

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

PINNACLE WEST CAPITAL CORP

CIK:[764622](#) | IRS No.: [860512431](#) | State of Incorp.:**AZ** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: [001-08962](#) | Film No.: [25899646](#)
SIC: **4911** Electric services

Mailing Address

*400 NORTH FIFTH STREET
MS 8695
PHOENIX AZ 85004*

Business Address

*400 NORTH FIFTH STREET
MS 8695
PHOENIX AZ 85004
602 250 1000*

ARIZONA PUBLIC SERVICE CO

CIK:[7286](#) | IRS No.: [860011170](#) | State of Incorp.:**AZ** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: [001-04473](#) | Film No.: [25899647](#)
SIC: **4931** Electric & other services combined

Mailing Address

*P O BOX 53999
PHOENIX AZ 85072-3999*

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PHOENIX AZ 85004
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): May 1, 2025

Commission File Number	Exact name of each registrant as specified in its charter; State or other jurisdiction of incorporation or organization; Address of principal executive offices, including zip code; and Telephone number, including area code	IRS Employer Identification No.
1-8962	PINNACLE WEST CAPITAL CORPORATION (an Arizona corporation) 400 North Fifth Street, P.O. Box 53999 Phoenix Arizona 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 Arizona 85072-3999 (602) 250-1000	86-0011170

Not Applicable

(Former name or former address, if changed since last report.)

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	PNW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 2.02. Results of Operations and Financial Condition.

The following information is furnished pursuant to Item 2.02.

On May 1, 2025, Pinnacle West Capital Corporation (“Pinnacle West”) issued a press release regarding its financial results for the fiscal quarter ended March 31, 2025. A copy of the press release is attached hereto as Exhibit 99.1.

Item 7.01. Regulation FD Disclosure.

The following information is furnished pursuant to Item 7.01.

Pinnacle West is providing a copy of the slide presentation made in connection with the quarterly earnings conference call on May 1, 2025. This information contains Pinnacle West operating results for the fiscal quarter ended March 31, 2025 and earnings outlook for 2025. The slide presentation is attached hereto as Exhibit 99.2 and is concurrently being posted to Pinnacle West’s website at www.pinnaclewest.com.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Registrant(s)	Description
99.1	Pinnacle West Arizona Public Service Company	Earnings News Release issued on May 1, 2025
99.2	Pinnacle West Arizona Public Service Company	Pinnacle West Capital Corporation First Quarter 2025 Results slide presentation accompanying May 1, 2025 conference call
104.0	Pinnacle West Arizona Public Service Company	104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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: May 1, 2025

By: /s/ Andrew Cooper

Andrew Cooper
Senior Vice President and
Chief Financial Officer

ARIZONA PUBLIC SERVICE COMPANY
(Registrant)

Dated: May 1, 2025

By: /s/ Andrew Cooper

Andrew Cooper
Senior Vice President and
Chief Financial Officer

PINNACLE WEST | NEWS

CAPITAL CORPORATION

FOR IMMEDIATE RELEASE**May 1, 2025**

Media Contact: Alan Bunnell (602) 250-3376

Analyst Contact: Amanda Ho (602) 250-3334

Website: pinnaclewest.com**PINNACLE WEST REPORTS LOWER FIRST-QUARTER FINANCIAL RESULTS**

- *Results in line with company's expectations; full year 2025 earnings guidance affirmed*
- *Planned power plant outages contribute to higher operations and maintenance expenses versus a year ago*
- *APS employees focus on summer preparedness, reliability and resilience*

PHOENIX – Pinnacle West Capital Corp. (NYSE: PNW) today reported a consolidated net loss attributable to common shareholders of \$4.6 million, or a loss of \$0.04 per diluted share of common stock, for the quarter ended March 31, 2025. This result compares with consolidated net income attributable to common shareholders of \$16.9 million, or \$0.15 per diluted share, for the same period in 2024.

The results reflect a decrease of about \$22 million, primarily the result of higher operations and maintenance expense; depreciation and amortization expense, mostly due to increased plant and intangible assets; lower pension and other benefit service cost credits; lower other income due to the gain on the sale of a former subsidiary recognized in the prior year; and higher interest charges. These negative factors were partially offset by the favorable impacts of new customer rates; a gain from a non-utility equity investment made by subsidiary El Dorado; lower income taxes due to lower pretax income and higher tax benefits related to employee benefits; higher transmission revenue; and higher revenue resulting from Arizona Public Service Co.'s (APS) Lost Fixed Cost Recovery (LFCR) adjustor mechanism.

"Financial results in the first quarter were in line with our expectations, especially given the power plant overhauls and maintenance work that we had built into our budget to ensure our system runs reliably during the upcoming summer months," said Pinnacle West Chairman, President and Chief Executive Officer Ted Geisler. "We remain optimistic that we will achieve our annual targets as customer and electricity sales growth remain robust, along with Arizona's overall economy."

"With Arizona's population growing faster than the national average, it's clear that people view Arizona as an attractive place to live and do business."

A Thriving, Growing Service Territory

The total number of APS retail customers in the first quarter grew a robust 2.3%, while retail sales increased 2.1% quarter over quarter as Arizona's economy remains a diverse growth and investment hub. In fact, a recent study by the U.S. Census Bureau indicates Maricopa County (home to about 70% of APS's customers) had the third-largest numeric growth among U.S. counties. Only Harris County, Texas — where Houston is located — and Miami-Dade County, Fla., experienced larger growth. Further, according to a separate Commercial Cafe report, Phoenix remains the number one spot as the best-positioned industrial real estate market, ranking ahead of Orange County and the Inland Empire in California.

Summer Reliability and Safety Preparations

With temperatures in Arizona quickly heating up, employees have been focused on comprehensive summer preparedness designed to ensure safe and reliable power is delivered when the company's 1.4 million customers need it most to cool their homes and businesses. "To serve our customers with top-tier reliability, we work year-round on operational preparedness, resource planning, procuring sufficient reserve margins, creating customer partnerships to manage peak demand, and maintaining a comprehensive fire mitigation program," Geisler emphasized.

APS crews continually conduct patrols – on foot, by vehicle and in the air – across a sprawling network of more than 40,000 miles of power lines, to protect and maintain a strong and resilient energy system. In addition, APS employees are nearing completion of a scheduled maintenance and refueling outage at Palo Verde Generating Station Unit 1. The three-unit nuclear plant – a primary source of clean electricity for the Southwest and one of the largest power producers in the U.S. – is critical to meeting summer demand across the Desert Southwest.

