

ANNUAL REPORT

Of

Company Name:

Arizona Public Service Company

PO Box 53999

Mailing Address:

Station 9708

Phoenix AZ

85072-3999

RECEIVED BY EMAIL**4/15/2024, 3:49 PM****ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

Docket No.: E-01345A

For the Year Ended:

12/31/23

ELECTRIC

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007Application Type:

Original Filing

Application Date:

4/10/2024

ARIZONA CORPORATION COMMISSION
 ELECTRIC UTILITIY ANNUAL REPORT
 COMPANY INFORMATION

For the Calendar Year Ended: 12/31/23

Company/Business Name:	Arizona Public Service Company			
Mailing Address:	P.O. Box 53999			
City:	Phoenix	State:	Arizona	Zip Code: 85072
Telephone Number:	602-250-1000	Fax Number:	602-250-3003	
Email:	None			

Regulatory and On-Site Manager Contact				
Name:	Rachael Leonard			
Title:	Manager, State Regulatory Affairs			
Telephone No. :	602-250-2404			
Address:	400 N. 5th Street, MS 9708			
City:	Phoenix	State:	Arizona	Zip Code: 85004
Email:	Rachael.Leonard@aps.com			

Statutory Agent				
Name:	CT Corporation System			
Title:	None			
Telephone No. :	602-248-1145			
Address:	3800 North Central Avenue, Suite 460			
City:	Phoenix	State:	Arizona	Zip Code: 85012
Email:	None			

Attorney				
Name:	Robert Smith			
Title:	EVP, General Counsel and Chief Development Office			
Telephone No. :	602-250-2888			
Address:	400 N. 5th Street, MS 9040			
City:	Phoenix	State:	Arizona	Zip Code: 85004
Email:	Bob.Smith@pinnaclewest.com			

NA				
Name:				
Title:				
Telephone No. :				
Address:				
City:		State:		Zip Code:
Email:				

Ownership: C Corporation (C) (Other than Association/Co-op)

Counties Served: Multiple counties

ARIZONA CORPORATION COMMISSION
ELECTRIC UTILITY ANNUAL REPORT
Arizona Public Service Company

Important changes during the year
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N/A	<p>For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?</p> <p>If yes, please provide specific details in the box below.</p> <p>N/A</p>
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Yes	<p>Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?</p> <p>If yes, please provide specific details in the box below.</p> <p>The U.S. Nuclear Regulatory Commission (NRC) implements a highly rigorous inspection program at all commercial nuclear plants in the nation. The NRC documents the results of their inspection program in an annual assessment letter sent to each nuclear facility in early March of the following year. In the 2023 annual assessment letter sent to Arizona Public Service, the NRC found that the overall performance of the Palo Verde Nuclear Generating Station preserved public health and safety. The NRC determined the performance at Palo Verde Units 1, 2, and 3 was within the Licensee Response Column, the highest performance category (least amount of oversight) of the NRC's Reactor Oversight Process (ROP) Action Matrix, because all inspection findings had very low risk significance (e.g., Green), and all NRC Performance Indicators were within the expected range (i.e. Green).</p> <p>Palo Verde received one environmental violation last year. A violation of the air permit was identified by Maricopa County Air Quality Department during a routine air program inspection in March of 2023. PVNGS was found to be in non-compliance with Maricopa County Air Quality Rule 312 § 304.1.c. and conditions of Air Quality Permit #P0009497 54.a.ii. for failing to follow the most recently approved Operation and Maintenance Plans dated September 27, 2018, for the Farr Gold Series GS16 and Farr Tenkay 16D abrasive blasting dust collectors. Violation ENF025298 was deemed an Opportunity to Correct. Compliance has been restored.</p> <p>APS received three confirmed violations of North American Electric Reliability Corporation (NERC) Standards in 2023. The violations were issued by Western Electric Coordinating Council (WECC). The violations have been resolved to the satisfaction of WECC.</p>
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Arizona Public Service Company
 ELECTRIC UTILITY ANNUAL REPORT
 AUTHORIZED SERVICES AND STATISTICAL INFORMATION
 12/31/23

SERVICES AUTHORIZED TO PROVIDE

Yes	Electric
Yes	Investor Owned Electric
N/A	Rural Electric Cooperative
N/A	Utility Distributed Company
N/A	Electric Service Provider
N/A	Transmission Service Provider
N/A	Meter Service Provider
N/A	Meter Reading Service Provider
N/A	Billing and Collection
N/A	Ancillary Services
N/A	Generation Provider
N/A	Aggregator/Broker

N/A	Other (Specify)
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STATISTICAL INFORMATION

Retail Information

	Number of Arizona Customers	Number of kWh Sold in Arizona
Residential	1,228,022	14,947,956,392
Commercial	138,835	14,230,615,452
Industrial	2,377	2,078,558,316
Public Street and Highway Lighting	1,364	103,685,018
Irrigation	332	9,497,411
Total Retail	1,370,930	31,370,312,590

Wholesale Information

	Number of Customers	Number of kWh Sold
Resale	0	0
Short-term Sales (duration of less than one-year)	56	4,177,982,000
Total Wholesale	56	4,177,982,000

Total Sold	35,548,294,590	kWh
Maximum Peak Load	8,162	MW
Distribution System Losses	1,381,342 MWh	
Distribution Losses	5.69%	
Transmission Losses	2.46%	
System Average Interruption Duration Index (SAIDI)	98.58	
Distribution System Losses	596,897 MWh	
Customer Average Interruption Duration Index (CAIDI)	112.40	
System Average Interruption Frequency Index (SAIFI)	0.88	

