

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **1994-03-01** | Period of Report: **1994-02-23**
SEC Accession No. **0000950147-94-000018**

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FILER

ARIZONA PUBLIC SERVICE CO

CIK: **7286** | IRS No.: **860011170** | State of Incorpor.: **AZ** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-04473** | Film No.: **94514080**
SIC: **4931** Electric & other services combined

Business Address
400 N FIFTH ST
18TH FLOOR MAIL STATION
9820
PHOENIX AZ 85004
6022501000

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) February 23, 1994

ARIZONA PUBLIC SERVICE COMPANY

(Exact name of registrant as specified in its charter)

Arizona

1-4473

86-0011170

(State or other
jurisdiction of
incorporation)

(Commission
File Number)

(IRS Employer
Identification
Number)

400 North Fifth Street, P.O. Box 53999, Phoenix, Az 85004
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code (602)250-1000

NONE

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

Item 7. Financial Statement, Pro Forma Financial Information and Exhibits

(c) Exhibits.

The Registrant hereby files the following Exhibits to its Registration Statement on Form S-3 No. 33-61228, which was declared effective on April 26, 1993.

Exhibit No.	Description
1.3	Terms Agreement, dated February 23, 1994, in connection with the offering of \$100,000,000 of First Mortgage Bonds, 6 5/8% Series due 2004.
4.5	Fifty-third Supplemental Indenture relating to the issuance of \$100,000,000 of First Mortgage Bonds, 6 5/8% Series due 2004.
4.6	Form of Bond of 6 5/8% Series due 2004.
12.3	Computation of Ratio of Earnings to Fixed Charges.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ARIZONA PUBLIC SERVICE COMPANY
(Registrant)

Dated: March 1, 1994 By Nancy E. Newquist

Nancy E. Newquist
Treasurer

EXHIBIT 1.3

TERMS AGREEMENT

February 23, 1994

Arizona Public Service Company
400 North Fifth Street
Phoenix, Arizona 85004

Attention: Treasurer

Dear Madam:

Arizona Public Service Company (the "Company") hereby agrees to sell to the several Underwriters (the "Underwriters") listed in the Company's Prospectus Supplement (the "Prospectus Supplement") of even date herewith relating to \$100,000,000 in aggregate principal amount of its First Mortgage Bonds, therein designated the 6 5/8% Series due 2004 (the "Purchased Bonds"), and the Underwriters hereby agree to purchase, severally and not jointly, at a purchase price of 98.881% of the principal amount thereof plus accrued interest from March 1, 1994 to the Closing Date (as hereinafter defined), the respective principal amounts of Purchased Bonds set forth opposite the names of the Underwriters in the Prospectus Supplement. The sale of the Purchased Bonds by the Company and the purchase thereof by the Underwriters shall be made on the basis of the representations, warranties, and agreements contained in the Underwriting Agreement (the "Underwriting Agreement"), dated August 3, 1993, relating to the issuance and sale of up to \$400,000,000 of the Company's First Mortgage Bonds under the Company's Indenture, and shall be subject to the terms and conditions set forth in such Underwriting Agreement. The provisions of the Underwriting Agreement are incorporated herein by reference. As contemplated by Section 3 of the Underwriting Agreement, certain terms of the Purchased Bonds are described in the Prospectus Supplement.

The Underwriters propose to offer the Purchased Bonds to the public in the manner and upon the terms set out in the Prospectus Supplement.

On March 2, 1994, the Company will deliver the Purchased Bonds to the Underwriters at the office of BankAmerica National Trust Company, 2 Rector Street, New York, New York 10006, against payment of the purchase price by transfer of funds by Fed Wire from the Underwriters to the Company's account at a bank in Phoenix, Arizona designated by the Company. Such purchase price will be deemed to have been received by the Company upon

the Company's receipt of the Fed Wire reference number relating to such transfer of funds. On March 3, 1994, the Company will pay to the Underwriters, by means of transfer of funds by Fed Wire to a bank account designated by the Underwriters, interest on the purchase price for one day at the March 2, 1994 Fed Funds Effective Rate. Closing shall occur at the office of the Company, 400 North Fifth Street, Phoenix, Arizona, at 8:00 a.m. Phoenix time, on March 2, 1994, or at such other time and date as the Underwriters and the Company may agree upon in writing, such time and date being referred to as the "Closing Date." All of the Purchased Bonds referred to in this paragraph will be in definitive and fully registered form and in such denominations and registered in such names as the Underwriters request, and will be made available for checking and packaging at the office of BankAmerica National Trust Company referred to above at least twenty (20) hours prior to the Closing Date.

If the foregoing is acceptable to you, please sign below and transmit evidence of such signing to Salomon Brothers Inc at your earliest convenience. At that point, the agreement signified hereby will constitute the Terms Agreement, as described in the Underwriting Agreement, with respect to the \$100,000,000 of Purchased Bonds referred to herein.

All capitalized terms herein, not otherwise defined herein, are used as defined in the Underwriting Agreement. This

agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute a single instrument.

Very truly yours,

SALOMON BROTHERS INC
CS FIRST BOSTON CORPORATION
GOLDMAN, SACHS & CO.
(As Representatives of the
Several Underwriters)

By SALOMON BROTHERS INC

By Charlene Jackson

Vice President

Confirmed and accepted as
of the date first above
written.

ARIZONA PUBLIC SERVICE COMPANY

By Nancy E. Newquist

Treasurer

EXHIBIT 4.5

 ARIZONA PUBLIC SERVICE COMPANY
 (formerly Central Arizona Light and Power Company)
 TO
 BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION
 (successor to Security Pacific National Bank)

As trustee under Central Arizona Light and Power
 Company's Mortgage and Deed of Trust, Dated as of
 July 1, 1946.

 Fifty-third Supplemental Indenture

Dated as of March 1, 1994

This Mortgage covers real property,
 personal property and chattels.

This instrument and the above-mentioned Mortgage and
 Deed of Trust contain after-acquired property provisions.

