# 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), 6057(b), 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

**2015**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

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

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

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

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
ARIZONA PIPELINE CO. 401K SAVINGS & INVESTMENT

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 04/01/1983

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
ARIZONA PIPELINE CO.

P.O. BOX 401865
HESPERIA, CA 92340

**2b** Employer Identification Number (EIN) 95-3336040

**2c** Plan Sponsor's telephone number 760-244-8212

**2d** Business code (see instructions) 238900

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 07/03/2017 | TIM KIRK |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 07/03/2017 | TIM KIRK |
| | **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 |

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

| | | | |
|---|---|---|---|
| **3a** | Plan administrator's name and address [X] Same as Plan Sponsor | **3b** | Administrator's EIN |
| | | **3c** | Administrator's telephone number |
| **4** | If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: | **4b** | EIN |
| **a** | Sponsor's name | **4c** | PN |

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 577 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 473 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 635 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 100 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 735 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 735 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 246 |
| **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 Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 3D

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

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [X] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [X] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

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

**b General Schedules**

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

**Part III** **Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

# SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
ARIZONA PIPELINE CO. 401K SAVINGS & INVESTMENT

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
ARIZONA PIPELINE CO.

**D** Employer Identification Number (EIN)
95-3336040

## Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

**1** Coverage Information:

**(a)** Name of insurance carrier
VOYA RETIREMENT INSURANCE AND ANNUITY COMPANY

| (b) EIN | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year | |
|---|---|---|---|---|---|
| | | | | (f) From | (g) To |
| 71-0294708 | 86509 | YH1202 | 577 | 12/08/2015 | 12/31/2015 |

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Part II Investment and Annuity Contract Information

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

| | | | |
|---|---|---|---|
| 4 | Current value of plan's interest under this contract in the general account at year end | 4 | 1885301 |
| 5 | Current value of plan's interest under this contract in separate accounts at year end | 5 | 0 |

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

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

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶

| | | | | | |
|---|---|---|---|---|---|
| b | Balance at the end of the previous year | | | 7b | 0 |
| c | Additions: (1) Contributions deposited during the year | 7c(1) | 6788 | | |
| | (2) Dividends and credits | 7c(2) | | | |
| | (3) Interest credited during the year | 7c(3) | 1591 | | |
| | (4) Transferred from separate account | 7c(4) | | | |
| | (5) Other (specify below) | 7c(5) | 1882742 | | |
| | ▶ LOAN REPAYMENTS CONTRACT TRANSFER | | | | |
| | (6) Total additions | | | 7c(6) | 1891121 |
| d | Total of balance and additions (add lines **7b** and **7c(6)**). | | | 7d | 1891121 |
| e | Deductions: | | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | 7e(1) | 5681 | | |
| | (2) Administration charge made by carrier | 7e(2) | | | |
| | (3) Transferred to separate account | 7e(3) | | | |
| | (4) Other (specify below) | 7e(4) | 139 | | |
| | ▶ FORFEITURES | | | | |
| | (5) Total deductions | | | 7e(5) | 5820 |
| f | Balance at the end of the current year (subtract line **7e(5)** from line **7d**) | | | 7f | 1885301 |

## Part III Welfare Benefit Contract Information

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

**8** Benefit and contract type (check all applicable boxes)

**a** ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance

**e** ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug

**i** ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract

**m** ☐ Other (specify) ▶

| | | | | |
|---|---|---|---|---|
| **9** Experience-rated contracts: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **b** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. | | | **10b** | |

Specify nature of costs ▶

## Part IV Provision of Information

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

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

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2015**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
ARIZONA PIPELINE CO. 401K SAVINGS & INVESTMENT

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
ARIZONA PIPELINE CO.

**D** Employer Identification Number (EIN)
95-3336040

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

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

VOYA RETIREMENT INSURANCE & ANNUITY

71-0294708

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

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

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

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

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

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

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

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

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

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

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

**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)

VOYA INSTITUTIONAL PLAN SERVICES

04-3516284

| (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? |
|---|---|---|---|---|---|---|
| 64 | SERVICE PROVIDER2525 | 2525 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

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

MORGAN STANLEY SMITH BARNEY LLC

HARBORSIDE FINANCIAL CENTER
PLAZA II 7TH FLOOR
JERSEY CITY, NJ 07311

| (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? |
|---|---|---|---|---|---|---|
| 55 49 99 | BROKER/DEALER | 0 | Yes [X] No [ ] | Yes [ ] No [X] | 31797 | Yes [ ] No [X] |

**(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 [ ] |

**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)

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

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

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

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

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

## Part I Service Provider Information (continued)

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY LLC | 55 49 99 | 31797 |
| **(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. | |
| VOYA INSTITUTIONAL PLAN SERVICES<br><br>04-3516284 | OTHER COMMISSIONS | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

## Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# 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

**2015**

**This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
ARIZONA PIPELINE CO. 401K SAVINGS & INVESTMENT

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
ARIZONA PIPELINE CO.

