



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Allegheny Energy Announces Management Changes In Generation Business

GREENSBURG, Pa., May 8, 2006 -- Allegheny Energy, Inc. (NYSE: AYE) today announced the departure of John P. Campbell, formerly President of its generation subsidiary, Allegheny Energy Supply Company, LLC.

Leo C. Rajter, Vice President, Supply Operations, will remain responsible for the operations of the power stations. Michael V. Herriott, Vice President, Construction and Engineering Services, will continue to have responsibility for the planned construction of flue gas desulfurization equipment (scrubbers). Mr. Rajter and Mr. Herriott joined the company in April 2005 and February 2006, respectively.

“Improving the performance of our generating units and installing scrubbers are among Allegheny Energy’s highest priorities,” said Paul J. Evanson, Chairman, President and Chief Executive Officer of Allegheny Energy. “We believe we are on course to achieve our goals for 2006 and beyond in both areas. Mr. Rajter and Mr. Herriott are well qualified to lead these and other key projects.”

Allegheny Energy

Headquartered in Greensburg, Pa., Allegheny Energy is an investor-owned utility consisting of two major businesses. Allegheny Energy Supply owns and operates electric generating facilities, and Allegheny Power delivers low-cost, reliable electric service to customers in Pennsylvania, West Virginia, Maryland and Virginia. For more information, visit our Web site at www.alleghenyenergy.com.

Forward-Looking Statements

In addition to historical information, this release contains a number of "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Words such as anticipate, expect, project, intend, plan, believe, and words and terms of similar substance used in connection with any discussion of future plans, actions, or events identify forward-looking statements. These include statements with respect to: rate regulation and the status of retail generation service supply competition in states served by Allegheny Energy's distribution business, Allegheny Power; financing plans; demand for energy and the cost and availability of raw materials, including coal; provider-of-last-resort and power supply contracts; results of litigation; results of operations; internal controls and procedures; capital expenditures; status and condition of plants and equipment; capacity purchase commitments; regulatory matters; and accounting issues. Forward-looking statements involve estimates, expectations and projections and, as a result, are subject to risks and uncertainties. There can be no assurance that actual results will not materially differ from expectations. Actual results have varied materially and unpredictably from past expectations. Factors that could cause actual results to differ materially include, among others, the following: plant performance and unplanned outages; changes in the price of power and fuel for electric generation; general economic and business

conditions; changes in access to capital markets; complications or other factors that render it difficult or impossible to obtain necessary lender consents or regulatory authorizations on a timely basis; environmental regulations; the results of regulatory proceedings, including proceedings related to rates; changes in industry capacity, development and other activities by Allegheny Energy's competitors; changes in the weather and other natural phenomena; changes in customer switching behavior and their resulting effects on existing and future load requirements; changes in the underlying inputs and assumptions, including market conditions used to estimate the fair values of commodity contracts; changes in laws and regulations applicable to Allegheny Energy, its markets or its activities; the loss of any significant customers or suppliers; dependence on other electric transmission and gas transportation systems and their constraints or availability; changes in PJM, including changes to participant rules and tariffs; the effect of accounting policies issued periodically by accounting standard-setting bodies; and the continuing effects of global instability, terrorism and war. Additional risks and uncertainties are identified and discussed in Allegheny Energy's reports filed with the Securities and Exchange Commission.

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