FIFTY-THIRD SUPPLEMENTAL INDENTURE

INDENTURE, dated as of the 1st day of March, 1994, made and entered into by and between ARIZONA PUBLIC SERVICE COMPANY, a corporation of the State of Arizona, the principal place of business and mailing address of which is 400 North Fifth Street, Phoenix, Arizona 85004 (hereinafter sometimes called the Company), party of the first part, and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a national banking association, organized under the banking laws of the United States of America, the mailing address of which is 333 South Beaudry Avenue, 25th Floor, Los Angeles, California 90017 (hereinafter sometimes called the Trustee), party of the second part, as Trustee under the Mortgage and Deed of Trust, dated as of July 1, 1946 (hereinafter called the Mortgage), which Mortgage was executed and delivered by the Company under its former name, Central Arizona Light and Power Company, to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, reference to which said Mortgage is hereby made, this Indenture (hereinafter called the Fifty-third Supplemental Indenture) being supplemental thereto;

<TABLE>

WHEREAS, said Mortgage was recorded and filed in Counties in the State of Arizona as follows:

<CAPTION>

County	Recorded as Real Mortgage			Filed and Abstracted as Chattel Mortgage	
	Date Recorded	Book or Docket	Page	Chattel Mortgage Book	Page
<S>	<C>	<C>	<C>	<C>	<C>
Apache.....	7-28-50	16	1	9	154
Cochise.....	2-3-53	80	28	19	292

Coconino.....	1-20-53	39	1	10	286
Gila.....	1-17-53	32	84	17	--
Graham.....	12-3-63	92	87	15	223
Maricopa.....	8-6-46	408	163	92	204
Mohave.....	11-13-57	28	68	12	13
Navajo.....	10-14-49	31	483	16	521
Pima.....	1-24-53	558	351	14	--
Pinal.....	10-25-52	68	31	12	591
Yavapai.....	8-7-46	79	1	12	223
Yuma.....	8-1-47	58	173	21	265

<CAPTION>

and in Counties in the State of New Mexico as follows:

<S>	<C>	<C>	<C>	<C>	<C>
McKinley.....	5-31-61	36	153	4	295
San Juan.....	1-31-61	472	140	(No. 72441)	

</TABLE>

the copy recorded in Yuma County, Arizona also being effective for La Paz County, Arizona, formed on December 31, 1982; and copies of said Mortgage were filed with the office of the Bureau of Indian Affairs at Window Rock, Arizona, and with the Navajo Tribe of Indians at Window Rock, Arizona, and in the offices of the Secretary of State and the State Land Department of the State of Arizona (all the said counties and the said offices above referred to being herein referred to as "jurisdictions"); and

WHEREAS, by the Mortgage, the Company covenanted that it would execute and deliver such supplemental indenture or indentures and such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the Lien of the Mortgage any property thereafter acquired, made or constructed and intended to be subject to the Lien thereof; and

WHEREAS, the Company has executed and delivered to the Trustee fifty-two indentures supplemental to the Mortgage (hereinafter respectively called the First through the Fifty-second Supplemental Indentures) dated as of December 1, 1947, April 1, 1949, February 1, 1950, December 1, 1950, February 1, 1953, November 1, 1953, March 1, 1954, October 1, 1957, March 1, 1959, November 1, 1961, June 1, 1962, December 1, 1962, September 1, 1963, September 1, 1967, April 1, 1970, March 15, 1972, April 1, 1974, February 15, 1975, June 1, 1975, November 15, 1975, April 15, 1977, January 15, 1978, March 1, 1979, October 15, 1979, May 15, 1980, February 2, 1982, April 15, 1982, July 1, 1983, October 15, 1983, June 15, 1984, January 15, 1985, May 1, 1985, June 1, 1985, November 1, 1985, January 15, 1986, March 1, 1986, May 1, 1986, February 1, 1987, June 1, 1987, November 15, 1987, April 1, 1989, February 15, 1990, May 15, 1990, April 15, 1991, December 15, 1991, January 15, 1992, March 1, 1992, June 15, 1992, February 1, 1993, August 1, 1993, August 1, 1993, and September 15, 1993, each of which has been or will be recorded or filed in, or a recording or filing is or will be effective with respect to, each jurisdiction referred to above; and

WHEREAS, in addition to the property described in the Mortgage, as heretofore supplemented and amended, the Company has acquired certain other property, rights and interests in property; and

WHEREAS, the Company has heretofore issued, in accordance with the provisions of the Mortgage, as heretofore supplemented and amended, bonds of a series entitled and designated First Mortgage Bonds, 2 3/4% Series due 1976 (hereinafter called the bonds of the First Series), in the aggregate principal amount of Eight Million Five Hundred Thousand Dollars (\$8,500,000); bonds of a series entitled and designated First Mortgage Bonds, 3 1/8% Series due 1977 (hereinafter called the bonds of the Second Series), in the aggregate principal amount of Two Million Five Hundred Thousand Dollars (\$2,500,000); bonds of a series entitled and designated First Mortgage Bonds, 3% Series due 1979 (hereinafter called the bonds of the Third Series), in the aggregate principal amount of Four Million Dollars (\$4,000,000); bonds of a series entitled and designated First Mortgage Bonds, 2 3/4% Series due 1980 (hereinafter called the bonds of the Fourth Series), in the aggregate principal amount of Five Million Dollars (\$5,000,000); bonds of a series

