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**FOR IMMEDIATE RELEASE**

**Allegheny Energy To Acquire Interest In  
Conemaugh Generating Station For \$76.25 Million**

**Hagerstown, Md., May 19, 2000** — Allegheny Energy, Inc. (NYSE: AYE) today announced that Allegheny Energy Supply Company, LLC, Allegheny Energy's unregulated generation company, and Potomac Electric Power Company (Pepco) (NYSE: POM) have signed a definitive agreement under which Allegheny Energy Supply and PPL Global, Inc., a subsidiary of PPL Corp. (NYSE: PPL), will each purchase a 50 percent interest in Pepco's generating capacity at the Conemaugh generating station. The purchase price for the 166 megawatts (MW) is \$152.5 million, which Allegheny Energy Supply and PPL Global will split for \$76.25 million in cash. The acquisition will be accounted for as a purchase and be accretive to Allegheny Energy's earnings in the first full year. The purchase will be financed through debt and marks Allegheny Energy's entrance into the Pennsylvania-New Jersey-Maryland (PJM) market.

Alan J. Noia, Chairman, President, and Chief Executive Officer of Allegheny Energy, said, "We are extremely pleased with today's announcement. The purchase of Pepco's interest in the Conemaugh station helps fortify Allegheny Energy's historical strength in generation and is another step towards growing our generation, first regionally and then nationally. Allegheny Energy has a top quality energy supply business--we have the assets, location, scale, and skills to be a significant competitor both in the generation and the marketing of electricity. Over the past year, Allegheny Energy expanded its retail generation sales and marketing into the PJM market. Now, with the purchase of an interest in this plant located within PJM, we will be able to even more effectively provide capacity and energy to customers within this region. Additionally, we are pleased to be partnering with a quality company like PPL Global in this endeavor."

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The 1,711-MW coal-fired generating station is located near Johnstown, Pa. Allegheny Energy Supply and PPL Global are purchasing Pepco's 9.72 percent share in the facility. After the close of the transaction, Allegheny Energy will have a total generating capacity of nearly 10,000 MW.

The completion of the transaction is subject to customary conditions and approvals of various regulatory commissions, including the Federal Energy Regulatory Commission, the Federal Trade Commission/Department of Justice, and the Securities and Exchange Commission. The companies anticipate that regulatory approvals can be completed by the end of 2000.

Allegheny Energy has made substantial progress towards its goal of moving from its current status as a regional provider to a national energy supplier. In 1999, under the leadership of President Peter J. Skrgic, Allegheny Energy Supply added 88 MW of generating capacity in Springdale, Pa., and recently announced construction of another 540 MW there. Additionally, Allegheny Energy Supply is installing 220 MW of natural-gas fired combustion turbine generation at various sites throughout Pennsylvania. On the delivery side of the business, Allegheny Power finalized its purchase of West Virginia Power in late December 1999, giving it 26,000 more electric distribution customers and 24,000 natural gas customers. Allegheny Power is currently seeking final approvals for the purchase of Mountaineer Gas Company (MGC), a wholly owned subsidiary of Energy Corporation of America, Inc. The purchase of MGC assets will provide Allegheny with 200,000 new natural gas customers and the right to 11.7 bcf of gas storage.

Allegheny Energy, Inc. is a diversified energy company headquartered in Hagerstown, Md. The Allegheny Energy family includes *Allegheny Power*, which delivers electric energy and natural gas to about 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, visit 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.*

*Note to Editors: Today's news release, along with other news about Allegheny Energy, Inc., is available on the Internet <http://www.alleghenyenergy.com>.*