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FOR IMMEDIATE RELEASE

Allegheny Energy Subsidiary Launches New Energy-Saving Technology

Hagerstown, Md., September 26, 2000 – Allegheny Energy Solutions, an unregulated subsidiary of Allegheny Energy, Inc. (NYSE: AYE), is teaming up with the Jeannette, Pa., Municipal Authority on a new energy-saving project at its wastewater treatment facility. Allegheny Energy Solutions invests in the development of distributed generation solutions and other energy-related projects.

As part of the project, Allegheny Energy Solutions installed a Capstone MicroturbineTM with a heat recovery unit at the City of Jeannette Municipal Authority wastewater treatment facility. The distributed generation technology provides the City of Jeannette Municipal Authority with a clean-burning, cost-effective solution to reduce energy costs at the plant. The microturbine uses digester gas, which is generated naturally as part of the wastewater treatment process, to produce electricity. Digester gas is made up mostly of methane and carbon dioxide.

“The City of Jeannette Municipal Authority is one of the first municipals to take advantage of the benefits of using this advanced distributed generation technology,” says David Cole, Vice President, Allegheny Energy Solutions. “We are excited about the possibilities that this technology offers. For example, a plant like the City of Jeannette Municipal Authority could realize a 20 percent energy savings with the application of one microturbine running at full output.”

According to Douglas Pike, Superintendent of the treatment plant, “The City of Jeannette Municipal Authority is proud to be part of this pilot project. The technology being used will allow the Authority to save money while using an existing resource – digester gas – and improving air emissions for the environment.”

“Allegheny Energy Solutions is focused on the delivery of energy solutions through distributed on-site power generation and is on the leading edge of distributed generation technologies,” explains Cole. “Through projects like this one, we are furthering our strategy of becoming a regional and national energy solutions provider. We are helping customers save money on energy costs and use energy in an

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environmentally sound manner. Our goal is to expand this program and its benefits to other municipalities who operate wastewater treatment facilities.”

As part of the project, Allegheny Energy Solutions will maintain the microturbine and monitor the unit’s performance.

About Allegheny Energy, Inc.

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