entitled and designated First Mortgage Bonds, 27/8% Series due 1980 (hereinafter called the bonds of the Fifth Series), in the aggregate principal amount of Six Million Dollars (\$6,000,000); bonds of a series entitled and designated First Mortgage Bonds, 3 1/2% Series due 1983 (hereinafter called the bonds of the Sixth Series), in the aggregate principal amount of Fourteen Million Five Hundred Thousand Dollars (\$14,500,000); bonds of a series entitled and designated First Mortgage Bonds, 3 1/2% Series due November 1, 1983 (hereinafter called the bonds of the Seventh Series), in the aggregate principal amount of Five Million Seven Hundred Twenty-three Thousand Dollars (\$5,723,000); bonds of a series entitled and designated First Mortgage Bonds, 3 1/4% Series due 1984 (hereinafter called the bonds of the Eighth Series), in the aggregate principal amount of Fifteen Million Dollars (\$15,000,000); bonds of a series entitled and designated First Mortgage Bonds, 5 1/8% Series due 1987 (hereinafter called the bonds of the Ninth Series), in the aggregate principal amount of Fifteen Million Dollars (\$15,000,000); bonds of a series entitled and designated First Mortgage Bonds, 4.70% Series due 1989 (hereinafter called the bonds of the Tenth Series), in the aggregate principal amount of Twenty Million Dollars (\$20,000,000); bonds of a series entitled and designated First Mortgage Bonds, 4.80% Series due 1991 (hereinafter called the bonds of the Eleventh Series), in the aggregate principal amount of Thirty-five Million Dollars (\$35,000,000); bonds of a series entitled and designated First Mortgage Bonds, 4.45% Series due 1992 (hereinafter called the bonds of the Twelfth Series), in the aggregate principal amount of Twenty-five Million Dollars (\$25,000,000); bonds of a series entitled and designated First Mortgage Bonds, 4.40% Series due 1992 (hereinafter called the bonds of the Thirteenth Series), in the aggregate principal amount of Twenty-five Million Dollars (\$25,000,000); bonds of a series entitled and designated First Mortgage Bonds, 4.50% Series due 1993 (hereinafter called the bonds of the Fourteenth Series), in the aggregate principal amount of Fifteen Million Dollars (\$15,000,000); bonds of a series entitled and designated First Mortgage Bonds, 6.25% Series due 1997 (hereinafter called the bonds of the Fifteenth Series), in the aggregate principal amount of Twenty-five Million Dollars (\$25,000,000); bonds of a series entitled and designated First Mortgage Bonds, 8.50% Series due 1975 (hereinafter called the bonds of the Sixteenth Series), in the aggregate principal amount of Thirty Million Dollars (\$30,000,000); bonds of a series entitled and designated First Mortgage Bonds, 7.45% Series due 2002 (hereinafter called the bonds of the Seventeenth Series), in the aggregate principal amount of Sixty Million Dollars (\$60,000,000); bonds of a series entitled and designated First Mortgage Bonds, 6.20% Series due 2004 (hereinafter called the bonds of the Eighteenth Series), in the aggregate principal amount of Fifty Million Dollars (\$50,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9.50% Series due 1982 (hereinafter called the bonds of the Nineteenth Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9.80% Series due 1980 (hereinafter called the bonds of the Twentieth Series), in the aggregate principal amount of Seventy-five Million Dollars (\$75,000,000); bonds of a series entitled and designated First Mortgage Bonds, 10.625% Series due 2000 (hereinafter called the bonds of the Twenty-first Series), in the aggregate principal amount of Seventy-five Million Dollars (\$75,000,000); bonds of a series entitled and designated First Mortgage Bonds, 6.45% Series A due 2007 (hereinafter called the bonds of the Twenty-second Series), in the aggregate principal amount of Thirteen Million Dollars (\$13,000,000); bonds of a series entitled and designated First Mortgage Bonds, 6.45% Series B due 2007 (hereinafter called the bonds of the Twenty-third Series), in the aggregate principal amount of Thirty Million Dollars (\$30,000,000); bonds of a series entitled and designated First Mortgage Bonds, 6% Series A due 2008 (hereinafter called the bonds of the Twenty-fourth Series), in the aggregate principal amount of Thirty-four Million Dollars (\$34,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9.95% Series due 2004 (hereinafter called the bonds of the Twenty-fifth Series), in the aggregate principal amount of Seventy-five Million Dollars (\$75,000,000); bonds of a series entitled and designated First Mortgage Bonds, 12 1/8% Series due 2009 (hereinafter called the bonds of the Twenty-sixth Series), in the aggregate principal amount of Seventy-five Million Dollars (\$75,000,000); bonds of a series entitled and designated First Mortgage Bonds, 12 7/8% Series due 2000 (hereinafter called the bonds of the Twenty-seventh Series), in the aggregate principal amount of One Hundred Eighty-five Million Dollars (\$185,000,000); bonds of a series entitled and designated First Mortgage Bonds, 10 3/8% Series due 1985 (hereinafter called the bonds of the Twenty-eighth Series), in the

aggregate principal amount of Sixty Million Two Hundred Fifty Thousand Dollars (\$60,250,000); bonds of a series entitled and designated First Mortgage Bonds, 16% Series due 1992 (hereinafter called the bonds of the Twenty-ninth Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 12 3/4% Series due 2013 (hereinafter called the bonds of the Thirtieth Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 13 1/2% Series due 2013 (hereinafter called the bonds of the Thirty-first Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 15% Series due 1994 (hereinafter called the bonds of the Thirty-second Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 12% Series due 1995 (hereinafter called the bonds of the Thirty-third Series), in the aggregate principal amount of One Hundred Twenty-five Million Dollars (\$125,000,000); bonds of a series entitled and designated First Mortgage Bonds, 13 1/4% Series due 2007 (hereinafter called the bonds of the Thirty-fourth Series), in the aggregate principal amount of Fifty Million Dollars (\$50,000,000); bonds of a series entitled and designated First Mortgage Bonds, 11 1/2% Series due 2015 (hereinafter called the bonds of the Thirty-fifth Series), in the aggregate principal amount of One Hundred Fifty Million Dollars (\$150,000,000); bonds of a series entitled and designated First Mortgage Bonds, 11 1/2% Series due November 1, 2015 (hereinafter called the bonds of the Thirty-sixth Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 11% Series due 2016 (hereinafter called the bonds of the Thirty-seventh Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9 1/4% Series due 1996 (hereinafter called the bonds of the Thirty-eighth Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9% Series due 1996 (hereinafter called the bonds of the Thirty-ninth Series), in the aggregate principal amount of One Hundred Twenty-five Million Dollars (\$125,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9% Series due 2017 (hereinafter called the bonds of the Fortieth Series), in the aggregate principal amount of One Hundred Fifty Million Dollars (\$150,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9 7/8% Series due 1997 (hereinafter called the bonds of the Forty-first Series), in the aggregate principal amount of One Hundred Twenty-five Million Dollars (\$125,000,000); bonds of a series entitled and designated First Mortgage Bonds, 10 3/4% Series due 2017 (hereinafter called the bonds of the Forty-second Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 10 3/4% Series due 2019 (hereinafter called the bonds of the Forty-third Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 10 1/4% Series due 2000 (hereinafter called the bonds of the Forty-fourth Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 10 1/4% Series due 2020 (hereinafter called the bonds of the Forty-fifth Series), in the aggregate principal amount of One Hundred Twenty-five Million Dollars (\$125,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9 1/2% Series due 2021 (hereinafter called the bonds of the Forty-sixth Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 9% Series due 2021 (hereinafter called the bonds of the Forty-seventh Series), in the aggregate principal amount of One Hundred Fifty Million Dollars (\$150,000,000); bonds of a series entitled and designated First Mortgage Bonds, 7 1/8% Series due 1997, in the aggregate principal amount of One Hundred Fifty Million Dollars (\$150,000,000), and bonds of a series entitled and designated First Mortgage Bonds, 8 3/4% Series due 2024, in the aggregate principal amount of One Hundred Seventy-five Million Dollars (\$175,000,000) (hereinafter collectively called the bonds of the Forty-eighth Series); bonds of a series entitled and designated First Mortgage Bonds, 7 5/8% Series due 1998, in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000), and bonds of a series entitled and designated First Mortgage Bonds, 8 1/8% Series due 2002, in the aggregate principal amount of One Hundred Twenty-five Million Dollars (\$125,000,000) (hereinafter collectively

