

**Pinnacle West Capital Corporation**  
**Quarterly Consolidated Statistical Summary**  
**Periods Ended December 31, 2008 - December 31, 2006**

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Quarters may not sum to totals due to rounding.

The definitions of terms used in this statistical summary are contained  
in the "Glossary of Terms" on the Pinnacle West website at:  
<http://www.pinnaclewest.com/main/pnw/investors/financials/quarterly/landing.html>

This statistical data may be graphed in various quarterly or annual comparisons  
using the "Interactive Charts" tool on the Pinnacle West website at:  
<http://www.pinnaclewest.com/main/pnw/investors/financials/quarterly/landing.html>

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2008**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>EARNINGS CONTRIBUTION BY SUBSIDIARY (\$ Millions)</b>						
1	\$ (6)	\$ 125	\$ 160	\$ (16)	\$ 262	\$ (22)
2	-	-	-	-	-	-
3	1	-	-	1	2	4
4	(1)	(5)	(7)	(36)	(49)	(63)
5	(1)	(5)	(1)	(2)	(10)	(4)
6	4	(1)	-	4	9	-
7	(3)	114	152	(49)	214	(85)
	Income (Loss) From Discontinued Operations - Net of Tax					
8	-	20	1	2	23	14
9	(1)	-	(1)	8	5	6
10	(1)	20	-	10	28	20
11	\$ (4)	\$ 134	\$ 152	\$ (39)	\$ 242	\$ (65)
<b>EARNINGS PER SHARE BY SUBSIDIARY - DILUTED</b>						
12	\$ (0.06)	\$ 1.24	\$ 1.58	\$ (0.16)	\$ 2.60	\$ (0.22)
13	-	-	-	-	-	-
14	0.01	-	-	0.01	0.02	0.04
15	(0.01)	(0.05)	(0.07)	(0.35)	(0.48)	(0.61)
16	(0.02)	(0.05)	(0.01)	(0.02)	(0.10)	(0.04)
17	0.04	(0.01)	-	0.04	0.08	(0.01)
18	(0.04)	1.13	1.50	(0.48)	2.12	(0.84)
	Income (Loss) From Discontinued Operations - Net of Tax					
19	-	0.19	0.01	0.02	0.22	0.13
20	-	0.01	(0.01)	0.07	0.06	0.06
21	-	0.20	-	0.09	0.28	0.19
22	\$ (0.04)	\$ 1.33	\$ 1.50	\$ (0.39)	\$ 2.40	\$ (0.65)
23	\$ 35.22	\$ 37.22	\$ 35.84	\$ 34.16	\$ 34.16	\$ (0.99)
<b>COMMON SHARES OUTSTANDING (Thousands)</b>						
24	100,521	100,917	101,018	100,836	100,965	130
25	100,625	100,706	100,799	100,889	100,889	403

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2008**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ELECTRIC OPERATING REVENUES (Dollars in Millions)</b>						
<b>REGULATED ELECTRICITY SEGMENT</b>						
<b>Retail</b>						
26 Residential	\$ 271	\$ 365	\$ 555	\$ 263	\$ 1,454	\$ 36
27 Business	300	396	427	321	1,444	89
28 Total retail	571	761	982	584	2,898	125
<b>Wholesale revenue on delivered electricity</b>						
29 Traditional contracts	12	22	23	13	70	36
30 Off-system sales	24	30	14	20	88	39
31 Transmission for others	7	8	11	9	34	5
32 Other miscellaneous services	9	8	10	9	37	4
33 Total regulated operating electricity revenues	623	829	1,040	635	3,127	209
<b>MARKETING AND TRADING</b>						
34 Electricity and other commodity sales	30	23	5	9	67	(71)
35 Total operating electric revenues	\$ 653	\$ 852	\$ 1,045	\$ 644	\$ 3,194	\$ 138
<b>ELECTRIC SALES (GWH)</b>						
<b>REGULATED ELECTRICITY SEGMENT</b>						
<b>Retail sales</b>						
36 Residential	2,774	3,112	4,876	2,606	13,368	(403)
37 Business	3,338	3,990	4,447	3,650	15,425	25
38 Total retail	6,112	7,102	9,323	6,256	28,793	(378)
<b>Wholesale electricity delivered</b>						
39 Traditional contracts	222	319	335	198	1,075	152
40 Off-system sales	416	610	525	457	2,008	527
41 Retail load hedge management	162	159	486	267	1,074	48
42 Total regulated electricity	6,912	8,190	10,669	7,178	32,950	349
<b>MARKETING AND TRADING</b>						
43 Wholesale sales of electricity	911	979	298	245	2,434	(6,963)
44 Total electric sales	7,823	9,169	10,967	7,423	35,384	(6,614)