With Arizona's hot summers, low rainfall and dry vegetation, the company is taking further action to support wildfire-prone communities by employing advanced risk modeling tools; expanding its Public Safety Power Shutoffs (PSPS) program to mitigate fire risks and help keep communities safe; and installing innovative fire- and weather-tracking technology on the grid. Among its newly adopted technology, APS has deployed artificial intelligence (AI) fire-sensing cameras to proactively search for early signs of wildfires, thereby enhancing the company's already vigorous wildfire mitigation program. These cameras alert APS fire mitigation experts and fire dispatch centers when smoke and heat traces are detected in targeted, high fire-risk areas.

"The new AI cameras function as powerful extra sets of eyes and are key to helping us deliver safe, reliable energy to all our customers," said Geisler. "When minutes matter, integration of this advanced detection technology improves firefighter rapid-response capabilities, thereby helping protect both critical infrastructure and surrounding communities."

Enhancing Customers' Experiences

The company's focus on summer readiness extends to delivering an industry-leading customer experience. Customer touchpoints – including an interactive outage map and email and text alerts – are continually being enhanced ahead of Arizona's peak summer season. In conjunction with APS's 24/7 Customer Care Center, these tools will help customers stay better informed during any outages.

Furthermore, APS customers are benefiting from an industry-leading call-center featuring fast response times and knowledgeable, courteous advisors; increased proactive email and text notifications; and an industry-leading digital experience through aps.com and the APS mobile app that helps customers stay informed and complete transactions, monitor energy consumption, select their optimal rate plan and efficiently manage their account. All the while, the company continues to emphasize employee learning, tools and resources to ensure all team members understand their individual and collective roles in customers' experiences and interactions with APS.

Financial Outlook

For 2025, the company continues to estimate its consolidated earnings will be within a range of \$4.40 to \$4.60 per diluted share on a weather-normalized basis. Key factors and assumptions underlying this outlook can be found in the first-quarter 2025 earnings presentation slides at pinnaclewest.com/investors.

Conference Call and Webcast

Pinnacle West invites interested parties to listen to the live webcast of management's conference call to discuss the company's financial results and recent developments, and to provide an update on the company's longer-term financial outlook, at noon ET (9 a.m. Arizona time) today, May 1. The webcast can be accessed at pinnaclewest.com/presentations and will be available for replay on the website for 30 days. To access the live conference call by telephone, dial (888)

506-0062 or (973) 528-0011 for international callers and enter participant access code 554993. A replay of the call also will be available at pinnaclewest.com/presentations or by telephone until 11:59 p.m. ET, Thursday, May 8, 2025, by calling (877) 481-4010 in the U.S. and Canada or (919) 882-2331 internationally and entering replay passcode 52252.

General Information

Pinnacle West Capital Corp., an energy holding company based in Phoenix, has consolidated assets of more than \$27 billion, about 6,500 megawatts of generating capacity and approximately 6,400 employees in Arizona and New Mexico. Through its principal subsidiary, Arizona Public Service, the company provides retail electricity service to about 1.4 million Arizona homes and businesses. For more information about Pinnacle West, visit the company's website at pinnaclewest.com.

Dollar amounts in this news release are after income taxes. Earnings per share amounts are based on average diluted common shares outstanding. For more information on Pinnacle West's operating statistics and earnings, please visit pinnaclewest.com/investors.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements based on current expectations. These forward-looking statements are often identified by words such as "estimate," "predict," "may," "believe," "plan," "expect," "require," "intend," "assume," "project," "anticipate," "goal," "seek," "strategy," "likely," "should," "will," "could," and similar words. Because actual results may differ materially from expectations, we caution readers not to place undue reliance on these statements. A number of factors could cause future results to differ materially from historical results, or from outcomes currently expected or sought by Pinnacle West or APS. These factors include, but are not limited to:

- uncertainties associated with the current and future economic environment, including economic growth rates, labor market conditions, inflation, supply chain delays, increased expenses, volatile capital markets, or other unpredictable effects;
- current and future economic conditions in Arizona, such as the housing market and overall business and regulatory environment;
- our ability to manage capital expenditures and operations and maintenance costs while maintaining reliability and customer service levels;
- the direct and indirect effect on our facilities or business from cybersecurity threats or intrusions, data security breaches, terrorist attack, physical attack, severe storms, or other catastrophic events, such as fires, explosions, pandemic health events, or similar occurrences;
- variations in demand for electricity, including those due to weather, seasonality (including large increases in ambient temperatures), the general economy or social conditions, customer, and sales growth (or decline), the effects of energy conservation measures and distributed generation, and technological advancements;
- the potential effects of climate change on our electric system, including as a result of weather extremes such as prolonged drought and high temperature variations in the area where APS conducts its business;
- power plant and transmission system performance and outages;
- competition in retail and wholesale power markets;
- regulatory and judicial decisions, developments, and proceedings;
- new legislation, ballot initiatives and regulation or interpretations of existing legislation or regulations, including those relating to environmental requirements, regulatory and energy policy, nuclear plant operations and potential deregulation of retail electric markets;
- fuel and water supply availability;
- our ability to achieve timely and adequate rate recovery of our costs through our rates and adjustor recovery mechanisms, including returns on and of debt and equity capital investment;
- the ability of APS to meet renewable energy and energy efficiency mandates and recover related costs;

- the ability of APS to achieve its clean energy goals (including a goal by 2050 of 100% clean, carbon-free electricity) and, if these goals are achieved, the impact of such achievement on APS, its customers, and its business, financial condition, and results of operations;
 - risks inherent in the operation of nuclear facilities, including spent fuel disposal uncertainty;
 - the development of new technologies which may affect electric sales or delivery, including as a result of delays in the development and application of new technologies;
 - the cost of debt, including increased cost as a result of rising interest rates, and equity capital and our ability to access capital markets when required;
-

- environmental, economic, and other concerns surrounding coal-fired generation, including regulation of greenhouse gas emissions;
- volatile fuel and purchased power costs;
- the investment performance of the assets of our nuclear decommissioning trust, captive insurance cell, coal mine reclamation escrow, pension, and other postretirement benefit plans and the resulting impact on future funding requirements;
- the liquidity of wholesale power markets and the use of derivative contracts in our business;
- potential shortfalls in insurance coverage;
- new accounting requirements or new interpretations of existing requirements;
- generation, transmission and distribution facilities and system conditions and operating costs;
- our ability to meet the anticipated future need for additional generation and associated transmission facilities in our region;
- the willingness or ability of counterparties, power plant participants and power plant landowners to meet contractual or other obligations or extend the rights for continued power plant operations; and
- restrictions on dividends or other provisions in our credit agreements and Arizona Corporation Commission orders.

These and other factors are discussed in the most recent Pinnacle West/APS Form 10-K and 10-Q along with other public filings with the Securities and Exchange Commission, which readers should review carefully before placing any reliance on our financial statements or disclosures. Neither Pinnacle West nor APS assumes any obligation to update these statements, even if our internal estimates change, except as required by law.

