



NEWS RELEASE

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FOR IMMEDIATE RELEASE

**Allegheny Energy, Inc. Subsidiary Calls for Redemption of
8 Percent Quarterly Income Debt Securities (QUIDS^{sm*})**

Hagerstown, Md., November 6, 2001 – Allegheny Energy, Inc. (NYSE: AYE) announced today that its subsidiary, The Potomac Edison Company, doing business as Allegheny Power, will call on December 7, 2001, for the redemption of all outstanding shares of its 8 percent Quarterly Income Debt Securities (QUIDSsm) Junior Subordinated Deferrable Interest Debentures, Series A (NYSE: PEQ), due September 30, 2025, with a value of approximately \$45.5 million.

A redemption price of \$25 per share plus accrued interest will be paid for shares of the 8 percent QUIIDSsm on December 7, 2001.

Allegheny Energy, Inc. is a diversified energy company headquartered in Hagerstown, Md. It has 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 develops, owns, and operates electric generating facilities and supplies and trades energy and energy-related commodities in selected domestic retail and wholesale markets; and *Allegheny Ventures*, which invests in and develops telecommunications and energy-related projects. For more information, visit our web site at www.alleghenyenergy.com.

**QUIDS is a registered service mark of Goldman Sachs.*