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2008**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD	
<b>POWER SUPPLY ADJUSTOR ("PSA")</b>							
<b>- REGULATED ELECTRICITY</b>							
<b>SEGMENT (Dollars in Millions)</b>							
45	Deferred fuel and purchased power regulatory asset - beginning balance	\$ 111	\$ 50	\$ 23	\$ 58	\$ 111	\$ (49)
46	Deferred fuel and purchased power costs - current period	(11)	37	79	(25)	78	(111)
47	Regulatory disallowance	-	-	-	-	-	14
48	Interest on deferred fuel	1	-	-	-	2	(5)
49	Amounts recovered through revenues	(51)	(64)	(44)	(25)	(183)	48
50	Deferred fuel and purchased power regulatory asset - ending balance	<u>\$ 50</u>	<u>\$ 23</u>	<u>\$ 58</u>	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ (103)</u>
<b>MARKETING AND TRADING PRETAX</b>							
<b>GROSS MARGIN ANALYSIS</b>							
<b>(Dollars in Millions)</b>							
<b>Realized and Mark-To-Market</b>							
<b>Components</b>							
51	Electricity and other commodity sales, realized (a)	\$ 4	\$ 3	\$ 5	\$ 8	\$ 17	\$ (26)
52	Mark-to-market reversals on realized sales (a) (b)	1	1	(2)	-	4	11
53	Change in mark-to-market value of forward sales	2	-	-	-	-	(2)
54	Total gross margin	<u>\$ 7</u>	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 8</u>	<u>\$ 21</u>	<u>\$ (17)</u>
<b>By Pinnacle West Entity</b>							
55	APS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7)
56	Pinnacle West	7	4	3	8	21	(10)
57	APS Energy Services	-	-	-	-	-	-
58	Pinnacle West Energy	-	-	-	-	-	-
59	Total gross margin	<u>\$ 7</u>	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 8</u>	<u>\$ 21</u>	<u>\$ (17)</u>

**Future Marketing and Trading Mark-to-Market Realization**

As of December 31, 2008, Pinnacle West had accumulated net mark-to-market gains of \$4 million related to our power marketing and trading activities.

(a) Net effect on pretax gross margin from realization of prior-period mark-to-market included in line 51 and in line 52 is zero. Realization of prior-period mark-to-market relates to cash flow recognition, not earnings recognition. The arithmetic opposites of amounts included in line 51 are included in line 52. For example, line 52 shows that a prior-period mark-to-market loss of \$4 million was transferred to "realized" for the total year of 2008. A \$4 million realized loss is included in the \$17 million on line 51 for the total year of 2008.

(b) Quarterly amounts do not total to annual amounts because of intra-year mark-to-market eliminations.

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2008**

Line		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>AVERAGE ELECTRIC CUSTOMERS</b>							
<b>Retail customers</b>							
60	Residential	982,459	975,594	973,455	980,268	977,944	11,931
61	Business	122,833	123,802	124,329	124,878	123,961	3,647
62	Total	<u>1,105,292</u>	<u>1,099,396</u>	<u>1,097,784</u>	<u>1,105,146</u>	<u>1,101,905</u>	<u>15,578</u>
63	Wholesale customers	50	54	51	49	51	(10)
64	Total customers	<u>1,105,342</u>	<u>1,099,450</u>	<u>1,097,835</u>	<u>1,105,195</u>	<u>1,101,956</u>	<u>15,568</u>
65	Customer growth (% over prior year)	2.0%	1.6%	1.2%	1.0%	1.4%	(1.9)%
<b>RETAIL SALES (GWH) - WEATHER NORMALIZED</b>							
66	Residential	2,694	3,247	4,893	2,666	13,500	110
67	Business	3,300	4,034	4,448	3,652	15,434	198
68	Total	<u>5,994</u>	<u>7,281</u>	<u>9,341</u>	<u>6,318</u>	<u>28,934</u>	<u>308</u>
<b>RETAIL USAGE (KWh/Average Customer)</b>							
69	Residential	2,824	3,190	5,009	2,658	13,669	(587)
70	Business	27,175	32,229	35,768	29,229	124,435	(3,563)
<b>RETAIL USAGE - WEATHER NORMALIZED (KWh/Average Customer)</b>							
71	Residential	2,742	3,328	5,027	2,720	13,804	(57)
72	Business	26,865	32,581	35,777	29,246	124,506	(2,127)
<b>ELECTRICITY DEMAND (MW)</b>							
73	Native load peak demand	4,404	6,778	7,026	5,443	7,026	(102)