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PINNACLE WEST CAPITAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited)
(dollars and shares in thousands, except per share amounts)

	Three Months Ended	
	March 31,	
	2025	2024
Operating Revenues	\$ 1,032,280	\$ 951,712
Operating Expenses		
Fuel and purchased power	380,071	357,864
Operations and maintenance	300,109	257,578
Depreciation and amortization	234,940	210,294
Taxes other than income taxes	59,354	59,164
Other expense	584	20
Total	975,058	884,920
Operating Income	57,222	66,792
Other Income (Deductions)		
Allowance for equity funds used during construction	13,249	10,292
Pension and other postretirement non-service credits - net	2,958	11,568
Other income	17,461	30,607
Other expense	(2,570)	(7,567)
Total	31,098	44,900
Interest Expense		
Interest charges	104,943	99,774
Allowance for borrowed funds used during construction	(10,102)	(13,141)
Total	94,841	86,633
Income (Loss) Before Income Taxes	(6,521)	25,059
Income taxes (benefit)	(6,183)	3,891
Net Income (Loss)	(338)	21,168
Less: Net income attributable to noncontrolling interests	4,306	4,306
Net Income (Loss) Attributable To Common Shareholders	\$ (4,644)	\$ 16,862
Weighted-Average Common Shares Outstanding - Basic	119,594	113,621
Weighted-Average Common Shares Outstanding - Diluted	119,594	114,227
Earnings Per Weighted-Average Common Share Outstanding		
Net income (loss) attributable to common shareholders - basic	\$ (0.04)	\$ 0.15
Net income (loss) attributable to common shareholders - diluted	\$ (0.04)	\$ 0.15

Renewed, Reliable and Resilient

First-Quarter Financial Results
May 1, 2025

PINNACLE WEST
CAPITAL CORPORATION



Forward Looking Statements



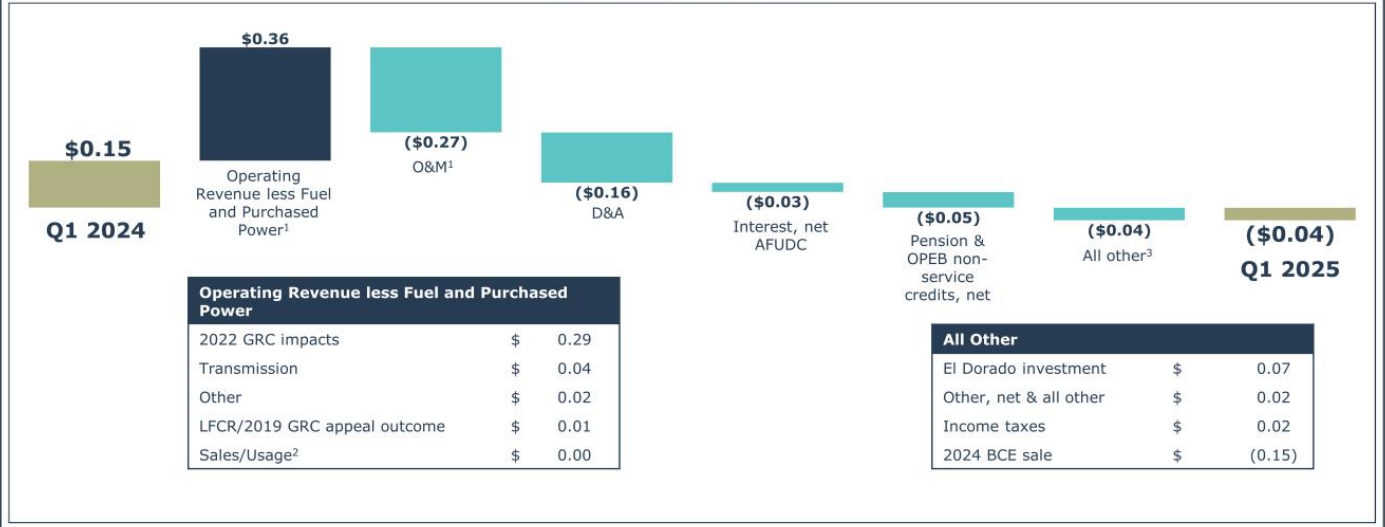
This presentation contains forward-looking statements based on current expectations, including statements regarding our earnings guidance and financial outlook and goals. These forward-looking statements are often identified by words such as "estimate," "predict," "may," "believe," "plan," "expect," "require," "intend," "assume," "project," "anticipate," "goal," "seek," "strategy," "likely," "should," "will," "could," and similar words. Because actual results may differ materially from expectations, we caution you not to place undue reliance on these statements. A number of factors could cause future results to differ materially from historical results, or from outcomes currently expected or sought by Pinnacle West or APS. These factors include, but are not limited to: uncertainties associated with the current and future economic environment, including economic growth rates, labor market conditions, inflation, supply chain delays, increased expenses, volatile capital markets, or other unpredictable effects; current and future economic conditions in Arizona, such as the housing market and overall business and regulatory environment; our ability to manage capital expenditures and operations and maintenance costs while maintaining reliability and customer service levels; the direct or indirect effect on our facilities or business from cybersecurity threats or occurrences; variations in demand for electricity, including those due to weather, seasonality (including large increases in ambient temperatures), the general economy or social conditions, customer, and sales growth (or decline), the effects of energy conservation measures and distributed generation, and technological advancements; the potential effects of climate change on our electric system, including as a result of weather extremes such as prolonged drought and high temperature variations in the area where APS conducts its business; power plant and transmission system performance and outages; competition in retail and wholesale power markets; regulatory and judicial decisions, developments, and proceedings; new legislation, ballot initiatives and regulation or interpretations of existing legislation or regulations, including those relating to environmental requirements, regulatory and energy policy, nuclear plant operations and potential deregulation of retail electric markets; fuel and water supply availability; our ability to achieve timely and adequate rate recovery of our costs through our rates and adjustor recovery mechanisms, including returns on and of debt and equity capital investment; the ability of APS to meet renewable energy and energy efficiency mandates and recover related costs; the ability of APS to achieve its clean energy goals (including a goal by 2050 of 100% clean, carbon-free electricity) and, if these goals are achieved, the impact of such achievement on APS, its customers, and its business, financial condition, and results of operations; risks inherent in the operation of nuclear facilities, including spent fuel disposal uncertainty; data security breaches, terrorist attack, physical attack, severe storms, or other catastrophic events, such as fires, explosions, pandemic health events or similar occurrences; the development of new technologies which may affect electric sales or delivery, including as a result of delays in the development and application of new technologies; the cost of debt, including increased cost as a result of rising interest rates, and equity capital and our ability to access capital markets when required; environmental, economic, and other concerns surrounding coal-fired generation, including regulation of greenhouse gas emissions; volatile fuel and purchased power costs; the investment performance of the assets of our nuclear decommissioning trust, captive insurance cell, coal mine reclamation escrow, pension, and other postretirement benefit plans and the resulting impact on future funding requirements; the liquidity of wholesale power markets and the use of derivative contracts in our business; potential shortfalls in insurance coverage; new accounting requirements or new interpretations of existing requirements; generation, transmission and distribution facilities and system conditions and operating costs; our ability to meet the anticipated future need for additional generation and associated transmission facilities in our region; the willingness or ability of counterparties, power plant participants and power plant landowners to meet contractual or other obligations or extend the rights for continued power plant operations; and restrictions on dividends or other provisions in our credit agreements and ACC orders. These and other factors are discussed in the most recent Pinnacle West/APS Form 10-K along with other public filings with the Securities and Exchange Commission, which you should review carefully before placing any reliance on our financial statements, disclosures or earnings outlook. Neither Pinnacle West nor APS assumes any obligation to update these statements, even if our internal estimates change, except as required by law.

