

Sundberg Lori S  
 Form 4  
 February 22, 2012

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Sundberg Lori S

2. Issuer Name and Ticker or Trading Symbol  
 PINNACLE WEST CAPITAL CORP [PNW]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 400 N. FIFTH STREET  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/17/2012

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 \_\_\_\_ Officer (give title below)  Other (specify below)  
 SVP, HR and Ethics, APS

PHOENIX, AZ 85004  
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 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. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction 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 Ownership (Instr. 4)
			Code	V	Amount (A) or Price (D)		
Common Stock	02/17/2012		M		700	A	Ⓐ 5,175 D
Common Stock	02/17/2012		F <sup>(2)</sup>		244	D	\$ 47.86 4,931 D
Common Stock	02/17/2012		M		700	A	Ⓐ 5,631 D
Common Stock	02/17/2012		F <sup>(2)</sup>		236	D	\$ 47.86 5,395 D
Common Stock	02/17/2012		M		666	A	Ⓐ 6,061 D

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Common Stock	02/17/2012	F <sup>(2)</sup>	205	D	\$ 47.86	5,856	D
Common Stock	02/17/2012	M	675	A	③	6,531	D
Common Stock	02/17/2012	F <sup>(2)</sup>	241	D	\$ 47.86	6,290	D
Common Stock	02/17/2012	A	99	A	④	6,389	D
Common Stock	02/17/2012	F <sup>(2)</sup>	33	D	\$ 47.86	6,356	D

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

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction 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 (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
				Code	V	(A)	(D)	
Restricted Stock Units	①	02/17/2012		M		700	(5) (5)	Common Stock 700
Restricted Stock Units	①	02/17/2012		M		700	(6) (6)	Common Stock 700
Restricted Stock Units	③	02/17/2012		M		666	(7) (7)	Common Stock 666
Restricted Stock Units	③	02/17/2012		M		675	(8) (8)	Common Stock 675
Restricted Stock	③	02/21/2012		A		2,136	(9) (9)	Common Stock 2,136

Units

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Sundberg Lori S 400 N. FIFTH STREET PHOENIX, AZ 85004				SVP, HR and Ethics, APS

## Signatures

/s/ Diane Wood,  
Attorney-in-Fact

02/22/2012

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* 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).
- (1) 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 shares of comon stock or cash.
- (2) Shares retained by the Company for the purpose of meeting tax withholding requirements. The recipient retained all other shares.  
Each Restricted Stock Unit represents a contingent right to receive the economic equivalent of one share of the Company's common
- (3) stock. The Restricted Stock Units will be settled, at the reporting person's election, in shares of comon stock or 50% in common stock and 50% in cash.
- (4) Represents shares of common stock received by the individual in settlement of dividend rights granted in connection with the 2010 and 2011 Restricted Stock Unit grants.
- (5) The Restricted Stock Units award was granted and was effective in February 2008, and vests in four equal, annual installments beginning on February 20, 2009. Since February 20, 2012 was a holiday, the Restricted Stock Units vested and were released on February 17, 2012.
- (6) The Restricted Stock Units award was granted and was effective in February 2009, and vests in four equal, annual installments beginning on February 20, 2010. Since February 20, 2012 was a holiday, the Restricted Stock Units vested and were released on February 17, 2012.
- (7) The Restricted Stock Units award was granted and was effective in February 2010, and vests in four equal, annual installments beginning on February 20, 2011. Since February 20, 2012 was a holiday, the Restricted Stock Units vested and were released on February 17, 2012.
- (8) The Restricted Stock Units award was granted and was effective in February 2011, and vests in four equal, annual installments beginning on February 20, 2012. Since February 20, 2012 was a holiday, the Restricted Stock Units vested and were released on February 17, 2012.
- (9) The Restricted Stock Units vest and will be settled in four equal, annual installments beginning on February 20, 2013.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.