**D** Employer Identification Number (EIN)
95-3336040

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 189701 | 134146 |
| **(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) | 11687626 | 8359243 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | 1885301 |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 11877327 | 10378690 |
| | **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 through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 11877327 | 10378690 |

## 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) | 166 | |
| | **(B)** Participants | 2a(1)(B) | 474054 | |
| | **(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) | | 474220 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | 6794 | |
| | **(F)** Other | 2b(1)(F) | 1591 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 8385 |
| | **(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) | 481237 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 481237 |
| | **(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 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| | **(B)** Other | 2b(5)(B) | | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **(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) | | -491397 |
| **c** Other income | 2c | | 29 |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 472474 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 1940120 | |
| **(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) | | 1940120 |
| **f** Corrective distributions (see instructions) | 2f | | 28466 |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | |
| **h** Interest expense | 2h | | |
| **i** Administrative expenses: **(1)** Professional fees | 2i(1) | | |
| **(2)** Contract administrator fees | 2i(2) | | |
| **(3)** Investment advisory and management fees | 2i(3) | | |
| **(4)** Other | 2i(4) | 2525 | |
| **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 2525 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 1971111 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | -1498637 |
| **l** Transfers of assets: | | | |
| **(1)** To this plan | 2l(1) | | |
| **(2)** From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

**(1)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

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

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

**(1)** Name: HOLTHOUSE CARLIN & VAN TRIGT LLP **(2)** EIN: 95-4345526

**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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

| | | Yes | No | N/A | Amount |
|---|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | X | | | 411868 |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | | |

| | | | Yes | No | N/A | Amount |
|---|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | | |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | | 1000000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | | |
| g | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | | |
| h | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | | |
| i | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | | |
| j | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | | |
| k | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | X | | | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | X | | | |
| o | Did the plan trust incur unrelated business taxable income? | 4o | | | | |
| p | Were in-service distributions made during the plan year? | 4p | | | | |

**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) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

**5c** 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 V Trust Information

| **6a** Name of trust | **6b** Trust's EIN |
|---|---|
| | |

| **6c** Name of trustee or custodian | **6d** Trustee's or custodian's telephone number |
|---|---|
| | |

# 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

**2015**

**This Form is Open to Public Inspection.**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
ARIZONA PIPELINE CO. 401K SAVINGS & INVESTMENT

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
ARIZONA PIPELINE CO.

**D** Employer Identification Number (EIN)
95-3336040

## Part I Distributions

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

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1**

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 71-0294708

**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**

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

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6 a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **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 or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

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

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

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (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 line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

## Part VII IRS Compliance Questions

| | | |
|---|---|---|
| **20a** Is the plan a 401(k) plan? | ☐ Yes | ☐ No |
| **20b** If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)? | ☐ Design-based safe harbor method | ☐ ADP/ACP test |
| **20c** If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))? | ☐ Yes | ☐ No |
| **21a** Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): | ☐ Ratio percentage test | ☐ Average benefit test |
| **21b** Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? | ☐ Yes | ☐ No |
| **22a** Has the plan been timely amended for all required tax law changes? | ☐ Yes | ☐ No ☐ N/A |

**22b** Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____ (See instructions for tax law changes and codes).

**22c** If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____/_____/_____ and the letter's serial number _____.

**22d** If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____/_____/_____.

| | | |
|---|---|---|
| **23** Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)? | ☐ Yes | ☐ No |

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN

FINANCIAL STATEMENTS,
SUPPLEMENTAL SCHEDULES,
AND
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2015

HCVT
HOLTHOUSE | CARLIN | VAN TRIGT LLP

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN


| INDEX | Page |
|---|---|
| Independent Auditor's Report | 1 - 2 |
| Financial Statements: | |
| Statements of Net Assets Available for Benefits | 3 |
| Statement of Changes in Net Assets Available for Benefits | 4 |
| Notes to Financial Statements | 5 - 11 |
| Supplemental Schedules: | |
| Schedule H, Line 4i - Schedule of Assets (Held at End of Year) | 12 |
| Schedule H, Line 4a - Schedule of Delinquent Participant Contributions | 13 |

HCVT
HOLTHOUSE | CARLIN | VAN TRIGT LLP

Independent Auditor's Report

To the Plan Committee of the
Arizona Pipeline Company 401(k) Savings and Investment Plan:

**Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Arizona Pipeline Company 401(k) Savings and Investment Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended December 31, 2015, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Voya Institutional Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. 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 December 31, 2015 and 2014, and for the year ended December 31, 2015, that the information provided to the plan administrator by the Trustee is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Report on Supplemental Schedules***

The supplemental schedules of Schedule of Assets (Held at End of Year) as of December 31, 2015 and Schedule of Delinquent Participant Contributions for the year ended December 31, 2015 are required by the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Camarillo, California
January 24, 2017

