



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Virginia Public Hearings Important Step in Approval Process for New Transmission Line

GREENSBURG, Pa., Aug. 13, 2007 – Allegheny Energy (NYSE: AYE) and its Trans-Allegheny Interstate Line Company subsidiary continue to work toward obtaining state regulatory authorization to build a new 500-kilovolt transmission line. Public input hearings, which are scheduled to be held in Winchester and Front Royal, Va. beginning today, are an integral part of the open and thorough regulatory process.

Conducted by the Virginia State Corporation Commission (SCC), these hearings are an opportunity for the public to make comments about the proposed line. Ultimately, the Commission will weigh the testimony and evidence to determine whether the Trans-Allegheny Interstate Line (TrAIL) is needed, and if the proposed route is appropriate to meet that need.

The line is critical to the ongoing reliability of the grid to meet the growing residential and business demand for electricity. In Allegheny Power's Virginia service territory, historical summer peak loads grew by more than 60 percent between 1995 and 2005.

PJM Interconnection, an independent expert, has determined that without the line, the stability of the grid and reliable flow of electricity within the PJM region cannot be reasonably assured. This could result in blackouts, voltage disruptions, and brownouts within Virginia and other areas of the PJM region as soon as 2011. PJM is the regional grid operator for a 13-state area.

Allegheny is committed to working with landowners, neighboring residents, business owners and regulators to balance all interests in an effort to minimize land-use impacts.

In fact, Allegheny conducted 12 public open houses, including two in Virginia, to show potential routes and collect comment. About 2,200 interested individuals attended these sessions, which were not required by law, but provided invaluable feedback to create the best possible route for the line.

“We have promised from the outset of the TrAIL project to be forthright and open with every aspect of this vital electric infrastructure upgrade,” said David E. Flitman, President of Allegheny Power and Trans-Allegheny Interstate Line Company. “The Commission’s public hearings are a critical element of the rigorous approval process in Virginia. We urge people to stay informed, keep an open mind and support a thorough, fair review of our plans by regulators.”

Similar public hearings are expected to be conducted in Pennsylvania and West Virginia by each state's respective commission.

The 210-mile transmission line is targeted for completion in 2011, and will span Allegheny Power's transmission zone from Southwestern Pennsylvania through West Virginia to Northern Virginia. Within Virginia, the line will run about 28 miles through Frederick and Warren counties generally adjacent to an existing 500-kilovolt transmission line, reaching an interconnection point with Dominion Virginia Power about a mile and a half south of Interstate 66. Dominion will build the line from that point to its Loudoun substation in Loudoun County.

To learn more about TrAIL and to see the full application with the SCC, visit the project Web site at www.aptrailinfo.com. The application and other important TrAIL-related information is also available on the Virginia State Corporation Commission Web site at www.scc.virginia.gov.

Allegheny Energy

Headquartered in Greensburg, Pa., Allegheny Energy is an investor-owned electric utility with total annual revenues of over \$3 billion and more than 4,000 employees. The company owns and operates generating facilities and delivers low-cost, reliable electric service to over 1.5 million 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.