



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Allegheny Energy subsidiary to sell 5,600 acres in Preston County, W.Va., to Allegheny Wood Products

Hagerstown, Md., May 29, 2003 – Allegheny Energy, Inc. (NYSE: AYE) announced today that a non-utility subsidiary, West Virginia Power and Transmission Company, has finalized a sales agreement to sell approximately 5,600 acres of non-utility property, along the Cheat River and Big Sandy Creek in Preston County, W.Va., to Allegheny Wood Products, Inc. The sale is part of an ongoing process of divesting property that does not fit with the Company's strategic plans.

“Allegheny Wood Products is a West Virginia corporation with approximately 300 employees in Preston County and is a nationally recognized leader in sustainable forestry practices and the production of hardwood lumber products,” said Jay S. Pifer, Interim President and Chief Executive Officer of Allegheny Energy. “We are confident that it shares our commitment to sound land management practices, while protecting the environment and recognizing the public's interest in continued access for recreational opportunities.”

The Preston County property was offered to qualified bidders through a sealed-bid process, which began in March, and Allegheny Wood Products submitted the highest bid.

Allegheny Wood Products is not affiliated in any way with Allegheny Energy.

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

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