In this presentation, references to net income and earnings per share (EPS) refer to amounts attributable to common shareholders.

First-Quarter results



Q1 2025 vs Q1 2024



¹ Includes costs and offsetting operating revenues associated with renewable energy and demand side management programs, see slide 21 for more information.

² Includes reduction of accrued unbilled revenues of \$11M in January 2025.

³ All other includes income taxes, other taxes, other, net and rounding.

2025 EPS guidance

Key Factors and Assumptions (as of May 1, 2025)	2025
Adjusted gross margin (operating revenues, net of fuel and purchased power expenses, x/RES,DSM,CCT) ¹	\$3.13 – \$3.19 billion
<ul style="list-style-type: none"> • Retail customer growth of 1.5%-2.5% • Weather-normalized retail electricity sales growth of 4.0%-6.0% <ul style="list-style-type: none"> • Includes 3.0%-5.0% contribution to sales growth of new large manufacturing facilities and several large data centers • Assumes normal weather 	
Adjusted operating and maintenance expense (O&M x/RES,DSM,CCT) ¹	\$965 – \$985 million
Other operating expenses (depreciation and amortization, and taxes other than income taxes)	\$1.16 – \$1.18 billion
Other income (pension and other post-retirement non-service credits, other income and other expense)	\$0 – \$6 million
Interest expense , net of allowance for borrowed and equity funds used during construction (Total AFUDC ~\$120 million)	\$350 – \$370 million
Net income attributable to noncontrolling interests	\$17 million
Effective tax rate	13.25% – 13.75%
Average diluted common shares outstanding	122.3 million
EPS Guidance	\$4.40 – \$4.60



¹ Excludes costs and offsetting operating revenues associated with renewable energy and demand side management programs. For reconciliation, see slide 21.

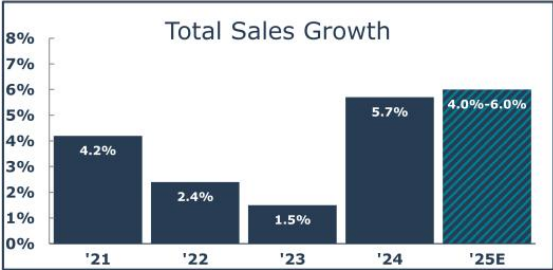
Key drivers & assumptions for 2025 EPS guidance



2025 EPS guidance of \$4.40-\$4.60 key drivers ¹	
↑ Retail customer growth of 1.5%-2.5%	↓ Depreciation, amortization and property taxes due to higher plant in service
↑ Weather-normalized retail electricity sales growth of 4%-6% (includes 3%-5% from large C&I)	↓ 2025 normal weather
↑ Transmission revenue	↓ Financing costs (debt & equity)
↑ Operations and maintenance	↓ Pension/OPEB non-service costs ²
	↓ 2024 BCE gain on sale

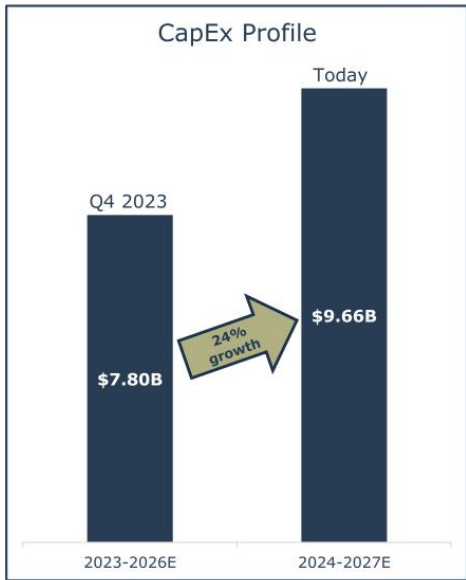
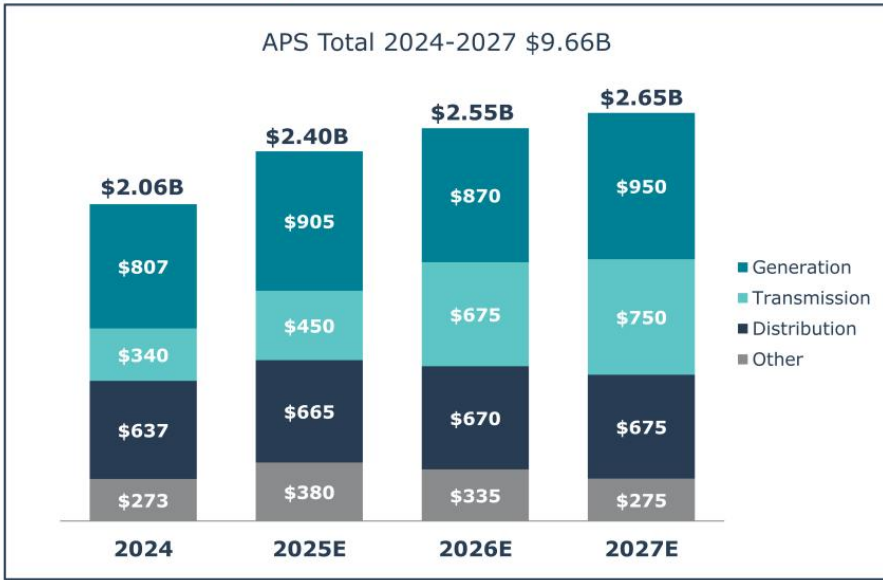
¹ Arrows represent expected comparative year-over-year impact of each driver on earnings.
² Primarily due to roll-off of positive amortization of prior service credits.

