



## News Release

### Puget Sound Energy Announces Planned Redemption of 8.40% Trust Originated Preferred Securities of Puget Sound Energy Capital Trust II

BELLEVUE, Wash.--(BUSINESS WIRE)--May 22, 2006--Puget Sound Energy, a wholly owned subsidiary of Puget Energy (NYSE:PSD), announced today that Puget Sound Energy Capital Trust II will redeem all 8 million outstanding 8.40% Trust Originated Preferred Securities (NYSE:PSDPR)(CUSIP No. 74531W201) at \$25 per share plus accrued and unpaid distributions to the redemption date. The redemption will take place on June 30, 2006. After the redemption date, distributions will cease to accrue. Distributions to be paid on June 30, 2006 will be paid in the normal manner to record holders as of June 29, 2006, in the amount of \$0.525 per Preferred Security.

Puget Sound Energy Capital Trust II is a Delaware trust established in 2001 by Puget Sound Energy at the time of the Preferred Securities issuance. The Trust owns Puget Sound Energy-issued Junior Subordinated Debentures, which also are being redeemed on June 30, 2006.

The Notice of Redemption will be mailed to holders of record of the Preferred Securities on May 30, 2006. Copies of the Notice of Redemption may be obtained from JP Morgan Institutional Trust Services, the trustee for the Capital Trust, at: JP Morgan Institutional Trust Services, Attn: Investor Relations, PO Box 2320, Dallas, TX 75221-2320 (phone: 1-800-275-2048).

The Preferred Securities are held only in book-entry form through The Depository Trust Company (DTC). Payment of the redemption price will be made through the facilities of DTC.

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SOURCE: Puget Sound Energy