

PINNACLE WEST CAPITAL CORP

Form 8-K

July 21, 2006

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

**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): June 30, 2006

| Commission File Number | Exact Name of Registrant as Specified in Charter; State of Incorporation; Address and Telephone Number | IRS Employer Identification Number |
|------------------------|---|---------------------------------------|
| 1-8962 | Pinnacle West Capital Corporation (an Arizona corporation) 400 North Fifth Street, P.O. Box 53999 Phoenix, AZ 85072-3999 (602) 250-1000 | 86-0512431 |
| 1-4473 | Arizona Public Service Company (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 (17CFR 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 by Pinnacle West Capital Corporation and Arizona Public Service Company. Each registrant is filing 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 any information that does not relate to such registrant, and therefore makes no representation as to any such information.

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Item 2.02. Results of Operations and Financial Condition

Certain of the Information referenced in Item 7.01 below relates to Pinnacle West Capital Corporation's (Pinnacle West or the Company) results of operations for the three and six months ended June 30, 2006. This Information is attached hereto as Exhibits 99.2, 99.3 99.7, 99.9 and 99.10.

On July 21, 2006, the Company issued a press release regarding its financial results for the three and six months ended June 30, 2006. A copy of the press release is attached hereto as Exhibit 99.9.

The information being furnished pursuant to this Item 2.02 and in Exhibits 99.2, 99.3 99.7, 99.9 and 99.10 of this report relating to the Company's financial results for the three and six months ended June 30, 2006 shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities of that Section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Exhibit 99.9 to this report contains certain non-GAAP financial measures, as defined in Item 10(e) of Regulation S-K of the Exchange Act. We describe these non-GAAP financial measures as on-going earnings and on-going earnings per share. Exhibit 99.9 contains a table that reconciles each of these non-GAAP financial measures to net income, which is the most directly comparable financial measure calculated and presented in accordance with accounting principles generally accepted in the United States of America (GAAP). We believe on-going earnings provide investors with a useful indicator of our results that is comparable among periods because it excludes the effects of unusual items that may occur on an irregular basis. Investors should note that these non-GAAP financial measures involve judgments by management, including whether an item is classified as an unusual item. We use on-going earnings, or similar concepts, to measure our performance internally in reports for management.

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**Item 7.01. Regulation FD Disclosure
Financial and Business Information**

The Company is providing quarterly consolidated statistical summaries and a glossary of relevant terms (collectively, Information) to help interested parties better understand its business (see Exhibits 99.1, 99.2, 99.3, 99.4, 99.5, 99.6, 99.7, 99.8 and 99.10). This Information is concurrently being posted to the Company's website at www.pinnaclewest.com. The Information may not represent all of the factors that could affect the Company's operating or financial results for various periods. Some of the Information is preliminary in nature and could be subject to significant adjustment. Some of the Information is based on information received from third parties and may contain inaccuracies. The Company is not responsible for any such inaccuracies. Although the Company may update or correct the Information if it is aware that such Information has been revised or is inaccurate, the Company assumes no obligation to update or correct the Information and reserves the right to discontinue the provision of all or any portion of the Information at any time or to change the type of Information provided.

Table of Contents**Item 9.01. Financial Statements and Exhibits****(c) Exhibits.****Exhibit**

| No. | Registrant(s) | Description |
|------------|--|---|
| 99.1 | Pinnacle West Arizona Public Service Company (APS) | Pinnacle West Capital Corporation quarterly consolidated statistical summary (cover page and list of contents). |
| 99.2 | Pinnacle West APS | Pinnacle West Capital Corporation quarterly consolidated statistical summary for the six-month periods ended June 30, 2006 and 2005. |
| 99.3 | Pinnacle West APS | Pinnacle West Capital Corporation consolidated statistics by quarter for 2006. |
| 99.4 | Pinnacle West | Pinnacle West Capital Corporation consolidated statistics by quarter for 2005. |
| 99.5 | Pinnacle West | Pinnacle West Capital Corporation consolidated statistics by quarter for 2004. |
| 99.6 | Pinnacle West | Pinnacle West Capital Corporation consolidated statistics by quarter for 2003. |
| 99.7 | Pinnacle West APS | Pinnacle West Capital Corporation earnings variance explanations for the three and six months ended June 30, 2006 and 2005 and condensed consolidated statements of income for the three and six months ended June 30, 2006 and 2005. |
| 99.8 | Pinnacle West APS | Glossary of Terms. |
| 99.9 | Pinnacle West APS | Earnings News Release issued on July 21, 2006. |
| 99.10 | Pinnacle West APS | Non-GAAP Financial Measure Reconciliation - Operating Income (GAAP Measure) to Gross Margin (Non-GAAP Financial Measure). |

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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: July 21, 2006

By: /s/ Barbara M. Gomez
Barbara M. Gomez
Vice President and Treasurer

ARIZONA PUBLIC SERVICE COMPANY
(Registrant)

Dated: July 21, 2006

By: /s/ Barbara M. Gomez
Barbara M. Gomez
Vice President and Treasurer