



News Release

PSE Files Suit Over Violated Agreements

BELLEVUE, Wash.--(BUSINESS WIRE)--Feb. 5, 2001--Puget Sound Energy, the utility subsidiary of Puget Energy (NYSE:PSD), on Friday (Feb. 2, 2001) filed suit against six large industrial customers and the organization representing them for violating the terms of their agreements with the utility.

The lawsuit, filed in King County Superior Court, seeks monetary damages from the named parties. The lawsuit charges the industries with attempting to void contracts under which they agreed to buy electricity from PSE at prices tied to the going wholesale market price for power. The companies insisted on that arrangement in 1996 and promised in writing not to support changes to it before their agreements expired. When wholesale-power costs rose significantly last year, the industries filed a complaint with the Washington Utilities and Transportation Commission seeking to change the terms of their agreement, resulting in the PSE legal action.

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