



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Allegheny Energy, CONSOL Energy to Construct Generating Facility in Virginia

Hagerstown, Md., June 7, 2001 – Allegheny Energy, Inc. (NYSE: AYE) announced today that it plans to enter into a joint venture with CONSOL Energy, Inc. (NYSE: CNX) to construct an 88-megawatt (MW) natural gas-fired generating facility in Buchanan County, Va. The project adds to the more than 14,000 MW of generating capacity that the Company expects to own or control by 2005 and helps solidify its position as a national energy supplier.

Under the terms of the joint venture, each company will own a 50-percent interest in two General Electric simple-cycle natural gas combustion turbines that will be fueled by coalbed methane produced by CONSOL Energy's CNX Gas Operations. Allegheny Energy Supply, the unregulated generating subsidiary of Allegheny Energy, will operate the facility in southwestern Virginia, and its output will be sold into the competitive marketplace.

“Allegheny Energy is delighted to enter into this project with one of our long-time business partners,” said Michael P. Morrell, President of Allegheny Energy Supply. “Not only does it further our growth strategy for our generating company, but it makes good use of a by-product of the coal industry. We are pleased to be a part of this innovative development project.”

Permitting for the proposed generating facility is under way. The facility is expected to be in operation by mid-2002.

About Allegheny Energy Supply

Allegheny Energy Supply operates and markets competitive retail and wholesale generation in markets throughout the United States and operates regulated generation for its affiliates. With its recently announced acquisitions and expansion plans, Allegheny Energy Supply will have ownership or control of generating capacity of more than 14,000 MW, with assets strategically located throughout the United States.

About Allegheny Energy

Allegheny Energy, Inc. is a diversified energy company headquartered in Hagerstown, Md. We have been named to the *Fortune* 500 list, the Standard and Poor's 500 index, and the *Forbes* “Platinum 400” list. 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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