maximum deductible contribution method

Calculations of maximum deductible contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's **projected funding target** is the present value of benefits based on credited service as of the beginning of the plan year and projected compensation that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the projected funding target for an individual is the sum of the component projected funding targets associated with the various anticipated separation dates.
- The plan's **projected funding target** is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target is included in the "cushion amount."

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions****Discount rate sponsor elections**

▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	0
▪ First 5 years	4.60%
▪ Next 15 years	6.65%
▪ Over 20 years	6.76%

Mortality sponsor elections

▪ Healthy participants and disabled participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.
--	--

417(e) lump sums

Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality.

Other economic assumptions

▪ Salary increases	3.5% per year compounded annually
▪ Flat-dollar benefit increases	Not applicable
▪ Inflation	2.5% per year compounded annually
▪ Expected investment return	7.00% per year for years 2008 through 2010.
▪ Expenses	\$70,000 added to current year normal cost.

Demographic assumptions

Withdrawal Table 2 of the Actuary's Pension Handbook. See table of sample rates.

Disability incidence See table of sample rates.

Retirement age

Retirement Rates

Attained Age	Percentage
55-59	5%
60	30%
61	20%
62	50%
63-64	20%
65	100%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Benefit commencement age for

- Future vested deferred 65
- Current vested deferred 65

Spouse assumptions

Male participantsFemale participants

- Percentage married 100% 100%
- Spouse age difference 3 years younger 3 years older

Form of payment**Lump sum****Single life****50% J&S**

- Active retirements 100% 0% 0%
- Future vested deferred 100% 0% 0%
- Future disabilities 100% 0% 0%
- Future deaths 100% 0% 0%
- Current vested deferred 100% 0% 0%

Unpredictable contingent event assumptions Not applicable

Table of sample rates**Table of Sample Rates**

Attained Age	Disability		Withdrawal
	Male	Female	
20	.015%	.020%	5.43%
25	.015	.025	5.29
30	.020	.030	5.06
35	.025	.040	4.70
40	.035	.050	3.50
45	.050	.075	1.77
50	.090	.130	0.40
55	.180	.245	0.00
60	.450	.605	0.00

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Earnings Progression**

Attained Age	Ratio of Salary at Age 65 to Salary at Attained Age
20	470%
25	396
30	333
35	281
40	236
45	199
50	168
55	141
60	119

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial methods

Asset methods

The asset valuation method is an average of the adjusted market value at the valuation date and the two January 1's immediately preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date.
- **Participants excluded:** No participants have been excluded from the valuation.
- **Insurance contracts:** Insurance contracts payable under the former AUL plan are excluded from liabilities.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Maximum deductible contribution method

Calculations of maximum deductible contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's **projected funding target** is the present value of benefits based on credited service as of the beginning of the plan year and projected compensation that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the projected funding target for an individual is the sum of the component projected funding targets associated with the various anticipated separation dates.
- The plan's **projected funding target** is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target is included in the "cushion amount."

Schedule SB, Line 24 — Change in Actuarial Assumptions

Interest discounts and mortality rates were updated from 2009 to 2010 in accordance with PPA and the sponsor changed their interest rate election from full yield curve with a two month look-back to segment rates with a zero month look-back.

Schedule SB, Line 25 — Change in Method

The calculation of lump sum liabilities has been changed so that it is now based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates and mortality rather than 417(e) rates and current year 417(e) unisex mortality.

Schedule SB, Line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up	Total
Under 25											
25-29				1							1
30-34			3	11							14
35-39		1	2	8	2						13
40-44		1	5	12	4	2					24
45-49			4	11	5	16	2	3			41
50-54			3	13	7	9	1	10			43
55-59				2	2	1	1	7	3	1	17
60-64				1	1	1	2	1	2		8
65-69											
70 & Up											
Total		2	17	59	21	29	6	21	5	1	161

In each cell, the number is the count of active participants for each age/service combination. Average pay is not shown for plans with less than 1,000 active participants.

Schedule SB, Line 32 — Schedule of Amortization Bases

The shortfall amortization charge is the sum of the shortfall base amortization for each plan year covered under PPA. Although a shortfall base can be negative, the combined shortfall amortization charge cannot be negative.