**Pinnacle West Capital Corporation****Consolidated Statistics By Quarter****2008**

Line		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ENERGY SOURCES (GWH)</b>							
<b>Generation production</b>							
74	Nuclear	2,315	1,856	2,455	1,886	8,512	718
75	Coal	2,906	3,227	3,611	3,422	13,166	(176)
76	Gas, oil and other	1,148	1,516	2,358	1,334	6,356	(347)
77	Total generation production	6,369	6,599	8,424	6,642	28,034	195
<b>Purchased power</b>							
78	Firm load	740	1,603	2,047	638	5,028	(360)
79	Marketing and trading	1,196	1,506	1,217	639	4,558	(6,738)
80	Total purchased power	1,936	3,109	3,264	1,277	9,586	(7,098)
81	Total energy sources	8,305	9,708	11,688	7,919	37,620	(6,903)
<b>POWER PLANT PERFORMANCE</b>							
<b>Capacity Factors</b>							
82	Nuclear	92%	74%	97%	74%	84%	5%
83	Coal	76%	85%	94%	89%	86%	(1)%
84	Gas, oil and other	16%	21%	32%	18%	22%	(1)%
85	System average	47%	49%	61%	48%	51%	(1)%
<b>Generation Capacity Out of Service and Replaced for Native Load (average MW/day) (a)</b>							
86	Nuclear	8	298	27	287	155	(61)
87	Coal	327	152	64	89	155	(3)
88	Gas	356	180	76	188	197	(74)
89	Total	691	630	167	564	507	(138)

(a) Includes planned and unplanned outages

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2008**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ENERGY MARKET INDICATORS (a)</b>						
<b>Electricity Average Daily Spot Prices (\$/MWh)</b>						
<b>On-Peak</b>						
90	Palo Verde	\$ 69.40	\$ 90.47	\$ 80.43	\$ 44.32	\$ 71.16 \$ 9.73
91	SP15	\$ 79.09	\$ 97.41	\$ 86.34	\$ 54.48	\$ 79.33 \$ 12.89
<b>Off-Peak</b>						
92	Palo Verde	\$ 56.39	\$ 59.20	\$ 53.47	\$ 33.39	\$ 50.61 \$ 9.37
93	SP15	\$ 62.35	\$ 66.73	\$ 59.33	\$ 40.10	\$ 57.13 \$ 11.14
<b>WEATHER INDICATORS</b>						
<b>Actual</b>						
94	Cooling degree-days	105	1,540	2,533	504	4,682 (479)
95	Heating degree-days	583	-	-	321	904 (91)
96	Average humidity	40%	17%	33%	36%	32% 2%
<b>10-Year Averages</b>						
97	Cooling degree-days	96	1,554	2,544	441	4,635 -
98	Heating degree-days	517	28	-	394	939 -
99	Average humidity	42%	22%	32%	38%	33% 0%
<b>ECONOMIC INDICATORS</b>						
<b>Building Permits -- Metro Phoenix (b)</b>						
100	Single-family	2,991	3,732	2,503	504	9,730 (12,148)
101	Multi-family	1,888	2,263	2,129	672	6,952 (6,922)
102	Total	<u>4,879</u>	<u>5,995</u>	<u>4,632</u>	<u>1,176</u>	<u>16,682</u> <u>(19,070)</u>
<b>Arizona Job Growth (c)</b>						
103	Payroll job growth (% over prior year)	0.1%	(0.8)%	(1.9)%	(3.6)%	(1.6)% (2.8)%
104	Unemployment rate (%, seasonally adjusted)	4.1%	4.4%	5.5%	6.4%	5.1% 1.3%

Sources:

- (a) Average of daily prices obtained and used with permission from Dow Jones & Company, Inc.  
(b) Arizona Real Estate Center, Arizona State University W.P. Carey College of Business  
(c) Arizona Department of Economic Security

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2007**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>EARNINGS CONTRIBUTION BY SUBSIDIARY (\$ Millions)</b>						
1	\$ 4	\$ 75	\$ 204	\$ -	\$ 284	\$ 14
2	-	-	-	-	-	-
3	(1)	(1)	-	(1)	(2)	2
4	9	1	(1)	6	14	(36)
5	(2)	-	(3)	(1)	(6)	(3)
6	5	4	-	-	9	6
7	15	79	200	4	299	(17)
	Income (Loss) From Discontinued Operations - Net of Tax					
8	-	-	7	2	9	(1)
9	2	-	2	(3)	(1)	(2)
10	2	-	9	(1)	8	(3)
11	\$ 17	\$ 79	\$ 209	\$ 3	\$ 307	\$ (20)
<b>EARNINGS PER SHARE BY SUBSIDIARY - DILUTED</b>						
12	\$ 0.04	\$ 0.75	\$ 2.03	\$ -	\$ 2.82	\$ 0.12
13	-	-	-	-	-	-
14	(0.01)	(0.01)	-	(0.02)	(0.02)	0.02
15	0.09	0.01	(0.01)	0.06	0.13	(0.37)
16	(0.02)	-	(0.03)	(0.01)	(0.06)	(0.03)
17	0.04	0.04	-	0.01	0.09	0.06
18	0.14	0.79	1.99	0.04	2.96	(0.20)
	Income (Loss) From Discontinued Operations - Net of Tax					
19	-	(0.01)	0.07	0.02	0.09	(0.01)
20	0.02	-	0.01	(0.03)	-	(0.01)
21	0.02	(0.01)	0.08	(0.01)	0.09	(0.02)
22	\$ 0.16	\$ 0.78	\$ 2.07	\$ 0.03	\$ 3.05	\$ (0.22)
23	\$ 34.45	\$ 34.13	\$ 35.55	\$ 35.15	\$ 35.15	\$ 0.67
<b>COMMON SHARES OUTSTANDING (Thousands)</b>						
24	100,622	100,779	100,829	100,963	100,835	825
25	100,115	100,290	100,367	100,486	100,486	527