Long-term guidance and key drivers ^{1,2}
<ul style="list-style-type: none"> • Long-term EPS growth target of 5%-7% off original 2024 midpoint • Retail customer growth of 1.5%-2.5% • Weather-normalized retail electricity sales growth of 4%-6% (includes 3%-5% from large C&I customers)



¹ Long-term EPS growth target based on the Company's current weather normalized compound annual growth rate projections from 2024-2028.
² Forecasted guidance range through 2027.

Capital plan to support reliability and continued growth within our service territory



Source: 2025-2027 as disclosed in the First Quarter 2025 Form 10-Q

Rate Base growing within our service territory

Current Approved Rate Base and Test Year Detail

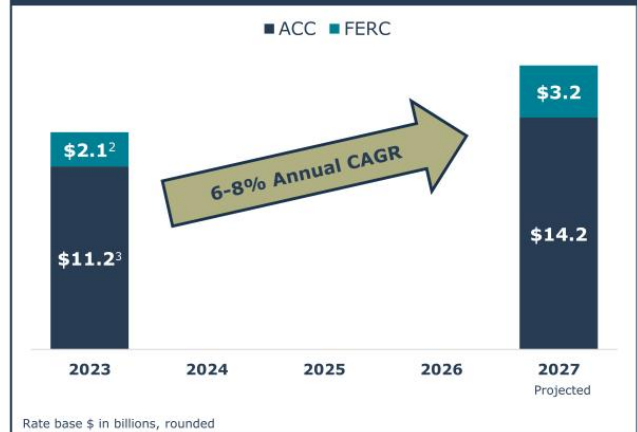
	ACC	FERC
Rate Effective Date	03/08/2024	06/01/2024
Test Year Ended	6/30/2022 ¹	12/31/2023
Equity Layer	51.93%	49.64%
Allowed ROE	9.55%	10.75%
Rate Base	\$10.36B ²	\$2.1B

Generation spend through System Reliability Benefit Surcharge and transmission spend expected to total ~40% of tracked capital from 2024-2027 and help reduce regulatory lag

¹ Adjusted to include post-test year plant in service through 06/30/2023.

² Rate Base excludes \$215M approved through Joint Resolution in Case No. E-01345A-19-0236.

End-of-Year Rate Base and Growth Guidance¹



¹ Guidance excludes CWIP amounts of \$1.7B in 2023 and \$3.0B-\$3.5B in 2027.

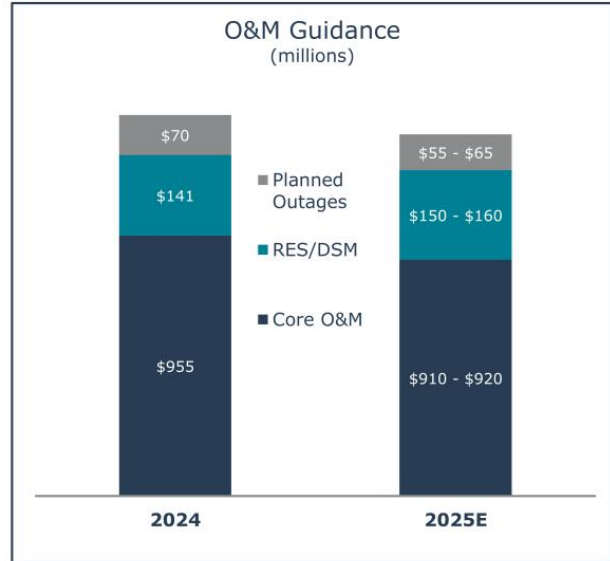
² Derived from APS annual update of formula transmission service rates.

³ Represents unadjusted ACC jurisdictional rate base consistent with regulatory filings.

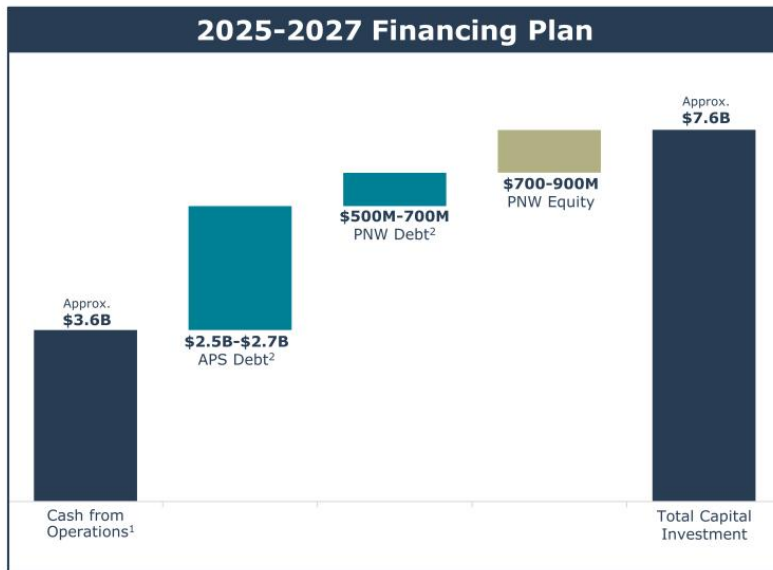
We are focused on cost control and customer affordability

Operations & Maintenance Guidance

- Reduced year-over-year core O&M excluding planned outages
- Planned major outage in Q1 at Four Corners Unit 4
- Lean culture and declining O&M per MWh goal



Optimized financing plan to support balanced capital structure



¹ Cash from operations is net of shareholder dividends.
² APS and PNW debt issuance is net of maturities.

Funding Strategy

- External equity to support balanced APS capital structure and expanded, accretive capital investment
 - Equity needs < prior targeted 40% of new capital
- Financing plan consistent with balance sheet targets

Equity Strategy

Feb. 2024 Forward Sale	Priced	Settled
Dec. 2024 Settlement	\$725.1M	\$345.0M
Forward ATM Program (\$900M)	Priced	Settled
Nov. 2024 ATM	\$49.6M	
Mar. 2025 ATM	\$49.5M	

Source: Amounts as disclosed in the First Quarter 2025 Form 10-Q

We are focused on maintaining healthy credit ratings to support affordable growth¹

	Corporate Ratings	Senior Unsecured Ratings	Short-Term Ratings	Outlook
APS				
Moody's	Baa1	Baa1	P-2	Stable
S&P	BBB+	BBB+	A-2	Stable
Fitch	BBB+	A-	F2	Stable
Pinnacle West				
Moody's	Baa2	Baa2	P-2	Stable
S&P	BBB+	BBB	A-2	Stable
Fitch	BBB	BBB	F3	Stable

