



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Former FERC Chairman James Hoecker Elected to Allegheny Energy, Inc. Board of Directors

Hagerstown, Md., July 12, 2001 – The Board of Directors of Allegheny Energy, Inc. (NYSE: AYE) today elected James J. Hoecker, immediate past Chairman of the Federal Energy Regulatory Commission (FERC), to serve as a Director on the Allegheny Energy Board.

“We are pleased that Jim is joining the Allegheny Energy Board of Directors,” says Alan J. Noia, Allegheny Energy Chairman of the Board, President, and Chief Executive Officer. “His leadership and experience in the energy industry will be a tremendous asset for Allegheny Energy as we continue to grow as a national energy merchant and move forward with our strategic initiatives in the energy industry.”

Hoecker, 55, is a partner in the Washington, D.C.–New York City law firm of Swidler Berlin Shereff Friedman, LLP. Before leaving federal service, Hoecker was a Commissioner of FERC, beginning in May 1993; was named its Chairman in June of 1997; and ended his tenure in January 2001. During his chairmanship, Hoecker worked to prepare the Commission for its role in the digital economy and the competitive energy market environment of the 21st century. He emphasized the benefits of competition for consumers and the importance of sustainable energy project development. In addition, Hoecker led the industry through power market restructuring, natural gas market reform, and improved environmental review and compliance in the hydropower and gas pipeline areas.

Born in Rhinelander, Wis., Hoecker received his bachelor of arts degree from Northland College; his master of arts and his doctorate of philosophy degrees from the University of Kentucky; and his juris doctorate degree from the University of Wisconsin Law School. He worked in the Commissioner of Insurance Office for the State of Wisconsin and in private practice before joining FERC in 1979, where he served until 1988 as a legal advisor, rising to Assistant General Counsel for Gas and Oil Litigation. Hoecker left FERC in 1988 to become a partner in Keck, Mahin & Cate in Washington, D.C. In 1990, he became Of Counsel to Jones, Day, Reavis & Pogue, also in Washington.

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As a practitioner of energy law, Hoecker will continue to focus on electric utility restructuring matters, as well as gas production and transmission and distribution issues. A long-time resident of Virginia, he resides in Alexandria with his wife, Rebecca. They have two grown children and a new puppy. Hoecker is also an historian and a teacher.

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.

Editor's Note: *Allegheny Energy will provide a photo of the director featured in the above news release. We can send the photo to you electronically or through U.S. mail. To request a photo, please contact Michelle Sonesen via phone 301-790-6394 or e-mail at msonese@alleghenyenergy.com. You may also fax your request to 301-790-6004.*