Shortfall bases			
Year established	Outstanding balance	Years remaining	Installment
2010	603,634	7	100,883
Total	\$ 603,634		\$ 100,883

**PENSION PLAN FOR COLLECTIVELY BARGAINED
INDIANAPOLIS WATER EMPLOYEES**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

December 31, 2010 and 2009

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

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Independent Auditors' Report

The Employee Benefits and Compensation Committee
Pension Plan for Collectively Bargained Indianapolis Water Employees

We were engaged to audit the accompanying financial statements and supplemental schedules of Pension Plan for Collectively Bargained Indianapolis Water Employees (the Plan) as of and for the year ended December 31, 2010, as listed in the accompanying table of contents. These financial statements and schedules are the responsibility of the Plan's management. The financial statements of the Plan as of and for the year ended 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 2009 investment information certified by SEI Private Trust Company, the Plan's trustee through October 30, 2009, and by Wells Fargo Bank, N.A., the Plan's trustee since October 30, 2009. Their report, dated February 18, 2011, indicated that because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the 2009 financial statements taken as a whole, and the form and content of the information included in the 2009 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 ERISA.

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 investment information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., trustee of the Plan, except for comparing the investment information certified by the Trustee with the related investment information included in the 2010 financial statements and supplemental schedules. 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 a certification from the Trustee as of and for the year ended December 31, 2010, that the investment 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 schedules that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2010 financial statements and supplemental schedules taken as a whole. The form and content of the information included in the 2010 financial statements and supplemental schedules, other than that derived from the investment information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States and, except as noted in the following paragraph, 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.

Katz, Saper & Miller, LLP

Indianapolis, Indiana
December 21, 2011

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2010 and 2009

	2010	2009
ASSETS		
Investments at fair value:		
Mutual fund shares	\$ 9,760,311	\$9,076,722
Money market fund shares	221,524	196,922
Total Investments	<u>9,981,835</u>	<u>9,273,644</u>
Receivables:		
Employer contributions	1,400,000	86,877
Investment income	4,042	5,541
Total Receivables	<u>1,404,042</u>	<u>92,418</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$11,385,877</u></u>	<u><u>\$9,366,062</u></u>

See accompanying notes.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

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	\$ 1,079,055	\$ 1,681,875
Dividend income	173,425	278,615
Total Investment Income	<u>1,252,480</u>	<u>1,960,490</u>
Employer contributions	<u>1,400,000</u>	<u>86,877</u>
Total Additions	<u>2,652,480</u>	<u>2,047,367</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO		
Benefits paid to participants	522,507	77,366
Administrative expenses	<u>110,158</u>	<u>153,659</u>
Total Deductions	<u>632,665</u>	<u>231,025</u>
NET INCREASE	2,019,815	1,816,342
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year	<u>9,366,062</u>	<u>7,549,720</u>
End of Year	<u><u>\$ 11,385,877</u></u>	<u><u>\$ 9,366,062</u></u>

See accompanying notes.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES

The following description of Pension Plan for Collectively Bargained Indianapolis Water Employees (the Plan) provides only general information. Plan participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General: The Plan, originally organized effective January 1, 1950 as a defined benefit pension plan, is sponsored by WASCO, LLC (the Employer) and currently covers the production and maintenance employees who are members of the National Conference of Firemen and Oilers, the S.E.I.U. Local 131 and who are designated as Indianapolis Water Employees. Employees are not eligible to participate in the Plan if they were hired after May 12, 2004. Effective December 31, 2003, all benefit accruals under the Plan were frozen. See Note 9. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

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

Estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, the actuarial present value of accumulated benefit obligations and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Contributions: Contributions to the Plan are made annually by the Employer as calculated by the Plan's actuary to fund the Plan's current service costs, and to meet the benefits to be paid to Plan participants. The Plan has met the ERISA minimum funding requirements for 2010.

Vesting: Participants become fully vested in their Plan benefits after 5 years of credited service. Prior to the completion of five years of service, a participant's vested percentage is zero. Participants may also become fully vested at the Plan's Normal Retirement Age, or in the event of a partial or full Plan termination.

Payment of Benefits: Benefits under the Plan are based on the participant's years of credited service and average compensation. Plan participants may commence benefit payments upon reaching the Plan's normal retirement age. Normal retirement age with respect to a participant who has ceased receiving benefit accruals but has not terminated employment is the latest of age 55, the date when benefits accrual ceased, or December 28, 2010. Normal retirement age with respect to all other participants is the later of age 65 or the 5th anniversary of employment. Participants may also be eligible for early retirement, late retirement, or disability retirement as defined in the Plan Agreement.

