



News Release

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

Puget Energy annual meeting of shareholders set for May 4, 2007

BELLEVUE, Wash.--(BUSINESS WIRE)--Jan. 9, 2007--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 Feb. 15, 2007, to shareholders of record as of the close of business Jan. 19, 2007. The dividend is the 254th 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 Jan. 9, 2007, on Puget Sound Energy preferred stock:

SERIES	DIVIDEND	PAYMENT DATE	RECORD DATE
4.70%	\$1.175	Feb. 15, 2007	Jan. 19, 2007
4.84%	\$1.21	Feb. 15, 2007	Jan. 19, 2007

The board of directors of Puget Energy also set the date for the company's next annual meeting of shareholders for Friday, May 4, 2007, to begin at 10 a.m. PT. The meeting will be held at the Puget Sound Energy auditorium at 10885 N.E. Fourth St., Bellevue, Wash.

Shareholders of record as of close of business March 2, 2007, will receive a proxy statement and be entitled to vote at the annual meeting. At the meeting, shareholders will vote on the election of directors, establishment of a majority voting standard for the election of directors, an amended and restated employee stock purchase plan, and the ratification of the appointment of PricewaterhouseCoopers LLP as the company's independent registered public accounting firm for 2007.

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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