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2015 AND 2014

| | 2015 | 2014 |
|---|---|---|
| Assets: | | |
| Investments: | | |
| Participant-directed investments, at fair value | $ 8,359,243 | $ 11,687,626 |
| Participant-directed investments, at contract value | 1,885,301 | - |
| Total participant-directed investments | 10,244,544 | 11,687,626 |
| Receivables: | | |
| Participants' contributions | 14,201 | 15,572 |
| Notes receivable from participants | 134,146 | 189,701 |
| Total assets | 10,392,891 | 11,892,899 |
| Liabilities: | | |
| Corrective distributions | 27,558 | 28,468 |
| Net assets available for benefits | $ 10,365,333 | $ 11,864,431 |

*See notes to financial statements.*

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2015

| | | |
|---|---|---|
| Additions: | | |
| Participants' contributions | $ | 445,291 |
| Dividend income on investments | | 481,237 |
| Interest income on investments | | 1,591 |
| Interest income on notes receivable from participants | | 6,794 |
| Total additions | | 934,913 |
| Deductions: | | |
| Net depreciation of investments | | 491,394 |
| Benefits paid to participants | | 1,940,092 |
| Administrative expenses | | 2,525 |
| Total deductions | | 2,434,011 |
| Net decrease | | (1,499,098) |
| Net assets available for benefits: | | |
| Beginning of year | | 11,864,431 |
| End of year | $ | 10,365,333 |

*See notes to financial statements.*

## NOTE 1. PLAN DESCRIPTION

The following description of the Arizona Pipeline Company 401(k) Savings and Investment Plan (the "Plan") provides only general information. Participants and other interested parties should refer to the Plan document for a more complete description of the Plan's provisions.

### General

The Plan is a defined contribution plan covering all eligible employees, as defined by the Plan, who have been employed for at least one year by Arizona Pipeline Company (the "Company" and the "Plan Sponsor") and are at least 18 years of age. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

### Contributions

Each year, participants may contribute up to 92 percent of their pretax compensation, as defined by the Plan and subject to Internal Revenue Code ("IRC") limitations. Effective January 1, 2015, the Plan was amended so that newly hired employees are automatically enrolled at a deferral rate of three percent of compensation. Participants may also contribute amounts representing distributions from other eligible retirement plans, as defined in the Plan. Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company may make discretionary matching and profit sharing contributions. Participants must be employed on the last day of the Plan year in order to be eligible for Company discretionary contributions. Participants must also complete 1,000 hours of service during the Plan year to be eligible for Company discretionary profit sharing contributions. For the year ended December 31, 2015, the Company did not make a discretionary matching or profit sharing contribution.

### Vesting

Participants are immediately vested in their contributions, plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of service. Participants are vested in Company contributions at 20 percent after two years of service, and an additional 20 percent each year thereafter until 100 percent vested upon six years of service. While still employed by the Company, if a participant becomes disabled, dies or reaches early or normal retirement age, the participant becomes 100 percent vested.

### Forfeitures

Forfeitures of Company contributions may first be used to pay Plan administrative expenses and then to reduce Company contributions. During the year ended December 31, 2015, no forfeitures were utilized. As of December 31, 2015 forfeitures of $16,812 are available for future use.

## NOTE 1. PLAN DESCRIPTION (Continued)

Participant Accounts

Each participant's account is credited with the participant's contributions and Company matching contributions, if any, as well as allocations of the Company's profit sharing contribution, if any, and Plan earnings, and charged with any withdrawals or distributions requested by the participant, investment losses and allocation of administrative expenses, if applicable. Allocations are based on participant earnings or account balances, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Payment of Benefits

On termination of service for any reason, a participant or their beneficiaries, as applicable, may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account or an annuity, in accordance with the Plan.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America, primarily from data provided by Voya Institutional Trust Company (the "Trustee" and "Voya").

Recent Accounting Pronouncement

In July 2015, the FASB issued Accounting Standards Update No. 2015-12 ("ASU 2015-12"), *Plan Accounting: Defined Benefit Pension Plans, Topic 960; Defined Contribution Plans, Topic 962; and Health and Welfare Benefit Plans, Topic 965: Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient*. ASU 2015-12 simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts, plan investment disclosures, and provides for a measurement date practical expedient. The amendments are effective for all plan years beginning after December 15, 2015. Earlier application of any or all of the three parts is permitted. Part (I) and Part (II) are to be retrospectively applied and Part (III) is not applicable to the Plan. Plan management has elected early adoption and it has been fully implemented as of December 31, 2015 and 2014.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Administrative Expenses

Administrative expenses incidental to the administration of the Plan, including fees of the Trustee and independent public accountants may be paid by the Plan. Administrative expenses not paid by the Company are paid by the Plan.

Most investment options have fees which reduce the overall return on assets. The net depreciation of investments is inclusive of these fees.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value, except for the fully benefit-responsive investment contract, which is reported at contract 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. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to a fully benefit-responsive investment contract because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

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

Concentration of Risk

The Plan's investments have exposure to risk to the extent that the investments are subject to market and interest rate fluctuations that may materially affect the value of the investment balances.

