



News Release

Puget Energy and Puget Sound Energy Realign Senior Officers to Broaden and Focus Management Team

New Assignments Include CFO, COO and CRO

BELLEVUE, Wash.--(BUSINESS WIRE)--May 8, 2007--Puget Energy (NYSE:PSD) and its utility subsidiary, Puget Sound Energy (PSE), today announced the elections, effective immediately, of Eric M. Markell, 55, to executive vice president and chief financial officer, Bertrand A. Valdman, 44, to executive vice president and chief operating officer, and Kimberly J. Harris, 43, to executive vice president and chief resource officer.

"We are making a strong leadership team even stronger," said Stephen P. Reynolds, chairman, president and chief executive officer. "These three outstanding and versatile executives are proven leaders with a clear vision of doing what's best for the company and our customers.

"Their new assignments will broaden and focus the management expertise of our entire leadership team," said Reynolds. "This realignment adds more focus to our efforts to continue to improve our gas and electric service to customers, to our development of a full range of energy and energy efficiency resources, and to improving our financial ability to deliver on our region's expectations."

Markell succeeds Valdman as CFO for Puget Energy and PSE, and will also oversee Regulatory Policy for PSE. Markell most recently was senior vice president of Energy Resources, responsible for identifying PSE's requirements for new energy supplies, acquiring the resources for both short- and long-term customer needs as well as managing ongoing operations of energy facilities and contracts.

Prior to joining PSE in 2002, Markell was CFO of Club One, Inc. in San Francisco, Calif. He has also served as vice president and CFO of United American Energy Corp. in Woodcliff Lake, N.J. Markell is a past treasurer and controller of Central Hudson Gas & Electric Corporation. Before that, he was vice president and treasurer of the New York State Energy Research & Development Authority.

Markell succeeds Valdman who served as CFO since joining the company in 2003 from JP Morgan in New York, where he was a managing director in the utility group. In his new role as COO, a new position for PSE, Valdman will be responsible for the management of PSE's regulated electric and natural gas distribution operations. He will also oversee the Customer Service, Information Technology, Major Account and Community Affairs functions of Washington state's oldest and largest utility. Valdman held a series of management positions with JP Morgan between 1987 and 2003 in New York and Paris.

As CRO, a new position for PSE, Harris will head the Energy Resources, Energy Efficiency Services, and federal Government Relations functions. She will have responsibility for power plant operations, gas supply and energy portfolio management. Harris most recently was senior vice president of Regulatory Policy and Energy Efficiency. In that position her primary responsibilities included federal and state regulatory activities, negotiations and collaborative efforts with regulators and constituents, and overseeing the company's nationally recognized Energy Efficiency programs.

Harris joined PSE in 1999 and has held several key leadership positions, including vice president of Regulatory and Government Affairs, and associate general counsel and director of Load Resource Strategies. In private law practice before joining PSE, Harris worked for Perkins Coie LLP and Wagstaff, Alvis, Stubbeman, Seamster and Longacre.

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 primarily 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 718,000 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.

CAUTIONARY STATEMENT: Certain statements contained in this news release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, among which include PSE's plans relating to utility plant additions and expenses, and factors that could impact Puget Energy's earnings guidance for the year-end 2007. Forward-looking statements are based on the opinions and estimates of management at the time the statements are made and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements. Factors that could affect actual results include, among others, governmental policies and regulatory actions, including those of the Washington Utilities and Transportation Commission, and weather conditions. More information about these and other factors that potentially could affect the company's financial results is included in Puget Energy's and PSE's most recent annual report on Form 10-K, quarterly report on Form 10-Q and in their other public filings filed with the Securities and Exchange Commission. Except as required by law, Puget Energy and PSE undertake no obligation to update any forward-looking statements.

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