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2007**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ELECTRIC OPERATING REVENUES (Dollars in Millions)</b>						
<b>REGULATED ELECTRICITY SEGMENT</b>						
<b>Retail</b>						
26 Residential	\$ 246	\$ 335	\$ 574	\$ 263	\$ 1,418	\$ 147
27 Business	264	342	425	323	1,355	116
28 Total retail	<u>510</u>	<u>677</u>	<u>999</u>	<u>586</u>	<u>2,773</u>	<u>263</u>
<b>Wholesale revenue on delivered electricity</b>						
29 Traditional contracts	5	9	12	7	34	12
30 Off-system sales	7	10	16	17	49	3
31 Transmission for others	7	7	8	7	29	3
32 Other miscellaneous services	7	8	9	10	33	2
33 Total regulated operating electricity revenues	<u>536</u>	<u>711</u>	<u>1,044</u>	<u>627</u>	<u>2,918</u>	<u>283</u>
<b>MARKETING AND TRADING</b>						
34 Electricity and other commodity sales	28	40	41	29	138	1
35 Total operating electric revenues	<u>\$ 564</u>	<u>\$ 751</u>	<u>\$ 1,085</u>	<u>\$ 656</u>	<u>\$ 3,056</u>	<u>\$ 284</u>
<b>ELECTRIC SALES (GWH)</b>						
<b>REGULATED ELECTRICITY SEGMENT</b>						
<b>Retail sales</b>						
36 Residential	2,734	3,287	5,084	2,667	13,771	777
37 Business	3,285	4,004	4,426	3,685	15,400	424
38 Total retail	<u>6,019</u>	<u>7,291</u>	<u>9,510</u>	<u>6,352</u>	<u>29,171</u>	<u>1,201</u>
<b>Wholesale electricity delivered</b>						
39 Traditional contracts	175	262	296	190	923	40
40 Off-system sales	243	310	478	448	1,481	(132)
41 Retail load hedge management	117	254	529	125	1,026	(564)
42 Total regulated electricity	<u>6,554</u>	<u>8,117</u>	<u>10,813</u>	<u>7,115</u>	<u>32,601</u>	<u>545</u>
<b>MARKETING AND TRADING</b>						
43 Wholesale sales of electricity	1,923	2,648	3,146	1,681	9,397	(6,958)
44 Total electric sales	<u>8,477</u>	<u>10,765</u>	<u>13,959</u>	<u>8,796</u>	<u>41,998</u>	<u>(6,413)</u>

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2007**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD	
<b>POWER SUPPLY ADJUSTOR ("PSA")</b>							
<b>- REGULATED ELECTRICITY</b>							
<b>SEGMENT (Dollars in Millions)</b>							
45	Deferred fuel and purchased power regulatory asset - beginning balance	\$ 160	\$ 118	\$ 137	\$ 150	\$ 160	\$ (13)
46	Deferred fuel and purchased power costs - current period	25	104	69	(9)	189	(55)
47	Regulatory disallowance	-	(14)	-	-	(14)	(14)
48	Interest on deferred fuel	2	1	2	2	7	(1)
49	Amounts recovered through revenues	(69)	(72)	(58)	(32)	(231)	34
50	Deferred fuel and purchased power regulatory asset - ending balance	<u>\$ 118</u>	<u>\$ 137</u>	<u>\$ 150</u>	<u>\$ 111</u>	<u>\$ 111</u>	<u>\$ (49)</u>
<b>MARKETING AND TRADING PRETAX</b>							
<b>GROSS MARGIN ANALYSIS</b>							
<b>(Dollars in Millions)</b>							
<b>Realized and Mark-To-Market</b>							
<b>Components</b>							
51	Electricity and other commodity sales, realized (a)	\$ 8	\$ 22	\$ 6	\$ 6	\$ 43	\$ (2)
52	Mark-to-market reversals on realized sales (a) (b)	(8)	1	(3)	1	(7)	7
53	Change in mark-to-market value of forward sales	10	(6)	(2)	2	2	2
54	Total gross margin	<u>\$ 10</u>	<u>\$ 17</u>	<u>\$ 1</u>	<u>\$ 9</u>	<u>\$ 38</u>	<u>\$ 7</u>
<b>By Pinnacle West Entity</b>							
55	APS	\$ (1)	\$ 7	\$ -	\$ -	\$ 7	\$ (7)
56	Pinnacle West	11	10	1	9	31	14
57	APS Energy Services	-	-	-	-	-	-
58	Pinnacle West Energy	-	-	-	-	-	-
59	Total gross margin	<u>\$ 10</u>	<u>\$ 17</u>	<u>\$ 1</u>	<u>\$ 9</u>	<u>\$ 38</u>	<u>\$ 7</u>

**Future Marketing and Trading Mark-to-Market Realization**

As of December 31, 2007, Pinnacle West had accumulated net mark-to-market gains of \$9 million related to our power marketing and trading activities. We estimate that these gains will be reclassified to realized gains as the underlying commodities are delivered, as follows: 2008, \$2 million; and thereafter, \$7 million.

