

# PINNACLE WEST CAPITAL CORP

Reported by  
**PALMERI MICHAEL V**

## FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 01/10/02 for the Period Ending 12/31/01

Address	400 NORTH FIFTH STREET MS8695 PHOENIX, AZ 85004
Telephone	602 250 1000
CIK	0000764622
Symbol	PNW
SIC Code	4911 - Electric Services
Industry	Electric Utilities
Sector	Utilities
Fiscal Year	12/31

# PINNACLE WEST CAPITAL CORP

## FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 1/10/2002 For Period Ending 12/31/2001

Address	400 NORTH FIFTH STREET . PHOENIX, Arizona 85004
Telephone	602-379-2500
CIK	0000764622
Industry	Electric Utilities
Sector	Utilities
Fiscal Year	12/31

**OMB APPROVAL**  
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**U.S. SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 4**  
**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or  
Section 30(f) of the Investment Company Act of 1940  
 Check this box if no longer subject of Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person\*

Palmeri	Michael	V.
-----	-----	-----
(Last)	(First)	(Middle)
400 North Fifth Street		
-----		
(Street)		
Phoenix	AZ	85004
-----	-----	-----
(City)	(State)	(Zip)
=====		

2. Issuer Name and Ticker or Trading Symbol

**Pinnacle West Capital Corporation (PNW)**

3. IRS or Social Security Number of Reporting Person (Voluntary)

4. Statement for Month/Year

December 2001

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person to Issuer

(Check all applicable)

Director  10% Owner

Officer (give title below)  Other (specify below)

**Vice President**

7. Individual or Joint/Group Filing (Check applicable line)

Form filed by one Reporting Person

Form filed by more than one Reporting Person

Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Title of Security (Instr. 3)	Transaction Date (mm/dd/yy)	Transaction Code (Instr. 8)		Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	Owner-ship Form: Direct or Indirect (Instr. 4)	Nature of Indirect Beneficial Ownership (Instr. 4)
		Code	V	Amount	Price (D)			
Common Stock	12-31-01	M		560	A \$34.66			
Common Stock	12-31-01	F		4,440	D** \$42.10			
Common Stock	12-31-01	M		331	A \$19.56			
Common Stock	12-31-01	F		669	D** \$42.10	13,644	D	
Common Stock						1,644	I	by 401(k)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the Form is filed by more than one Reporting Person, see Instruction 4(b)(v). \*\* The minimum amount of shares were sold solely for the purpose of meeting tax withholding requirements. Mr. Palmeri retained all other shares received upon the noted option exercise.

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

(e.g., puts, calls, warrants, options, convertible securities)

Title of Derivative Security (Instr. 3)	Conversion of Exercise Price of Derivative Security	Transaction Date (Month/Day/Year)	Transaction Code (Instr. 8)	Number of Derivative Securities		Date Exercisable and Expiration Date (Month/Day/Year)	Title and Amount of Underlying Securities (Instr. 3 and 4)	Price of Derivative Security (Instr. 5)	Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4)	Ownership of Derivative Security: Direct (D) or Beneficial (I) (Instr. 4)	Nature of Ownership (Instr. 4)
				Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)							
Employee Stock Option (Right to Buy)	\$34.66	12-31-01	M	5,000	(1)	11-17-09	Common Stock 5,000		0	D	
Employee Stock Option (Right to Buy)	\$19.56	12-31-01	M	1,000	(2)	12-07-02	Common Stock 1,000		0	D	

Explanation of Responses:

- (1) The option became exercisable 1/3 of the grant per year commencing 11-17-00.
- (2) The option became exercisable 1/3 of the grant per year commencing 12-07-93.

Michael V. Palmeri 01-09-02  
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 Michael V. Palmeri Date  
 \*\*Signature of Reporting Person

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).  
 Note: File three copies of this Form, one of which must be manually signed.  
 If space provided is insufficient, see Instruction 6 for procedures.