

**APS Electric Revenue Analysis**

**(dollars in thousands)**

	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
<b>Retail sales</b>					
Residential	960,303	912,245	914,711	880,468	805,173
Commercial	811,642	132,146	805,326	771,909	733,038
Industrial	132,146	123,508	133,663	146,088	159,329
Irrigation	1,898	2,257	1,975	6,498	7,374
Other	11,818	11,554	11,663	10,719	11,322
<b>Total retail</b>	<b>1,917,807</b>	<b>1,845,563</b>	<b>1,867,338</b>	<b>1,815,682</b>	<b>1,716,236</b>
Traditional contracts	15,301	8,616	73,305	120,618	60,486
Retail load hedge management (a)		157,225	577,783	560,493	108,153
Transmission for others	41,379	29,803	25,971	14,765	11,348
Other miscellaneous services	24,903	18,132	17,691	27,194	18,499
<b>Total regulated electricity revenue</b>	<b>1,999,390</b>	<b>1,902,112</b>	<b>1,984,305</b>	<b>2,538,750</b>	<b>1,914,722</b>
Delivered marketing and trading:					
Generation sales other than Native Load					
Realized margin on electricity trading	87,832	20,527	148,316	115,476	29,551
Other delivered electricity	7,469	—	60,224	55,631	8,565
Other delivered electricity	15,082	13,527	91,499	221,322	112,552
<b>Total delivered marketing and trading</b>	<b>110,383</b>	<b>34,054</b>	<b>300,039</b>	<b>392,429</b>	<b>150,668</b>
Realized margins on delivered commodities other than electricity	(696)	—	(31,645)	(8,789)	2,483
Prior period mark-to-market gains on contracts delivered during current period	172	—	14,303	(2,079)	—
Change in mark-to-market for future period deliveries	(4,318)	—	85,096	13,831	975
Total other marketing and trading	(4,842)	—	67,754	2,963	3,458
Total marketing and trading revenue	105,541	34,054	367,793	395,392	154,126
<b>Total electric revenues</b>	<b>2,104,931</b>	<b>1,936,166</b>	<b>2,352,098</b>	<b>2,934,142</b>	<b>2,068,848</b>

*a) Marketing and trading was moved to APS from the parent in February, 2003 consistent with regulatory policy change*