

Contact: Janice D. Lantz
Manager, Communications (Supply)
(724) 853-3762

FOR IMMEDIATE RELEASE

**Allegheny Energy Supply to acquire more than 1,700 megawatts
of Enron generating assets**

Greensburg, Pa., November 14, 2000 — Allegheny Energy, Inc. (NYSE: AYE) today announced that its unregulated generation company, Allegheny Energy Supply Company, LLC, and Enron North America, a wholly owned subsidiary of Enron Corp., have signed a definitive agreement for Allegheny Energy Supply to purchase three of Enron's Midwest facilities, which include 1,710 megawatts (MW) of natural gas-fired merchant generating capacity. The acquisition will give the Company a total generating capacity of more than 12,000 MW and represents a pivotal step in the Company's plan to become a national energy supplier.

The acquisition, which will be financed through a combination of debt and equity, is expected to be accretive to Allegheny Energy's earnings in 2001.

"The purchase of Enron's new, natural gas-fired generating assets is a major milestone in accomplishing Allegheny Energy Supply's strategic growth goals," said Peter J. Skrgic, President, Allegheny Energy Supply. "These efficient generating assets give our Company a significant presence in areas of the country where the demand for energy is growing rapidly and advances Allegheny Energy Supply's position as a national energy supplier."

The purchase includes the following Enron generating assets: the Gleason, Tenn., plant (546 MW), located about 40 miles north of Jackson, Tenn.; the Wheatland, Ind., plant (508 MW), located about 70 miles northeast of Evansville, Ind.; and the Lincoln Energy Center plant (656 MW) in Manhattan, Ill., near Chicago. These assets will provide Allegheny Energy Supply 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).

According to Skrgic, the generating facilities are all new construction that went on-line in June 2000. Approximately 30 employees currently work at the facilities.

-more-

“These facilities have been designed with state-of-the-art equipment and ample room for expansion, making them a premium addition to our generating fleet,” he said. “At this time, we plan to maintain the current work force pending review of our resource needs.”

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 in the second quarter of 2001.

Allegheny Energy Supply has made substantial progress towards its goal of becoming a national energy supplier. Just last month, the Company announced that it would construct a 1,080-MW combined-cycle generating facility in LaPaz County, Ariz. Its purchase of 83 MW in the Conemaugh generating facility in Pennsylvania is also expected to close in early 2001. In 1999, Allegheny Energy Supply added 88 MW of generating capacity in Springdale, Pa., and recently announced construction of a 540-MW combined-cycle facility there. Additionally, Allegheny Energy Supply is installing 220 MW of natural gas-fired combustion turbine generation at various sites throughout Pennsylvania.

Allegheny Energy Supply, an Allegheny Energy company, operates and markets competitive retail and wholesale electric generation throughout competitive markets in the eastern United States and operates regulated generation for its affiliates. For more information about Allegheny Energy Supply, visit our web site at www.alleghenyenergysupply.com.

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.