Through participant direction, approximately 23 percent of the Plan's net assets are invested in the MFS Value Fund and approximately 21 percent of the Plan's net assets are invested in both the American Funds American Balanced Fund and American Funds Growth Fund of America.

Benefits Payable to Participants

Benefits are recorded when paid.

Fair Value

The Plan accounts for its financial instruments using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value measurement hierarchy is based on three levels of inputs, of which the first two are considered observable and the last unobservable. The three levels of the fair value hierarchy are the following:

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

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value (Continued)

- Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are inactive; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 – Inputs to the valuation that are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

*Mutual Funds* – This category consists of publicly traded funds of registered investment companies. The net asset value of the mutual fund's shares is quoted on the exchange where the fund is actively traded and therefore classified as Level 1 within the valuation hierarchy.

All of the Plan's investments measured at fair value are Level 1 and the following table sets forth the Plan's investments at fair value as of December 31:

| | 2015 | 2014 |
|---|---|---|
| Mutual funds | $ 8,359,243 | $ 11,687,626 |
| Total investments at fair value | $ 8,359,243 | $ 11,687,626 |

## NOTE 3. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT

Effective September 25, 2015, the Plan entered into a traditional investment contract with Voya that meets the fully benefit-responsive investment contract criteria. Voya maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Voya is contractually obligated to repay the principal and specified interest rate that is guaranteed to the Plan.

Since the investment is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the investment contract. Contract value, as reported to the Plan by Voya, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

**NOTE 3. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT (Continued)**

There are no reserves against contract value for credit risk of Voya or otherwise. The crediting interest rate is based on a formula agreed upon with Voya, but may not be less than one percent. Such interest rates are viewed on an annual basis for resetting.

Certain events limit the ability of the Plan to transact at contract value with Voya. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity provisions, (3) bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemptions under ERISA. The plan administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

**NOTE 4. FEDERAL INCOME TAX STATUS**

The Company adopted a prototype plan which is the subject of a favorable tax opinion letter from the IRS dated September 1, 2014. The Company routinely self-reviews the administration of the Plan and self corrects any compliance issues in accordance with the Employee Plans Compliance Resolution System. The Company believes that the Plan currently is being operated in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is tax-exempt. Accordingly, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**NOTE 5. PARTY-IN-INTEREST TRANSACTIONS**

Plan investments are held by the Trustee and transactions with the Trustee qualify as party-in-interest transactions for which exemptions exist. The Trustee received $2,525 for loan administration and transaction fees which were paid by participants through the Plan and received indirect compensation based on a formula. In addition, the Plan utilizes a broker that received indirect fees from the Plan of $31,797.

## NOTE 6. FINANCIAL DATA CERTIFIED BY THE TRUSTEE

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the following information was certified by the Trustee and was not subjected to any auditing procedures performed by the independent public accountants:

a. Total participant-directed investments and notes receivable from participants as shown in the accompanying statements of net assets available for benefits as of December 31, 2015 and 2014.

b. Net depreciation of investments, interest and dividend income on investments, and interest income on notes receivable from participants as shown in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2015.

c. Investments, fully benefit-responsive investment contract, and participant loans as of December 31, 2015 as listed in the accompanying Schedule of Assets (Held at End of Year).

## NOTE 7. PLAN TERMINATION

The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants will become fully vested in their Company contributions.

## NOTE 8. NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow from their fund accounts up to a maximum equal to the lesser of $50,000 reduced by the highest outstanding loan balance during the previous 12 months, or 50 percent of their vested account balance. The loan interest rate is determined by the plan administrator based on prevailing rates, as defined in the Plan. The loans are stated at the unpaid principal amount, secured by the balance in the participant's account and bear interest at 4.25 percent. Principal and interest are paid ratably through payroll deductions. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

## NOTE 9. DELINQUENT PARTICIPANT CONTRIBUTIONS

Certain contributions were not remitted timely to the Trustee as required by the Department of Labor's regulations. These late remittances are detailed in the attached Schedule of Delinquent Participant Contributions.

## NOTE 10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31:

| | 2015 | 2014 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 10,365,333 | $ 11,864,431 |
| Participants' contributions receivable | (14,201) | (15,572) |
| Corrective distributions | 27,558 | 28,468 |
| Net assets available for benefits per the Form 5500 | $ 10,378,690 | $ 11,877,327 |

The following is a reconciliation of the net decrease in net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2015:

| | |
|---|---|
| Net decrease in net assets available for benefits per the financial statements | $ (1,499,098) |
| Change in participants' contributions receivable | 1,371 |
| Change in corrective distributions | (910) |
| Net decrease in net assets available for benefits per the Form 5500 | $ (1,498,637) |

## NOTE 11. SUBSEQUENT EVENTS

The Company has evaluated subsequent events that have occurred through January 24, 2017, which is the date that the financial statements were available to be issued, and determined that there were no subsequent events or transactions that required recognition or disclosure in the financial statements.

