

Updated Inadvertent Release of System Trading Data

On July 17, 2007, an APS shared service employee preparing an electronic report on APS Energy Services' trading data inadvertently included other trading data in the report. As a result, when the APS employee transmitted the report electronically to an APS Energy Services employee, although an inadvertent error, the report included APS system trading data, which does not appear to provide useful information to APSES. Upon opening the e-mail that included the report, the APS Energy Services employee immediately recognized that the data was incorrect and should not have been provided and deleted the e-mail without retaining or noting any of the data. APS regulatory compliance employees were advised of the situation immediately and subsequently conducted interviews of the APS and APS Energy Services employees and analyzed related e-mail records. As a result of their examination, APS regulatory compliance employees confirmed the information included herein.