PAGE 204				PAGE 205					Line No.
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)				ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b) December 31, 2022	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g) December 31, 2023	Line No.	
1	1. INTANGIBLE PLANT							1	
2	(301) Organization							2	
3	(302) Franchises and Consents	3,809,022	204,677				4,013,699	3	
4	(303) Miscellaneous Intangible Plant	1,082,077,883	98,368,030	22,471,727			1,157,974,186	4	
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	1,085,886,905	98,572,707	22,471,727			1,161,987,885	5	
6	2. PRODUCTION PLANT							6	
7	A. Steam Production Plant							7	
8	(310) Land and Land Rights	5,439,809	727,481			(740,021)	5,427,269	8	
9	(311) Structures and Improvements	233,895,972	4,836,775	121,723			238,611,024	9	
10	(312) Boiler Plant Equipment	1,528,439,137	22,018,828	10,768,563		740,021	1,540,429,423	10	
11	(313) Engines and Engine-Driven Generators							11	
12	(314) Turbogenerator Units	225,658,499	220,278	1,489,382			224,389,395	12	
13	(315) Accessory Electric Equipment	137,023,963	4,663,308	116,166			141,571,105	13	
14	(316) Misc. Power Plant Equipment	101,910,994	75,412,320	403,717			176,919,597	14	
15	(317) Asset Retirement Costs for Steam Production	69,151,578	36,945,273		(1,553,120)		104,543,731	15	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	2,301,519,952	144,824,263	12,899,551	(1,553,120)		2,431,891,544	16	
17	B. Nuclear Production Plant							17	
18	(320) Land and Land Rights	4,417,789					4,417,789	18	
19	(321) Structures and Improvements	919,295,992	19,027,752	2,329,895		(53,100)	935,940,749	19	
20	(322) Reactor Plant Equipment	1,329,599,502	34,472,700	7,915,211		(2,890,930)	1,353,266,061	20	
21	(323) Turbogenerator Units	472,530,921	8,662,959	2,109,911			479,083,969	21	
22	(324) Accessory Electric Equipment	309,962,049	6,580,323	1,351,620			315,210,752	22	
23	(325) Misc. Power Plant Equipment	255,662,815	12,364,403	3,067,381		2,944,030	267,903,867	23	
24	(326) Asset Retirement Costs for Nuclear Production	(1,334,721)	58,537,653				57,202,932	24	
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)	3,290,154,347	139,645,790	16,774,018			3,413,026,119	25	
26	C. Hydraulic Production Plant							26	
27	(330) Land and Land Rights							27	
28	(331) Structures and Improvements							28	
29	(332) Reservoirs, Dams, and Waterways							29	
30	(333) Water Wheels, Turbines, and Generators							30	
31	(334) Accessory Electric Equipment							31	
32	(335) Misc. Power Plant Equipment							32	
33	(336) Roads, Railroads, and Bridges							33	
34	(337) Asset Retirement Costs for Hydraulic Production							34	
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)							35	
36	D. Other Production Plant							36	
37	(340) Land and Land Rights	16,138,718	4,874				16,143,592	37	
38	(341) Structures and Improvements	301,903,376	5,453,919	2,247,241			305,110,054	38	
39	(342) Fuel Holders, Products and Accessories	65,648,391	2,813,935	148,388			68,313,938	39	
40	(343) Prime Movers	1,099,837,121	106,970,339	93,826,725			1,112,980,735	40	
41	(344) Generators	1,782,537,388	281,759,898	4,042,684			2,060,254,602	41	
42	(345) Accessory Electric Equipment	312,966,985	27,965,215	295,679			340,636,521	42	
43	(346) Misc. Power Plant Equipment	103,034,056	24,089,627	3,193,057			123,930,626	43	
44	(347) Asset Retirement Costs for Other Production	29,870,536	2,686,793				32,557,329	44	
44.1	(348) Energy Storage Equipment - Production		280,906,669				280,906,669	45	
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	3,711,936,571	732,651,269	103,753,774			4,340,834,066	46	
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	9,303,610,870	1,017,121,322	133,427,343	(1,553,120)		10,185,751,729	47	

PAGE 206				PAGE 207				Line No.
Line	Account	Balance	Additions	Retirements	Adjustments	Transfers	Balance at	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
47	3. TRANSMISSION PLANT							47
48	(350) Land and Land Rights	250,989,526	13,388,921	2,907,146			261,471,301	48
48.1	(351) Energy Storage Equipment - Transmission							48.1
49	(352) Structures and Improvements	238,615,210	41,138,166	1,051,920			278,701,456	49
50	(353) Station Equipment	1,387,714,213	109,449,780	8,879,165		(573,214)	1,487,711,614	50
51	(354) Towers and Fixtures	196,180,977		178,056			196,002,921	51
52	(355) Poles and Fixtures	760,787,302	135,947,102	3,455,923			893,276,481	52
53	(356) Overhead Conductors and Devices	656,295,176	(99,217,723)	2,248,931			554,828,522	53
54	(357) Underground Conduit	29,737,206	2,780,649	19,044			32,498,811	54
55	(358) Underground Conductors and Devices	61,783,866	(628,104)	33,454			61,122,308	55
56	(359) Roads and Trails							56
57	(359.1) Asset Retirement Costs for Transmission Plant							57
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	3,582,103,476	202,858,791	18,773,639		(573,214)	3,765,615,414	58
59	4. DISTRIBUTION PLANT							59
60	(360) Land and Land Rights	93,518,512	1,983,161	594,883		691,247	95,598,037	60
61	(361) Structures and Improvements	127,782,646	13,087,738	624,191			140,246,193	61
62	(362) Station Equipment	883,783,330	99,406,561	3,247,602		(814,063)	979,128,226	62
63	(363) Storage Battery Equipment	4,204,720	(1,194,301)				3,010,419	63
64	(364) Poles, Towers, and Fixtures	903,140,864	95,420,234	8,619,247			989,941,851	64
65	(365) Overhead Conductors and Devices	457,820,003	(9,078,824)	4,155,402			444,585,777	65
66	(366) Underground Conduit	838,398,509	13,866,024	29,097			852,235,436	66
67	(367) Underground Conductors and Devices	2,505,971,317	150,746,188	8,513,447			2,648,204,058	67
68	(368) Line Transformers	1,092,236,128	112,736,757	27,906,182			1,177,066,703	68
69	(369) Services	571,206,891	56,515,387	889,277			626,833,001	69
70	(370) Meters	338,311,746	22,731,999	10,071,384			350,972,361	70
71	(371) Installations on Customer Premises	47,719,408	2,426,479	1,243,015			48,902,872	71
72	(372) Leased Property on Customer Premises							72
73	(373) Street Lighting and Signal Systems	86,677,956	5,889,421	2,645,696			89,921,681	73
74	(374) Asset Retirement Costs for Distribution Plant							74
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	7,950,772,030	564,536,824	68,539,423		(122,816)	8,446,646,615	75
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT							76
77	(380) Land and Land Rights							77
78	(381) Structure and Improvements							78
79	(382) Computer Hardware							79
80	(383) Computer Software							80
81	(384) Communication Equipment							81
82	(385) Miscellaneous Regional Transmission and Market Operation Plant							82
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper							83
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)							84
85	6. GENERAL PLANT							85
86	(389) Land and Land Rights	23,091,902				9,631	23,101,533	86
87	(390) Structures and Improvements	354,351,530	138,137,879	2,650,720			489,838,689	87
88	(391) Office Furniture and Equipment	383,096,161	45,538,721	6,813,566			421,821,316	88
89	(392) Transportation Equipment	42,314,091	6,189,848	2,774,972			45,728,967	89
90	(393) Stores Equipment	602,342					602,342	90
91	(394) Tools, Shop and Garage Equipment	88,521,633	8,681,395	329,817			96,873,211	91
92	(395) Laboratory Equipment	1,152,427					1,152,427	92
93	(396) Power Operated Equipment	9,687,557		58,977			9,628,580	93
94	(397) Communication Equipment	405,537,171	10,165,427	2,442,585		1,387,257	414,647,270	94
95	(398) Miscellaneous Equipment	35,467,527	4,308,783	317,908			39,458,402	95
96	SUBTOTAL (Enter Total of lines 86 thru 95)	1,343,822,341	213,022,053	15,388,545		1,396,888	1,542,852,737	96
97	(399) Other Tangible Property							97
98	(399.1) Asset Retirement Costs for General Plant							98
99	TOTAL General Plant (Enter Total of lines 96, 97, and 98)	1,343,822,341	213,022,053	15,388,545		1,396,888	1,542,852,737	99
100	TOTAL (Accounts 101 and 106)	23,266,195,622	2,096,111,697	258,600,676		(1,553,120)	25,102,854,381	100
101	(102) Electric Plant Purchased (See Instr. 8)							101
102	(Less) (102) Electric Plant Sold (See Instr. 8)							102
103	(103) Experimental Plant Unclassified							103
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	23,266,195,622	2,096,111,697	258,600,676		(1,553,120)	25,102,854,381	104