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN

EIN 95-3336040 PLAN #002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2015

| | Identity of issue | Description of investment | | Current value |
|---|---|---|---|---|
| | American Funds American Balanced Fund | Mutual Fund | $ | 2,127,437 |
| | American Funds EuroPacific Growth Fund | Mutual Fund | | 186,699 |
| | American Funds Growth Fund of America | Mutual Fund | | 2,161,881 |
| | ClearBridge Mid Cap Core Fund | Mutual Fund | | 122,235 |
| | Fidelity Advisor Freedom 2015 Fund | Asset Allocation Mutual Fund | | 232,841 |
| | Fidelity Advisor Freedom 2020 Fund | Asset Allocation Mutual Fund | | 16,061 |
| | Fidelity Advisor Freedom 2025 Fund | Asset Allocation Mutual Fund | | 94,714 |
| | Fidelity Advisor Freedom 2030 Fund | Asset Allocation Mutual Fund | | 14,190 |
| | Fidelity Advisor Freedom 2035 Fund | Asset Allocation Mutual Fund | | 245,212 |
| | Fidelity Advisor Freedom 2040 Fund | Asset Allocation Mutual Fund | | 1,753 |
| | Fidelity Advisor Freedom 2045 Fund | Asset Allocation Mutual Fund | | 540 |
| | Fidelity Advisor Freedom 2050 Fund | Asset Allocation Mutual Fund | | 6,158 |
| | Fidelity Advisor Freedom 2055 Fund | Asset Allocation Mutual Fund | | 2,357 |
| * | Voya Money Market Portfolio Fund | Money Market Mutual Fund | | 1,742 |
| | Legg Mason Batterymarch S&P 500 Index Fund | Mutual Fund | | 414,356 |
| | Metropolitan West Total Return Bond Fund | Mutual Fund | | 380,991 |
| | MFS Value Fund | Mutual Fund | | 2,350,076 |
| | | | | 8,359,243 |
| | Fully benefit-responsive investment contract: | | | |
| * | Voya Fixed Account | Guaranteed Interest Contract | | 1,885,301 |
| * | Participant Loans | Interest at 4.25%, maturity dates range from 2016 to 2024 | | 134,146 |
| | | | $ | 10,378,690 |

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

*See notes to financial statements and accompanying independent auditor's report.*

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN

EIN 95-3336040 PLAN #002

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

FOR THE YEAR ENDED DECEMBER 31, 2015

| Participant Contributions Transferred Late to Plan | Check here if Late Participant Loan Repayments are included | Total that Constitutes Nonexempt Prohibited Transactions: Contributions Not Corrected | Contributions Corrected Outside VFCP* | Contributions Pending Correction in VFCP* | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|---|
| $ 411,868 | ✓ | $ 411,868 | $ - | $ - | $ - |

* Voluntary Fiduciary Correction Program

*See notes to financial statements and accompanying independent auditor's report.*

**Attachment to 2015 Form 5500**

## Schedule H, line 4i - Schedule of Assets

**(Held at End of Year)**

**Arizona Pipeline Co 401(k) Sav & Invest Pl**

**EIN#95-3336040**

**Plan#002**

**As Of December 31, 2015**

| (a) | (b) Identity of issue, borrower, lessor or similar party | (c) Description of investments including maturity date, rate of interest, collateral, par, or maturity date | (d)Cost | (e) Current Value |
|---|---|---|---|---|
| | American Funds Am Balancd R3 | Registered Investment Company | | $2,127,438 |
| | American Funds EuroPacific R3 | Registered Investment Company | | $186,699 |
| | American Funds Growth Fnd R3 | Registered Investment Company | | $2,161,881 |
| | ClrBrg Mid Cap Fund IS | Registered Investment Company | | $122,235 |
| | Fidelity Adv Free 2015 Fnd I | Registered Investment Company | | $232,841 |
| | Fidelity Adv Free 2020 Fnd I | Registered Investment Company | | $16,061 |
| | Fidelity Adv Free 2025 Fnd I | Registered Investment Company | | $94,714 |
| | Fidelity Adv Free 2030 Fnd I | Registered Investment Company | | $14,190 |
| | Fidelity Adv Free 2035 Fnd I | Registered Investment Company | | $245,212 |
| | Fidelity Adv Free 2040 Fnd I | Registered Investment Company | | $1,753 |
| | Fidelity Adv Free 2045 Fnd I | Registered Investment Company | | $540 |
| | Fidelity Adv Free 2050 Fnd I | Registered Investment Company | | $6,158 |
| | Fidelity Adv Free 2055 Fnd I | Registered Investment Company | | $2,357 |
| | Metropltn West Tot Rtn Bd Fd M | Registered Investment Company | | $380,991 |
| | MFS Value Fund R2 | Registered Investment Company | | $2,350,076 |
| | QS Battery S&P 500 Index Fd D | Registered Investment Company | | $414,356 |
| * | Voya Fixed Account | Insurance Company General Account | | $1,885,301 |
| * | Voya Mny Mkt Fd A | Registered Investment Company | | $1,742 |
| | Participant Loans - Rates 4.25% to 4.25% | | | $134,146 |
| | TOTAL | | | $10,378,690 |

* denotes party-in-interest

Column (d) is not required as the Plan's investments are totally participant directed.

