

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 2014 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions)
B This return/report is	☐ a one-participant plan ☐ a foreign plan ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information							
1a Name of plan <u>SITHE STABLE PENSION ACCOUNT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 40%; text-align: center;"><u>004</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2000</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>004</u>	1c Effective date of plan <u>01/01/2000</u>			
1b Three-digit plan number (PN) ▶	<u>004</u>						
1c Effective date of plan <u>01/01/2000</u>							
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>SITHE ENERGIES, INC.</u> <u>601 TRAVIS STREET, SUITE 1400</u> <u>HOUSTON, TX 77002</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">2b Employer Identification Number (EIN) <u>13-3554926</u></td> <td style="width: 40%;"></td> </tr> <tr> <td>2c Sponsor's telephone number <u>713-507-6400</u></td> <td></td> </tr> <tr> <td>2d Business code (see instructions) <u>221100</u></td> <td></td> </tr> </table>	2b Employer Identification Number (EIN) <u>13-3554926</u>		2c Sponsor's telephone number <u>713-507-6400</u>		2d Business code (see instructions) <u>221100</u>	
2b Employer Identification Number (EIN) <u>13-3554926</u>							
2c Sponsor's telephone number <u>713-507-6400</u>							
2d Business code (see instructions) <u>221100</u>							
3a Plan administrator's name and address ☐ Same as Plan Sponsor. <u>DYNEGY INC. BENEFIT PLANS COMMITTEE</u> <u>601 TRAVIS STREET, SUITE 1400</u> <u>HOUSTON, TX 77002</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">3b Administrator's EIN <u>20-5653152</u></td> <td style="width: 40%;"></td> </tr> <tr> <td>3c Administrator's telephone number <u>713-507-6400</u></td> <td></td> </tr> </table>	3b Administrator's EIN <u>20-5653152</u>		3c Administrator's telephone number <u>713-507-6400</u>			
3b Administrator's EIN <u>20-5653152</u>							
3c Administrator's telephone number <u>713-507-6400</u>							
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	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">4b EIN</td> <td style="width: 40%;"></td> </tr> <tr> <td>4c PN</td> <td></td> </tr> </table>	4b EIN		4c PN			
4b EIN							
4c PN							
5a Total number of participants at the beginning of the plan year	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">5a</td> <td style="width: 40%; text-align: center;"><u>78</u></td> </tr> </table>	5a	<u>78</u>				
5a	<u>78</u>						
b Total number of participants at the end of the plan year	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">5b</td> <td style="width: 40%; text-align: center;"><u>74</u></td> </tr> </table>	5b	<u>74</u>				
5b	<u>74</u>						
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">5c</td> <td style="width: 40%;"></td> </tr> </table>	5c					
5c							
d(1) Total number of active participants at the beginning of the plan year	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">5d(1)</td> <td style="width: 40%; text-align: center;"><u>32</u></td> </tr> </table>	5d(1)	<u>32</u>				
5d(1)	<u>32</u>						
d(2) Total number of active participants at the end of the plan year	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">5d(2)</td> <td style="width: 40%; text-align: center;"><u>30</u></td> </tr> </table>	5d(2)	<u>30</u>				
5d(2)	<u>30</u>						
e Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">5e</td> <td style="width: 40%; text-align: center;"><u>0</u></td> </tr> </table>	5e	<u>0</u>				
5e	<u>0</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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2015	RICHARD KELLY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)			Preparer's telephone number (optional)

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	1413354	1528495
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	1413354	1528495
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)		
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	176886	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		176886
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	35891	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f	25854	
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		61745
i Net income (loss) (subtract line 8h from line 8c)	8i		115141
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1C 1I 3H
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 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? (See instructions and DOL's Voluntary Fiduciary Correction Program)		☒	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)		☒	
c Was the plan covered by a fidelity bond?	☒		25000000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)		☒	
f Has the plan failed to provide any benefit when due under the plan?		☒	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)		☒	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3			

Part VI Pension Funding Compliance

- 11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) ☒ Yes ☐ No
- 11a** Enter the unpaid minimum required contribution for current year from Schedule SB (Form 5500) line 39 **11a** 0
- 12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? .. ☐ Yes ☒ No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)
- a** 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 letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year.....	12b	
c Enter the amount contributed by the employer to the plan for this plan year	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount).....	12d	
e Will the minimum funding amount reported on line 12d be met by the funding deadline?.....	☐ Yes ☐ No ☐ N/A	

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?	☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐ Yes ☒ No
c 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.)	
13c(1) Name of plan(s):	13c(2) EIN(s)

Part VIII Trust Information (optional)

14a Name of trust	14b Trust's EIN

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014	
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 SITHE STABLE PENSION ACCOUNT PLAN	B Three-digit plan number (PN) 004
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SITHE ENERGIES, INC.	D Employer Identification Number (EIN) 13-3554926
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 01 Day 01 Year 2014			
2 Assets:			
a Market value	2a	1419660	
b Actuarial value	2b	1354674	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	3	40781	40781
b For terminated vested participants	43	647493	647493
c For active participants	32	366145	366145
d Total	78	1054419	1054419
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	5.91%	
6 Target normal cost	6	38000	