Arizona Public Service Company
ELECTRIC UTILITY ANNUAL REPORT
ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)
12/31/2023

ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)					
1. Explain in a footnote any important adjustments during year.					
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.					
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.					
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting					
Section A. Balances and Changes During Year					
Line No.	Item	Total (c+d+e)	Electric Plant in Service	Electric Plant Held for Future use	Electric Plant Leased to Others
	(a)	(b)	(c)	(d)	(e)
1	Balance Beginning of Year	7,668,944,025	7,668,944,025		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	613,184,306	613,184,306		
4	(403.1) Depreciation Expense for Asset Retirement Costs	15,203,470	15,203,470		
5	(413) Exp. of Elec. Plt. Leas. to Others	—			
6	Transportation Expenses-Clearing	2,438,985	2,438,985		
7	Other Clearing Accounts	—	—		
8	Other Accounts (Specify, details in footnote):	—	—		
9		—			
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	630,826,761	630,826,761	—	—
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(231,369,871)	(231,369,871)		
13	Cost of Removal	(46,127,639)	(46,127,639)		
14	Salvage (Credit)	85,113,740	85,113,740		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	(192,383,770)	(192,383,770)	—	—
16	Other Debit or Cr. Items (Describe, details in footnote):	(8,677,849)	(8,677,849)		
17		—	—		
18	Book Cost or Asset Retirement Costs Retired	—	—		
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	8,098,709,167	8,098,709,167	—	—
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production	1,254,449,726	1,254,449,726.00		
21	Nuclear Production	1,625,371,278	1,625,371,278.00		
22	Hydraulic Production-Conventional	—	—		
23	Hydraulic Production-Pumped Storage	—	—		
24	Other Production	1,379,360,571	1,379,360,571.00		
25	Transmission	1,076,229,329	1,076,229,329.00		
26	Distribution	2,219,240,503	2,219,240,503.00		
27	Regional Transmission and Market Operation	—	—		
28	General	544,057,760	544,057,760.00		
29	TOTAL (Enter Total of lines 20 thru 28)	8,098,709,167	8,098,709,167	—	—

Schedule Page: 219 Line No.: 12 Column: b

FERC Page 219 Column (b), Line 12	\$	231,369,871
Gain/(Loss) on Disposition of Assets		(755,805)
FERC Page 204-207 Column (d), Line 5		22,471,727
FERC Page 204-207 Column (d), Line 48		2,907,146
FERC Page 204-207 Column (d), Line 60		594,883
General Plant Retirements		2,012,854
FERC Page 204-207 Column (d), Line 104		<u>258,600,676</u>

Schedule Page: 219 Line No.: 16 Column: c

Palo Verde Decommissioning	(2,149,100)
Asset Retirement Obligation in Reg. Liability	4,192,155
Accelerated CIAC to Regulatory Assets	(332,041)
Navajo Regulatory Asset Amortization	(10,132,704)
West Phoenix COR - Amortization	(998,175)
Reserve Transfers - Accounts 1110,1112, & 1220 & Other Entities	742,016
TOTAL	<u>(8,677,849)</u>

Arizona Public Service Company
 ELECTRIC UTILITY ANNUAL REPORT
 DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT
 12/31/2023

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405) (Except amortization of acquisition adjustments)						
1. Report in section A for the year the amounts for: (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405). 2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year. 3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year. Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used. In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used. For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (e) on this basis.						
A. Summary of Depreciation and Amortization Charges						
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			92,377,580		92,377,580
2	Steam Production Plant	104,504,339	14,935,568	7,696		119,447,603
3	Nuclear Production Plant	13,349,324	(752,287)	4,309,821		16,906,858
4	Hydraulic Production Plant-Conventional					—
5	Hydraulic Production Plant-Pumped Storage					—
6	Other Production Plant	156,332,658	\$ 1,020,189			157,352,847
7	Transmission Plant	67,979,872		8,402,605		76,382,477
8	Distribution Plant	200,242,531		1,311,288		201,553,819
9	Regional Transmission and Market Operation					—
10	General Plant	70,775,582		16,172,015		86,947,597
11	Common Plant - Electric					—
12	Total	613,184,306	15,203,470	122,581,005	—	750,968,781
B. Basis for Amortization Charges						
13	See Footnote					

Schedule Page: 336 Line No.: 13 Column: b

RATES			
Franchises		302	0.04
Software		303	10.00% to 50.00%
Misc. Intangibles		303	2.00% to 20.00%
Limited Term Land Rights	310,350,360,389		1.34% to 50.00%
Office Equipment & Furniture, Small Tools, Garage Equipment, Misc. Equipment	391,391,2,393,394,395,398		4.17% to 20.00%
Leasehold Improvements	'321,322,323,324,325,326,371,390,397		amortized over the life of the lease

Arizona Public Service Company
ELECTRIC UTILITY ANNUAL REPORT
DEPRECIATION RATES
12/31/2023

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405) (Except amortization of acquisition adjustments)							
1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).							
2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.							
3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.							
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.							
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.							
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	STEAM PRODUCTION						
13	311	238,611	P23Y	-8.50	6.21	O1	P11Y
14	312	1,540,429	P24Y	-10.60	4.85	O1	P15Y
15	314	224,389	P24Y	-9.90	5.33	O1	P13Y
16	315	141,571	P27Y	-9.00	5.31	O1	P13Y
17	316	176,920	P24Y	-9.70	4.98	O1	P14Y
18							
19	NUCLEAR PRODUCTION						
20	321	909,803	P45Y	-0.40	0.61	O1	P27Y
21	322	1,270,622	P46Y	-1.00	0.06	O1	P26Y
22	323	445,204	P43Y	-0.30	0.38	O1	P26Y
23	324	309,504	P50Y	-0.40	-0.35	O1	P26Y
24	325	261,084	P39Y	-0.40	1.25	O1	P27Y
25							
26	OTHER PRODUCTION						
27	341	305,110	P28Y	-6.70	3.98	O1	P20Y
28	342	68,314	P27Y	-5.00	4.12	O1	P14Y
29	343	1,112,981	P29Y	-5.00	3.80	O1	P17Y
30	344	2,060,186	P29Y	-7.10	3.71	O1	P24Y
31	345	340,637	P29Y	-8.20	3.81	O1	P21Y
32	346	123,931	P23Y	-5.30	4.84	O1	P16Y
33							
34	TRANSMISSION						
35	352	278,701	P50Y		1.84	R4	P36Y
36	353	1,487,712	P45Y	-5.00	2.14	S0.5	P36Y
37	354	196,003	P60Y		1.34	R3	P33Y
38	355.1	102,403	P50Y	-20.00	2.21	R1	P38Y
39	355.2	790,875	P55Y	-20.00	2.10	R1.5	P48Y
40	356	573,829	P60Y	-20.00	1.87	R3	P45Y
41	357	32,030	P60Y		1.55	R4	P45Y
42	358	61,122	P60Y	15.00	1.33	L1.5	P47Y
43							
44	DISTRIBUTION						
45	361	140,074	P60Y	-10.00	1.78	R3	P47Y
46	362	979,128	P45Y	-5.00	2.25	L0.5	P37Y
47	363	3,010	P10Y		10.06	S3	P9Y
48	364.1	459,571	P45Y	-20.00	2.59	L0	P35Y
49	364.2	530,340	P50Y	-10.00	2.16	R0.5	P44Y
50	365	444,535	P50Y	-20.00	2.36	O1	P43Y
51	366	852,235	P60Y	-15.00	1.86	L1	P47Y
52	367	2,648,032	P40Y	-15.00	2.74	L1	P30Y
53	368	1,177,067	P55Y	-5.00	1.82	L1	P43Y
54	369	626,807	P55Y	-20.00	2.09	L1	P43Y
55	370.1	21,581	P16Y		5.93	O1	P14Y
56	370.3	329,391	P15Y		6.22	O1	P9Y
57	371	48,903	P45Y	-15.00	2.46	L0	P36Y
58	373	89,922	P55Y	-15.00	2.01	L0.5	P42Y
59							
60	GENERAL						
61	390	434,983	P40Y	-10.00	2.77	L1	P34Y
62	391-1	344,737	P8Y		12.21	L3	P4Y
63	397	413,840	P21Y		4.74	S1.5	P14Y