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN

FINANCIAL STATEMENTS,
SUPPLEMENTAL SCHEDULES,
AND
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2015

HCVT
HOLTHOUSE | CARLIN | VAN TRIGT LLP

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN


| INDEX | Page |
|---|---|
| Independent Auditor's Report | 1 - 2 |
| Financial Statements: | |
| Statements of Net Assets Available for Benefits | 3 |
| Statement of Changes in Net Assets Available for Benefits | 4 |
| Notes to Financial Statements | 5 - 11 |
| Supplemental Schedules: | |
| Schedule H, Line 4i - Schedule of Assets (Held at End of Year) | 12 |
| Schedule H, Line 4a - Schedule of Delinquent Participant Contributions | 13 |

HCVT
HOLTHOUSE | CARLIN | VAN TRIGT LLP

Independent Auditor's Report

To the Plan Committee of the
Arizona Pipeline Company 401(k) Savings and Investment Plan:

**Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Arizona Pipeline Company 401(k) Savings and Investment Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended December 31, 2015, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Voya Institutional Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. 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 December 31, 2015 and 2014, and for the year ended December 31, 2015, that the information provided to the plan administrator by the Trustee is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Report on Supplemental Schedules***

The supplemental schedules of Schedule of Assets (Held at End of Year) as of December 31, 2015 and Schedule of Delinquent Participant Contributions for the year ended December 31, 2015 are required by the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Camarillo, California
January 24, 2017

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2015 AND 2014

| | 2015 | 2014 |
|---|---|---|
| Assets: | | |
| Investments: | | |
| Participant-directed investments, at fair value | $ 8,359,243 | $ 11,687,626 |
| Participant-directed investments, at contract value | 1,885,301 | - |
| Total participant-directed investments | 10,244,544 | 11,687,626 |
| Receivables: | | |
| Participants' contributions | 14,201 | 15,572 |
| Notes receivable from participants | 134,146 | 189,701 |
| Total assets | 10,392,891 | 11,892,899 |
| Liabilities: | | |
| Corrective distributions | 27,558 | 28,468 |
| Net assets available for benefits | $ 10,365,333 | $ 11,864,431 |

*See notes to financial statements.*

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2015

| | | |
|---|---|---|
| Additions: | | |
| Participants' contributions | $ | 445,291 |
| Dividend income on investments | | 481,237 |
| Interest income on investments | | 1,591 |
| Interest income on notes receivable from participants | | 6,794 |
| Total additions | | 934,913 |
| Deductions: | | |
| Net depreciation of investments | | 491,394 |
| Benefits paid to participants | | 1,940,092 |
| Administrative expenses | | 2,525 |
| Total deductions | | 2,434,011 |
| Net decrease | | (1,499,098) |
| Net assets available for benefits: | | |
| Beginning of year | | 11,864,431 |
| End of year | $ | 10,365,333 |

*See notes to financial statements.*

## NOTE 1. PLAN DESCRIPTION

The following description of the Arizona Pipeline Company 401(k) Savings and Investment Plan (the "Plan") provides only general information. Participants and other interested parties should refer to the Plan document for a more complete description of the Plan's provisions.

### General

The Plan is a defined contribution plan covering all eligible employees, as defined by the Plan, who have been employed for at least one year by Arizona Pipeline Company (the "Company" and the "Plan Sponsor") and are at least 18 years of age. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

### Contributions

Each year, participants may contribute up to 92 percent of their pretax compensation, as defined by the Plan and subject to Internal Revenue Code ("IRC") limitations. Effective January 1, 2015, the Plan was amended so that newly hired employees are automatically enrolled at a deferral rate of three percent of compensation. Participants may also contribute amounts representing distributions from other eligible retirement plans, as defined in the Plan. Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company may make discretionary matching and profit sharing contributions. Participants must be employed on the last day of the Plan year in order to be eligible for Company discretionary contributions. Participants must also complete 1,000 hours of service during the Plan year to be eligible for Company discretionary profit sharing contributions. For the year ended December 31, 2015, the Company did not make a discretionary matching or profit sharing contribution.

### Vesting

Participants are immediately vested in their contributions, plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of service. Participants are vested in Company contributions at 20 percent after two years of service, and an additional 20 percent each year thereafter until 100 percent vested upon six years of service. While still employed by the Company, if a participant becomes disabled, dies or reaches early or normal retirement age, the participant becomes 100 percent vested.

### Forfeitures

Forfeitures of Company contributions may first be used to pay Plan administrative expenses and then to reduce Company contributions. During the year ended December 31, 2015, no forfeitures were utilized. As of December 31, 2015 forfeitures of $16,812 are available for future use.