called the bonds of the Forty-ninth Series); bonds of a series entitled and designated First Mortgage Bonds, 7 5/8% Series due 1999 (hereinafter called the bonds of the Fiftieth Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 8% Series due 2025 (hereinafter called the bonds of the Fifty-first Series), in the aggregate principal amount of One Hundred Fifty Million Dollars (\$150,000,000); bonds of a series entitled and designated First Mortgage Bonds, 7 1/4% Series due 2023 (hereinafter called the bonds of the Fifty-second Series), in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); bonds of a series entitled and designated First Mortgage Bonds, 5 7/8% Series due 2028 (hereinafter called bonds of the Fifty-third Series), in the aggregate principal amount of Twelve Million Eight Hundred Fifty Thousand Dollars (\$12,850,000); bonds of a series entitled and designated First Mortgage Bonds, 5 7/8% Series due 2028 (hereinafter called bonds of the Fifty-fourth Series), in the aggregate principal amount of One Hundred Forty-one Million One Hundred Fifty Thousand Dollars (\$141,150,000); bonds of a series entitled and designated First Mortgage Bonds, 5 1/2% Series due 2028 (hereinafter called bonds of the Fifty-fifth Series), in the aggregate principal amount of Twenty-five Million Dollars (\$25,000,000); and bonds of a series entitled and designated First Mortgage Bonds, 5 3/4% Series due 2000 (hereinafter called bonds of the Fifty-sixth Series) in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000); and

WHEREAS, Section 8 of the Mortgage provides that the form of each series of bonds (other than bonds of the First Series) issued thereunder shall be established by Resolution of the Board of Directors of the Company and that the form of each series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof, and may also contain such provisions not inconsistent with the provisions of the Mortgage as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS, Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, or may establish the terms and provisions of any series of bonds other than said First Series, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the Lien of the Mortgage shall be situated; and

WHEREAS, the Company now desires to create a new series of bonds to be issued under and pursuant to the Mortgage in accordance with the provisions of Article VI thereof, and to add to its covenants and agreements contained in the Mortgage, as heretofore supplemented and amended, certain other covenants and agreements to be observed by it and to alter and amend in certain respects the covenants and provisions contained in the Mortgage, as heretofore supplemented and amended; and

WHEREAS, the execution and delivery by the Company of this Fifty-third Supplemental Indenture, and the terms of the bonds of the Fifty-seventh Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors;

NOW THEREFORE, THIS INDENTURE WITNESSETH: That Arizona Public Service Company, in consideration of the premises and of One Dollar to it duly paid by the Trustee at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, and in further evidence of assurance of the estate, title and rights of the Trustee and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time heretofore, herewith or hereafter issued under the

Mortgage, according to their tenor and effect, and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modifications made as in the Mortgage provided) and of said bonds, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms (subject, however, to Excepted Encumbrances as defined in Section 6 of the Mortgage) unto Bank of America National Trust and Savings Association, as Trustee under the Mortgage, and to its successor or successors in said trust, and to said Trustee and its successors and assigns forever, all the properties of the Company described in the Mortgage, as heretofore supplemented and amended (except any properties which have been released from the Lien of the Mortgage), and all the properties specifically described in Article IV hereof.

Also all other property, real, personal and mixed, of the kind or nature specifically mentioned in Article IV hereof or of any other kind or nature (except any herein or in the Mortgage, as heretofore supplemented and amended, expressly excepted and except any which may not lawfully be mortgaged or pledged hereunder), now owned or, subject to the provisions of subsection (I) of Section 87 of the Mortgage, hereafter acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) and wheresoever situated, including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Fifty-third Supplemental Indenture) all lands, power sites, flowage rights, water rights, water locations, water appropriations, ditches, flumes, reservoirs, reservoir sites, canals, raceways, dams, dam sites, aqueducts, and all other rights or means for appropriating, conveying, storing and supplying water; all rights of way and roads; all plants for the generation of electricity by steam, water and/or other power; all power houses, gas plants, street lighting systems, standards and other equipment incidental thereto, telephone, radio and television systems, air-conditioning systems and equipment incidental thereto, water works, water systems, steam heat and hot water plants, substations, lines, service and supply systems, bridges, culverts, tracks, ice or refrigeration plants and equipment, offices, buildings and other structures and equipment thereof; all machinery, engines, boilers, dynamos, electric, gas and other machines, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, tools, implements, apparatus, furniture and chattels; all franchises, consents or permits; all lines for the transmission and distribution of electric current, gas, steam heat or water for any purpose including towers, poles, wires, cables, pipes, conduits, ducts and all apparatus for use in connection therewith; all real estate, lands, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to public or private property, real or personal, or the occupancy of such property and (except as herein or in the Mortgage, as heretofore supplemented and amended, expressly excepted) all the right, title and interest the Company may now have or hereafter acquire in and to any and all property of any kind or nature appertaining to and/or used and/or occupied and/or enjoyed in connection with any property hereinbefore or in the Mortgage, as heretofore supplemented and amended, described.

TOGETHER WITH all and singular the tenements, hereditaments, prescriptions, servitudes and appurtenances belonging or in anywise appertaining to the aforementioned property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title, interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforementioned property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of subsection (I) of Section 87 of the Mortgage and to the extent permitted by law, all the property, rights and franchises acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) after the date hereof, except any herein or in the Mortgage, as heretofore supplemented and amended, expressly excepted, shall be and are as fully granted and conveyed hereby and as fully embraced within the lien hereof

and the Lien of the Mortgage as if such property, rights and franchises were now owned by the Company and were specifically described herein and conveyed hereby.