- (a) Net effect on pretax gross margin from realization of prior-period mark-to-market included in line 51 and in line 52 is zero. Realization of prior-period mark-to-market relates to cash flow recognition, not earnings recognition. The arithmetic opposites of amounts included in line 51 are included in line 52. For example, line 52 shows that a prior-period mark-to-market gain of \$7 million was transferred to "realized" for the total year of 2007. A \$7 million realized gain is included in the \$43 million on line 51 for the total year of 2007.
- (b) Quarterly amounts do not total to annual amounts because of intra-year mark-to-market eliminations.

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**Consolidated Statistics By Quarter**  
**2007**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>AVERAGE ELECTRIC CUSTOMERS</b>						
<b>Retail customers</b>						
60 Residential	965,428	962,095	963,874	972,654	966,013	29,549
61 Business	118,649	119,792	120,918	121,898	120,314	4,883
62 Total	<u>1,084,077</u>	<u>1,081,887</u>	<u>1,084,792</u>	<u>1,094,552</u>	<u>1,086,327</u>	<u>34,432</u>
63 Wholesale customers	63	62	61	56	61	(16)
64 Total customers	<u>1,084,140</u>	<u>1,081,949</u>	<u>1,084,853</u>	<u>1,094,608</u>	<u>1,086,388</u>	<u>34,416</u>
65 Customer growth (% over prior year)	3.8%	3.5%	3.2%	2.6%	3.3%	(1.1)%
<b>RETAIL SALES (GWH) - WEATHER NORMALIZED</b>						
66 Residential	2,657	3,220	4,810	2,704	13,390	378
67 Business	3,228	3,977	4,368	3,663	15,236	223
68 Total	<u>5,885</u>	<u>7,197</u>	<u>9,178</u>	<u>6,367</u>	<u>28,626</u>	<u>601</u>
<b>RETAIL USAGE (KWh/Average Customer)</b>						
69 Residential	2,832	3,417	5,275	2,742	14,256	380
70 Business	27,687	33,425	36,601	30,230	127,998	(1,751)
<b>RETAIL USAGE - WEATHER NORMALIZED (KWh/Average Customer)</b>						
71 Residential	2,752	3,346	4,990	2,780	13,861	(33)
72 Business	27,205	33,199	36,126	30,047	126,633	(3,431)
<b>ELECTRICITY DEMAND (MW)</b>						
73 Native load peak demand	4,496	6,705	7,128	5,089	7,128	(92)

**Pinnacle West Capital Corporation****Consolidated Statistics By Quarter****2007**

Line		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ENERGY SOURCES (GWH)</b>							
<b>Generation production</b>							
74	Nuclear	2,299	1,846	2,218	1,430	7,794	806
75	Coal	3,164	3,265	3,563	3,350	13,342	166
76	Gas, oil and other	1,151	1,518	2,480	1,554	6,703	(681)
77	Total generation production	6,614	6,629	8,261	6,334	27,839	291
<b>Purchased power</b>							
78	Firm load	278	1,676	2,521	913	5,388	1,098
79	Marketing and trading	2,128	3,097	3,993	2,078	11,296	(7,572)
80	Total purchased power	2,406	4,773	6,514	2,991	16,684	(6,474)
81	Total energy sources	9,020	11,402	14,775	9,325	44,523	(6,183)
<b>POWER PLANT PERFORMANCE</b>							
<b>Capacity Factors</b>							
82	Nuclear	94%	75%	89%	57%	79%	8%
83	Coal	84%	86%	93%	87%	87%	0%
84	Gas, oil and other	16%	21%	34%	21%	23%	(2)%
85	System average	50%	49%	61%	47%	52%	1%
<b>Generation Capacity Out of Service and Replaced for Native Load (average MW/day) (a)</b>							
86	Nuclear	57	260	76	470	216	63
87	Coal	203	189	79	164	158	76
88	Gas	267	405	147	264	271	182
89	Total	527	854	302	898	645	321

