



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Allegheny Energy Names Paul E. Slobodian Vice President, Human Resources and Administration

Hagerstown, Md., August 7, 2003 – Allegheny Energy, Inc. (NYSE: AYE) announced today that Paul E. Slobodian, formerly President of Pivot Consulting, LLC, has been named Vice President, Human Resources and Administration of Allegheny Energy, effective today. He succeeds Richard J. Gagliardi, formerly Vice President, Administration, who retired earlier this month.

Paul J. Evanson, Allegheny Energy's Chairman, President, and Chief Executive Officer, said, "We are pleased that Paul is joining the Allegheny senior management team. He brings to our Company extensive experience in all aspects of human resources management and organizational development, as well as a strong history of linking performance to business results."

In 2002, Mr. Slobodian established Pivot Consulting, LLC, an organizational development and human resources consulting firm. Previously, he served as Vice President of Human Resources and Total Quality for Universal Instruments Corporation, a division of Dover Technologies International. Mr. Slobodian also was employed with RHR International Company, serving as Manager of its New York office for four years and Senior Consultant with its Los Angeles office for three years.

He is a graduate of Boston University, where he earned a Bachelor of Arts degree and a Doctor of Education degree. Mr. Slobodian received a Master of Science degree from the Massachusetts Institute of Technology's Sloan School of Management. He is an adjunct faculty member for the School of Management at the State University of New York in Binghamton.

Consistent with the revised New York Stock Exchange listing standards recently approved by the U.S. Securities and Exchange Commission, Allegheny Energy stated that Mr. Slobodian received an inducement award of 50,000 stock units on August 7, 2003. One-fifth of the units vest on each of August 7, 2004, August 7, 2005, August 7, 2006, August 7, 2007, and August 7, 2008. Payment of the units will be made in either shares of Allegheny Energy stock or in cash, as will be determined by the Company.

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; 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.

Certain statements contained herein constitute forward-looking statements with respect to Allegheny Energy, Inc. 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. Such factors may affect Allegheny Energy's operations, markets, products, services, prices, capital expenditures, development activities, and future plans. Such factors include, among others, the following: changes in general, economic, and business conditions; changes in the price of electricity and natural gas; changes in industry capacity; changes in technology; changes in financial and capital market conditions; changes in political and social conditions, deregulation activities and the movement toward competition in the states served by our operations; the effect of regulatory and legislative decisions; regulatory approvals and conditions; the loss of any significant customers; litigation; and changes in business strategy or business plans.