



NEWS RELEASE

Allen Stagers
Manager, Communications
724-830-5433

FOR IMMEDIATE RELEASE

SEC Approves Allegheny Energy's Purchase of Mountaineer Gas Company Clears way for closing of the acquisition

Hagerstown, Md., August 14, 2000 – Allegheny Power, the energy delivery company of Allegheny Energy, Inc. (NYSE: AYE), today received approval from the U.S. Securities and Exchange Commission (SEC) of the Company's acquisition of Mountaineer Gas Company, (MGC), a wholly owned subsidiary of Energy Corporation of America.

“The SEC's approval is great news because it completes the regulatory approval process and allows us to complete the acquisition,” said Alan J. Noia, Chairman, President, and Chief Executive Officer of Allegheny Energy, Inc. “Acquiring Mountaineer Gas represents an important step in the growth of our energy delivery business. In the past seven months, with the acquisitions of West Virginia Power and Mountaineer Gas, we will have added more than 250,000 customers, a 15 percent increase, to our customer base. Allegheny's reputation of superior customer service and operational excellence will ensure the success of this regional expansion. This growth is another step in our business strategy to position Allegheny Energy as a leader in the region's energy marketplace.”

The acquisition of Mountaineer Gas Company—West Virginia's largest natural gas provider—will provide the Company with 200,000 new natural gas customers, growing Allegheny Power's service territory to more than 31,000 square miles and its customer base to approximately 1.6 million customers. This is the second acquisition in the past 12 months by Allegheny Power. In December 1999, the Company completed the acquisition of UtiliCorp United's West Virginia Power subsidiary, which added 26,000 electric and 24,000 gas customers. These purchases are advancing Allegheny Power's strategy of growing its business through the acquisition of new customers.

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In addition to the SEC, the Public Service Commission of West Virginia and the Federal Trade Commission/Department of Justice also approved the acquisition. It is expected that the closing date will occur sometime in August.

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, LLC*, 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 telecommunications and energy-related projects. For more information, visit our web site at www.alleghenyenergy.com.

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