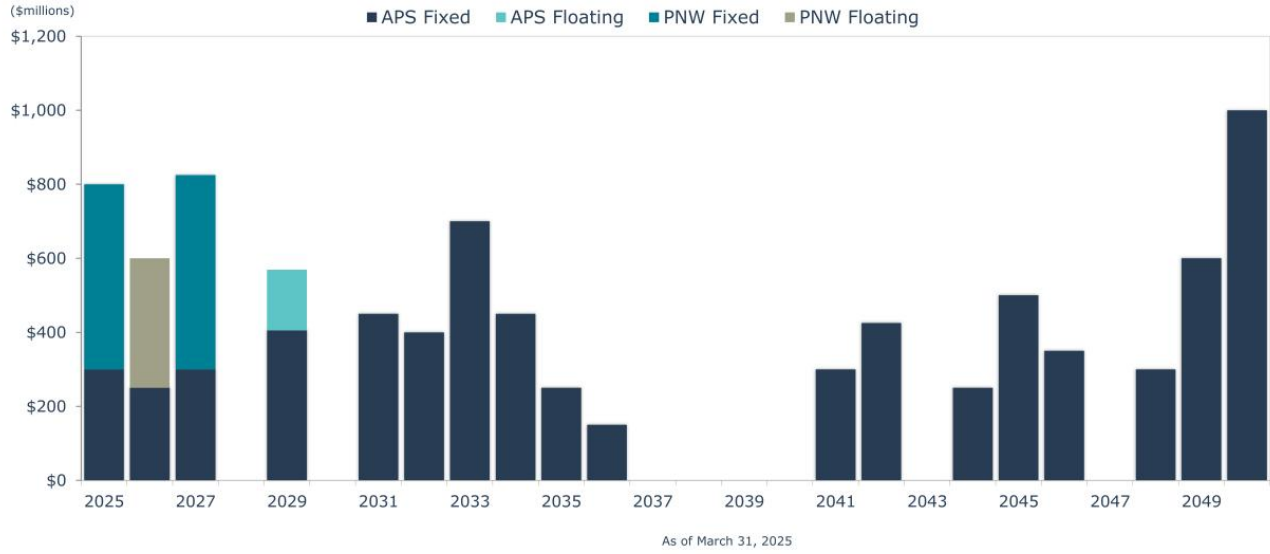
Balance Sheet Targets

- Solid investment-grade credit ratings
- APS equity layer >50%
- PNW FFO/Debt range of 14%-16%



¹ We are disclosing credit ratings to enhance understanding of our sources of liquidity and the effects of our ratings on our costs of funds. Ratings are as of April 28, 2025.

Debt maturity profile shows well managed and stable financing plan





Appendix

PINNACLE WEST
CAPITAL CORPORATION

SRB will expand our capacity to self-build generation to meet customer need with reduced lag



System Reliability Benefit Surcharge Key Features

- Projects that compete on cost and reliability from All-Source Request for Proposals
- Determines prudence of new generation between general rate cases
- Included in rates approximately 180 days after in service with Commission approval
- Recovery at prevailing WACC less 100bps until future rate case
- Traditional AFUDC treatment until asset is in service

Continued Progress on Potential SRB Opportunities

<u>Proposed Project</u>	<u>MWs</u>	<u>Est. In-Service</u>	<u>Status</u>
Agave BESS (Phase I)	150	2026	In Construction
Sundance Expansion	90	2026	In Construction
Ironwood Solar	168	2026	In Construction
Redhawk Expansion	397	2028	Contracted

Transmission expansion will drive increased capital investment



Increase
resiliency



Support
customer
growth



Access to
markets

Making progress on multiple strategic transmission opportunities as part of 2025-2027 capital expenditure plan

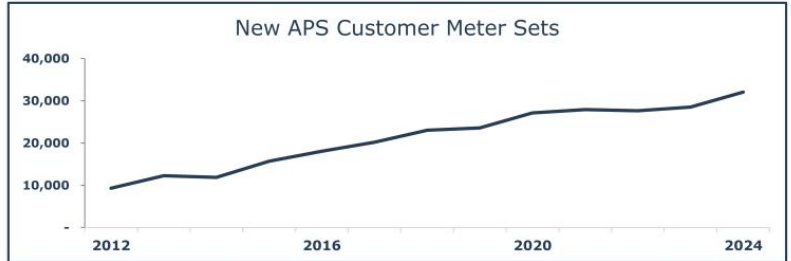
<u>Line</u>	<u>Length (miles)</u>	<u>Voltage</u>	<u>Status</u>	<u>Est. In-Service</u>
Sundance to Milligan	22	230 kV	Siting in progress	2027
Ocotillo to Pinnacle Peak	25	230 kV	Siting in progress	2029
Panda to Freedom	40	230 kV	Siting in progress	2029
Jojoba to Rudd	25	500 kV	Siting in progress	2030

Source: APS 2024-2033 Ten Year Transmission System Plan

Arizona continues to be an attractive service territory with strong customer growth

Arizona economy continues to be robust and attractive

- Phoenix housing is affordable compared to major cities in the region
- U.S. Census ranked Maricopa County third among U.S. counties for growth
- Phoenix is ranked #1 out of 15 top growth markets for manufacturing by Newmark Group, a global real estate firm
- Arizona State University ranked #1 in Innovation for 10th straight year by U.S. News and World Report
- Phoenix remains #1 as best positioned industrial real estate market by Commercial Café Report



¹ National average from 2024 Itron Annual Energy Survey Report.

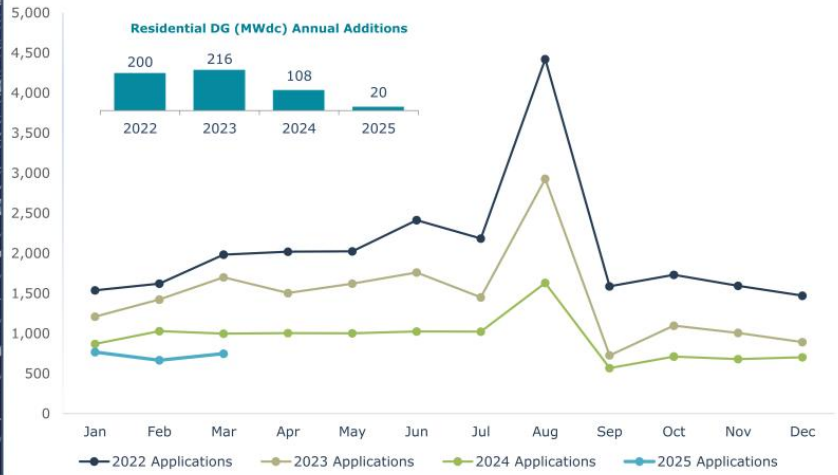
Arizona's commercial and industrial growth is diverse

ARIZONA INDUSTRY CLUSTERS



Source: Arizona Commerce Authority

Residential PV Applications



Monthly data equals applications received minus cancelled applications. As of March 31, 2025, approximately 187,140 residential grid-tied solar photovoltaic (PV) systems have been installed in APS's service territory, totaling approximately 1,676 MWdc of installed capacity. Excludes APS Solar Partner Program, APS Solar Communities, and Flagstaff Community Partnership Program.