PROVIDED that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Fifty-third Supplemental Indenture and from the Lien and operation of the Mortgage, viz.: (1) cash, shares of stock, bonds, notes and other obligations and other securities not hereafter specifically pledged, paid, deposited, delivered or held under the Mortgage or covenanted so to be; (2) merchandise, equipment, apparatus, materials or supplies held for the purpose of sale or other disposition in the usual course of business; fuel, oil and similar materials and supplies consumable in the operation of any of the properties of the Company; construction equipment acquired for temporary use; all aircraft, tractors, rolling stock, trolley coaches, buses, motor coaches, automobiles, motor trucks and other vehicles and materials and supplies held for the purpose of repairing or replacing (in whole or part) any of the same; all timber, minerals, mineral rights and royalties and all Natural Gas and Oil Production Property, as defined in Section 4 of the Mortgage; (3) bills, notes and accounts receivable, judgments, demands and choses in action, and all contracts, leases and operating agreements not specifically pledged under the Mortgage or covenanted so to be; (4) the last day of the term of any lease or leasehold which may be or become subject to the Lien of the Mortgage; (5) electric energy, gas, steam, ice and other materials or products generated, manufactured, produced, purchased or acquired by the Company for sale, distribution or use in the ordinary course of its business; and (6) the Company's franchise to be a corporation; provided, however, that the property and rights expressly excepted from the Lien and operation of the Mortgage in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event and as of the date that the Trustee or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XIII of the Mortgage by reason of the occurrence of a Default as defined in Section 65 thereof.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto Bank of America National Trust and Savings Association, the Trustee, and its successors and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as supplemented and amended.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as supplemented and amended, shall affect and apply to the property hereinbefore described and conveyed and to the estate, rights, obligations and duties of the Company and the Trustee and the beneficiaries of the trust with respect to said property, and to the Trustee and its successors as Trustee of said property in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage and had been specifically and at length described in and conveyed to said Trustee by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustee and its successors in said trust under the Mortgage, as follows:

ARTICLE I.
FIFTY-SEVENTH SERIES OF BONDS

SECTION 1. There shall be a series of bonds designated "6 5/8% Series due 2004" (hereinafter sometimes referred to as the "Fifty-seventh Series"), limited to the aggregate principal amount of \$100,000,000, each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter specified in this Supplemental Indenture. Bonds of the Fifty-

seventh Series shall be dated as provided in Section 10 of the Mortgage; shall mature, subject to the provisions for prior redemption hereinafter set forth, on March 1, 2004; shall be issued as fully registered bonds in denominations of One Thousand Dollars or any integral multiple thereof; and shall bear interest from March 1, 1994 or from the most recent Interest Payment Date (as defined below) to which interest has been paid at the rate of 6 5/8% per annum (calculated on the basis of twelve 30-day months), payable on March 1 and September 1 of each year (each an "Interest Payment Date"), commencing September 1, 1994, to the holders thereof of record on the February 15 or August 15, as the case may be, next preceding such Interest Payment Date (subject to the provisions of Section 12 of the Mortgage concerning legal holidays and bank closings), and the principal of and interest on, and premium or other amounts, if any, payable upon redemption of, each said bond to be payable at the office or agency of the Company in the City of Los Angeles, California, and at the office or agency of the Company in the Borough of Manhattan, The City of New York, New York, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts; provided, however, that payment of interest may be made at the option of the Company by check mailed to the address of the person entitled thereto as such address shall appear on the registration books of the Company.

SECTION 2. In the manner and with the effect provided in Article X of the Mortgage, the bonds of the Fifty-seventh Series will be subject to redemption prior to maturity, as follows:

Bonds of the Fifty-seventh Series shall not be redeemable prior to maturity, except that the bonds of the Fifty-seventh Series shall be redeemable, in whole at any time, prior to maturity, upon notice as provided in Section 52 of the Mortgage at least thirty (30) days prior to the date fixed for redemption, by the application of cash delivered to or deposited with the Trustee pursuant to the provisions of Section 87 of the Mortgage (but only if and to the extent such Section is properly applicable to bona fide transactions), at the following special redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

<TABLE>

SPECIAL REDEMPTION PRICES

<CAPTION>

IF REDEEMED DURING THE TWELVE MONTHS BEGINNING MARCH 1,	REDEMPTION PRICE	IF REDEEMED DURING THE TWELVE MONTHS BEGINNING MARCH 1,	REDEMPTION PRICE
<S>	<C>	<S>	<C>
1994.....	106.16%	1999.....	103.08%
1995.....	105.54	2000.....	102.46
1996.....	104.92	2001.....	101.85
1997.....	104.31	2002.....	101.23
1998.....	103.69	2003.....	100.62

</TABLE>

in each case, together with accrued interest to the date fixed for redemption.

SECTION 3. At the option of the registered owner, any bonds of the Fifty-seventh Series, upon surrender thereof, for cancellation, at the office or agency of the Company in the City of Los Angeles, California, or at the office or agency of the Company in the Borough of Manhattan, The City of New York, New York, together with a written instrument of transfer, if required by the Company or by the Trustee, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of bonds in registered form of the same series of other authorized denominations without payment of any sum other than taxes or other governmental charges.

Bonds of the Fifty-seventh Series shall be transferable (subject to the provisions of Section 12 of the Mortgage) at either of said offices or agencies of the Company without payment of any sum other than taxes or other governmental charges.

ARTICLE II.

REPLACEMENT FUND PROVISIONS -- OTHER RELATED PROVISIONS OF THE MORTGAGE -- DIVIDEND COVENANT -- RECORD DATES -- AUTHENTICATING AGENT

SECTION 4. The Company covenants that the provisions of Section 39 of the Mortgage, which were to remain in effect so long as any bonds of the First Series remained Outstanding, shall remain in full force and effect so long as any bonds of the Thirty-fourth, Forty-third, Forty-fourth, Forty-fifth, Forty-sixth, Forty-seventh, Forty-eighth, Forty-ninth, Fiftieth, Fifty-first, Fifty-second, Fifty-third, Fifty-fourth, Fifty-fifth, Fifty-sixth or Fifty-seventh Series are Outstanding.

Clause (d) of subsection (II) of Section 4 of the Mortgage, as heretofore amended, clause (6) and clause (e) of Section 5 of the Mortgage, as heretofore amended, and Section 29 of the Mortgage, as heretofore amended, are hereby further amended by inserting therein the words "and Fifty-seventh Series" after the words "bonds of the First Series and Second Series and Third Series and Fourth Series and Fifth Series and Sixth Series and Seventh Series and Eighth Series and Ninth Series and Tenth Series and Eleventh Series and Twelfth Series and Thirteenth Series and Fourteenth Series and Fifteenth Series and Sixteenth Series and Seventeenth Series and Eighteenth Series and Nineteenth Series and Twentieth Series and Twenty-first Series and Twenty-second Series and Twenty-third Series and Twenty-fourth Series and Twenty-fifth Series and Twenty-sixth Series and Twenty-seventh Series and Twenty-eighth Series and Twenty-ninth Series and Thirtieth Series and Thirty-first Series and Thirty-second Series and Thirty-third Series and Thirty-fourth Series and Thirty-fifth Series and Thirty-sixth Series and Thirty-seventh Series and Thirty-eighth Series and Thirty-ninth Series and Fortieth Series and Forty-first Series and Forty-second Series and Forty-third Series and Forty-fourth Series and Forty-fifth Series and Forty-sixth Series and Forty-seventh Series and Forty-eighth Series and Forty-ninth Series and Fiftieth Series and Fifty-first Series and Fifty-second Series and Fifty-third Series and Fifty-fourth Series and Fifty-fifth Series and Fifty-sixth Series" each time such words occur therein.