Statement by Enrolled Actuary	
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.	
SIGN HERE	
Signature of actuary	09/28/2015
MICHAEL J. BOLOGNA	Date
Type or print name of actuary	14-06676
TOWERS WATSON DELAWARE INC.	Most recent enrollment number
Firm name	713-754-5400
1221 MCKINNEY STREET, SUITE 2600 HOUSTON, TX 77010-1006	Telephone number (including area code)
Address of the firm	

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 (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>10.89</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.77</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	128.47 %
15 Adjusted funding target attainment percentage	15	128.47 %
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	122.47 %
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
Totals ►			18(b)	0	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 contributions 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	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No		
c If line 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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ 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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	38000	
b Excess assets, if applicable, but not greater than line 31a	31b	38000	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
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	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2014

Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Over
Under 25										
25 - 29										
30 - 34										
35 - 39										
40 - 44		3		1						
45 - 49		1	2	3						
50 - 54		2	2	7	2					
55 - 59		1		2						
60 - 64			3	2	1					
65 - 69										
70 & Over										

Plan Name: Sithe Stable Pension Account Plan
 EIN / PN: 13-3554926 / 004
 Plan Sponsor: Sithe Energies, Inc.
 Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods As of January 1, 2014

Economic Assumptions

Interest rate basis:

- Applicable month January
- Interest rate basis 3-Segment Rates

Interest rates:

- | | Reflecting
Corridors | Not Reflecting
Corridors |
|---------------------------|-------------------------|-----------------------------|
| ● First segment rate | 4.99% | 1.25% |
| ● Second segment rate | 6.32% | 4.06% |
| ● Third segment rate | 6.99% | 5.08% |
| ● Effective interest rate | 5.91% | 3.31% |

Administrative expenses \$38,000

Annual rates of increase

- Cash balance interest crediting rate Actual rate in the valuation year (1.13% for 2014); 3.00% for 2015 and beyond
- Compensation Not applicable
- Future Social Security wage bases None
- Statutory limits on compensation Maximum presently allowed under IRC §401(a)(17) and IRC §415

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SCHEDULE SB ATTACHMENTS

Demographic Assumptions

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

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

Mortality

Healthy Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 15 years beyond the valuation date using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 7 years beyond the valuation date using Scale AA).

Disabled Alternative disabled life mortality tables as defined under Revenue Ruling 96-7.

Termination Representative rates at which participants are assumed to terminate are shown below:

Age	Termination Rates
20	18.10%
25	16.10%
30	13.20%
35	10.90%
40	9.20%
45	8.00%
50	7.30%
55	7.00%

Disability Representative rates at which participants are assumed to become disabled by age and gender are shown below:

Percentage becoming disabled during the year		
Age	Males	Females
25	0.03	0.03
30	0.03	0.04
35	0.04	0.07
40	0.08	0.13
45	0.16	0.24
50	0.33	0.40
55	0.69	0.64
60	1.15	0.90

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SCHEDULE SB ATTACHMENTS

Retirement

Rates varying by age.

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

Age	Percentage retiring during the year
55 – 57	7%
58 – 59	5%
60	10%
61	15%
62	40%
63	30%
64	25%
65	70%
66 – 69	50%
70	100%

Benefit commencement date:

- Preretirement death benefit Upon death of active participant
- Deferred vested benefit Upon termination of employment
- Retirement benefit Upon retirement

Form of payment

100% of active participants are assumed to take the account balance as a lump sum at termination.

Current terminated vested participants are assumed to take the account balance as a lump sum based on the following schedule:

Years from Termination	Percentage taking Lump Sum
1	40%
2	30%
3	20%
4	10%

Percent married

For purposes of valuing the pre-retirement surviving spouse's benefit, 80% of eligible participants are assumed to be married.

Spouse age

Male spouses are assumed to be three years older than female spouses.

Plan Name: Sithe Stable Pension Account Plan
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SCHEDULE SB ATTACHMENTS

Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable as described above.
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Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430.
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.
Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year.)</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits not valued	We believe that we have reflected all significant plan provisions in this valuation.

Plan Name:	Sithe Stable Pension Account Plan
EIN / PN:	13-3554926 / 004
Plan Sponsor:	Sithe Energies, Inc.
Valuation Date:	January 1, 2014

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2014 This Form is Open to Public Inspection
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

► **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 Sithe Stable Pension Account Plan	B Three-digit plan number (PN) ►	004
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Sithe Energies, Inc.	D Employer Identification Number (EIN) 13-3554926	
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>2014</u>			
2 Assets:			
a Market value	2a	1419660	
b Actuarial value	2b	1354674	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	3	40781	40781
b For terminated vested participants	43	647493	647493
c For active participants	32	366145	366145
d Total	78	1054419	1054419
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5.91%		
6 Target normal cost	38000		

Statement by Enrolled Actuary

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

SIGN HERE	 Signature of actuary Michael J. Bologna Type or print name of actuary Towers Watson Delaware Inc. Firm name 1221 McKinney Street, Suite 2600 Houston TX 77010-1006 Address of the firm	09/28/2015 Date 1406676 Most recent enrollment number 713-754-5400 Telephone number (including area code)
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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.