(a) Includes planned and unplanned outages

**Pinnacle West Capital Corporation****Consolidated Statistics By Quarter****2007**

Line		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ENERGY MARKET INDICATORS (a)</b>							
<b>Electricity Average Daily Spot Prices (\$/MWh)</b>							
<b>On-Peak</b>							
90	Palo Verde	\$ 54.62	\$ 64.64	\$ 69.26	\$ 57.18	\$ 61.43	\$ 4.67
91	SP15	\$ 60.02	\$ 68.75	\$ 68.84	\$ 68.13	\$ 66.44	\$ 4.49
<b>Off-Peak</b>							
92	Palo Verde	\$ 42.06	\$ 41.46	\$ 37.03	\$ 44.39	\$ 41.24	\$ 4.15
93	SP15	\$ 45.86	\$ 46.14	\$ 41.23	\$ 50.71	\$ 45.99	\$ 5.38
<b>WEATHER INDICATORS</b>							
<b>Actual</b>							
94	Cooling degree-days	172	1,708	2,686	595	5,161	466
95	Heating degree-days	589	8	-	398	995	144
96	Average humidity	36%	18%	30%	30%	30%	2%
<b>10-Year Averages</b>							
97	Cooling degree-days	96	1,554	2,544	441	4,635	-
98	Heating degree-days	517	28	-	394	939	-
99	Average humidity	42%	22%	32%	38%	33%	0%
<b>ECONOMIC INDICATORS</b>							
<b>Building Permits -- Metro Phoenix (b)</b>							
100	Single-family	7,017	7,447	4,827	2,587	21,878	(6,098)
101	Multi-family	4,131	3,573	2,687	3,483	13,874	3,767
102	Total	<u>11,148</u>	<u>11,020</u>	<u>7,514</u>	<u>6,070</u>	<u>35,752</u>	<u>(2,331)</u>
<b>Arizona Job Growth (c)</b>							
103	Payroll job growth (% over prior year)	2.4%	1.4%	0.9%	0.1%	1.2%	(3.8)%
104	Unemployment rate (%, seasonally adjusted)	3.8%	3.6%	3.7%	4.1%	3.8%	(0.3)%

Sources:

- (a) Average of daily prices obtained and used with permission from Dow Jones & Company, Inc.  
(b) Arizona Real Estate Center, Arizona State University W.P. Carey College of Business  
(c) Arizona Department of Economic Security

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2006**

Line		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>EARNINGS CONTRIBUTION BY SUBSIDIARY (\$ Millions)</b>							
1	Arizona Public Service	\$ (6)	\$ 94	\$ 169	\$ 13	\$ 270	\$ 100
2	Pinnacle West Energy	-	-	-	-	-	85
3	APS Energy Services	-	-	(2)	(2)	(4)	(2)
4	SunCor	21	8	17	3	50	11
5	El Dorado	(1)	-	-	(1)	(3)	(1)
6	Parent Company	(3)	9	-	(3)	3	(104)
7	Income From Continuing Operations	11	111	184	10	316	89
	Income (Loss) From Discontinued Operations - Net of Tax						
8	SunCor	1	1	-	8	10	(7)
9	Other	1	-	-	-	1	69
10	Total	2	1	-	8	11	62
11	Net Income	\$ 13	\$ 112	\$ 184	\$ 18	\$ 327	\$ 151
<b>EARNINGS PER SHARE BY SUBSIDIARY - DILUTED</b>							
12	Arizona Public Service	\$ (0.06)	\$ 0.95	\$ 1.69	\$ 0.13	\$ 2.70	\$ 0.93
13	Pinnacle West Energy	-	-	-	-	-	0.89
14	APS Energy Services	-	-	(0.02)	(0.02)	(0.04)	(0.02)
15	SunCor	0.21	0.07	0.17	0.03	0.50	0.10
16	El Dorado	(0.01)	-	-	(0.01)	(0.03)	(0.01)
17	Parent Company	(0.03)	0.09	-	(0.03)	0.03	(1.08)
18	Income From Continuing Operations	0.11	1.11	1.84	0.10	3.16	0.81
	Income (Loss) From Discontinued Operations - Net of Tax						
19	SunCor	0.01	0.02	-	0.08	0.10	(0.07)
20	Other	0.01	-	-	-	0.01	0.71
21	Total	0.02	0.02	-	0.08	0.11	0.64
22	Net Income	\$ 0.13	\$ 1.13	\$ 1.84	\$ 0.18	\$ 3.27	\$ 1.45
23	<b>BOOK VALUE PER SHARE</b>	\$ 32.37	\$ 33.08	\$ 34.07	\$ 34.48	\$ 34.48	\$ (0.10)
<b>COMMON SHARES OUTSTANDING (Thousands)</b>							
24	Average - Diluted	99,449	99,640	99,973	100,474	100,010	3,420
25	End of Period	99,187	99,284	99,648	99,959	99,959	902

