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**FOR IMMEDIATE RELEASE**

**Allegheny Energy, Inc. Subsidiary Completes Purchase of UtiliCorp United's  
West Virginia Power Division**

**Hagerstown, Md., January 4, 2000** - Allegheny Power, the energy delivery company of Allegheny Energy, Inc. (NYSE: AYE), has successfully completed its \$75 million purchase of the assets of West Virginia Power, a division of UtiliCorp United Inc. (NYSE: UCU). The transaction, which has been approved by six regulatory agencies since it was announced in mid-September, is expected to provide shareholder value and be accretive to earnings in the first year. Allegheny assumed ownership on Jan. 1, 2000.

“This acquisition is one of several strategic growth initiatives for Allegheny Energy in becoming a premier national energy provider,” said Alan J. Noia, Chairman, President, and Chief Executive Officer of Allegheny Energy. “It is one step toward advancing our strategy of diversifying our energy delivery business by adding natural gas to our fuel portfolio, and, by adding more than 50,000 electric and gas customers, we are growing our customer base. Additionally, we set out to complete the transaction in three months, and we are extremely pleased we have met our objective.”

Required regulatory approvals included the West Virginia Public Service Commission, the Federal Energy Regulatory Commission, the Federal Trade Commission/Department of Justice, the Securities and Exchange Commission, the Federal Communications Commission, and the Iowa Public Service Commission.

“In the coming months, we will focus on integrating West Virginia Power into Allegheny's operations,” said Noia. “We want to ensure that we build upon the improvements made by UtiliCorp and deliver our operating expertise, which will provide benefits to customers, employees, and shareholders. Allegheny Power ranked second in the eastern United States in a recent national residential customer satisfaction study, and we are looking forward to continuing to provide quality service to our new customers across central and southern West Virginia.”

The Company currently delivers electric service to more than 1.4 million customers across parts of Maryland, Ohio, Pennsylvania, Virginia, and West Virginia. Allegheny's facilities include 19 power stations; a state-of-the-art Customer Service Center; and 45 operating service centers. Those operations employ nearly 5,000 people.

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Allegheny also exercised its option to purchase UtiliCorp's Appalachian Heating and Kerstein Heating businesses--which are heating, ventilation, and air conditioning installation and service operations with locations in south and central West Virginia.

Allegheny Energy, Inc. is a diversified energy company headquartered in Hagerstown, Md. The Allegheny Energy family includes *Allegheny Power*, which delivers electric energy to three million people in parts of Maryland, Ohio, Pennsylvania, Virginia, and West Virginia; *Allegheny Energy Supply Company*, which operates and markets competitive retail and wholesale electric generation and operates regulated electric generation for its affiliates; and *Allegheny Ventures*, which actively invests in and develops energy-related and telecommunications projects. For more information, check our web site at [www.alleghenyenergy.com](http://www.alleghenyenergy.com).

*Certain statements above constitute forward-looking statements with respect to Allegheny Energy, Inc. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results, performance, or achievements of Allegheny Energy to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors may affect Allegheny Energy's operations, markets, products, services, and prices. Such factors include, among others, the following: general and economic and business conditions; industry capacity; changes in technology; changes in political, social, and economic conditions; regulatory matters; integration of the operations of Allegheny Energy; regulatory conditions applicable to the transaction; the loss of any significant customers; and changes in business strategy or business plans.*

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