



News Release

Dividends Declared on Puget Energy Common, Puget Sound Energy Preferred Stock

BELLEVUE, Wash.--(BUSINESS WIRE)--Oct. 12, 2006--The Board of Directors of Puget Energy (NYSE:PSD) and Puget Sound Energy, a wholly owned subsidiary, today declared quarterly dividends on the company's common and preferred stock.

A quarterly dividend of 25 cents per share was declared on Puget Energy's common stock payable Nov. 15, 2006 to shareholders of record as of the close of business Oct. 23, 2006. The dividend is the 253rd consecutive quarterly dividend paid by Puget Energy and its predecessor companies.

The Board of Directors declared quarterly dividends on Puget Sound Energy preferred stock at the rates shown below:

Quarterly dividends declared 10/12/2006 on Puget Sound Energy preferred stock:

SERIES	DIVIDEND	PAYMENT DATE	RECORD DATE
4.70%	\$1.175	Nov. 15, 2006	Oct. 23, 2006
4.84%	\$1.21	Nov. 15, 2006	Oct. 23, 2006

About Puget Energy

Puget Energy (NYSE:PSD) is the parent company of Puget Sound Energy (PSE), a regulated utility, providing electric and natural gas service to the growing Puget Sound region of western Washington.

About Puget Sound Energy

Washington state's oldest and largest energy utility, with a 6,000-square-mile service area stretching across 11 counties, Puget Sound Energy (PSE) serves more than 1 million electric customers and 700,000 natural gas customers, primarily in western Washington. PSE meets the energy needs of its growing customer base through incremental, cost-effective energy efficiency, low-cost procurement of sustainable energy resources, and far-sighted investment in the energy-delivery infrastructure. For more information, visit www.pse.com.

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SOURCE: Puget Energy