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account	Ref. Page No.	Current Year End of Quarter/Year Balance December 31, 2023	Prior Year End Balance 12/31 December 31, 2022
	(a)	(b)	(c)	(d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200/201	26,850,328,595	24,515,009,011
3	Construction Work in Progress (107)	200/201	1,604,241,269	1,712,700,234
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		28,454,569,864	26,227,709,245
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200/201	9,358,619,253	8,823,869,641
6	Net Utility Plant (Enter Total of line 4 less 5)		19,095,950,611	17,403,839,604
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202/203	121,231,051	118,776,703
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		—	(1,681)
9	Nuclear Fuel Assemblies in Reactor (120.3)		217,564,276	226,277,637
10	Spent Nuclear Fuel (120.4)		—	-
11	Nuclear Fuel Under Capital Lease (120.6)		—	-
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202/203	118,073,977	126,156,617
13	Net Nuclear Fuel (Enter Total of line 7-11 less 12)		220,721,350	218,896,042
14	Net Utility Plant (Enter Total of lines 6 and 13)		19,316,671,961	17,622,735,646
15	Utility Plant Adjustments (116)		—	-
16	Gas Stored Underground - Noncurrent (117)		—	-
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		6,379,426	7,408,963
19	(Less) Accum. Prov. for Depr. and Amort. (122)		59,105	35,956
20	Investments in Associated Companies (123)		—	-
21	Investment in Subsidiary Companies (123.1)	224/225	—	-
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)		—	-
23	Noncurrent Portion of Allowances	228/229	—	-
24	Other Investments (124)		—	-
25	Sinking Funds (125)		—	-
26	Depreciation Fund (126)		—	-
27	Amortization Fund - Federal (127)		—	-
28	Other Special Funds (128)		1,881,432,086	1,810,587,905
29	Special Funds (Non Major Only) (129)		—	-
30	Long-Term Portion of Derivative Assets (175)		—	49,776,549
31	Long-Term Portion of Derivative Assets - Hedges (176)		—	-
32	TOTAL Other Property and Investments (lines 18-21, 23-31)		1,887,752,407	1,867,737,461
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		—	-
35	Cash (131)		769,801	192,870
36	Special Deposits (132-134)		—	-
37	Working Fund (135)		3,773,000	3,773,020
38	Temporary Cash Investments (136)		5,808	75,644
39	Notes Receivable (141)		—	-
40	Customer Accounts Receivable (142)		369,846,147	363,542,814
41	Other Accounts Receivable (143)		140,450,387	85,176,917
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		22,432,624	23,777,703
43	Notes Receivable from Associated Companies (145)		—	-
44	Accounts Receivable from Assoc. Companies (146)		—	160,083
45	Fuel Stock (151)	227	30,531,230	30,531,924
46	Fuel Stock Expenses Undistributed (152)	227	—	-
47	Residuals (Elec) and Extracted Products (153)	227	—	-
48	Plant Material and Operating Supplies (154)	227	442,911,973	408,533,750
49	Merchandise (155)	227	—	-
50	Other Materials and Supplies (156)	227	—	-
51	Nuclear Materials Held for Sale (157)	202/203/22 7	—	-
52	Allowances (158.1 and 158.2)	228/ 229	18,672,166	9,622,639

53	(Less) Noncurrent Portion of Allowances		—	-
54	Stores Expenses Undistributed (163)	227	1,431,582	1,946,988
55	Gas Stored Underground - Current (164.1)		—	-
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		—	-
57	Prepayments (165)		60,157,263	49,805,891
58	Advances for Gas (166-167)		—	-
59	Interest and Dividends Receivable (171)		—	-
60	Rents Receivable (172)		—	-
61	Accrued Utility Revenues (173)		167,553,116	164,764,276
62	Miscellaneous Current and Accrued Assets (174)		46,701,292	36,186,092
63	Derivative Instrument Assets (175)		8,496,877	153,260,923
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		—	49,776,549
65	Derivative Instrument Assets - Hedges (176)		—	-
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		—	-
67	Total Current and Accrued Assets (Lines 34 thru 66)		1,268,868,018	1,234,019,579
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		49,048,678	48,266,270
70	Extraordinary Property Losses (182.1)	230a	—	-
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	—	-
72	Other Regulatory Assets (182.3)	232	1,998,533,786	1,802,266,062
73	Prelim. Survey and Investigation Charges (Electric) (183)		2,148,224	2,168,960
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		—	-
75	Other Preliminary Survey and Investigation Charges (183.2)		—	-
76	Clearing Accounts (184)		118,771	701,946
77	Temporary Facilities (185)		—	-
78	Miscellaneous Deferred Debits (186)	233	56,317,691	32,554,784
79	Def. Losses from Disposition of Utility Plt. (187)		—	-
80	Research, Devel. and Demonstration Expend. (188)	352/353	—	-
81	Unamortized Loss on Reacquired Debt (189)		7,964,668	9,468,114
82	Accumulated Deferred Income Taxes (190)	234	1,080,515,150	946,281,284
83	Unrecovered Purchased Gas Costs (191)		—	-
84	Total Deferred Debits (lines 69 thru 83)		3,194,646,968	2,841,707,420
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		25,667,939,354	23,566,200,106

