

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): August 20, 2017

Commission File Number	Exact Name of Registrant as Specified in Charter; State of Incorporation; Address and Telephone Number	IRS Employer Identification Number
1-8962	Pinnacle West Capital Corporation (an Arizona corporation) 400 North Fifth Street, P.O. Box 53999 Phoenix, AZ 85072-3999 (602) 250-1000	86-0512431
1-4473	Arizona Public Service Company (an Arizona corporation) 400 North Fifth Street, P.O. Box 53999 Phoenix, AZ 85072-3999 (602) 250-1000	86-0011170

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging 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 7.01. Regulation FD Disclosure.

Pinnacle West Capital Corporation (“Pinnacle West” or the “Company”) is providing its earnings outlook for 2017. The Company’s 2017 earnings outlook was not provided prior to this date as its wholly-owned subsidiary Arizona Public Service Company (“APS”) was awaiting a decision in its pending general retail rate case. On August 15, 2017, the Arizona Corporation Commission (“ACC”) approved (by a vote of 4-1, Commissioner Robert Burns dissenting) the regulatory settlement agreement proposed by APS and other parties in APS’s pending general retail rate case without material modifications. The 2017 earnings outlook slide presentation is attached hereto as Exhibit 99.1, which is concurrently being posted to the Company’s website at www.pinnaclewest.com.

Exhibit 99.1 is furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall such exhibit be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 8.01. Other Events.

On August 18, 2017, the ACC issued a final written Opinion and Order reflecting its decision in APS’s general retail rate case, which is subject to requests for rehearing and potential appeal. On August 20, 2017, Commissioner Burns informed the ACC and APS that he filed a special action petition in the Arizona Supreme Court seeking to vacate the ACC’s order approving the settlement so that alleged issues of disqualification and bias on the part of the other Commissioners can be fully investigated. The Arizona Supreme Court may accept or decline to hear the petition in its sole discretion. APS intends to oppose the petition but cannot predict the outcome of Commissioner Burns’ request.

For additional information on APS’s rate case, see “Retail Rate Case Filing with the Arizona Corporation Commission” in Note 3 of the Combined Notes to Condensed Consolidated Financial Statements in the Pinnacle West /APS Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 and the Pinnacle West/APS Current Report on Form 8-K filed on August 16, 2017.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

Exhibit No.	Registrant(s)	Description
99.1	Pinnacle West APS	Pinnacle West Capital Corporation 2017 On-Going EPS Guidance Slide Presentation

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: August 21, 2017

By: /s/ James R. Hatfield

James R. Hatfield
Executive Vice President and
Chief Financial Officer

ARIZONA PUBLIC SERVICE COMPANY
(Registrant)

Dated: August 21, 2017

By: /s/ James R. Hatfield

James R. Hatfield
Executive Vice President and
Chief Financial Officer

Exhibit Index

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2017 ON-GOING EPS GUIDANCE

PINNACLE WEST
CAPITAL CORPORATION



FORWARD LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

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" 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: our ability to manage capital expenditures and operations and maintenance costs while maintaining high reliability and customer service levels; variations in demand for electricity, including those due to weather seasonality, the general economy, customer and sales growth (or decline), and the effects of energy conservation measures and distributed generation; 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, including those relating to environmental requirements, regulatory 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, including returns on and of debt and equity capital investments; our ability to meet renewable energy and energy efficiency mandates and recover related costs; risks inherent in the operation of nuclear facilities, including spent fuel disposal uncertainty; current and future economic conditions in Arizona, including in real estate markets; the development of new technologies which may affect electric sales or delivery; the cost of debt and equity capital and the 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, 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 facility and system conditions and operating costs; the ability to meet the anticipated future need for additional generation and associated transmission facilities in our region; the willingness or ability of our counterparties, power plant participants and power plant land owners 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 Risk Factors described in Part I, Item 1A of the Pinnacle West/APS Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and in Part II, Item 1A of the Pinnacle West/APS Quarterly Report on Form 10-Q for the quarter ended June 30, 2017, 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.

