



News Release

Dividends Declared on Puget Energy Common, Puget Sound Energy Preferred Stock; Puget Energy Annual Meeting of Shareholders set for May 9, 2006

BELLEVUE, Wash.--(BUSINESS WIRE)--Jan. 10, 2006--The Board of Directors of Puget Energy (NYSE:PSD) today (January 10) declared quarterly dividends on the company's common stock.

A quarterly dividend of 25 cents per share was declared on Puget Energy's common stock, payable February 15, 2006, to shareholders of record as of the close of business, January 20, 2006. The dividend rate for Puget Energy common stock was unchanged. The dividend will be the 250th consecutive quarterly dividend paid by Puget Energy and its predecessor companies.

The Board of Directors of Puget Sound Energy, which is a wholly-owned subsidiary of Puget Energy, also declared quarterly dividends on Puget Sound Energy preferred stock at rates shown below:

Quarterly dividends declared 01/10/2006 on Puget Sound Energy preferred stock:

SERIES	DIVIDEND	PAYMENT DATE	RECORD DATE
4.70%	\$1.175	Feb. 15, 2006	Jan. 20, 2006
4.84%	\$1.21	Feb. 15, 2006	Jan. 20, 2006

The Board of Directors of Puget Energy also set the date for the company's next Annual Meeting of Shareholders for Tuesday, May 9, 2006, to begin at 10 a.m. Pacific Time. The meeting will be held at the Puget Sound Energy Auditorium, located on the Puget Sound Energy Corporate Campus, 10885 N.E. 4th Street, in Bellevue, Wash.

Shareholders of record as of close of business March 2, 2006, will receive a proxy statement, and be entitled to vote at the Annual Meeting for the election of directors and the ratification of an independent registered public accounting firm for 2006.

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