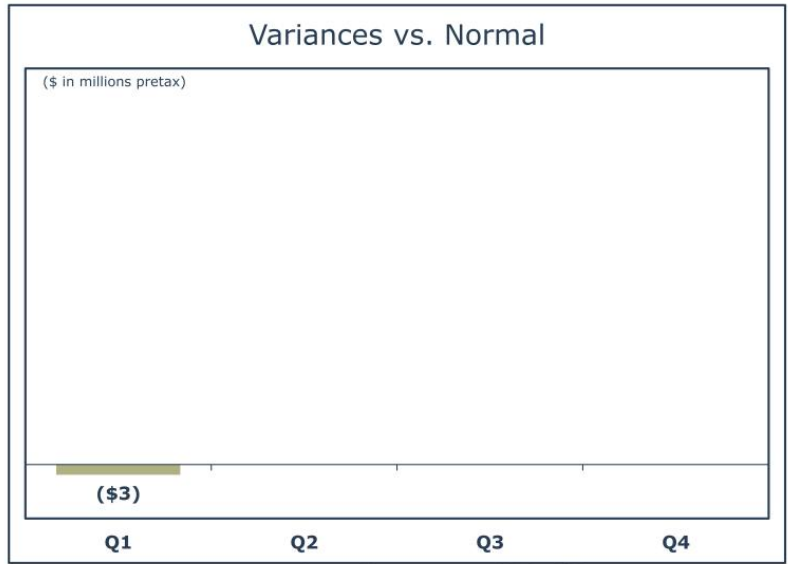
Note: www.arizonagoessolar.org logs total residential application volume, including cancellations.

Renewable Energy & Demand Side Management expenses¹



¹ Renewable Energy and Demand Side Management expenses are substantially offset by adjustment mechanisms.

2025 gross margin effects of weather



All periods recalculated to current 10-year rolling average (2014 – 2023). Numbers may not foot due to rounding.

2025 Planned Outage Schedule

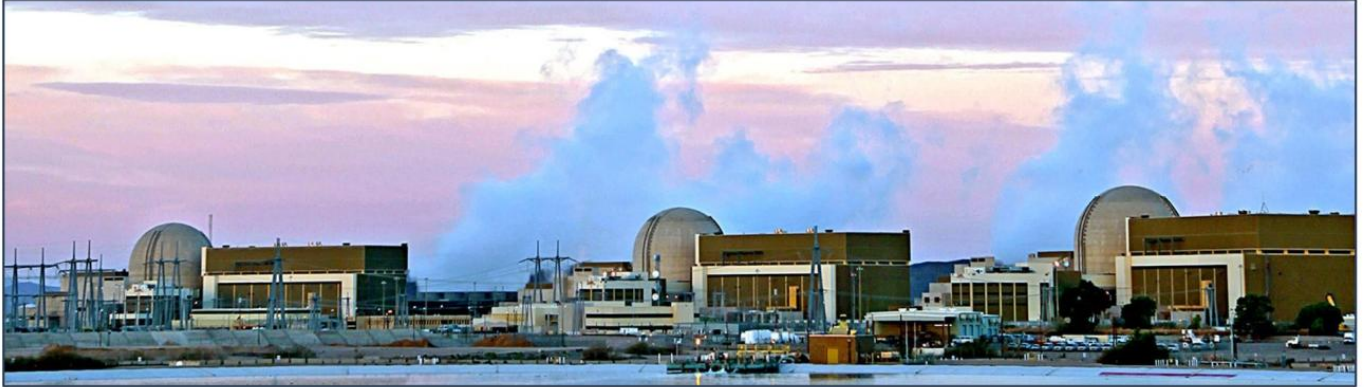
Coal, Nuclear and Large Gas Planned Outages

Q1		
Plant	Unit	Actual Duration in Days
Redhawk	CC2	60
Four Corners	4	72

Q2		
Plant	Unit	Estimated Duration in Days
Palo Verde ¹	1	36
Four Corners	4	11

Q4		
Plant	Unit	Estimated Duration in Days
Palo Verde	3	36

¹ Outage began at end of Q1



Non-GAAP Measure Reconciliation

	2024 Actual ³	2025 Guidance ³
Operating revenues ¹	\$5.12 billion	\$5.22 - \$5.32 billion
Fuel and purchased power expenses ¹	\$1.82 billion	\$1.93 - \$1.97 billion
Gross Margin	\$3.30 billion	\$3.29 - \$3.35 billion
Adjustments:		
Renewable energy and demand side management programs ²	\$149 million	\$150 - \$160 million
Adjusted gross margin	\$3.15 billion	\$3.13 - \$3.19 billion
Operations and maintenance¹	\$1.17 billion	\$1.12 - \$1.14 billion
Adjustments:		
Renewable energy and demand side management programs ²	\$141 million	\$150 - \$160 million
Adjusted operations and maintenance	\$1.02 billion	\$965 - \$985 million

¹ Line items from Consolidated Statements of Income.

² Includes \$3.3M for CCT (Coal Community Transition) in 2024 which is recovered through REAC (Renewable Energy Adjustment Charge).








³ Numbers may not foot due to rounding.

2025 Key Regulatory Dates

Case/Docket #	Q1	Q2	Q3	Q4
2025 Rate Case E-01345A-25-XXXX :		APS Rate Case Application to be filed mid-year		
Power Supply Adjustor (PSA) E-01345A-22-0144 :	2025 PSA rate effective March 1			PSA reset to be filed Nov. 26
Transmission Cost Adjustor E-01345A-22-0144 :		To be filed May 15; effective June 1		
Lost Fixed Cost Recovery E-01345A-25-XXXX :			2025 LFCR to be filed July 31	2025 LFCR effective Nov. 1 (if approved)
ACC Inquiry Into Nuclear Issues E-00000A-25-0026 :		ACC Nuclear Issues Workshop to be Held May 21		
Resource Comparison Proxy E-01345A-24-0095 :		Updated RCP calculation filed May 1	RCP Update effective Sep. 1	
Test Year Rules (Regulatory Lag) AU-00000A-23-0012 :	ACC adopted Formula Rates Policy Statement Dec. 13, 2024			
2025 Summer Preparedness AU-99999A-25-0004 :		2025 Summer Preparedness Workshop held Apr. 24		
2026 RES Implementation Plan E-01345A-25-XXXX :			2026 RES Plan due July 1	
2026 DSM Implementation Plan E-01345A-25-XXXX :		2026 DSM Plan due May 30		

