

**Subject:** Update on Alexander Substation situation

Earlier today in *Corporate News*, it was reported a fire occurred at APS' Alexander Substation, near the company's Deer Valley complex. After review of the situation by both APS personnel and the Phoenix Fire Department, it was learned there was no fire at the facility. Rather, it was determined a capacity breaker failed, causing the equipment to visibly give off smoke.

There were no customer outages -- or injuries -- resulting from the incident.