We present "electricity gross margin" per diluted share of common stock. Gross margin refers to operating revenues less fuel and purchased power expenses. Gross margin is a "non-GAAP financial measure," as defined in accordance with SEC rules. The appendix contains a reconciliation of this non-GAAP financial measure to the referenced revenue and expense line items on our Consolidated Statements of Income, which are the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles in the United States of America (GAAP). We view gross margin as an important performance measure of the core profitability of our operations.

We refer to "on-going EPS" in this presentation, which is also a non-GAAP financial measure. 2017 on-going EPS is currently projected to be the same as 2017 GAAP EPS. We believe on-going earnings provides investors with a useful indicator of our results that is comparable among periods because it excludes the effects of unusual items that may occur on an irregular basis.

Investors should note that these non-GAAP financial measures may involve judgments by management, including whether an item is classified as an unusual item. These measures are key components of our internal financial reporting and are used by our management in analyzing the operations of our business. We believe that investors benefit from having access to the same financial measures that management uses.

2017 ON-GOING EPS GUIDANCE¹

Key Factors & Assumptions as of
August 21, 2017

	2017
Electricity gross margin* (operating revenues, net of fuel and purchased power expenses)	\$2.45 – \$2.50 billion
• Retail customer growth about 1.5-2.5%	
• Weather-normalized retail electricity sales volume about 0-1.0% higher compared to prior year taking into account effects of customer conservation, energy efficiency and distributed renewable generation initiatives	
• Actual weather through July; normal weather patterns remainder of year	
Operating and maintenance (O&M)*	\$830 – \$850 million
Other operating expenses (depreciation and amortization, taxes other than income taxes, and other miscellaneous expenses)	\$730 – \$750 million
Interest expense , net of allowance for borrowed and equity funds used during construction (Total AFUDC \$65 million)	\$155 – \$165 million
Net income attributable to noncontrolling interests	~ \$20 million
Effective tax rate	33%
Average diluted common shares outstanding	~ 112.6 million
On-going EPS Guidance²	\$4.15 – \$4.30

* Excludes O&M of \$80 million, and offsetting revenues, associated with renewable energy and demand side management programs.

¹ 2017 on-going EPS guidance has been issued following the Arizona Corporation Commission's (ACC) decision in APS's rate case and assumes rates, timing and other factors established in the decision. The ACC's decision is subject to requests for rehearing and potential appeal.

² 2017 on-going EPS is currently projected to be the same as 2017 GAAP EPS.

2017 FINANCIAL OUTLOOK

2018 on-going EPS guidance will
be provided on the third quarter
2017 earnings conference call

- Goal is to keep O&M per kWh flat, adjusted for planned outages
- Targeting ~5% annual dividend growth*
- Goal of earning at least 9.5% Return on Equity
 - Earned Return on Equity based on average Total Shareholder's Equity for PNW consolidated, weather-normalized
- Other key assumptions disclosed in the second quarter 2017 earnings presentation remain**

* Future dividends subject to declaration at Board of Directors' discretion.

** See Exhibit 99.2 to the Pinnacle West/APS Current Report on Form 8-K filed on August 3, 2017.



APPENDIX X

PINNACLE WEST
CAPITAL CORPORATION



NON-GAAP MEASURE RECONCILIATION

	<u>Reconciliation Range</u>
\$ millions pretax	
Operating revenues*	\$ 3,540 - \$ 3,600
Fuel and purchased power expenses*	<u>(1,010) - (1,020)</u>
Gross margin	2,530 - 2,580
Adjustments:	
Renewable energy and demand side management programs	<u>(80) - (80)</u>
Adjusted gross margin	<u>\$ 2,450 - \$ 2,500</u>
Operations and maintenance*	\$ 910 - \$ 930
Adjustments:	
Renewable energy and demand side management programs	<u>(80) - (80)</u>
Adjusted operations and maintenance	<u>\$ 830 - \$ 850</u>

* Line items from Consolidated Statements of Income