Normal retirement benefits are paid monthly commencing on the participant's retirement date and continue throughout his or her lifetime in the form of an annuity or joint annuity, as applicable. The accrued benefit is calculated based on years of service, age, and wages while employed. The monthly benefit of a participant electing early retirement is reduced, as defined in the Plan Agreement, based on the number of months which precede the participant's normal retirement date. The monthly benefit of a participant electing late retirement is based on the credited years of service at the retirement date. Retirement benefits may also be elected to be received in a lump-sum payment.

Benefits are recorded by the Plan when paid.

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition: The Plan's investments are reported 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 2 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are record 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.

Plan Expenses: Administrative expenses for maintaining the Plan may be paid by the Employer or the Plan, at the Employer's discretion.

Plan Termination: Although it has not expressed any intent to do so, the Employer has the right to terminate its participation in the Plan and to discontinue contributions at any time. Should the Plan terminate at some future time, its net assets generally will not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing Plan assets and the PBGC guaranty, while other benefits may not be provided for at all.

Tax Status: The Internal Revenue Service (IRS) has determined and informed the Employer by a letter dated September 30, 2011, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan Administrator believes that the Plan is being operated in compliance with the applicable requirements of the IRC. Therefore, the Plan Administrator believes that the Plan is qualified and the related trust is tax-exempt at the financial statement date.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Plan and to recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other taxing authorities. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2010, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements.

The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in process. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2007.

Subsequent Events: The Plan Administrator has evaluated the financial statements for subsequent events occurring through December 21, 2011, the date the financial statements were available to be issued. See Note 9.

NOTE 2 – FAIR VALUE MEASUREMENTS

The Plan has categorized its assets and liabilities that are measured at fair value into a three-level fair value hierarchy. The hierarchy 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 unobservable inputs (Level 3 measurements). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. In situations where there is little or no market activity for the asset or liability, the Plan makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Following is a description of the valuation methodologies used by the Plan for investment assets that are measured at fair value on a recurring basis. There have been no changes in the methodologies used at December 31, 2010 and 2009.

Mutual Fund Shares and Money Market Fund Shares: Valued at the published net asset value (NAV) of the shares held by the Plan at the reporting date.

The preceding methods 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's management 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 investments could result in a different fair value measurement at the reporting date.

NOTE 2 – FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a summary, by major nature and risks class within each level of the fair value hierarchy, of the Plan's investment assets that are measured at fair value on a recurring basis as of December 31, 2010 and 2009:

2010	Level 1	Total
Mutual fund shares:		
Value funds	\$1,860,428	\$1,860,428
Bond funds	3,642,843	3,642,843
Growth funds	1,801,549	1,801,549
Small cap funds	932,692	32,692
International funds	1,522,799	1,522,799
Money market fund share	<u>221,524</u>	<u>221,524</u>
Total Investments at Fair Value	<u>\$9,981,835</u>	<u>\$9,981,835</u>
2009		
Mutual fund shares:		
Value funds	\$1,997,720	\$1,997,720
Bond funds	3,348,101	3,348,101
Growth funds	2,222,771	2,222,771
Small cap funds	657,533	657,533
International funds	850,597	850,597
Money market fund shares	<u>196,922</u>	<u>196,922</u>
Total Investments at Fair Value	<u>\$9,273,644</u>	<u>\$9,273,644</u>

At December 31, 2010 and 2009, the Plan had no other assets and no liabilities that are measured at fair value on a recurring basis.

NOTE 3 – UNAUDITED INVESTMENT INFORMATION CERTIFIED BY TRUSTEE

The following is a summary of the Plan's unaudited investment information which has been certified as complete and accurate as of December 31, 2010 and 2009, and for the years ended December 31, 2010 and 2009, by Wells Fargo Bank, N.A., the trustee of the Plan since October 30, 2009, and SEI Private Trust Company, the trustee of the Plan until October 30, 2009, in accordance with Section 2520.103-5 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA:

	2010	2009
Mutual Fund Shares:		
Federated Total Return Bonds Class I #288	\$1,073,161*	\$ 992,090*
Mainstay Large Cap Growth I Fund #1483	462,070	510,528*
Metropolitan West Funds Total Return Bonds Class M #312	735,591*	663,798*
MFS Value Fund Class W #2400	916,041*	994,621*
Wells Fargo Advantage Intrinsic Value Fund #517	469,071	499,101*
Wells Fargo Advantage Total Return Bond Fund Admin #943	1,834,091*	1,692,213*
Wells Fargo Advantage Capital Growth Admin Class #3603	893,938*	992,559*
Wells Fargo Advantage Equity Value Fund Admin #1093	475,316	503,998*
Wells Fargo Advantage Growth Fund Admin #3608	445,541	502,009*
Other mutual fund shares	2,455,491	1,725,805
Money Market Fund Shares	<u>221,524</u>	<u>196,922</u>
Total Investments held by Trustee	<u>\$9,981,835</u>	<u>\$9,273,644</u>

* Represents 5% or more of the Plan's net assets available for benefits at the date indicated.

