

# PINNACLE WEST CAPITAL CORP

## FORM 8-K (Current report filing)

Filed 09/20/13 for the Period Ending 09/20/13

Address	400 NORTH FIFTH STREET MS8695 PHOENIX, AZ 85004
Telephone	602 250 1000
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the**  
**Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **September 20, 2013**

<b>Commission File Number</b>	<b>Exact Name of Registrant as Specified in Charter; State of Incorporation; Address and Telephone Number</b>	<b>IRS Employer Identification Number</b>
1-8962	<b>Pinnacle West Capital Corporation</b> (an Arizona corporation) 400 North Fifth Street, P.O. Box 53999 Phoenix, AZ 85072-3999 (602) 250-1000	86-0512431
1-4473	<b>Arizona Public Service Company</b> (an Arizona corporation) 400 North Fifth Street, P.O. Box 53999 Phoenix, AZ 85072-3999 (602) 250-1000	86-0011170

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

This combined Form 8-K is separately filed or furnished by Pinnacle West Capital Corporation and Arizona Public Service Company. Each registrant is filing or furnishing on its own behalf all of the information contained in this Form 8-K that relates to such registrant and, where required, its subsidiaries. Except as stated in the preceding sentence, neither registrant is filing or furnishing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

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**Item 7.01 Regulation FD Disclosure.**

**Investor and Analyst Meetings**

Pinnacle West Capital Corporation (“Pinnacle West”) is participating in the Sanford C. Bernstein & Co. Renewables Conference on September 23, 2013. During the conference, we will be meeting with members of the investment community and utilizing handouts during those meetings. Copies of the handouts are attached hereto as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits**

<b>Exhibit No.</b>	<b>Registrant(s)</b>	<b>Description</b>
99.1	Pinnacle West Arizona Public Service Company	Pinnacle West handouts for use at the Sanford C. Bernstein & Co. Renewables Conference on September 23, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PINNACLE WEST CAPITAL CORPORATION  
(Registrant)

Dated: September 20, 2013

By: /s/ James R. Hatfield  
James R. Hatfield  
Executive Vice President and Chief Financial  
Officer

ARIZONA PUBLIC SERVICE COMPANY  
(Registrant)

Dated: September 20, 2013

By: /s/ James R. Hatfield  
James R. Hatfield  
Executive Vice President and Chief Financial  
Officer

# **RENEWABLE ENERGY RISES WITH THE SUN**

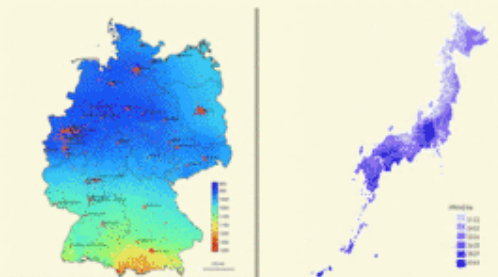
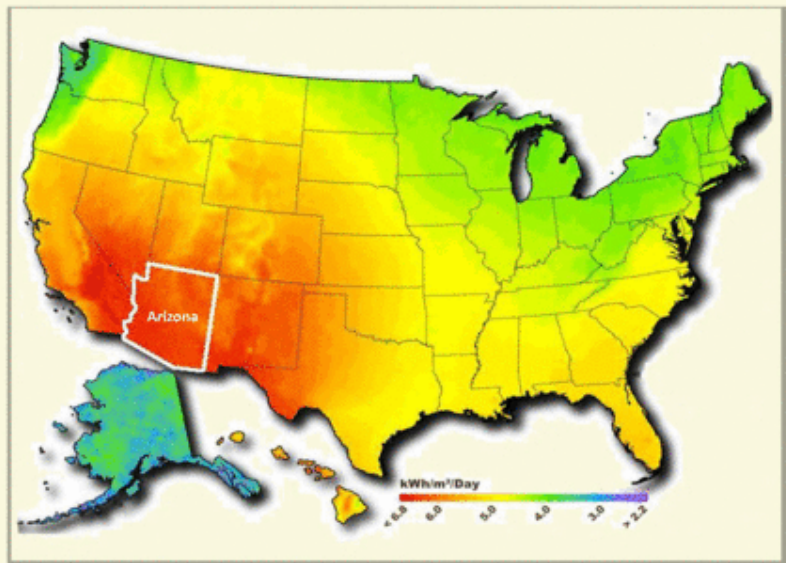
**Sanford C. Bernstein & Co.  
Renewables Conference  
September 23, 2013**

**Barbara D. Lockwood, P.E.  
General Manager, Energy Innovation**



# RENEWABLE ENERGY RISES WITH THE SUN

We are helping Arizona become the “Solar Capital of the World”



Germany and Japan are among countries with highest installed solar capacity, yet have solar conditions far inferior to Arizona

# ARIZONA'S RENEWABLE RESOURCE AND ENERGY EFFICIENCY STANDARDS

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**Our programs address Arizona's aggressive renewable energy standard**