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)
12/31/2023

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line No.	Title of Account	No.	Quarter/Year Balance	12/31
	(a)	(b)	December 31, 2023 (c)	December 31, 2022 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	178,162,368	178,162,368
3	Preferred Stock Issued (204)	250-251	—	-
4	Capital Stock Subscribed (202,205)		—	-
5	Stock Liability for Conversion (203, 206)		—	-
6	Premium on Capital Stock (207)		3,340,807,686	3,190,807,686
7	Other Paid-In Capital (208-211)	253	18,400,365	18,400,365
8	Installments Received on Capital Stock (212)	252	—	-
9	(Less) Discount on Capital Stock (213)	254	—	-
10	(Less) Capital Stock Expense (214)	254b	37,511,652	37,511,652
11	Retained Earnings (215, 215.1, 216)	118-119	3,759,298,382	3,607,463,846
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	—	-
13	(Less) Reacquired Capital Stock (217)	250-251	—	-
14	Noncorporate Proprietorship (Non-major only) (218)		—	-
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	(17,219,423)	(15,596,457)
16	Total Proprietary Capital (lines 2 thru 15)		7,241,937,726	6,941,726,156
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	163,975,000	163,975,000
19	(Less) Reacquired Bonds (222)	256-257	—	-
20	Advances from Associated Companies (223)	256-257	—	-
21	Other Long-Term Debt (224)	256-257	7,210,818,728	6,710,339,069
22	Unamortized Premium on Long-Term Debt (225)		11,161,746	12,368,152
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		14,197,427	14,548,205
24	Total Long-Term Debt (lines 18 through 23)		7,371,758,047	6,872,134,016
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		1,367,357,946	807,000,648
27	Accumulated Provision for Property Insurance (228.1)		—	-
28	Accumulated Provision for Injuries and Damages (228.2)		13,075,594	1,301,000
29	Accumulated Provision for Pensions and Benefits (228.3)		151,848,770	158,402,804
30	Accumulated Miscellaneous Operating Provisions (228.4)		—	-
31	Accumulated Provision for Rate Refunds (229)		—	-
32	Long-Term Portion of Derivative Instrument Liabilities		42,974,670	9,223,020
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		—	-
34	Asset Retirement Obligations (230)		966,001,640	797,761,972
35	Total Other Noncurrent Liabilities (lines 26 through 34)		2,541,258,620	1,773,689,444
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		532,850,000	325,000,000
38	Accounts Payable (232)		433,228,333	417,732,096
39	Notes Payable to Associated Companies (233)		—	-
40	Accounts Payable to Associated Companies (234)		129,357,954	108,704,159
41	Customer Deposits (235)		42,036,730	41,769,156
42	Taxes Accrued (236)	262-263	191,050,192	184,991,636
43	Interest Accrued (237)		74,181,677	61,698,811
44	Dividends Declared (238)		—	-
45	Matured Long-Term Debt (239)		—	-

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46	Matured Interest (240)		—	-
47	Tax Collections Payable (241)		294	(310)
48	Miscellaneous Current and Accrued Liabilities (242)		173,236,378	139,763,920
49	Obligations Under Capital Leases-Current (243)		81,908,292	118,463,138
50	Derivative Instrument Liabilities (244)		128,710,522	56,893,467
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		42,974,670	9,223,020
52	Derivative Instrument Liabilities - Hedges (245)		—	-
53	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges		—	-
54	Total Current and Accrued Liabilities (lines 37 through 53)		1,743,585,702	1,445,793,053
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		533,579,832	422,102,857
57	Accumulated Deferred Investment Tax Credits (255)	266-267	257,742,815	180,677,340
58	Deferred Gains from Disposition of Utility Plant (256)		—	-
59	Other Deferred Credits (253)	269	341,188,565	324,264,137
60	Other Regulatory Liabilities (254)	278	2,121,210,133	2,264,628,850
61	Unamortized Gain on Reacquired Debt (257)		—	25,259
62	Accum. Deferred Income Taxes-Accel. Amort. (281)	272-277	—	-
63	Accum. Deferred Income Taxes-Other Property (282)		2,571,696,817	2,513,421,009
64	Accum. Deferred Income Taxes-Other (283)		943,981,097	827,737,985
65	Total Deferred Credits (lines 56 through 64)		6,769,399,259	6,532,857,437
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54, and 65)		25,667,939,354	23,566,200,106

Arizona Public Service Company
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ELECTRIC COMPARATIVE INCOME STATEMENT
12/31/2023

