

ORIGINAL  
**APS**



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November 7, 2008

Mr. Ernest Johnson  
Director, Utilities Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

RE: CALCULATION OF CAPITAL STRUCTURE  
DOCKET NO. E-01345A-02-0707

Dear Mr. Johnson:

Page 42, Line 15 of Decision No. 65796 states that:

“APS shall file with the Commission a calculation of capital structure within one week of filing a 10-Q or 10-K.”

Arizona Public Service Company (“APS”) is submitting the Calculation of Capital Structure for the quarter ending September 30, 2008.

If you should have any questions regarding the information contained herein, please call Mr. Zachary Fryer at 602-250-4167.

Sincerely,

*Barbara Klemstine* / 254

Barbara Klemstine

BK/dst

Attachments

Cc: Brian Bozzo  
Docket Control (Original + 13 copies)

Arizona Corporation Commission  
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2008 NOV -7 P 4: 26

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**Arizona Public Service Company  
Capital Structure  
September 30, 2008  
(\$000)**

|   |                  |
|---|------------------|
| <b>Common Equity</b>                          | 3,476,993        |
| Long Term Debt less Current Maturities        | 2,850,175        |
| Current Maturities of Long Term Debt          | 930              |
| <b>Total Debt</b>                             | <u>2,851,105</u> |
| <b>Total Common Equity and Long Term Debt</b> | <b>6,328,098</b> |
| <b>ACC Common Equity Ratio *</b>              | <b>54.9%</b>     |

\* Calculated in accordance with ACC Decision No. 65796, page 8, Satff Condition No. 7.