## Renewable Energy (RES) Minimum Requirements

Portion of retail sales to be supplied by renewable resources

- 5% by 2015
- 15% by 2025

Distributed energy component

- 30% of total requirement by 2012

APS on track to approximately double 2015 requirement

- Pursuant to 2009 regulatory settlement



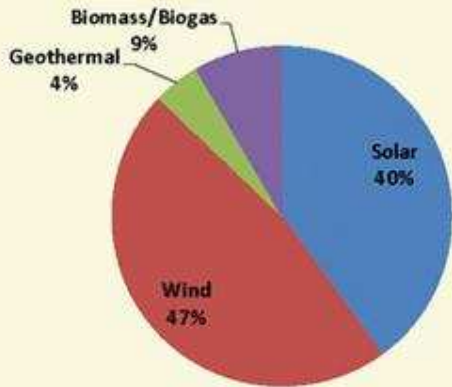
**APS ranked 4th nationally for solar installations in 2012**

Solar Electric Power Association



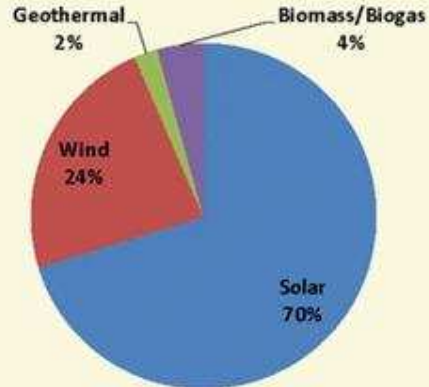
# RENEWABLE GENERATION MIX

**We are making good progress; our renewable resources will be predominantly solar**



**2012**

**5.3% of retail sales**



**2015**

**12% of retail sales  
(projected)**





# APS SOLAR OWNERSHIP PROGRAMS

We own both utility scale and distributed solar energy through 3 programs



**Community Power Project**  
1.4 MW completed



**Schools & Government**  
7 MW completed + 6 MW in progress



**Arizona Sun**  
86 MW completed +  
64 MW in progress +  
50 MW proposed =  
200 MW Total



## SOLANA: A "SUNNY PLACE"

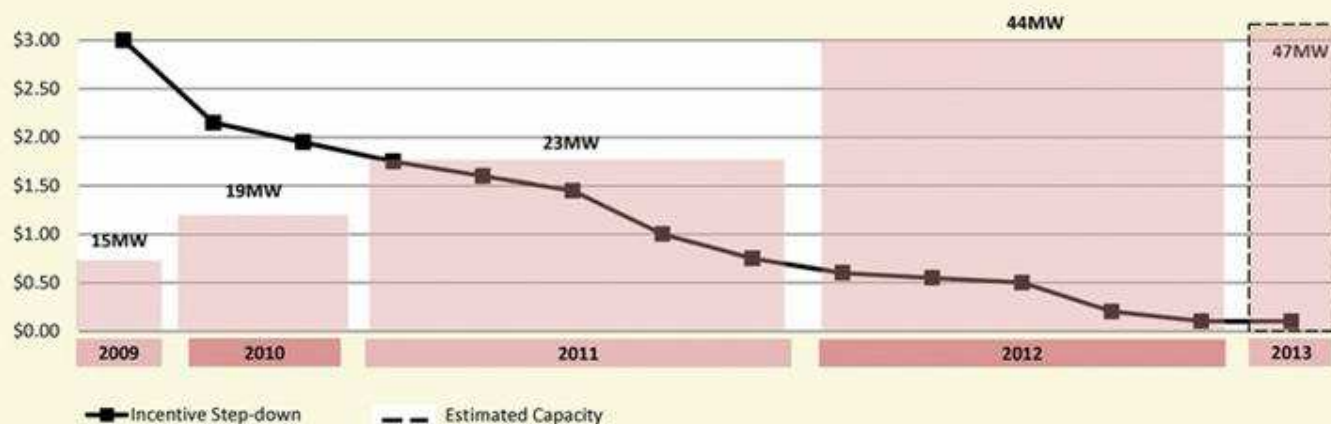
**Solana will provide more than one-quarter of APS's renewable energy target by 2015.**



- 250-MW 30-year PPA for all output (~900 GWh/year)
- Concentrating solar trough facility 70 miles southwest of Phoenix
- On target for 2013 commercial operation
- 90%+ on-peak capacity factor with use of thermal storage capability
- Expected to be first major U.S. solar trough plant with thermal energy storage
- Near existing transmission lines
- Built, owned and operated by Abengoa Solar

# ROOFTOP SOLAR INCENTIVES IN ARIZONA

Incentives for photovoltaic systems have come down dramatically over time



**Distributed Solar Energy deployment has risen significantly in the last 5 years due to the following:**

- **Reduction of installed costs**
- **Customer finance models**
- **Federal and state investment credits**
- **Utility net metering and cash incentives**

# RATES THAT MATCH CUSTOMER CHOICE

## Rates need updating to match current energy trends

### What's Changing

**Customers are producing and consuming energy in new and innovative ways**



### What's Needed

- **Safe and reliable power supply available to all customers when they need it**
- **Utility rates that recover the cost of infrastructure investments from customers based on services provided**
- **Modernized utility rate design that manages cost impacts to participant and non-participant customers**

## LONG TERM OUTLOOK

- Renewable energy will continue to increase over time and, in Arizona, it will predominately be solar
- Energy storage is not cost effective today - and is not likely to be in the near future
- Absent cost effective energy storage, flexible gas generation will be needed to accommodate increasing penetrations of renewable energy
- Current grid modernization efforts will be important to accommodate high levels of renewable generation
- Rates will need to be modernized to reflect the changing energy landscape