

PINNACLE WEST CAPITAL CORP
Form 8-K
January 24, 2014

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): January 22, 2014

| 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) | 86-0011170 |

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Phoenix, AZ 85072-3999

(602) 250-1000

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.

Item 8.01

Other Events.

As we have previously disclosed, on September 8, 2011, a series of transmission and generation disruptions occurred across the systems of several utilities that resulted in outages affecting portions of southern Arizona, southern California and northern Mexico. A total of approximately 7,900 MW of firm load and 2.7 million customers were reported to have been affected. On May 1, 2012, the Federal Energy Regulatory Commission (FERC) and the North American Electric Reliability Corporation (NERC) issued a joint report with their analysis and conclusions as to the causes of the events and recommendations to help industry operators prevent similar outages in the future. The joint report did not address potential reliability violations or an assessment of responsibility of the parties involved.

On January 22, 2014, following non-public preliminary investigations, the FERC Staff issued a Notice of Alleged Violations naming six entities involved in the event, including APS. FERC Staff alleges that each of the named entities violated varying numbers of NERC Reliability Standards. APS is alleged to have violated seven Reliability Standard Requirements. The allegations of violations are preliminary determinations by FERC Staff and do not constitute findings by FERC itself that any violations have occurred.

APS intends to work with FERC Staff to resolve the matter. If violations of the Reliability Standards are ultimately determined to have occurred, FERC has the legal authority to assert a possible fine of up to \$1 million per violation per day that a violation is found to have been in existence. APS cannot predict the timing or financial or operational impacts that may result from the Staff 's Notice of Alleged Violations, including any payments that may result from a settlement if one is reached, or any claims that may be made as a result of the outages.

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: January 24, 2014

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

ARIZONA PUBLIC SERVICE COMPANY
(Registrant)

Dated: January 24, 2014

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