Clause (e) of subsection (II) of Section 4 of the Mortgage, as heretofore amended, is hereby further amended by the insertion therein after the words "and Fifty-sixth" the words "and Fifty-seventh."

The last paragraph of Section 12 of the Mortgage, as heretofore amended, the last paragraph of Section 17 of the Mortgage, as heretofore amended, and the last paragraph of Section 110 of the Mortgage, as heretofore amended, are hereby amended by inserting therein the words "or the Fifty-seventh Series" after the words "Fifty-sixth Series" each time such words occur therein.

ARTICLE III.

MISCELLANEOUS PROVISIONS

SECTION 5. The terms defined in the Mortgage, as supplemented and amended, shall, for all purposes of this Fifty-third Supplemental Indenture, have the meanings specified therein, except that the term "Mortgage" shall mean only the original Mortgage and Deed of Trust, dated as of July 1, 1946; the term "Mortgage, as heretofore supplemented and amended" shall mean the Mortgage, as supplemented and amended by the First through Fifty-second Supplemental Indentures hereinabove referred to; and the term "Mortgage, as supplemented and amended," shall mean the Mortgage, as supplemented and amended by the First through Fifty-second Supplemental Indentures hereinabove referred to and as supplemented and amended by this Fifty-third Supplemental Indenture and any future supplemental indentures.

SECTION 6. The Trustee hereby accepts the trusts herein declared, provided, created, supplemented or amended and agrees to perform the same upon the terms and conditions herein and in the Mortgage, as heretofore supplemented and amended, set forth and upon the following terms and

conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Fifty-third Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. In general, each and every term and condition contained in Article XVII of the Mortgage shall apply to and form part of this Fifty-third Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Fifty-third Supplemental Indenture.

SECTION 7. Whenever in this Fifty-third Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XVI and XVII of the Mortgage, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Fifty-third Supplemental Indenture contained by or on behalf of the Company or by or on behalf of the Trustee shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 8. Nothing in this Fifty-third Supplemental Indenture, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Fifty-third Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Fifty-third Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto and of the holders of the bonds Outstanding under the Mortgage.

SECTION 9. This Fifty-third Supplemental Indenture may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

ARTICLE IV.
SPECIFIC DESCRIPTION OF PROPERTY

SECTION 10. CERTAIN REAL PROPERTY LOCATED IN:

MARICOPA COUNTY
ENVIRONMENTAL SHOWCASE HOME

The North 341 feet of the West 188 feet of the West half of the Northwest quarter of the Northeast quarter of Section 9, Township 3 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona;

EXCEPT the North 55 feet thereof; and also

EXCEPT the West 30 feet thereof; and also

EXCEPT that part thereof described as follows:

BEGINNING at the intersection of the South line of said North 55 feet with the East line of said West 30 feet;

thence Easterly along said South line, a distance of 18 feet;

thence Southwesterly to a point in said East line which is 18 feet South of the Point of Beginning;

thence to the Point of Beginning.

NAVAJO COUNTY
CHOLLA GENERATING STATION -- COMMON FACILITIES

The percentage ownership interest of the Company in capital improvements constructed on and after October 1, 1993 to the facilities common to two or more generating units, including Cholla Unit 4, at the Cholla Generating

Station near Holbrook, Arizona is currently 62.35%. The percentage ownership interest of the Company in new capital improvements constructed from time to time in the future to such common facilities may change.

SECTION 11. THE ELECTRIC SUBSTATIONS OF THE COMPANY, including all buildings, structures, towers, poles, all equipment, appliances and devices for transforming, converting and distributing electric energy, and all land owned by the Company upon which the same are situated, and all of the Company's easements, rights of way, rights, machinery, equipment, appliances, devices, licenses and supplies forming a part of said substations, or any of them, including additions and improvements to any of the foregoing, or used or enjoyed or capable of being used or enjoyed in conjunction with any thereof.

SECTION 12. Additions, extensions and improvements to THE ELECTRIC TRANSMISSION SYSTEMS of the Company.

SECTION 13. Additions, extensions and improvements to THE ELECTRIC DISTRIBUTION SYSTEMS of the Company, including the construction of additional facilities throughout the Company's service area, as well as extension of residential and downtown underground distribution facilities, including associated distribution equipment such as voltage regulators, capacitor banks, sectionalizing equipment, transformers, street lighting systems, meters and services, including reconstruction and improvements to provide efficient Company operation.

IN WITNESS WHEREOF, ARIZONA PUBLIC SERVICE COMPANY, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President, one of its Vice Presidents, or its Treasurer, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries or Associate Secretaries for and in its behalf, in the City of Phoenix, Arizona, and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, party hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Trust Officers and its corporate seal to be attested by its Vice President for and in its behalf, in the City of Los Angeles, California, all as of the 1st day of March, 1994.

ARIZONA PUBLIC SERVICE COMPANY

NANCY E. NEWQUIST

Treasurer

Attest:

MARIE A. PAPIETRO

Associate Secretary

Executed, sealed and delivered by

ARIZONA PUBLIC SERVICE COMPANY in the presence of:

FLORENCE J. BROWN

SHERMA HUMBLE

[SEAL]

BANK OF AMERICA NATIONAL TRUST AND SAVINGS
ASSOCIATION, As Trustee

FONDA J. HALL

Trust Officer

Attest:

SHERI B. BALL

Vice President

Executed, sealed and delivered by
BANK OF AMERICA NATIONAL TRUST AND
SAVINGS ASSOCIATION
in the presence of:

NANCY R. PEREZ

M. DEBORAH GIBBONS

[SEAL]

STATE OF ARIZONA
COUNTY OF MARICOPA

ss.:

On this 28th day of February, 1994, before me, Naomi Fyffe, the undersigned officer, personally appeared Nancy E. Newquist, who acknowledged herself to be the Treasurer of ARIZONA PUBLIC SERVICE COMPANY, an Arizona corporation, and that she, as such Treasurer being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Treasurer.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

NAOMI FYFFE

Notary Public

My Commission Expires May 18, 1996

[SEAL]

STATE OF ARIZONA
COUNTY OF MARICOPA

ss.:

On this 28th day of February, 1994, before me, Naomi Fyffe, the undersigned officer, personally came Nancy E. Newquist, to me known, who being by me duly sworn, did depose and say that she resides in Phoenix, Arizona, that she is the Treasurer of ARIZONA PUBLIC SERVICE COMPANY, the corporation described in and which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that she signed her name thereto by like order.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

NAOMI FYFFE

Notary Public

My Commission Expires May 18, 1996

[SEAL]

STATE OF ARIZONA
COUNTY OF MARICOPA

ss.:

This instrument was acknowledged before me on February 28, 1994 by Nancy E. Newquist and Marie Papietro as Treasurer and Associate Secretary, respectively, of ARIZONA PUBLIC SERVICE COMPANY.

