



News Release

Puget Sound Energy: Enron Bankruptcy Poses No Liability

BELLEVUE, Wash., Dec 26, 2001 (BUSINESS WIRE) -- Puget Sound Energy, the utility subsidiary of Puget Energy (NYSE:PSD), reported today that the collapse of Enron Corp. is not expected to have negative financial consequences for the company.

"Based on our existing contracts and estimates of forward energy prices, we are in a net payable position to Enron," said PSE Vice President and Chief Financial Officer Richard Hawley.

The utility issued the statement in response to recent Wall Street speculation over which utilities across the nation might be left holding uncollectable debts in the wake of Enron's Dec. 2 bankruptcy filing.

Certain statements contained in this news release, including statements with respect to future revenues, are "forward-looking statements" within the meaning of the federal securities laws. Although Puget Sound Energy, the utility subsidiary of Puget Energy (NYSE:PSD), believes that the expectations reflected in such statements are reasonable, there can be no assurance that the expected results will be achieved. For additional information concerning certain assumptions, risks, and uncertainties involved in the forward-looking statements contained herein, please refer to Puget Energy's reports on file with the SEC.

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