

# PINNACLE WEST CAPITAL CORP

Reported by  
**GULDNER JEFFREY B.**

## FORM 3

(Initial Statement of Beneficial Ownership)

Filed 05/25/11 for the Period Ending 05/18/11

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

# FORM 3

**UNITED STATES SECURITIES AND EXCHANGE  
COMMISSION  
Washington, D.C. 20549**

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## INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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(h) of the  
Investment Company Act of 1940

1. Name and Address of Reporting Person *  <b>GULDNER JEFFREY B.</b>	2. Date of Event Requiring Statement (MM/DD/YYYY) <b>5/18/2011</b>	3. Issuer Name <b>and</b> Ticker or Trading Symbol  <b>PINNACLE WEST CAPITAL CORP [PNW]</b>
(Last) (First) (Middle)  <b>400 N. 5TH STREET</b>	4. Relationship of Reporting Person(s) to Issuer (Check all applicable)  <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) <b>/ VP, Rates &amp; Regulation, APS</b>	
(Street)  <b>PHOENIX, AZ 85004</b>  (City) (State) (Zip)	5. If Amendment, Date Original Filed (MM/DD/YYYY)	6. Individual or Joint/Group Filing (Check Applicable Line)  <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<b>Common Stock</b>	<b>2613</b>	<b>D</b>	
<b>Common Stock</b>	<b>92</b>	<b>I</b>	<b>by 401(k)</b>

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

1. Title of Derivate Security (Instr. 4)	2. Date Exercisable and Expiration Date (MM/DD/YYYY)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
<b>Restricted Stock Units</b>	(1)	(1)	<b>Common Stock</b>	<b>700</b>	(2)	<b>D</b>	
<b>Restricted Stock Units</b>	(3)	(3)	<b>Common Stock</b>	<b>1400</b>	(2)	<b>D</b>	
<b>Restricted Stock Units</b>	(4)	(4)	<b>Common Stock</b>	<b>1698</b>	(5)	<b>D</b>	
<b>Restricted Stock Units</b>	(6)	(6)	<b>Common Stock</b>	<b>2040</b>	(5)	<b>D</b>	

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

1. Title of Derivate Security (Instr. 4)	2. Date Exercisable and Expiration Date (MM/DD/YYYY)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
<b>Restricted Stock Units</b>	(7)	(7)	<b>Common Stock</b>	<b>3596</b>	(8)	<b>D</b>	

**Explanation of Responses:**

- (1) The Restricted Stock Units vest and will be settled on February 17, 2012.
- (2) Each Restricted Stock Unit is the economic equivalent of one share of the Company's common stock. The Restricted Stock Units will be settled, at the reporting person's election, in shares of comon stock or cash.
- (3) The Restricted Stock Units vest and will be settled as follows: 700 will vest on each of February 17, 2012 and February 20, 2013.
- (4) The Restricted Stock Units vest and will be settled as follows: 566 vest on each of February 17, 2012, February 20, 2013 and February 20, 2014.
- (5) Each Restricted Stock Unit is the economic equivalent of one share of the Company's common stock. The Restricted Stock units will be settled, at the reporting person's election, in shares of common stock or 50% cash and 50% common stock.
- (6) The Restricted Stock Units vest and will be settled in four equal, annual installments beginning on February 17, 2012 and thereafter on February 20 of each following year.
- (7) The Restricted Stock Units will vest 50% on February 15, 2013, 25% on February 15, 2014 and 25% on February 15, 2015, and will be released to the reporting person upon his retirement or other separation from the Company.
- (8) Each Restricted Stock Unit is the economic equivalent of one share of the Company's common stock. The Restricted Stock Units will be settled in shares of common stock.

**Remarks:**

Exhibit 24 -- Power of Attorney

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
<b>GULDNER JEFFREY B. 400 N. 5TH STREET PHOENIX, AZ 85004</b>				<b>VP, Rates &amp; Regulation, APS</b>

**Signatures**

/s/ Diane Wood, Attorney-in-Fact

5/25/2011

\*\* Signature of Reporting Person

Date

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 5(b)(v).

\*\* 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 is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

**LIMITED POWER OF ATTORNEY FOR  
SECTION 16 REPORTING OBLIGATIONS**

**POWER OF ATTORNEY**

Know all by these presents, that the undersigned hereby constitutes and appoints each of David P. Falck and Diane Wood, or either of them signing singly, and with full power of substitution, the undersigned's true and lawful attorney in fact to:

(1) prepare, execute in the undersigned's name and on the undersigned's behalf, and submit to the U.S. Securities and Exchange Commission (the "SEC") a Form ID, including amendments thereto, and any other documents necessary or appropriate to obtain codes and passwords enabling the undersigned to make electronic filings with the SEC of reports required by Section 16(a) of the Securities Exchange Act of 1934 or any rule or regulation of the SEC;

(2) execute for and on behalf of the undersigned, in the undersigned's capacity as an officer and/or director of Pinnacle West Capital Corporation (the "Company"), Forms 3, 4, and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934 and the rules thereunder;

(3) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Form 3, 4, or 5, complete and execute any amendment or amendments thereto, and timely file such form with the SEC and any stock exchange or similar authority; and

(4) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney in fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney in fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney in fact may approve in such attorney in fact's discretion.

The undersigned hereby grants to each such attorney in fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney in fact, or such attorney in fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys in fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4, and 5 with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys in fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 17th day of May, 2011.

**Signature**

Jeffrey B. Guldner  
Print Name