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**FOR IMMEDIATE RELEASE**

**Allegheny Energy, Inc. Announces Executive Leadership Changes**

**Hagerstown, Md., December 18, 2000** — Allegheny Energy, Inc. (NYSE: AYE) today announced the appointment of Michael P. Morrell, Senior Vice President and Chief Financial Officer, as President of its unregulated supply business, Allegheny Energy Supply Company, LLC, effective February 1, 2001. Mr. Morrell will replace Peter J. Skrgic, President, Allegheny Energy Supply, who will be retiring on that date following 37 years of service to the Company.

In his new position, Mr. Morrell will direct and continue the growth of Allegheny's energy supply business, which operates and markets competitive retail and wholesale electric generation throughout competitive markets in the eastern United States and also operates regulated generation for its affiliates. In addition to continuing to advance an already solid growth strategy for Allegheny Energy Supply, Mr. Morrell will identify new opportunities to expand the Company's generation holdings and unlock value for shareholders.

Mr. Morrell will continue to report to Alan J. Noia, Chairman, President, and Chief Executive Officer of Allegheny Energy, Inc.

"Mike has been instrumental in helping to successfully navigate Allegheny Energy through the challenges of moving to a deregulated energy industry," Mr. Noia says. "His knowledge and experience in the energy business will add tremendous value to our growing energy supply business and will help us achieve our goal of becoming a national energy supply company."

Mr. Morrell brings to his new position more than 23 years of experience in the energy industry. He joined Allegheny Energy in 1996 in his current position as Senior Vice President and Chief Financial Officer. Mr. Morrell also serves as Vice President of all Allegheny Energy, Inc. subsidiaries. Prior to joining Allegheny, he held various leadership positions within GPU, Inc., including Vice President and Treasurer for the corporation and Treasurer for all GPU subsidiaries; Vice President – Regulatory and Public Affairs; Vice President – Materials, Service, and Regulatory Affairs; and was a member of the Board of Directors for its subsidiary, Jersey Central Power and Light Company.

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A native of Camilla, Ga., Mr. Morrell is a graduate of the United States Naval Academy in Annapolis, Md., where he earned a bachelor of science degree in oceanography. He served on nuclear submarines in the U.S. Navy from 1971-1976 and was awarded the Navy Commendation Medal and the Navy Achievement Medal. In addition, he holds a master of business administration degree, concentrating in finance and economics, from Fairleigh Dickinson University in Teaneck, N.J. Mr. Morrell is also a Licensed Professional Engineer in Pennsylvania. He and his wife, Rochelle, have two children and reside in the Hagerstown, Md., area. Mr. Morrell, a 1966 graduate of Mitchell County High School, is the son of Ennis and Mattie Lou Morrell of Camilla.

The Company also announces the retirement of Mr. Skrgic, who currently heads Allegheny Energy Supply. Mr. Skrgic, who has been an integral part of Allegheny Energy for nearly four decades, also serves as Senior Vice President of Allegheny Energy, Inc. and of Allegheny Energy Service Corporation and as a Director and Vice President of various Allegheny Energy subsidiaries.

“Pete has demonstrated solid leadership and knowledge of our industry during his career at Allegheny,” says Mr. Noia. “He has played a key role in helping to establish Allegheny Energy Supply as a leading generator and supplier of energy and has expanded this business both regionally and nationally.”

Mr. Skrgic joined Allegheny in 1964 as a Power Production Staff Engineer, working at various power stations operated by Allegheny Energy. In 1970, he was named Operating Superintendent at the Company’s Harrison Power Station, advancing to Director of Power Construction in 1978 and Executive Director of Construction in 1983. Mr. Skrgic was elected a Vice President of the Company and the Vice President of Bulk Power Supply in 1989. He was elected a Senior Vice President of Allegheny Energy, Inc. and of Allegheny Energy Service Corporation in 1994. In 1999, he was named to his current position as President, Allegheny Energy Supply.

A Jeannette, Pa., native, Mr. Skrgic is a graduate of the University of Pittsburgh, where he earned a bachelor’s degree in mechanical engineering. He and his wife, Nadine, reside in Greensburg, Pa., and have three children and two grandchildren.

An S&P 500 company, 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](http://www.alleghenyenergy.com).