PAGE 114							PAGE 115							Line No.
STATEMENT OF INCOME							STATEMENT OF INCOME FOR THE YEAR (Continued)							
Line No.	Title of Account	(Ref.) Page No.	Total Current Year to Date Balance for Quarter/Year	Total Prior Year to Date Balance for Quarter/Year	Current 3 Months Ended Quarterly Only No 4th Quarter December 31, 2023	Prior 3 Months Ended Quarterly Only No 4th Quarter December 31, 2022	ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY			
							Current Year to Date (in dollars)	Previous Year to Date (in dollars)	Current Year to Date (in dollars)	Previous Year to Date (in dollars)	Current Year to Date (in dollars)	Previous Year to Date (in dollars)		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)		
<p>Quarterly</p> <p>1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.</p> <p>2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.</p> <p>3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.</p> <p>4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.</p> <p>5. If additional columns are needed place them in a footnote.</p> <p>Annual or Quarterly if applicable</p> <p>6. Do not report fourth quarter data in columns (e) and (f).</p> <p>7. Report amounts for accounts 412 and 433. Revenues and Expenses from Utility Plant Leases to Others, in another utility column in a similar manner to a utility department. Show</p>														
<p>9. Use page 122 for important notes regarding the statement of income for any account thereof.</p> <p>10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.</p> <p>11. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.</p> <p>12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.</p> <p>13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.</p> <p>14. Explain in a footnote if the previous year's quarter's figures are different from that reported in prior reports.</p> <p>15. If the columns are insufficient for reporting additional utility departments, attach the appropriate account titles report the information in a footnote to this</p>														
1	UTILITY OPERATING INCOME												1	
2	Operating Revenues (400)	300-301	4,716,548,587	4,334,437,749			4,716,548,587	4,334,437,749					2	
3	Operating Expenses												3	
4	Operating Expenses (401)	320-323	2,599,556,051	2,303,468,421			2,599,556,051	2,303,468,421					4	
5	Maintenance Expenses (402)		207,713,675	205,783,823			207,713,675	205,783,823					5	
6	Depreciation Expense (403)	336-337	613,184,306	582,896,974			613,184,306	582,896,974					6	
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	15,203,470	9,339,856			15,203,470	9,339,856					7	
8	Amort. & Depl. Of Utility Plant (404-405)	336-337	122,581,005	113,684,180			122,581,005	113,684,180					8	
9	Amort. of Utility Plant Acq. Adj. (405)	336-337	10,873,443	10,873,443			10,873,443	10,873,443					9	
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)												10	
11	Amort. of Conversion Expenses (407)												11	
12	Regulatory Debits (407.3)		30,897,681	33,195,613			30,897,681	33,195,613					12	
13	(Less) Regulatory Credits (407.4)		299,188				299,188						13	
14	Taxes Other Than Income Taxes (408.1)	262-263	248,595,932	247,039,336			248,595,932	247,039,336					14	
15	Income Taxes - Federal (408.1)	262-263	23,389,849	114,573,005			23,389,849	114,573,005					15	
16	Other (409.1)	262-263	268,123	1,774,239			268,123	1,774,239					16	
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	406,377,540	338,733,545			406,377,540	338,733,545					17	
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	325,559,885	352,291,436			325,559,885	352,291,436					18	
19	Investment Tax Credit Adj. - Net (411.4)		266										19	
20	(Less) Gains from Dispo. Of Utility Plant (411.6)												20	
21	Losses from Dispo. Of Utility Plant (411.7)												21	
22	(Less) Gains from Disposition of Allowances (411.8)		30,664	29,675			30,664	29,675					22	
23	Losses from Disposition of Allowances (411.9)		30,432	29,336			30,432	29,336					23	
24	Accretion Expense (411.10)												24	
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		3,952,781,670	3,609,070,660			3,952,781,670	3,609,070,660					25	
26	Net Util Oper Inc (Enter Tot Line 2 less 25). Carry to Pg117, line 27		763,766,917	725,367,089			763,766,917	725,367,089					26	
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27	Net Utility Operating Income (Carried forward from page 114)		763,766,917	725,367,089			763,766,917	725,367,089					27	
28	Other Income and Deductions												28	
29	Other Income												29	
30	Nonutility Operating Income												30	
31	Revenues From Merchandising, Jobbing and Contract Work (415)		1,514,509	2,280,758			1,514,509	2,280,758					31	
32	(Less) Costs and Exp. Of Merchandising, Job. & Contract Work (416)		1,737,603	1,321,689			1,737,603	1,321,689					32	
33	Revenues from Nonutility Operations (417)												33	
34	(Less) Expenses of Nonutility Operations (417.1)		142,567	23,150			142,567	23,150					34	
35	Nonoperating Rental Income (418)		53,475	89,829			53,475	89,829					35	
36	Equity in Earnings of Subsidiary Companies (418.1)	119											36	
37	Interest and Dividend Income (419)		26,853,087	5,331,643			26,853,087	5,331,643					37	
38	Allowance for Other Funds Used During Construction (419.1)		53,117,795	45,263,280			53,117,795	45,263,280					38	
39	Miscellaneous Nonoperating Income (421)		348,745,462	514,144,544			348,745,462	514,144,544					39	
40	Gain on Disposition of Property (421.1)		943,377	2,845,017			943,377	2,845,017					40	
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		429,347,535	568,610,232			429,347,535	568,610,232					41	
42	Other Income Deductions												42	
43	Loss on Disposition of Property (421.2)		478,382	1,172,321			478,382	1,172,321					43	
44	Miscellaneous Amortization (425)		4,193,691	10,376,784			4,193,691	10,376,784					44	
45	Donations (426.1)												45	
46	Life Insurance (426.2)												46	
47	Penalties (426.3)			152,077				152,077					47	
48	Exp for Certain Civic, Political & Related Activities (426.4)		3,637,247	3,271,825			3,637,247	3,271,825					48	
49	Other Deductions (426.5)		362,370,997	529,476,988			362,370,997	529,476,988					49	
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		370,680,317	544,449,995			370,680,317	544,449,995					50	
51	Taxes Applicable to Other Income and Deductions												51	
52	Taxes Other Than Income Taxes (408.2)	262-263	703,011	612,899			703,011	612,899					52	
53	Income Taxes - Federal (409.2)	262-263	1,937,192.00	(7,149,689)			1,937,192	(7,149,689)					53	
54	Income Taxes - Other (409.2)	262-263	758,888.00	(1,613,380)			758,888	(1,613,380)					54	
55	Provision for Deferred Income Taxes (410.2)	234, 272-277	291,082	4,297,175			291,082	4,297,175					55	
56	(Less) Provision for Deferred Income Taxes-Cr (411.2)	234, 272-277	3,128,178	1,122,091			3,128,178	1,122,091					56	
57	Investment Tax Credit Adj. - Net (411.5)												57	
58	(Less) Investment Tax Credits (420)		10,603,364	6,262,417			10,603,364	6,262,417					58	
59	TOTAL Taxes on Other Income and Deduction (Total of lines 52-58)		(10,041,369)	(11,237,503)			(10,041,369)	(11,237,503)					59	
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		68,708,587	35,397,740			68,708,587	35,397,740					60	
61	Interest Charges												61	
62	Interest on Long-Term Debt (427)		282,753,862	242,651,241			282,753,862	242,651,241					62	
63	Amort. of Debt Disc. and Expense (428)		5,125,374	4,618,935			5,125,374	4,618,935					63	
64	Amortization of Loss on Recquired Debt (428.1)		1,472,515	1,551,756			1,472,515	1,551,756					64	
65	(Less) Amort. of Premium on Debt-Credit (429)		1,206,406	1,206,406			1,206,406	1,206,406					65	
66	Amortization of Gain on Recquired Debt-Credit (429.1)		(5,671)	43,303			(5,671)	43,303					66	
67	Interest on Debt to Assoc. Companies (430)												67	
68	Other Interest Expense (431)		36,020,121	15,093,215			36,020,121	15,093,215					68	
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		39,030,169	26,839,443			39,030,169	26,839,443					69	
70	Net Interest Charges (Total of lines 62 thru 69)		285,140,968	235,835,995			285,140,968	235,835,995					70	
71	Income Before Extraordinary Items (Total of Lines 27, 60 and 70)		547,334,536	524,928,834			547,334,536	524,928,834					71	
72	Extraordinary Items												72	
73	Extraordinary Income (434)												73	
74	(Less) Extraordinary Deductions (435)												74	
75	Net Extraordinary Items (Total of Line 73 less line 74)												75	
76	Income Taxes-Federal and Other (409.3)	262-263											76	
77	Extraordinary Items After Taxes (line 75 less line 76)												77	
78	Net Income (Total of lines 71 and 77)		547,334,536	524,928,834			547,334,536	524,928,834					78	