	2010	2009
Dividend income	<u>\$ 173,425</u>	<u>\$ 278,615</u>
Net appreciation in fair value of investments:		
Fair value measured by quoted prices in an active market:		
Mutual fund shares	<u>\$1,079,055</u>	<u>\$1,681,875</u>

NOTE 4 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments 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 Plan's consulting actuary calculated the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants 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 retirement) between the valuation date and the expected date of payment.

NOTE 4 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)

The following represents the accumulated plan benefits information at January 1, 2010 and 2009 (the dates of the Plan's most recent actuarial valuations):

	January 1, 2010	2009
Actuarial Present Value of Accumulated Plan Benefits:		
Vested:		
Participants currently receiving payments	\$ 561,960	\$ 688,157
Other participants	<u>8,950,082</u>	<u>7,735,964</u>
	9,512,042	8,424,121
Nonvested	<u>1,247,511</u>	<u>1,112,880</u>
Balance at End of Year	<u>\$10,759,553</u>	<u>\$9,537,001</u>

The changes in the actuarial present value of accumulated plan benefits for the years ended January 1, 2010 and 2009 are as follows:

	Years Ended January 1, 2010	2009
Balance at Beginning of Year	\$ 9,537,001	\$8,932,736
Changes during the year attributed to:		
Benefits paid	(77,366)	(205,951)
Interest	712,373	661,588
Benefits accumulated and actuarial gain/loss	587,545	609,251
Change in actuarial assumptions	<u>(460,623)</u>	<u>(460,623)</u>
Net Increase	<u>1,222,552</u>	<u>604,265</u>
Balance at End of Year	<u>\$10,759,553</u>	<u>\$9,537,001</u>

The significant actuarial assumptions used in the valuations as of the beginning of the 2010 and 2009 Plan years are as follows:

Assumed rate of interest	7.5%, both years
Normal retirement age	Age 65, both years
Mortality basis	RP-200 Mortality Tables (2010) Unisex Pensioners 1994 Mortality Table Projected to 2010 (2009)

These actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The actuarial valuation of accumulated plan benefits does not reflect the effect of the subsequent event discussed in Note 9.

NOTE 5 – PLAN AMENDMENTS

The Plan Agreement was amended and restated effective January 1, 2010, to comply with changes in the tax laws as required under the IRC, including provisions intended to comply with the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART).

NOTE 6 – PARTY-IN-INTEREST TRANSACTIONS

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association, or relatives of such persons.

Certain of the Plan's investments are managed by an affiliate of Wells Fargo Bank, N.A., the trustee of the Plan, and therefore, transactions in these investments qualify as exempt party-in-interest transactions under ERISA. Administrative fees paid by the Plan to the Trustee totaled \$31,519 in 2010 and \$31,536 in 2009.

Fees paid by the Plan to JP Morgan Chase for investment advisory services totaled \$75,267 in 2010 and \$77,612 in 2009.

The Employer provides certain accounting, administrative and investment management services to the Plan for which it receives no compensation.

NOTE 7 – RISKS AND UNCERTAINTIES

The Plan's 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 and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the Plan's financial statements.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates and participant demographics, which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in estimates and assumptions in the near term would be material to the Plan's financial statements.

NOTE 8 – FUNDING STATUS

Based on funding regulations required by the Pension Protection Act of 2006, no benefit restrictions were associated with the current Plan year, and the Plan is not considered "At Risk" for the current Plan year.

NOTE 9 – SUBSEQUENT EVENT

Effective August 26, 2011, the Employer terminated its contract with the City of Indianapolis Department of Water and also proceeded with terminating its business. All of the Employer's employees terminated employment on that date and subsequently became employees of Citizen's Energy Group (CEG). In conjunction with these actions, the Plan Sponsor Committee of the WASCO Employee Benefit Plans and CEG executed an amendment effective August 26, 2011, whereby CEG would assume sponsorship of the Plan and serve as its Plan Administrator in all capacities within the meaning of ERISA.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