## NOTE 1. PLAN DESCRIPTION (Continued)

Participant Accounts

Each participant's account is credited with the participant's contributions and Company matching contributions, if any, as well as allocations of the Company's profit sharing contribution, if any, and Plan earnings, and charged with any withdrawals or distributions requested by the participant, investment losses and allocation of administrative expenses, if applicable. Allocations are based on participant earnings or account balances, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Payment of Benefits

On termination of service for any reason, a participant or their beneficiaries, as applicable, may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account or an annuity, in accordance with the Plan.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America, primarily from data provided by Voya Institutional Trust Company (the "Trustee" and "Voya").

Recent Accounting Pronouncement

In July 2015, the FASB issued Accounting Standards Update No. 2015-12 ("ASU 2015-12"), *Plan Accounting: Defined Benefit Pension Plans, Topic 960; Defined Contribution Plans, Topic 962; and Health and Welfare Benefit Plans, Topic 965: Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient*. ASU 2015-12 simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts, plan investment disclosures, and provides for a measurement date practical expedient. The amendments are effective for all plan years beginning after December 15, 2015. Earlier application of any or all of the three parts is permitted. Part (I) and Part (II) are to be retrospectively applied and Part (III) is not applicable to the Plan. Plan management has elected early adoption and it has been fully implemented as of December 31, 2015 and 2014.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Administrative Expenses

Administrative expenses incidental to the administration of the Plan, including fees of the Trustee and independent public accountants may be paid by the Plan. Administrative expenses not paid by the Company are paid by the Plan.

Most investment options have fees which reduce the overall return on assets. The net depreciation of investments is inclusive of these fees.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value, except for the fully benefit-responsive investment contract, which is reported at contract 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. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to a fully benefit-responsive investment contract because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

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

Concentration of Risk

The Plan's investments have exposure to risk to the extent that the investments are subject to market and interest rate fluctuations that may materially affect the value of the investment balances.

Through participant direction, approximately 23 percent of the Plan's net assets are invested in the MFS Value Fund and approximately 21 percent of the Plan's net assets are invested in both the American Funds American Balanced Fund and American Funds Growth Fund of America.

Benefits Payable to Participants

Benefits are recorded when paid.

Fair Value

The Plan accounts for its financial instruments using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value measurement hierarchy is based on three levels of inputs, of which the first two are considered observable and the last unobservable. The three levels of the fair value hierarchy are the following:

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

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value (Continued)

- Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are inactive; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 – Inputs to the valuation that are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

*Mutual Funds* – This category consists of publicly traded funds of registered investment companies. The net asset value of the mutual fund's shares is quoted on the exchange where the fund is actively traded and therefore classified as Level 1 within the valuation hierarchy.

All of the Plan's investments measured at fair value are Level 1 and the following table sets forth the Plan's investments at fair value as of December 31:

| | 2015 | 2014 |
|---|---|---|
| Mutual funds | $ 8,359,243 | $ 11,687,626 |
| Total investments at fair value | $ 8,359,243 | $ 11,687,626 |

## NOTE 3. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT

Effective September 25, 2015, the Plan entered into a traditional investment contract with Voya that meets the fully benefit-responsive investment contract criteria. Voya maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Voya is contractually obligated to repay the principal and specified interest rate that is guaranteed to the Plan.

Since the investment is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the investment contract. Contract value, as reported to the Plan by Voya, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

**NOTE 3. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT (Continued)**

There are no reserves against contract value for credit risk of Voya or otherwise. The crediting interest rate is based on a formula agreed upon with Voya, but may not be less than one percent. Such interest rates are viewed on an annual basis for resetting.

Certain events limit the ability of the Plan to transact at contract value with Voya. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity provisions, (3) bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemptions under ERISA. The plan administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

**NOTE 4. FEDERAL INCOME TAX STATUS**

The Company adopted a prototype plan which is the subject of a favorable tax opinion letter from the IRS dated September 1, 2014. The Company routinely self-reviews the administration of the Plan and self corrects any compliance issues in accordance with the Employee Plans Compliance Resolution System. The Company believes that the Plan currently is being operated in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is tax-exempt. Accordingly, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**NOTE 5. PARTY-IN-INTEREST TRANSACTIONS**

Plan investments are held by the Trustee and transactions with the Trustee qualify as party-in-interest transactions for which exemptions exist. The Trustee received $2,525 for loan administration and transaction fees which were paid by participants through the Plan and received indirect compensation based on a formula. In addition, the Plan utilizes a broker that received indirect fees from the Plan of $31,797.

## NOTE 6. FINANCIAL DATA CERTIFIED BY THE TRUSTEE

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the following information was certified by the Trustee and was not subjected to any auditing procedures performed by the independent public accountants:

a. Total participant-directed investments and notes receivable from participants as shown in the accompanying statements of net assets available for benefits as of December 31, 2015 and 2014.

b. Net depreciation of investments, interest and dividend income on investments, and interest income on notes receivable from participants as shown in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2015.

c. Investments, fully benefit-responsive investment contract, and participant loans as of December 31, 2015 as listed in the accompanying Schedule of Assets (Held at End of Year).