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2006**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ELECTRIC OPERATING REVENUES (Dollars in Millions)</b>						
<b>REGULATED ELECTRICITY SEGMENT</b>						
<b>Retail</b>						
26 Residential	\$ 202	\$ 337	\$ 490	\$ 242	\$ 1,271	\$ 192
27 Business	233	333	371	302	1,239	198
28 Total retail	<u>435</u>	<u>670</u>	<u>861</u>	<u>544</u>	<u>2,510</u>	<u>390</u>
<b>Wholesale revenue on delivered electricity</b>						
29 Traditional contracts	6	7	12	(3)	22	(1)
30 Off-system sales	12	22	-	12	46	6
31 Transmission for others	6	6	7	7	26	-
32 Other miscellaneous services	7	8	7	9	31	3
33 Total regulated operating electricity revenues	<u>466</u>	<u>713</u>	<u>887</u>	<u>569</u>	<u>2,635</u>	<u>398</u>
<b>MARKETING AND TRADING</b>						
34 Electricity and other commodity sales	28	40	41	28	137	(43)
35 Total operating electric revenues	<u>\$ 494</u>	<u>\$ 753</u>	<u>\$ 928</u>	<u>\$ 597</u>	<u>\$ 2,772</u>	<u>\$ 355</u>
<b>ELECTRIC SALES (GWH)</b>						
<b>REGULATED ELECTRICITY SEGMENT</b>						
<b>Retail sales</b>						
36 Residential	2,419	3,284	4,720	2,571	12,994	771
37 Business	3,199	3,971	4,222	3,584	14,976	722
38 Total retail	<u>5,618</u>	<u>7,255</u>	<u>8,942</u>	<u>6,155</u>	<u>27,970</u>	<u>1,493</u>
<b>Wholesale electricity delivered</b>						
39 Traditional contracts	215	181	321	166	883	33
40 Off-system sales	672	218	219	504	1,613	277
41 Retail load hedge management	178	622	450	340	1,590	(1,420)
42 Total regulated electricity	<u>6,683</u>	<u>8,276</u>	<u>9,932</u>	<u>7,165</u>	<u>32,056</u>	<u>383</u>
<b>MARKETING AND TRADING</b>						
43 Wholesale sales of electricity	3,962	3,862	4,841	3,690	16,355	(7,217)
44 Total electric sales	<u>10,645</u>	<u>12,138</u>	<u>14,773</u>	<u>10,855</u>	<u>48,411</u>	<u>(6,834)</u>

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2006**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>POWER SUPPLY ADJUSTOR ("PSA") - REGULATED ELECTRICITY SEGMENT (Dollars in Millions)</b>						
45	\$ 173	\$ 169	\$ 175	\$ 209	\$ 173	\$ 173
46	13	78	134	19	244	73
47	-	-	-	-	-	-
48	1	3	2	2	8	6
49	(18)	(75)	(102)	(70)	(265)	(265)
50	<u>\$ 169</u>	<u>\$ 175</u>	<u>\$ 209</u>	<u>\$ 160</u>	<u>\$ 160</u>	<u>\$ (13)</u>
 <b>MARKETING AND TRADING PRETAX GROSS MARGIN ANALYSIS (Dollars in Millions)</b>						
<b>Realized and Mark-To-Market Components</b>						
51	\$ 7	\$ 14	\$ 5	\$ 16	\$ 45	\$ (9)
52	(1)	(1)	(1)	(6)	(14)	2
53	1	-	(3)	(3)	-	(20)
54	<u>\$ 7</u>	<u>\$ 13</u>	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 31</u>	<u>\$ (27)</u>
<b>By Pinnacle West Entity</b>						
55	\$ 8	\$ 2	\$ (3)	\$ 5	\$ 14	\$ 20
56	(1)	11	4	2	17	(42)
57	-	-	-	-	-	-
58	-	-	-	-	-	(5)
59	<u>\$ 7</u>	<u>\$ 13</u>	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 31</u>	<u>\$ (27)</u>

**Future Marketing and Trading Mark-to-Market Realization**

As of December 31, 2006, Pinnacle West had accumulated net mark-to-market gains of \$30 million related to our power marketing and trading activities. We estimate that these gains will be reclassified to realized gains as the underlying commodities are delivered, as follows: 2007, \$16 million; and 2008, \$14 million.

- (a) Net effect on pretax gross margin from realization of prior-period mark-to-market included in line 51 and in line 52 is zero. Realization of prior-period mark-to-market relates to cash flow recognition, not earnings recognition. The arithmetic opposites of amounts included in line 51 are included in line 52. For example, line 52 shows that a prior-period mark-to-market gain of \$14 million was transferred to "realized" for the total year 2006. A \$14 million realized gain is included in the \$45 million on line 51 for the total year 2006.
- (b) Quarterly amounts do not total to annual amounts because of intra-year mark-to-market eliminations.

