



News Release

Puget Sound Energy Boosts Its Customers' Supply of Wind Power

Contract with PPM Energy Adds 50 MW of Renewable Resources to Utility Portfolio

BELLEVUE, Wash.--(BUSINESS WIRE)--July 19, 2007--Puget Sound Energy (PSE) (utility subsidiary of Puget Energy (NYSE:PSD)) has moved another step closer to meeting its long-range renewable-energy goals by securing a 20-year purchase of wind power.

Under a contract signed late last week with PPM Energy, PSE is acquiring 50 megawatts (MW) of power output from the Klondike III Wind Project being built in north-central Oregon, near Wasco.

"This contract gives our customers more clean, renewable power, and it comes at a very competitive price," said Kimberly Harris, executive vice president and chief resource officer for PSE. "Our Klondike agreement, together with the 380-MW output of our own Hopkins Ridge and Wild Horse wind farms, takes us a considerable way down the path toward our renewable-energy goals."

The two PSE wind farms, which can meet the electricity needs of 100,000 households, make PSE the largest utility producer of renewable energy in the Pacific Northwest. PSE set a voluntary goal in 2003 of meeting 10 percent of its customers' power needs by 2013 with renewable resources. Meanwhile, Washington voters last fall approved a new law requiring the state's largest utilities to secure 15 percent of their power supply from renewable sources by 2020.

With the additional wind power obtained under the Klondike III contract, PSE will have more than 5 percent of its power supply - approximately 430 MW - coming from renewable resources. By 2020, the utility intends to have about 1,400 MW of renewable power in its portfolio.

Portland, Ore.-based PPM Energy expects its 221-MW Klondike III wind farm, now under construction, to be operational sometime this fall. The facility, alongside PPM's existing Klondike I and Klondike II wind farms, is about 230 miles southeast of Seattle.

About Puget Sound Energy

Washington state's oldest and largest energy utility, with a 6,000-square-mile service territory stretching across 11 counties, Puget Sound Energy (PSE) serves more than 1 million electric customers and 718,000 natural gas customers. A subsidiary of Puget Energy (NYSE:PSD), PSE meets the energy needs of its growing customer base through incremental, cost-effective energy conservation, low-cost procurement of sustainable energy resources, and far-sighted investment in the energy-delivery infrastructure. Visit PSE.com for more information.

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