

FORM 4

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

OMB APPROVAL
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[] Check this box if no longer
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Form 5 obligations may
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or
Section 30(h) of the Investment Company Act of 1940

| | | | | | |
|---|--|--|--|--|--|
| 1. Name and Address of Reporting Person -* | | 2. Issuer Name and Ticker or Trading Symbol | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) | |
| GULDNER JEFFREY B. | | PINNACLE WEST CAPITAL CORP [PNW] | | <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> X Officer (give title below) <input type="checkbox"/> Other (specify below) EVP, Public Policy & GC | |
| (Last) (First) (Middle) 400 NORTH 5TH STREET, MS 8602 | | 3. Date of Earliest Transaction (MM/DD/YYYY) 2/20/2018 | | | |
| (Street) PHOENIX, AZ 85004 | | 4. If Amendment, Date Original Filed (MM/DD/YYYY) | | 6. Individual or Joint/Group Filing (Check Applicable Line) | |
| (City) (State) (Zip) | | | | <input type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|------------------------------------|----------------|---|------------------------------|---|---|---------------|------------|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 2/20/2018 | | A | | 1870 (1) | A | \$0.00 (1) | 17933 | D | |
| Common Stock | 2/20/2018 | | F (2) | | 852 | D | \$77.20 | 17081 | D | |
| Common Stock | 2/20/2018 | | A | | 200 (3) | A | \$0.00 (3) | 17281 | D | |
| Common Stock | 2/20/2018 | | F (2) | | 89 | D | \$77.20 | 17192 | D | |
| Common Stock | 2/20/2018 | | M | | 359 (4) | A | \$0.00 (4) | 17551 | D | |
| Common Stock | 2/20/2018 | | D | | 359 | D | \$77.20 | 17192 | D | |
| Common Stock | 2/20/2018 | | M | | 359 (4) | A | \$0.00 (4) | 17551 | D | |
| Common Stock | 2/20/2018 | | F (2) | | 160 | D | \$77.20 | 17391 | D | |
| Common Stock | 2/20/2018 | | M | | 303 (4) | A | \$0.00 (4) | 17694 | D | |
| Common Stock | 2/20/2018 | | D | | 303 | D | \$77.20 | 17391 | D | |
| Common Stock | 2/20/2018 | | M | | 303 (4) | A | \$0.00 (4) | 17694 | D | |
| Common Stock | 2/20/2018 | | F (2) | | 135 | D | \$77.20 | 17559 | D | |
| Common Stock | 2/20/2018 | | M | | 298 (4) | A | \$0.00 (4) | 17857 | D | |
| Common Stock | 2/20/2018 | | D | | 298 | D | \$77.20 | 17559 | D | |
| Common Stock | 2/20/2018 | | M | | 297 (4) | A | \$0.00 (4) | 17856 | D | |
| Common Stock | 2/20/2018 | | F (2) | | 133 | D | \$77.20 | 17723 | D | |
| Common Stock | 2/20/2018 | | M | | 627 (5) | A | \$0.00 (5) | 18350 | D | |
| Common Stock | 2/20/2018 | | D | | 627 | D | \$77.20 | 17723 | D | |
| Common Stock | 2/20/2018 | | A | | 104 (6) | A | \$0.00 (6) | 17827 | D | |
| Common Stock | 2/20/2018 | | F (2) | | 48 | D | \$77.20 | 17779 | D | |
| Common Stock | | | | | | | | 120 | I | by 401(k) |

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|-------------------|---|---------------------------------|---|---|-----|--|--------------------|--|----------------------------------|---|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Restricted Stock Units | (4) | 2/20/2018 | | M | | 718 | | (7) | (7) | Common Stock | 718 | (4) | 0 | D | |
| Restricted Stock Units | (4) | 2/20/2018 | | M | | 606 | | (8) | (8) | Common Stock | 606 | (4) | 606 | D | |
| Restricted Stock Units | (4) | 2/20/2018 | | M | | 595 | | (9) | (9) | Common Stock | 595 | (4) | 1190 | D | |

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|--|--|----------------|-----------------------------------|---------------------------|---|--|-----|---|-----------------|---|----------------------------|--|--|--|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Restricted Stock Units | (5) | 2/20/2018 | | M | | | 627 | (10) | (10) | Common Stock | 627 | (5) | 1881 | D | |
| Restricted Stock Units | (5) | 2/20/2018 | | A | | 2724 | | (11) | (11) | Common Stock | 2724 | (5) | 2724 | D | |

Explanation of Responses:

- (1) Shares acquired upon the vesting of a portion of the performance shares granted in 2015.
- (2) Shares retained by the Company for the purpose of meeting tax withholding requirements. The recipient retained all other shares.
- (3) Represents shares of common stock received by the individual in settlement of dividend rights that vested in connection with the performance shares that vested on February 20, 2018.
- (4) Each Restricted Stock Unit represents a contingent right to receive the economic equivalent of one share of the Company's common stock. The Restricted Stock Units will be settled, at the reporting person's election, in 100% shares of common stock or 50% in common stock and 50% in cash.
- (5) Each Restricted Stock Unit represents a contingent right to receive the economic equivalent of one share of the Company's common stock. The Restricted Stock Units will be settled, at the reporting person's election, in 100% shares of common stock, 50% in common stock and 50% in cash, or 100% in cash.
- (6) Represents shares of common stock received by the individual in settlement of dividend rights granted in connection with the 2014, 2015 and 2016 Restricted Stock Unit grants.
- (7) The Restricted Stock Units award was granted and was effective in February 2014, and vest in four equal, annual installments beginning on February 20, 2015.
- (8) The Restricted Stock Units award was granted and was effective in February 2015, and vest in four equal, annual installments beginning on February 20, 2016.
- (9) The Restricted Stock Units award was granted and was effective in February 2016, and vests in four equal, annual installments beginning on February 20, 2017.
- (10) The Restricted Stock Units award was granted and was effective in February 2017, and vest in four equal, annual installments beginning on February 20, 2018.
- (11) The Restricted Stock Units award was granted and was effective on February 20, 2018, and vests in four equal, annual installments beginning on February 20, 2019, and will be settled in four equal, annual installments beginning February 20, 2019.

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| GULDNER JEFFREY B. 400 NORTH 5TH STREET MS 8602 PHOENIX, AZ 85004 | | | EVP, Public Policy & GC | |

Signatures

/s/ Diane Wood, Attorney-in-Fact

2/22/2018

**Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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