	2023	2022
Total number of employees	4,045	4,772

Page 300				Page 301			
ELECTRIC OPERATING REVENUES (Account 400)				ELECTRIC OPERATING REVENUES (Account 400)			
1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.				6. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)			
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.				7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.			
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.				8. For Lines 2, 4, 5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.			
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.				9. Include un-metered sales. Provide details of such Sales in a footnote.			
5. Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.							
Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b) December 31, 2023	Operating Revenues Previous year (no Quarterly) (c) December 31, 2022	MEGAWATT HOURS SOLD		AVG. NO. CUSTOMERS PER MONTH	
				Year to Date Quarterly/Annual (d) December 31, 2023	Amount Previous year (no Quarterly) (e) December 31, 2022	Current Year (no Quarterly) (f) December 31, 2023	Previous Year (no Quarterly) (g) December 31, 2022
1	Sales of Electricity						
2	(440) Residential Sales	2,289,196,414	2,046,110,746	14,947,956	14,756,798	1,228,022	1,202,975
3	(442) Commercial and Industrial Sales						
4	Small (or Comm.) (See Instr. 4)	1,809,576,612	1,551,090,439	14,230,615	13,535,799	138,835	137,112
5	Large (or Ind.) (See Instr. 4)	217,076,285	195,592,871	2,088,056	2,121,332	2,709	2,825
6	(444) Public Street and Highway Lighting	21,545,523	20,780,644	101,327	106,149	1,229	1,310
7	(445) Other Sales to Public Authorities	217,266	152,956	2,358	1,879	135	137
8	(446) Sales to Railroads and Railways						
9	(448) Interdepartmental Sales						
10	TOTAL Sales to Ultimate Consumers	4,337,612,100	3,813,727,656	31,370,312	30,521,957	1,370,930	1,344,359
11	(447) Sales for Resale	231,782,809	397,994,174	4,177,982	4,076,971	56	55
12	TOTAL Sales of Electricity	4,569,394,909	4,211,721,830	35,548,294	34,598,928	1,370,986	1,344,414
13	(Less) (449.1) Provision for Rate Refunds						
14	TOTAL Revenues Net of Prov. for Refunds	4,569,394,909	4,211,721,830	35,548,294	34,598,928	1,370,986	1,344,414
15	Other Operating Revenues						
16	(450) Forfeited Discounts	2,241,825	1,241,171		3,055,130		
17	(451) Miscellaneous Service Revenues	(137,864)	(829,103)		(101,251)		
18	(453) Sales of Water and Water Power						
19	(454) Rent from Electric Property	1,757,760	1,695,334				
20	(455) Interdepartmental Rents						
21	(456) Other Electric Revenues	4,608,504	3,912,238				
22	(456.1) Revenues from Transmission of Electricity of Others	138,663,453	116,696,279				
23	(457.1) Regional Control Service Revenues						
24	(457.2) Miscellaneous Revenues						
25							
26	TOTAL Other Operating Revenues	147,153,678	122,715,919				
27	TOTAL Electric Operating Revenues	4,716,548,587	4,334,437,749				

Schedule

Line Column

Footnotes

Basis of classification for small or large commercial and industrial sales is customer's NAICS code.
 Includes un-metered sales such as traffic lights, bus stop lighting, and public irrigation systems.
 Basis of classification for small or large commercial and industrial sales is customer's NAICS code.

300

4 b & c

300

5 b & c

Arizona Public Service Company
 ELECTRIC UTILITY ANNUAL REPORT
 ELECTRIC OPERATION AND MAINTENANCE EXPENSES
 12/31/2023

PAGE 320			
ELECTRIC OPERATION AND MAINTENANCE EXPENSES			
If the amount for previous year is not derived from previously reported figures, explain in footnote.			
Line No.	Account (a)	Amount for Current Year (b) December 31, 2023	Amount for Previous Year (c) December 31, 2022
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	8,283,423	7,604,735
5	(501) Fuel	274,239,603	337,259,879
6	(502) Steam Expenses	34,492,110	23,088,707
7	(503) Steam from Other Sources	—	—
8	(Less) (504) Steam Transferred-Cr.	—	—
9	(505) Electric Expenses	1,338,338	1,835,022
10	(506) Miscellaneous Steam Power Expenses	20,659,477	17,210,063
11	(507) Rents	1,755,673	1,688,714
12	(509) Allowances	10,408,222	4,579,759
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	351,176,846	393,266,879
14	Maintenance		
15	(510) Maintenance of Supervision and Engineering	4,834,587	5,283,397
16	(511) Maintenance of Structures	15,695,985	15,301,569
17	(512) Maintenance of Boiler Plant	26,263,850	22,724,946
18	(513) Maintenance of Electric Plant	4,036,626	4,313,003
19	(514) Maintenance of Miscellaneous Steam Plant	7,021,384	7,524,884
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	57,852,432	55,147,799
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	409,029,278	448,414,678
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering	21,963,263	19,931,357
25	(518) Fuel	54,029,945	58,560,715
26	(519) Coolants and Water	18,396,253	16,867,395
27	(520) Steam Expenses	8,756,173	7,884,425
28	(521) Steam from Other Sources	—	—
29	(Less) (522) Steamed Transferred-Cr.	—	—
30	(523) Electric Expenses	12,015,260	10,604,022
31	(524) Miscellaneous Nuclear Power Expenses	40,072,143	39,326,387
32	(525) Rents	21,271,091	21,271,091
33	TOTAL Operation (Enter Total of lines 24 thru 32)	176,504,128	174,445,392
34	Maintenance		
35	(528) Maintenance Supervision and Engineering	5,799,523	6,875,422
36	(529) Maintenance of Structures	2,852,029	2,682,652
37	(530) Maintenance of Reactor Plant Equipment	10,747,168	11,499,642
38	(531) Maintenance of Electric Plant	13,649,714	12,964,776
39	(532) Maintenance of Miscellaneous Nuclear Plant	3,390,346	2,922,643
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)	36,438,780	36,945,135
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)	212,942,908	211,390,527
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering	—	—
45	(536) Water for Power	—	—
46	(537) Hydraulic Expenses	—	—
47	(538) Electric Expenses	—	—
48	(539) Miscellaneous Hydraulic Power Generation Expenses	—	—
49	(540) Rents	—	—
50	TOTAL Operation (Enter Total of lines 44 thru 49)	—	—
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering	—	—
54	(542) Maintenance of Structure	—	—
55	(543) Maintenance of Reservoirs, Dams, and Waterways	—	—
56	(544) Maintenance of Electric Plant	—	—
57	(545) Maintenance of Miscellaneous Hydraulic Plant	—	—
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)	—	—
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)	—	—

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If the amount for previous year is not derived from previously reported figures, explain in footnote.			
Line No.	Account (a)	Current Year (b)	Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	12,665,564	13,194,247
63	(547) Fuel	565,205,381	512,210,357
64	(548) Generation Expenses	10,726,128	10,237,163
64.1	(548.1) Operation of Energy Storage Equipment	—	—
65	(549) Miscellaneous Other Power Generation Expenses	82,909,680	61,284,512
66	(550) Rents	532,458	555,571
67	TOTAL Operation (Enter Total of lines 62 thru 66)	672,039,211	597,481,850
68	Maintenance		
69	(551) Maintenance Supervision and Engineering	1,373,913	1,654,460
70	(552) Maintenance of Structures	8,769,803	7,005,767
71	(553) Maintenance of Generating and Electric Plant	33,827,741	34,371,680
71.1	(553.1) Maintenance of Energy Storage Equipment	—	—
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	3,403,931	3,322,622
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	47,375,388	46,354,529
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	719,414,599	643,836,379
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	906,173,275	690,076,418
76.1	(555.1) Power Purchased for Storage Operations	(12,214,145)	—
77	(556) System Control and Load Dispatching	(3,389,768)	(3,308,559)
78	(557) Other Expenses	(23,516,098)	4,240,227
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	867,053,264	691,008,086
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	2,208,440,049	1,994,649,670
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	1,658,220	1,365,411
84			
85	(561.1) Load Dispatch-Reliability	3,452,388	3,627,497
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	3,536,111	3,715,614
87	(561.3) Load Dispatch-Transmission Service and Scheduling	954,446	886,668
88	(561.4) Scheduling, System Control and Dispatch Services	2,728,729	2,615,970
89	(561.5) Reliability, Planning and Standards Development	2,490,503	2,369,000
90	(561.6) Transmission Service Studies	247	—
91	(561.7) Generation Interconnection Studies	104,468	89,097
92	(561.8) Reliability, Planning and Standards Development Services	997,959	900,617
93	(562) Station Expenses	988,319	925,380
93.1	(562.1) Operation of Energy Storage Equipment	—	—
94	(563) Overhead Lines Expenses	2,673,976	2,131,496
95	(564) Underground Lines Expenses	29,830	72,675
96	(565) Transmission of Electricity by Others	44,922,755	41,137,207
97	(566) Miscellaneous Transmission Expenses	17,992,235	14,783,549
98	(567) Rents	9,098,266	8,504,825
99	TOTAL Operation (Enter Total of lines 83 thru 98)	91,628,452	83,125,006
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	554,699	625,566
102	(569) Maintenance of Structures	1,184,390	1,187,332
103	(569.1) Maintenance of Computer Hardware	—	—
104	(569.2) Maintenance of Computer Software	—	—
105	(569.3) Maintenance of Communication Equipment	202,965	203,653
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant	—	—
107	(570) Maintenance of Station Equipment	4,316,689	6,420,631
107.1	(570.1) Maintenance of Energy Storage Equipment	—	—
108	(571) Maintenance of Overhead Lines	3,280,685	4,374,845
109	(572) Maintenance of Underground Lines	423,387	323,564
110	(573) Maintenance of Miscellaneous Transmission Plant	2,855	23
111	TOTAL Maintenance (Total of lines 101 thru 110)	9,965,670	13,135,614
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	101,594,122	96,260,620