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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 (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>10.89%</u>	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.7%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages

14	Funding target attainment percentage	14	128.47 %
15	Adjusted funding target attainment percentage	15	128.47 %
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	122.47 %
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
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18 Contributions made to the plan for the plan year by employer(s) and employees:

[illegible]

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 contributions 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	0

20 Quarterly contributions and liquidity shortfalls:

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

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

C If line 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: 4.99%	2nd segment: 6.32%	3rd segment: 6.99%
			☐ 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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	38000
b Excess assets, if applicable, but not greater than line 31a		31b	38000
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
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	0
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34	0
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)		36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	0
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected		☐ 2 plus 7 years ☐ 15 years	
b Eligible plan year(s) for which the election in line 41a was made		☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011	
42 Amount of acceleration adjustment		42 0	
43 Excess installment acceleration amount to be carried over to future plan years		43 0	

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions As of January 1, 2014

Plan Provisions

The plan was amended and restated effective January 1, 2007. The most recent amendment reflected herein is Amendment Number 5, executed on December 16, 2010, to comply with applicable provisions of the Heroes Earning Assistance and Relief Act of 2008, as amended (the "HEART Act").

Changes in Benefits Valued Since Prior Year	There have been no changes in benefits valued since the prior year.
Plan Year	The twelve-month period ending December 31.
Status of the Plan	The plan is frozen to future benefit accruals.
Benefits Not Included in Valuation	We believe that we have reflected all significant plan provisions in this valuation.
Significant Events During the Year	We are not aware of any significant events occurring during the plan year.

Definitions

Coverage and participation	Employees of the company and any designated affiliate, excluding leased employees and union members eligible to participate in another qualified plan sponsored by the company. The plan was closed to new entrants in 2005.
Vesting service	One year for each plan year that an eligible employee works at least 1,000 hours of service subject to break-in-service rules. Effective February 1, 2005, as a result of the Dynegy, Inc. purchase of Sithe Energies, Inc., all active employees were immediately vested.
Credited service	One year for each Plan year that an eligible employee works at least 1,000 hours. Effective February 1, 2005, as a result of the Dynegy, Inc. purchase of Sithe Energies, Inc., the accruals of all active employees were frozen.
Cash Balance Account	This account increases with Interest Credits and Pay Credits.

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Interest Credits The annual rate of interest earned on a participant's cash balance account is equal to the 12-month average yield or the 1-year Treasury bill constant maturity rate for the preceding plan year plus 1%. This annual rate shall be converted to a quarterly equivalent and credited on the first day of each calendar quarter. If the participant's pay credit is rescinded, the related interest credit is also rescinded.

Pay Credits The amount credited to a participant's cash balance account the last day of each calendar quarter. The pay credit shall be equal to 3% of the participant's pensionable earnings for such calendar quarter. The pay credit will be rescinded if the employee is not credited with at least 1,000 Hours of Service for the plan year in which the calendar quarter pay credit is made. Pay credits ceased to be credited to the Cash Balance Account as of February 1, 2005.

Compensation Not applicable. Participants are no longer eligible for additional pay credits.

Normal Retirement

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

Benefit Cash Balance Account.

Form of Payment Single life annuity for single participants; 50% joint and survivor annuity for married participants.

Early Retirement Benefit

Eligibility Any participant with a Vested Interest who has not yet attained Normal Retirement Age.

Benefit Cash Balance Account.

Vested Benefits Upon Termination of Service

Eligibility Any participant with a Vested Interest.

Benefit Cash Balance Account.

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Death Benefits for Participants in Active Service

Eligibility Any participant with a Vested Interest.

Benefit Cash Balance Account.

Optional Forms of Retirement Income in Lieu of Normal Form

The plan provides for optional monthly payment forms. Actuarial equivalence for this purpose is based on 7% interest rate and the 1983 Blended Group Annuity Mortality Table. Actuarial equivalence for purposes of converting the Cash Balance Account to a Single Life Annuity is based on the applicable interest rate and applicable mortality table as determined in accordance with Code Section 417(e)(3) with the applicable phase-in percentages to the new PPA interest rate basis. The applicable interest rate for a given plan year is based on the month of November (the lookback month) that precedes the Plan Year (the stability period) in which the distribution is made.

The Normal Form of payment for married participants is a Qualified Joint & Survivor Annuity, and for a single participant, it is a Single Life Annuity. In lieu of the Normal Form of payment, a participant may elect the following optional forms of payment:

- Single Life Annuity
- A Qualified Joint and Survivor benefit payable as long as the participant is alive with either 50%, 75% or 100% of such amount being payable during the lifetime of the participant's spouse upon the death of the participant.
- Lump Sum payment

Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

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Schedule SB, Line 24 Change In Actuarial Assumptions as of January 1, 2014

The assumed plan-related expenses added to the target normal cost were changed from \$57,000 for 2013 to \$38,000 for 2014.

The basis for determining future interest crediting rates was changed from 125 basis points lower than the effective rate not reflecting the corridors to 3.0% to better reflect expected future interest credits.

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