## NOTE 7. PLAN TERMINATION

The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants will become fully vested in their Company contributions.

## NOTE 8. NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow from their fund accounts up to a maximum equal to the lesser of $50,000 reduced by the highest outstanding loan balance during the previous 12 months, or 50 percent of their vested account balance. The loan interest rate is determined by the plan administrator based on prevailing rates, as defined in the Plan. The loans are stated at the unpaid principal amount, secured by the balance in the participant's account and bear interest at 4.25 percent. Principal and interest are paid ratably through payroll deductions. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

## NOTE 9. DELINQUENT PARTICIPANT CONTRIBUTIONS

Certain contributions were not remitted timely to the Trustee as required by the Department of Labor's regulations. These late remittances are detailed in the attached Schedule of Delinquent Participant Contributions.

## NOTE 10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31:

| | 2015 | 2014 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 10,365,333 | $ 11,864,431 |
| Participants' contributions receivable | (14,201) | (15,572) |
| Corrective distributions | 27,558 | 28,468 |
| Net assets available for benefits per the Form 5500 | $ 10,378,690 | $ 11,877,327 |

The following is a reconciliation of the net decrease in net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2015:

| | |
|---|---|
| Net decrease in net assets available for benefits per the financial statements | $ (1,499,098) |
| Change in participants' contributions receivable | 1,371 |
| Change in corrective distributions | (910) |
| Net decrease in net assets available for benefits per the Form 5500 | $ (1,498,637) |

## NOTE 11. SUBSEQUENT EVENTS

The Company has evaluated subsequent events that have occurred through January 24, 2017, which is the date that the financial statements were available to be issued, and determined that there were no subsequent events or transactions that required recognition or disclosure in the financial statements.

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN

EIN 95-3336040 PLAN #002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2015

| | Identity of issue | Description of investment | | Current value |
|---|---|---|---|---|
| | American Funds American Balanced Fund | Mutual Fund | $ | 2,127,437 |
| | American Funds EuroPacific Growth Fund | Mutual Fund | | 186,699 |
| | American Funds Growth Fund of America | Mutual Fund | | 2,161,881 |
| | ClearBridge Mid Cap Core Fund | Mutual Fund | | 122,235 |
| | Fidelity Advisor Freedom 2015 Fund | Asset Allocation Mutual Fund | | 232,841 |
| | Fidelity Advisor Freedom 2020 Fund | Asset Allocation Mutual Fund | | 16,061 |
| | Fidelity Advisor Freedom 2025 Fund | Asset Allocation Mutual Fund | | 94,714 |
| | Fidelity Advisor Freedom 2030 Fund | Asset Allocation Mutual Fund | | 14,190 |
| | Fidelity Advisor Freedom 2035 Fund | Asset Allocation Mutual Fund | | 245,212 |
| | Fidelity Advisor Freedom 2040 Fund | Asset Allocation Mutual Fund | | 1,753 |
| | Fidelity Advisor Freedom 2045 Fund | Asset Allocation Mutual Fund | | 540 |
| | Fidelity Advisor Freedom 2050 Fund | Asset Allocation Mutual Fund | | 6,158 |
| | Fidelity Advisor Freedom 2055 Fund | Asset Allocation Mutual Fund | | 2,357 |
| * | Voya Money Market Portfolio Fund | Money Market Mutual Fund | | 1,742 |
| | Legg Mason Batterymarch S&P 500 Index Fund | Mutual Fund | | 414,356 |
| | Metropolitan West Total Return Bond Fund | Mutual Fund | | 380,991 |
| | MFS Value Fund | Mutual Fund | | 2,350,076 |
| | | | | 8,359,243 |
| | Fully benefit-responsive investment contract: | | | |
| * | Voya Fixed Account | Guaranteed Interest Contract | | 1,885,301 |
| * | Participant Loans | Interest at 4.25%, maturity dates range from 2016 to 2024 | | 134,146 |
| | | | $ | 10,378,690 |

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

*See notes to financial statements and accompanying independent auditor's report.*

# ARIZONA PIPELINE COMPANY
# 401(k) SAVINGS AND INVESTMENT PLAN

EIN 95-3336040 PLAN #002

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

FOR THE YEAR ENDED DECEMBER 31, 2015

| Participant Contributions Transferred Late to Plan | Check here if Late Participant Loan Repayments are included | Total that Constitutes Nonexempt Prohibited Transactions: Contributions Not Corrected | Contributions Corrected Outside VFCP* | Contributions Pending Correction in VFCP* | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|---|
| $ 411,868 | ✓ | $ 411,868 | $ - | $ - | $ - |

* Voluntary Fiduciary Correction Program

*See notes to financial statements and accompanying independent auditor's report.*