EIN 33-0266015 PN 023

**SCHEDULE H, ITEM 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2010**

(a)	(b) and (c)	(d)	(e)
Identity of Issue / Description of Investment	Number of Shares	Cost	Current Value
MUTUAL FUND SHARES			
Federated Total Return Bond Class I #288	96,248	1,052,941	\$ 1,073,161
Goldman Sachs Small Cap Value Fund Institutional	5,880	175,342	243,429
Harbor International Fund-Admin Class #2211	8,404	432,494	505,566
Invesco Small Cap Growth Fund Class A #1564	7,860	163,723	224,717
Janus Overseas Fund Class A #1254	9,953	406,139	503,429
JP Morgan Small Cap Equity Select Shares #367	12,644	356,026	464,546
Mainstay Large Cap Growth I Fund #1483	63,822	365,699	462,070
Metropolitan West Funds Total Return Bonds Class M #312	70,866	706,143	735,591
MFS Value Fund Class W #2400	40,213	789,356	916,041
Thornburg International Value Fund Class A #139	18,331	434,175	513,804
* Wells Fargo Advantage Intrinsic Value Fund #517	42,412	379,716	469,071
* Wells Fargo Advantage Total Return Bond Fund Admin #943	147,080	1,890,222	1,834,091
* Wells Fargo Advantage Capital Growth Admin Class #3603	54,877	698,598	893,938
* Wells Fargo Advantage Equity Value Fund Admin #1093	35,873	380,105	475,316
* Wells Fargo Advantage Growth Fund Admin #3608	13,300	316,032	445,541
Total Mutual Fund Shares			<u>9,760,311</u>
MONEY MARKET FUND SHARES			
* Wells Fargo Advantage Cash Investment Fund	221,524	221,524	<u>221,524</u>
TOTAL			<u><u>\$ 9,981,835</u></u>

* Party-in-interest, but not prohibited transactions.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

EIN 33-0266015 PN 023

SCHEDULE H, ITEM 4(j) - SCHEDULE OF REPORTABLE TRANSACTIONS
Year Ended December 31, 2010

(a)	(b)	(c)	(d)	(g)	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
Identity of Party Involved	Description of Asset and Description of Transaction	Purchase Price	Selling Price	Cost of Asset		
CATEGORY (i)-SINGLE TRANSACTIONS IN EXCESS OF 5% OF PLAN ASSETS						
Goldman Sachs Structured International Class I #863	Mutual Fund Shares Sale		\$547,659	\$578,589	\$ 547,659	\$(30,930)
CATEGORY (iii)-SERIES OF TRANSACTIONS IN EXCESS OF 5% OF PLAN ASSETS						
Goldman Sachs Structured International Class I #863	Mutual Fund Shares Purchases (1) Sales (1)	\$250,136	\$547,659	\$250,136 578,589	\$ 250,136 547,659	(30,930)
Thornburg International Value Fund	Mutual Fund Shares Purchases (3) Sales (2)	464,228	33,034	464,228 30,053	464,228 33,034	2,981
Wells Fargo Advantage Cash Investment Fund	Money market fund shares Purchases (33) Sales (44)	947,188	922,586	947,188 922,586	947,188 922,586	

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

EIN 33-0266015 PN 023

**SCHEDULE H, ITEM 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2010**

(a)	(b) and (c)	(d)	(e)
Identity of Issue / Description of Investment	Number of Shares	Cost	Current Value
MUTUAL FUND SHARES			
Federated Total Return Bond Class I #288	96,248	1,052,941	\$ 1,073,161
Goldman Sachs Small Cap Value Fund Institutional	5,880	175,342	243,429
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* Wells Fargo Advantage Growth Fund Admin #3608	13,300	316,032	445,541
Total Mutual Fund Shares			<u>9,760,311</u>
MONEY MARKET FUND SHARES			
* Wells Fargo Advantage Cash Investment Fund	221,524	221,524	<u>221,524</u>
TOTAL			<u><u>\$ 9,981,835</u></u>

* Party-in-interest, but not prohibited transactions.

PENSION PLAN FOR COLLECTIVELY BARGAINED INDIANAPOLIS WATER EMPLOYEES

EIN 33-0266015 PN 023

SCHEDULE H, ITEM 4(j) - SCHEDULE OF REPORTABLE TRANSACTIONS
Year Ended December 31, 2010

(a)	(b)	(c)	(d)	(g)	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
Identity of Party Involved	Description of Asset and Description of Transaction	Purchase Price	Selling Price	Cost of Asset		
CATEGORY (i)-SINGLE TRANSACTIONS IN EXCESS OF 5% OF PLAN ASSETS						
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