



ORIGINAL



50

Linda A. Thompson
Director
Compliance

Tel 602-250-2366
Fax 602-250-2873
e-mail:Linda.Thompson@aps.com
<http://www.aps.com>

Mail Station 8995
P.O. Box 53999
Phoenix, AZ 85072-3999

April 16, 2007

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, Arizona 85007

RE: ANNUAL REPORTING REQUIREMENTS UNDER APS CODE OF CONDUCT DECISION NO. 68741
DOCKET NO.s: ~~E-00000A-01-0630~~ and E-00000A-01-0630
NOTICE OF CORRECTION

Dear Sir or Madame:

Arizona Public Service Company "(APS)" submitted it's Code of Conduct Annual Report to the Arizona Corporation Commission on Friday, April 13, 2006.

In review of the documents filed, it has come to our attention that initial header on Attachment 2 contains an inadvertent transposition and should read: "Charges to APS by PWCC". Please replace the document received on Friday with the attached revised Attachment 2.

If you should have any questions regarding the information contained herein, please call me at 602-250-2366.

Sincerely,

Linda A. Thompson

LAT/srm

Attachment

CC: Docket Control (Original, plus 14 copies)
Brian Bozzo, Compliance and Enforcement

Arizona Corporation Commission
DOCKETED

APR 16 2007

DOCKETED BY

RECEIVED
2007 APR 16 P 2:50
AZ CORP COMMISSION
DOCUMENT CONTROL

**Arizona Public Service Company ("APS") and Pinnacle West Capital Corporation ("PWCC")
Non-Tariffed Affiliate Charges - Year Ending 2006**

<u>Charges to APS by PWCC</u>	<u>Category of Service</u>	<u>FN</u>	<u>Amount</u>
Common stock dividends			\$170,000,000
APS share of withholding and payroll taxes			166,662,063
APS Share of estimated income taxes			131,140,000
APS share of employee benefits (excluding pension and other postretirement benefits)			90,193,835
APS share of pension and other post retirement benefits contributions			73,173,201
APS share of savings plan payroll deductions			43,266,232
Shared Services		(a), (b)	22,384,082
<u>Charges to PWCC by APS</u>			
Equity Infusion			\$210,000,000
Intercompany Purchases and Sales of Power			29,372,764
Income tax refunds			13,308,998
Transmission service			5,063,732
Shared Services		(c),(d)	1,374,338
Energy Risk Management			296,318
Power Marketing Services			1,850,699

(a) Shared services include audit services, general administration, law and business practices, PNW finance, public/federal affairs, and shareholder services.

(b) \$3,114,727 of Shared Services are below the line dollars

(c) Shared services include tax services, accounting and finance, corporate communications, real estate management, environmental services, human resources, and information technology.

(d) (\$9,402) of Shared Services are below the line dollars