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FOR IMMEDIATE RELEASE

Allegheny Energy to acquire three Enron generating plants
Transforms Company to national supplier with more than 12,000 megawatts

Hagerstown, MD —November 14, 2000 — Allegheny Energy, Inc. (NYSE: AYE) and Enron Corp. (NYSE: ENE) today announced that Allegheny Energy Supply Company, LLC, Allegheny Energy's unregulated generation subsidiary, and Enron North America, a wholly owned subsidiary of Enron, have signed a definitive agreement under which Allegheny Energy Supply will purchase three Enron natural gas-fired merchant generating facilities in the Midwest. The 1,710-megawatts (MW) acquisition is anticipated to be accretive to Allegheny Energy's earnings in 2001, excluding transaction costs and other costs related to the integration. The acquisition will give Allegheny Energy more than 12,000 MW of total generating capacity and marks a significant milestone on the Company's strategic course toward becoming a national energy supplier.

The purchase includes the following Enron generating assets, all of which have been in service since June 2000: the Gleason plant (546 MW) in Gleason, Tenn.; the Wheatland plant (508 MW) in Wheatland, Ind.; and the Lincoln Energy Center plant (656 MW) in Manhattan, Ill. These assets will provide Allegheny Energy with new, natural gas-fired generating capacity within the East Central Area Reliability region (ECAR), Mid-America Interconnected Network (MAIN), and the Southeastern Electric Reliability Council (SERC).

Alan J. Noia, Chairman, President, and Chief Executive Officer of Allegheny Energy, said, "Today's announcement of our purchase of Enron's Midwest generating assets is a pivotal step in our plan to transform from a regional generating company to a national energy supplier. The acquisition of Enron's new, efficient natural-gas fired assets – along with other recently announced generation projects and acquisitions – positions Allegheny Energy in areas of the country with growing demand for energy and significantly advances our corporate strategy to grow our business and its earnings."

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The purchase will be financed through a combination of debt and equity.

The completion of the transaction is conditioned upon, among other things, the approvals of the Federal Energy Regulatory Commission, the Securities and Exchange Commission, and the Department of Justice/Federal Trade Commission. The companies anticipate that regulatory procedures can be completed in the second quarter of 2001.

Salomon Smith Barney acted as financial advisor and Jones, Day, Reavis & Pogue acted as legal counsel for Allegheny Energy.

As previously announced, Allegheny Energy will build a 1,080-MW natural gas combined-cycle plant in La Paz County, Ariz. In addition, the Company expects to close on its purchase of 83 MW at the Conemaugh generating facility in Pennsylvania in early 2001. Plans are also under way to construct 540 MW of natural gas combined-cycle generation in Springdale, Pa., and another 220 MW of peaking capacity is in different phases of construction throughout Pennsylvania.

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.

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: Allegheny Energy Senior Vice President and Chief Financial Officer Michael Morrell will be available to discuss details of this transaction on a live webcast on Nov. 15 at 11 a.m. Visit www.alleghenyenergy.com or www.streetevents.com for an audio link.