NAOMI FYFFE

Notary Public

My Commission Expires May 18, 1996

[SEAL]
[SEAL]
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

ss.:

On this 28th day of February, 1994, before me, A. Lee, Notary Public in and for the County and State aforesaid, residing therein, duly commissioned and sworn, personally appeared Fonda J. Hall, known to me to be a Trust Officer of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, the national banking association which executed the within instrument, and Sheri B. Ball known to me to be a Vice President of said association, who being by me duly sworn, acknowledged before me that the seal affixed to said instrument is the corporate seal of said association, that they, being authorized so to do, executed the within instrument on behalf of said association by authority of its board of directors, and that said instrument is the free act and deed of said association for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

A. LEE

Notary Public

My Commission Expires August 15, 1997

[SEAL]
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

ss.:

This instrument was acknowledged before me on February 28, 1994 by Fonda J. Hall and Sheri B. Ball as Trust Officer and Vice President, respectively, of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION.

A. LEE

Notary Public

My Commission Expires August 15, 1997

[SEAL]

EXHIBIT 4.6

[FORM OF BOND]

REGISTERED

REGISTERED

Number ____

\$

APS
ARIZONA PUBLIC SERVICE COMPANY
FIRST MORTGAGE BOND,
6 5/8% SERIES DUE 2004

SEE REVERSE FOR
CERTAIN DEFINITIONS

CUSIP 040555 BU 7

Arizona Public Service Company, a corporation of the State of Arizona (hereinafter called the Company), for value received, hereby promises to pay to _____

6 5/8%
DUE
2004

6 5/8%
DUE
2004

or registered assigns, the principal sum of _____ Dollars on March 1, 2004, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts, and to pay to the registered owner hereof interest thereon in like coin or currency at the rate of 6 5/8% per annum, semiannually on March 1 and September 1 in each year, commencing September 1, 1994, until the principal hereof is paid or made available for payment, such interest to be payable from the March 1 or September 1 next preceding the date of this bond. The interest so payable on any March 1 or September 1 shall be paid to the person in whose name this bond, or the bond in exchange or substitution for which this bond shall have been issued, shall have been registered at the close of business on the February 15 or August 15, as the case may be, next preceding such March 1 or September 1, unless such day is a legal holiday or a day on which banking institutions in The City of New York and/or the City of Los Angeles, California are authorized to remain closed, in which case on the next preceding day which shall not be a legal holiday or day on which such institutions are authorized by law to remain closed. Payment of the principal of and interest on this bond and other amounts, if any, payable upon the redemption hereof will be made at the office or agency of the Company maintained for that purpose in the City of Los Angeles, California, and in the Borough of Manhattan, The City of New York, provided, however,

that payment of interest may be made at the option of the Company by check mailed to the address of the person entitled thereto as such address shall appear on the registration books of the Company.

The provisions of this bond are continued on the reverse hereof and such provisions shall for all purposes have the same effect as though fully set forth at this place.

This bond shall not become obligatory until Bank of America National Trust and Savings Association, the Trustee under the Mortgage referred to on the reverse hereof, or its successor thereunder, or the co-authenticating agent on behalf of the Trustee or successor trustee, shall have signed the form of authentication certificate endorsed hereon.

IN WITNESS WHEREOF, Arizona Public Service Company has caused this bond to be signed in its corporate name by its President or one of its Vice Presidents and its corporate seal to be impressed or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries.

DATED:

TRUSTEE'S AUTHENTICATION CERTIFICATE

This bond is one of the bonds, of the series herein designated, described or provided for in the within mentioned Mortgage.

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, AS TRUSTEE

By _____
Authorized Signatory

OR

CO-AUTHENTICATING AGENT'S AUTHENTICATION CERTIFICATE

This bond is one of the bonds, of the series herein designated, described or provided for in the within mentioned Mortgage.

BANKAMERICA NATIONAL TRUST COMPANY, CO-AUTHENTICATING AGENT

By _____
Authorized Signatory

ARIZONA PUBLIC SERVICE COMPANY INCORPORATED

SEAL
1920

ARIZONA PUBLIC SERVICE COMPANY

ATTEST:

Secretary

By _____
President

ARIZONA PUBLIC SERVICE COMPANY

First Mortgage Bond, 6 5/8% Series Due 2004

This bond is one of an issue of bonds of the Company issuable in series and is one of a series known as its First Mortgage Bonds, 6 5/8% Series due 2004, all bonds of all series issued and to be issued under and equally secured (except insofar as any sinking or other fund, established in accordance with the provisions of the Mortgage hereinafter mentioned, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust (herein, together with any indenture supplemental thereto, including the supplemental indentures dated as of December 1, 1947, April 1, 1949, February 1, 1950, December 1, 1950, February 1, 1953, November 1, 1953, March 1, 1954, October 1, 1957, March 1, 1959, November 1, 1961, June 1, 1962, December 1, 1962, September 1, 1963, September 1, 1967, April 1, 1970, March 15, 1972, April 1, 1974, February 15, 1975, June 1, 1975, November 15, 1975, April 15, 1977, January 15, 1978, March 1, 1979, October 15, 1979, May 15, 1980, February 2, 1982, April 15, 1982, July 1, 1983, October 15, 1983, June 15, 1984, January 15, 1985, May 1, 1985, June 1, 1985, November 1, 1985, January 15, 1986, March 1, 1986, May 1, 1986, February 1, 1987, June 1, 1987, November 15, 1987, April 1, 1989, February 15, 1990, May 15, 1990, April 15, 1991, December 15, 1991, January 15, 1992, March 1, 1992, June 15, 1992, February 1, 1993, August 1, 1993, August 1, 1993, September 15, 1993, and March 1, 1994, called the Mortgage) dated as of July 1, 1946, executed by the Company to Bank of America National Trust and Savings Association, as Trustee. Reference is made to the Mortgage for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds and of the Trustee in respect thereof, the duties and immunities of the Trustee, the terms and conditions upon which the bonds are and are to be secured, and the circumstances under which additional bonds may be issued. With the consent of the Company and to the extent permitted by and as provided in the Mortgage, the rights and obligations of the Company and/or the rights of the holders of the bonds and/or the terms and provisions of the Mortgage may be modified or altered by affirmative vote of the holders of at least seventy per centum (70%) in principal amount of the bonds then outstanding under the Mortgage and, if the rights of the holders of one or more, but less than all, series of bonds then outstanding are to be affected, then also by affirmative vote of the holders of at least seventy per centum (70%) in principal amount of the bonds then outstanding of each series of bonds so to be affected (excluding in any case bonds disqualified from voting by reason