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2006**

Line	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>AVERAGE ELECTRIC CUSTOMERS</b>						
<b>Retail customers</b>						
60 Residential	930,799	930,402	935,523	949,132	936,464	39,992
61 Business	113,570	114,803	116,009	117,342	115,431	4,263
62 Total	<u>1,044,369</u>	<u>1,045,205</u>	<u>1,051,532</u>	<u>1,066,474</u>	<u>1,051,895</u>	<u>44,255</u>
63 Wholesale customers	75	76	76	80	77	(1)
64 Total customers	<u>1,044,444</u>	<u>1,045,281</u>	<u>1,051,608</u>	<u>1,066,554</u>	<u>1,051,972</u>	<u>44,254</u>
65 Customer growth (% over prior year)	4.5%	4.6%	4.4%	4.1%	4.4%	0.1%
<b>RETAIL SALES (GWH) - WEATHER NORMALIZED</b>						
66 Residential	2,471	3,129	4,779	2,633	13,012	690
67 Business	3,247	3,932	4,230	3,604	15,013	730
68 Total	<u>5,718</u>	<u>7,061</u>	<u>9,009</u>	<u>6,237</u>	<u>28,025</u>	<u>1,420</u>
<b>RETAIL USAGE (KWh/Average Customer)</b>						
69 Residential	2,763	3,530	5,045	2,709	13,876	241
70 Business	30,444	34,590	36,394	30,552	129,749	1,235
<b>RETAIL USAGE - WEATHER NORMALIZED (KWh/Average Customer)</b>						
71 Residential	2,655	3,363	5,108	2,774	13,894	149
72 Business	28,589	34,252	36,463	30,716	130,064	1,579
<b>ELECTRICITY DEMAND (MW)</b>						
73 Native load peak demand	3,954	6,306	7,220	5,022	7,220	647

**Pinnacle West Capital Corporation****Consolidated Statistics By Quarter****2006**

Line		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ENERGY SOURCES (GWH)</b>							
<b>Generation production</b>							
74	Nuclear	1,720	1,198	2,202	1,868	6,988	(521)
75	Coal	3,083	3,182	3,574	3,337	13,176	116
76	Gas, oil and other	1,323	2,000	2,433	1,628	7,384	(1,051)
77	Total generation production	6,126	6,380	8,209	6,833	27,548	(1,456)
<b>Purchased power</b>							
78	Firm load	365	1,740	1,962	223	4,290	816
79	Marketing and trading	4,592	4,597	5,353	4,326	18,868	(6,845)
80	Total purchased power	4,957	6,337	7,315	4,549	23,158	(6,029)
81	Total energy sources	11,083	12,717	15,524	11,382	50,706	(7,485)
<b>POWER PLANT PERFORMANCE</b>							
<b>Capacity Factors</b>							
82	Nuclear	71%	49%	88%	75%	71%	(6)%
83	Coal	83%	84%	94%	87%	87%	0%
84	Gas, oil and other	18%	28%	34%	22%	25%	(3)%
85	System average	46%	48%	61%	50%	51%	(2)%
<b>Generation Capacity Out of Service and Replaced for Native Load (average MW/day) (a)</b>							
86	Nuclear	306	553	97	267	153	39
87	Coal	257	184	62	155	82	9
88	Gas	201	117	109	286	89	(4)
89	Total	764	854	268	708	324	44

(a) Includes planned and unplanned outages

**Pinnacle West Capital Corporation**  
**Consolidated Statistics By Quarter**  
**2006**

Line		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-To-Date	Increase (Decrease) vs Prior YTD
<b>ENERGY MARKET INDICATORS (a)</b>							
<b>Electricity Average Daily Spot Prices (\$/MWh)</b>							
<b>On-Peak</b>							
90	Palo Verde	\$ 53.78	\$ 54.63	\$ 65.89	\$ 52.72	\$ 56.76	\$ (9.64)
91	SP15	\$ 58.34	\$ 55.39	\$ 71.89	\$ 62.16	\$ 61.95	\$ (10.99)
<b>Off-Peak</b>							
92	Palo Verde	\$ 41.92	\$ 28.38	\$ 38.45	\$ 39.62	\$ 37.09	\$ (10.46)
93	SP15	\$ 44.79	\$ 27.43	\$ 43.94	\$ 46.27	\$ 40.61	\$ (11.45)
<b>WEATHER INDICATORS</b>							
<b>Actual</b>							
94	Cooling degree-days	43	1,740	2,455	457	4,695	32
95	Heating degree-days	464	4	-	383	851	85
96	Average humidity	28%	18%	33%	33%	28%	(6)%
<b>10-Year Averages</b>							
97	Cooling degree-days	96	1,554	2,544	441	4,635	-
98	Heating degree-days	517	28	-	394	939	-
99	Average humidity	42%	22%	32%	38%	33%	0%
<b>ECONOMIC INDICATORS</b>							
<b>Building Permits -- Metro Phoenix (b)</b>							
100	Single-family	8,716	8,883	5,969	4,408	27,976	(15,282)
101	Multi-family	2,887	2,976	3,215	1,029	10,107	2,329
102	Total	<u>11,603</u>	<u>11,859</u>	<u>9,184</u>	<u>5,437</u>	<u>38,083</u>	<u>(12,953)</u>
<b>Arizona Job Growth (c)</b>							
103	Payroll job growth (% over prior year)	6.2%	5.3%	4.6%	4.0%	5.0%	(0.4)%
104	Unemployment rate (%, seasonally adjusted)	4.3%	4.1%	4.0%	3.9%	4.1%	(0.6)%

Sources:

- (a) Average of daily prices obtained and used with permission from Dow Jones & Company, Inc.  
(b) Arizona Real Estate Center, Arizona State University W.P. Carey College of Business  
(c) Arizona Department of Economic Security