



NEWS RELEASE

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FOR IMMEDIATE RELEASE

At Annual Meeting of Shareholders, Allegheny Energy Chairman Reports That Company Is Making Progress Toward Financial Recovery

New York, N.Y., November 14, 2003 – With a renewed focus on the fundamentals of its core generation and delivery businesses, Allegheny Energy, Inc. (**NYSE: AYE**) continues to make progress toward restoring its financial health, Paul J. Evanson, Allegheny Energy Chairman of the Board, President, and Chief Executive Officer, told shareholders at the Company's Annual Meeting of Shareholders today in New York City, N.Y.

At the meeting, shareholders elected H. Furlong Baldwin, Julia L. Johnson, and Gunnar E. Sarsten to serve on the Board of Directors for three-year terms, which will expire in 2006. Shareholders also approved the appointment of PricewaterhouseCoopers LLP as independent accountants for the Company. Out of the nine shareholder proposals presented at the meeting, shareholders approved two proposals. Approved were proposals regarding a simple majority vote and the annual election of directors.

“Last year was a tough year financially for Allegheny Energy,” Evanson said. “However, we are making progress on a number of critical issues. We have increased liquidity through the issuance of \$300 million convertible trust preferred securities and the sale of non-core assets. We have reduced volatility and virtually eliminated risk in our energy trading portfolio. Our financial reporting is getting back on track. We have assembled a talented, dedicated senior management team focused intently on the fundamentals of our core generation and delivery businesses.”

While these accomplishments are significant, Evanson added that Allegheny Energy will continue to face challenges on its road to financial recovery. However, he informed shareholders that the Company has financial and operational strategies in place to continue its progress.

“In the short-term, we have been working to put a financial plan in place that includes refinancing debt, reducing debt by continuing to pursue the sale of selective non-core assets, maximizing our core businesses and free cash flow, and evaluating the potential of issuing equity,” said Evanson.

He added, “In the longer-term, our financial goals and objectives focus on improving liquidity, strengthening our balance sheet, restoring our investment grade credit ratings, returning to steady and predictable growth, and reinstating a dividend after we have achieved investment-grade status,” he said.

Evanson continued, “Our core businesses are fundamentally sound. We have a stable, proven utility business with a good customer mix and steady growth prospects, and our low-cost generating fleet is well-matched to the regional load. We realize, however, that there is always room for improvement and are reviewing operations to find ways of improving productivity, reducing costs, and enhancing our performance.”

In closing, Evanson reaffirmed the Company’s commitment to restoring its financial health and renewing shareholder value.

“We will continue to take the necessary steps to build a solid financial position, regain investor confidence, and serve our customers well,” he said. “We are working diligently, and, although full recovery will take time, we are confident that we can restore Allegheny Energy as one of the premier companies in the industry.”

Allegheny Energy is an integrated energy company with a portfolio of businesses, including Allegheny Energy Supply, which owns and operates electric generating facilities; and Allegheny Power, which delivers low-cost, reliable electric and natural gas service to about four million people in Pennsylvania, West Virginia, Maryland, Virginia, and Ohio. More information about the Company is available at www.alleghenyenergy.com.

Certain statements contained herein constitute forward-looking statements with respect to Allegheny Energy, Inc. and its subsidiaries within the meanings of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Although Allegheny Energy believes that its forward-looking statements are based on reasonable estimates and assumptions and currently available information, such forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results, performance, or achievements of Allegheny Energy to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Actual results have varied materially and unpredictably in the past. Such factors, either individually or in the aggregate, may affect Allegheny Energy’s operations, markets, products, services, prices, capital expenditures, development activities, and future plans. Such factors include, among others, the following: execution of restructuring activity and liquidity enhancement plans; complications or other factors that render it difficult or impossible to obtain necessary lender consent or regulatory authorizations on a timely basis; general economic and business conditions; changes in access to capital markets; changes in interest rates; the continuing effects of global instability, terrorism and war; changes in industry capacity, development, and other activities by Allegheny’s competitors; changes in the weather and other natural phenomena; changes in technology; changes in the price of power and fuel for electricity generation; changes in the underlying inputs and assumptions used to estimate the fair values of commodity contracts; changes in laws and regulation applicable to Allegheny, its markets, or its activities; environmental regulations; the loss of any significant customers and suppliers; the effect of accounting policies issued periodically by accounting standard-setting bodies; additional collateral calls; changes in business strategy, operations, or development plans; and other similar risks and uncertainties. Additional risks and uncertainties are identified and discussed in Allegheny Energy’s reports and registration statements filed with the Securities and Exchange Commission.