of the Company's interest therein as provided in the Mortgage); provided that, without the consent of the holder hereof, no such modification or alteration shall, among other things, impair or affect the right of the holder to receive payment of the principal of and interest on this bond and other amounts, if any, payable upon the redemption hereof on or after the respective due dates expressed herein, or permit the creation of any lien equal or prior to the lien of the Mortgage or deprive the holder of the benefit of a lien on the mortgaged and pledged property.

The principal hereof may be declared or may become due prior to the maturity date hereinbefore named on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a default as in the Mortgage provided.

This bond is transferable as prescribed in the Mortgage by the registered owner hereof in person, or by his duly authorized attorney, at the office or agency of the Company in the City of Los Angeles, California, or at the office or agency of the Company in the Borough of Manhattan, The City of New York, upon surrender and cancellation of this bond, and thereupon a new fully registered bond of the same series for a like principal amount will be issued to the transferee in exchange herefor as provided in the Mortgage.

In the manner prescribed in the Mortgage, bonds of this series, upon surrender thereof, for cancellation, at the office or agency of the Company in the City of Los Angeles, California, or at the office or agency of the Company in the Borough of Manhattan, The City of New York, together with a written instrument of transfer, if required by the Company or by the Trustee, duly executed by the registered owner or by his duly authorized attorney, are exchangeable for a like aggregate principal amount of bonds in registered form of the same series of other authorized denominations. The Bonds are issuable in denominations of One Thousand Dollars or any integral multiples thereof.

No service charge shall be made for any such transfer or exchange, but the Company may require the payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The bonds of this series will not be redeemable prior to maturity, except that the bonds of this series shall be redeemable in whole at any time, prior to maturity, upon notice (which may be made subject to the receipt of the redemption moneys by the Trustee before the date fixed for redemption) published in one daily newspaper, printed in the English language, and of general circulation, in the Borough of Manhattan, The City of New York, once on at least four (4) different days before the date fixed for redemption or in certain cases by mailing, the first publication or mailing, as the case may be, to be at least thirty (30) days prior to the date fixed for redemption, by the application of cash delivered to or deposited with the Trustee pursuant to the provisions of Section 87 of the Mortgage (but only if and to the extent such Section is properly applicable to bona fide transactions), at the following special redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

SPECIAL REDEMPTION PRICES

If redeemed during the 12 month period
beginning March 1,

1994 . . . . .	.106.16%	1999 . . . . .	.103.08%
1995 . . . . .	.105.54%	2000 . . . . .	.102.46%
1996 . . . . .	.104.92%	2001	101.85%
1997 . . . . .	.104.31%	2002 . . . . .	.101.23%
1998 . . . . .	.103.69%	2003 . . . . .	.100.62%

in each case, together with accrued interest to the date fixed for redemption.

The Company and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of or interest on this bond against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any predecessor or successor corporation, as such, either directly or through the Company or any predecessor or successor corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors being released by the holder or owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common
- UNIF GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to Minors
Act _____
(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE.

_____ Please print or typewrite name and

address of assignee _____ the within Bond of ARIZONA PUBLIC SERVICE COMPANY and hereby does irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books of the within-named Company, with full power of substitution in the premises.

Dated _____

Notice: The signature to this assignment must correspond with the name as written upon the face of the Bond in every particular, without alteration or enlargement or any change whatever.

<TABLE>

EXHIBIT 12.3

ARIZONA PUBLIC SERVICE COMPANY

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(THOUSANDS OF DOLLARS)

<CAPTION>

	Twelve Months Ended					
	December 31,					
	1993	1992	1991 (a)	1991 Adjusted (a)	1990	1989
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Earnings:						
Net Income.....	\$ 250,386	\$ 246,805	\$ (222,649)	\$ 184,380	\$ 180,012	\$ 212,354
Income taxes (1).....	188,907	181,355	(94,750)	128,801	126,831	145,678
Fixed Charges.....	220,590	246,246	281,959	281,959	292,117	276,429
Total.....	\$ 659,883	\$ 674,406	\$ (35,440)	\$ 595,140	\$ 598,960	\$ 634,461
Fixed Charges:						
Interest expense.....	\$ 171,272	\$ 190,746	\$ 227,624	\$ 227,624	\$ 239,992	\$ 224,243
Amortization of debt discount, premium and expense.....	9,203	8,000	5,995	5,995	5,302	5,967
Estimated interest portion of annual rentals (2).....	40,115	47,500	48,340	48,340	46,823	46,219
Total.....	\$ 220,590	\$ 246,246	\$ 281,959	\$ 281,959	\$ 292,117	\$ 276,429
Ratio of Earnings to Fixed Charges (rounded down).....	2.99	2.73	-0.13	2.11	2.05	2.29
(1) Income Taxes:						
Charged to operations.....	\$ 168,056	\$ 164,620	\$ 96,273	\$ 117,408	\$ 106,044	\$ 122,674
Charged (credited) to other accounts.....	20,851	16,735	(191,023)	11,393	20,787	23,004
Total.....	\$ 188,907	\$ 181,355	\$ (94,750)	\$ 128,801	\$ 126,831	\$ 145,678
(2) Estimated interest portion of Unit 2 lease payments included in estimated interest portion of annual rentals.....	\$ 37,407	\$ 43,581	\$ 43,625	\$ 43,625	\$ 43,666	\$ 43,703

(a) The write-off resulting from the Arizona Corporation Commission order settling the Company's rate case resulted in a negative coverage ratio and an earnings coverage deficiency of approximately \$317 million at December 31, 1991. Excluding the effects of the write-off, the coverage ratio would have been 2.11 for the same period.

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