

PINNACLE WEST CAPITAL CORP

Reported by
DINKEL PATRICK

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 02/22/12 for the Period Ending 02/17/12

| | |
|-------------|---|
| 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 4

[] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

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**STATEMENT OF CHANGES IN 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(f) of the
Investment Company Act of 1940

| | | |
|--|---|---|
| 1. Name and Address of Reporting Person * DINKEL PATRICK (Last) (First) (Middle) 400 N. FIFTH STREET (Street) PHOENIX, AZ 85004 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol PINNACLE WEST CAPITAL CORP [PNW] | 5. 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) VP, Pwr Mrkg,RsrcPlan/Acqu-APS |
| 3. Date of Earliest Transaction (MM/DD/YYYY) <p align="center">2/17/2012</p> | | 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 |
| 4. If Amendment, Date Original Filed (MM/DD/YYYY) | | |

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

| 1. Title of Security (Instr. 3) | 2. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|----------------|-----------------------------------|---------------------------|---|---|------------|---------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 2/17/2012 | | M | | 200 | A | (1) | 1589 | D | |
| Common Stock | 2/17/2012 | | D | | 200 | D | \$47.86 | 1389 | D | |
| Common Stock | 2/17/2012 | | M | | 200 | A | (1) | 1589 | D | |
| Common Stock | 2/17/2012 | | D | | 200 | D | \$47.86 | 1389 | D | |
| Common Stock | 2/17/2012 | | M | | 283 | A | (2) | 1672 | D | |
| Common Stock | 2/17/2012 | | D | | 283 | D | \$47.86 | 1389 | D | |
| Common Stock | 2/17/2012 | | M | | 283 | A | (2) | 1672 | D | |
| Common Stock | 2/17/2012 | | F (3) | | 92 | D | \$47.86 | 1580 | D | |
| Common Stock | 2/17/2012 | | M | | 255 | A | (2) | 1835 | D | |
| Common Stock | 2/17/2012 | | D | | 255 | D | \$47.86 | 1580 | D | |
| Common Stock | 2/17/2012 | | M | | 255 | A | (2) | 1835 | D | |
| Common Stock | 2/17/2012 | | F (3) | | 96 | D | \$47.86 | 1739 | D | |
| Common Stock | 2/17/2012 | | A | | 40 | A | (4) | 1779 | D | |
| Common Stock | 2/17/2012 | | F (3) | | 15 | D | \$47.86 | 1764 | D | |
| Common Stock | | | | | | | | 1 | I | by 401(k) |

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

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. Code (Instr. 8) | | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|----------------|-----------------------------------|---------------------------|---|------|--|------------------|---|--------------|---|------|--|---|--|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | | |
| Restricted Stock Units | (1) | 2/17/2012 | | M | | | 200 | (5) | (5) | Common Stock | 200 | (1) | 0 | D | | |
| Restricted Stock Units | (1) | 2/17/2012 | | M | | | 200 | (6) | (6) | Common Stock | 200 | (1) | 200 | D | | |
| Restricted Stock Units | (2) | 2/17/2012 | | M | | | 566 | (7) | (7) | Common Stock | 566 | (2) | 1132 | D | | |
| Restricted Stock Units | (2) | 2/17/2012 | | M | | | 510 | (8) | (8) | Common Stock | 510 | (2) | 1530 | D | | |
| Restricted Stock Units | (2) | 2/21/2012 | | A | | 1616 | | (9) | (9) | Common Stock | 1616 | \$ 0 | 1616 | D | | |

Explanation of Responses:

- (1) Each Restricted Stock Unit represents a contingent right to receive 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.
- (2) Each Restricted Stock Unit represents a contingent right to receive 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 50% in common stock and 50% in cash.
- (3) Shares retained by the Company for the purpose of meeting tax withholding requirements. The recipient retained all other shares.
- (4) Represents shares of common stock received by the individual in settlement of dividend rights granted in connection with the 2010 and 2011 Restricted Stock Unit grants.
- (5) The Restricted Stock Units award was granted and was effective in February 2008, and vests in four equal, annual installments beginning on February 20, 2009. Since February 20, 2012 was a holiday, the Restricted Stock Units vested and were released on February 17, 2012.
- (6) The Restricted Stock Units award was granted and was effective in February 2009, and vests in four equal, annual installments beginning on February 20, 2010. Since February 20, 2012 was a holiday, the Restricted Stock Units vested and were released on February 17, 2012.
- (7) The Restricted Stock Units award was granted and was effective in February 2010, and vests in four equal, annual installments beginning on February 20, 2011. Since February 20, 2012 was a holiday, the Restricted Stock Units vested and were released on February 17, 2012.
- (8) The Restricted Stock Units award was granted and was effective in February 2011, and vests in four equal, annual installments beginning on February 20, 2012. Since February 20, 2012 was a holiday, the Restricted Stock Units vested and were released on February 17, 2012.
- (9) The Restricted Stock Units vest and will be settled in four equal, annual installments beginning on February 20, 2013.

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|---------------------------------------|
| | Director | 10% Owner | Officer | Other |
| DINKEL PATRICK 400 N. FIFTH STREET PHOENIX, AZ 85004 | | | | VP, Pwr Mrkg,RsrcPlan/Acqu-APS |

Signatures

/s/ Diane Wood, Attorney-in-Fact

2/22/2012

** 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 4(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.

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