Wildfire Mitigation

Our current practices are comprehensive and multi-faceted:

 Vegetation management	 Grid hardening investments	 Asset inspection	 Monitoring and awareness	 Operational mitigations
<ul style="list-style-type: none"> • Comprehensive right-of-way clearance on maintained cycles • Defensible space around poles (DSAP) • Hazard tree program 	<ul style="list-style-type: none"> • Ongoing distribution system upgrades • Mesh pole wrapping • Expulsion limiting fuses • Steel poles (if truck accessible) 	<ul style="list-style-type: none"> • Enhanced line patrols • Technology deployments <ul style="list-style-type: none"> • Drone use • Infra-red scans 	<ul style="list-style-type: none"> • Dedicated team of meteorologists • Advanced fire modeling software • Cameras and weather stations • Federal & state agency partnerships 	<ul style="list-style-type: none"> • Non-reclosing strategy • Public outreach program • Red Flag Warning protocols • Public Safety Power Shutoff (PSPS)
 <p>Internal: 18-person fire mitigation department engages across entire APS organization to plan and implement initiatives External: Member of 19 fire mitigation industry associations</p>		 <p>Independent third-party reviews of APS wildfire mitigation plan</p>		

Consolidated Statistics

	3 Months Ended March 31,		
	2025	2024	Incr (Decr)
TOTAL OPERATING REVENUES (Dollars in Millions)			
Retail			
Residential	\$ 449	\$ 433	16
Business	525	461	63
Total Retail*	974	894	80
Sales for Resale (Wholesale)	25	27	(2)
Transmission for Others	26	28	(2)
Other Miscellaneous Services	8	3	5
Total Operating Revenues	\$ 1,032	\$ 952	81
ELECTRIC SALES (GWH)			
Retail			
Residential	2,669	2,767	(98)
Business	4,038	3,810	228
Total Retail	6,707	6,576	130
Sales for Resale (Wholesale)	1,087	900	187
Total Electric Sales	7,794	7,476	318
RETAIL SALES (GWH) - WEATHER NORMALIZED			
Residential	2,704	2,767	(63)
Business	4,029	3,827	202
Total Retail Sales	6,733	6,594	139
Retail sales (GWH) (% over prior year)	2.1%	5.9%	(3.7)%
AVERAGE ELECTRIC CUSTOMERS			
Retail Customers			
Residential	1,276,813	1,246,840	29,973
Business	145,144	143,677	1,467
Total Retail	1,421,957	1,390,517	31,440
Wholesale Customers	53	58	(5)
Total Customers	1,422,010	1,390,576	31,435
Total Customer Growth (% over prior year)	2.3%	1.8%	0.4%
RETAIL USAGE - WEATHER NORMALIZED (KWh/Average Customer)			
Residential	2,118	2,219	(102)
Business	27,759	26,634	1,125

* Includes reduction of accrued unbilled revenues in January 2025.
Numbers may not foot due to rounding.

Consolidated Statistics



	3 Months Ended March 31,		
	2025	2024	Incr (Decr)
ENERGY SOURCES (GWH)			
Generation Production			
Nuclear	2,508	2,549	(41)
Coal	1,101	1,990	(889)
Gas, Oil and Other	2,222	1,410	812
Renewables	180	230	(51)
Total Generation Production	6,010	6,179	(169)
Purchased Power			
Conventional	713	621	92
Resales	40	41	(1)
Renewables	1,492	828	664
Total Purchased Power	2,244	1,489	755
Total Energy Sources	8,254	7,668	586
POWER PLANT PERFORMANCE			
Capacity Factors - Owned			
Nuclear	101%	102%	(1)%
Coal	38%	67%	(29)%
Gas, Oil and Other	28%	18%	10%
Solar	20%	28%	(8)%
System Average	42%	44%	(1)%
WEATHER INDICATORS - RESIDENTIAL			
	2025	2024	Incr (Decr)
Actual			
Cooling Degree-Days	-	-	-
Heating Degree-Days	406	476	(70)
Average Humidity	0%	0%	0%
10-Year Averages (2014 - 2023)			
Cooling Degree-Days	-	-	-
Heating Degree-Days	445	445	-
Average Humidity	0%	0%	-

Numbers may not foot due to rounding.

**Document Entity and
Information DEI**

May 01, 2025

Entity Information [Line Items]

<u>Entity Central Index Key</u>	0000764622
<u>Document Type</u>	8-K
<u>Document Period End Date</u>	May 01, 2025
<u>Entity File Number</u>	1-8962
<u>Entity Emerging Growth Company</u>	false
<u>Title of 12(b) Security</u>	Common Stock, no par value
<u>Soliciting Material</u>	false
<u>Written Communications</u>	false
<u>Pre-commencement Tender Offer</u>	false
<u>Pre-commencement Issuer Tender Offer</u>	false
<u>Trading Symbol</u>	PNW
<u>Security Exchange Name</u>	NYSE
<u>Entity Registrant Name</u>	PINNACLE WEST CAPITAL CORPORATION
<u>Entity Tax Identification Number</u>	86-0512431
<u>Entity Address, Address Line One</u>	400 North Fifth Street, P.O. Box 53999
<u>Entity Address, City or Town</u>	Phoenix
<u>Entity Address, State or Province</u>	AZ
<u>Entity Address, Postal Zip Code</u>	85072-3999
<u>City Area Code</u>	(602)
<u>Local Phone Number</u>	250-1000
<u>Amendment Flag</u>	false
<u>Entity Incorporation, State or Country Code</u>	AZ
<u>Arizona Public Service Company [Member]</u>	

Entity Information [Line Items]

<u>Entity Central Index Key</u>	0000007286
<u>Document Type</u>	8-K
<u>Document Period End Date</u>	May 01, 2025
<u>Entity File Number</u>	1-4473
<u>Entity Emerging Growth Company</u>	false
<u>Soliciting Material</u>	false
<u>Written Communications</u>	false
<u>Pre-commencement Tender Offer</u>	false
<u>Pre-commencement Issuer Tender Offer</u>	false
<u>Entity Registrant Name</u>	ARIZONA PUBLIC SERVICE COMPANY
<u>Entity Tax Identification Number</u>	86-0011170
<u>Entity Address, Address Line One</u>	400 North Fifth Street, P.O. Box 53999
<u>Entity Address, City or Town</u>	Phoenix
<u>Entity Address, State or Province</u>	AZ
<u>Entity Address, Postal Zip Code</u>	85072-3999
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