PAGE 322			
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)			
Line No.	Classification (a)	Current Year (b)	Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision	—	—
116	(575.2) Day-Ahead and Real-Time Market Facilitation	2,675,401	1,963,999
117	(575.3) Transmission Rights Market Facilitation	—	—
118	(575.4) Capacity Market Facilitation	—	—
119	(575.5) Ancillary Services Market Facilitation	—	—
120	(575.6) Market Monitoring and Compliance	—	—
121	(575.7) Market Facilitation, Monitoring and Compliance Services	—	—
122	(575.8) Rents	—	—
123	Total Operation (Lines 115 thru 122)	2,675,401	1,963,999
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements	—	—
126	(576.2) Maintenance of Computer Hardware	—	—
127	(576.3) Maintenance of Computer Software	—	—
128	(576.4) Maintenance of Communication Equipment	—	—
129	(576.5) Maintenance of Miscellaneous Market Operation Plant	—	—
130	Total Maintenance (Lines 125 thru 129)	—	—
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)	2,675,401	1,963,999
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	2,913,756	3,267,408
135	(581) Load Dispatching	2,951,119	2,487,100
136	(582) Station Expenses	1,400,451	1,162,834
137	(583) Overhead Line Expenses	753,818	982,909
138	(584) Underground Line Expenses	807,835	1,008,963
138.1	(584.1) Operation of Energy Storage Equipment	—	—
139	(585) Street Lighting and Signal System Expenses	82	258
140	(586) Meter Expenses	7,511,137	6,905,041
141	(587) Customer Installations Expenses	20,281	13,684
142	(588) Miscellaneous Expenses	52,727,416	56,403,747
143	(589) Rents	673,927	721,664
144	TOTAL Operation (Enter Total of lines 134 thru 143)	69,759,822	72,953,608
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	746,739	1,007,679
147	(591) Maintenance of Structures	22,505	(14)
148	(592) Maintenance of Station Equipment	5,885,770	5,155,367
148.1	(592.2) Maintenance of Energy Storage Equipment	—	—
149	(593) Maintenance of Overhead Lines	20,864,788	20,119,953
150	(594) Maintenance of Underground Lines	7,874,483	8,194,650
151	(595) Maintenance of Line Transformers	3,043,860	2,368,876
152	(596) Maintenance of Street Lighting and Signal Systems	321,729	490,289
153	(597) Maintenance of Meters	—	—
154	(598) Maintenance of Miscellaneous Distribution Plant	2,745,566	2,555,841
155	TOTAL Maintenance (Total of lines 146 thru 154)	41,505,440	39,892,641
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	111,265,262	112,846,249
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision	7,154,949	7,675,376
160	(902) Meter Reading Expenses	1,217,591	1,421,844
161	(903) Customer Records and Collection Expenses	49,646,000	44,786,460
162	(904) Uncollectible Accounts	23,399,340	17,005,615
163	(905) Miscellaneous Customer Accounts Expenses	93,972	217,403
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	81,511,852	71,106,698

PAGE 323			
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)			
If the amount for previous year is not derived from previously reported figures, explain in footnote.			
Line No.	(a)	(b)	(c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision	10,000	45,284
168	(908) Customer Assistance Expenses	70,183,430	57,445,021
169	(909) Informational and Instructional Expenses	307,737	336,753
170	(910) Miscellaneous Customer Service and Informational Expenses	883,140	1,009,467
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	71,384,307	58,836,525
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision	—	—
175	(912) Demonstrating and Selling Expenses	9,346,313	9,053,807
176	(913) Advertising Expenses	—	—
177	(916) Miscellaneous Sales Expenses	4,245,661	4,685,450
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	13,591,974	13,739,257
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	112,564,488	106,457,563
182	(921) Office Supplies and Expenses	8,662,238	9,373,519
183	(Less) (922) Administrative Expenses Transferred-Credit	30,800,000	30,800,000
184	(923) Outside Services Employed	57,383,791	58,643,736
185	(924) Property Insurance	5,418,937	3,940,023
186	(925) Injuries and Damages	24,056,456	11,356,229
187	(926) Employee Pensions and Benefits	38,007,569	(6,409,483)
188	(927) Franchise Requirements	—	—
189	(928) Regulatory Commission Expenses	25,176,165	22,739,161
190	(929) (Less) Duplicate Charges-Cr.	—	—
191	(930.1) General Advertising Expenses	6,855,038	9,841,274
192	(930.2) Miscellaneous General Expenses	(51,873,488)	(46,167,001)
193	(931) Rents	6,779,600	6,566,100
194	TOTAL Operation (Enter Total of lines 181 thru 193)	202,230,794	145,541,121
195	Maintenance		
196	(935) Maintenance of General Plant	14,575,965	14,308,105
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	216,806,759	159,849,226
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	2,807,269,726	2,509,252,244

Arizona Public Service Company
 ELECTRIC UTILITIY ANNUAL REPORT
 UTILITY SHUTOFFS / DISCONNECTS
 12/31/23

UTILITY SHUTOFFS / DISCONNECTS			
Month	Termination without Notice R14-2-211.B	Termination with Notice R14-2- 211.C	Other
January	0	7,882	0
February	0	2,796	0
March	1	5,202	0
April	0	3,098	0
May	0	2,193	0
June	1	184	0
July	0	261	0
August	1	239	0
September	0	168	0
October	2	315	0
November	0	1,235	0
December	0	10,968	0
Total	5	34,541	0

Other (description):

N/A

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.