MCLAIN SUSAN Form 4 March 02, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

2. Issuer Name and Ticker or Trading

OMB APPROVAL

Number: 3235-0287

Expires: January 31, 2005

Estimated average burden hours per response... 0.5

5. Relationship of Reporting Person(s) to

Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

may continue.

See Instruction

30(h) of the Investment Company Act of 1940

1(b).

Common

Common

Common

02/28/2007

02/28/2007

(Print or Type Responses)

1. Name and Address of Reporting Person *

(Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year)
(Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person
Person
(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owner
1.Title of Security (Month/Day/Year) 2. Transaction Date (Month/Day/Year) 2. Transaction Date, if Transaction(A) or Disposed of (D) Securities Form: Direct Indirect (Instr. 3) 2. Transaction Date, if Transaction(A) or Disposed of (D) Securities Form: Direct Indirect (D) or Benefic (Instr. 8) 2. Amount of Securities Form: Direct Indirect (D) or Benefic (Instr. 8) 4. Securities Acquired Securities Form: Direct Indirect (D) or Benefic (Instr. 4) (Instr. 4) (Instr. 4) (Instr. 4) (Instr. 4)
(A) Transaction(s) or (Instr. 3 and 4) Code V Amount (D) Price
(A) Transaction(s) or (Instr. 3 and 4)

D

D

24 51

343

1,296

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

F

D

Persons who respond to the collection of information contained in this form are not (9-02)

28,204

26,908

1,981

D

D

I

By 401(k)

Edgar Filing: MCLAIN SUSAN - Form 4

required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instr. 8)	Disposed	ve es d (A) or	6. Date Exercis Expiration Dat (Month/Day/Y	te	7. Title and A Underlying S (Instr. 3 and 4
			Code V	(A)	(D)	Date Exercisable	Expiration Date	Title
LTIP	<u>(3)</u>	02/28/2007	J <u>(4)</u>		15,687	12/31/2006	12/31/2006	Common
LTIP	<u>(5)</u>	02/28/2007	A	6,223		12/31/2009	12/31/2009	Common
LTIP - 3 year cycle	(2)	02/28/2007	M		15,026	12/31/2006	12/31/2006	Common
LTIP	\$ 0 (6)					12/31/2007	12/31/2007	Common
LTIP	\$ 0 (5)					12/31/2008	12/31/2008	Common
PSE Deferred Compensation Plan	\$ 0 (7) (8)					<u>(7)</u>	<u>(7)</u>	Common

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			

MCLAIN SUSAN 10885 NE 4TH STREET, PSE-12 BELLEVUE, WA 980045591

Sr. VP Operations

Dolotionchin

Signatures

By: /s/ James W. 03/02/2007 Eldredge

**Signature of Reporting Date
Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- Performance based restricted stock grants under the Puget Energy Long Term Incentive Plan (LTIP) for Officers and Key Employees with dividend rights. Performance based restricted stock vests over a three-year period only if performance criteria are met. If performance criteria for vesting of the shares is met, 15% of performance shares will vest on January 1, 2008, 25% on January 1, 2009 and 60% on January 1, 2010.

Reporting Owners 2

Edgar Filing: MCLAIN SUSAN - Form 4

- (2) Represents an award of 2004-2006 Puget Energy Long Term Incentive Plan performance shares.
- (3) LTIP share grants under the Puget Energy Long-Term Incentive Plan for Officers and Key Employees. LTIP Shares are paid in Puget Energy stock when vested in an amount ranging from zero to 175% of LTIP Share Grants.
- (4) 0 shares were awarded for the 2003-2006 LTIP cycle grants. Outstanding share grants were forfeited.
- Performance shares grants under the Puget Energy Long Term Incentive Plan (LTIP) for Officers and Key Employees. LTIP performance shares are paid in stock (or cash) when vested from zero to 175% of LTIP performance shares granted.
- (6) LTIP share grants under the Puget Energy Long-Term Incentive Plan for Officers and Key Employees. LTIP Shares are paid in stock (or up to 50% in cash) when vested in an amount ranging from zero to 155.5% of LTIP Share Grants.
- (7) Phantom share units deferred in the Puget Sound Energy Deferred Compensation Plan.
- (8) One common share will be received for each stock unit.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.