



NEWS RELEASE

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Pennsylvania Commission Approves Allegheny Energy Transmission Line Project

GREENSBURG, Pa., November 13, 2008 – Trans-Allegheny Interstate Line Company (TrAILCo), a subsidiary of Allegheny Energy, Inc. (NYSE:AYE), announced that a motion passed today by the Pennsylvania Public Utility Commission approves construction of a 1.2-mile segment of its 500-kilovolt transmission project in Pennsylvania.

The 1.2-mile segment will extend south from the new 502 Junction substation in Greene County to the West Virginia border. This segment is the starting point of the Trans-Allegheny Interstate Line (TrAIL), a 215-mile project that will traverse parts of West Virginia and extend into northern Virginia.

“We commend the Pennsylvania Commission for its decision,” said Paul J. Evanson, Chairman, President and Chief Executive Officer of Allegheny Energy. “The construction of this line is essential to ensure the reliable flow of electricity throughout the region. We will work diligently to complete the project on budget and on schedule.”

As requested by TrAILCo, the Pennsylvania Commission has deferred its decision on a proposed 36-mile segment of the line extending north from the 502 Junction substation into central Washington County. This section was designed to address local reliability issues. TrAILCo will now enter into a collaborative process to identify potential alternatives to resolve local reliability issues anticipated to occur in Washington County by 2009. The Commission also approved a related settlement agreement between TrAILCo and Greene County that proposed the collaborative process.

The Virginia State Corporation Commission and the Public Service Commission of West Virginia earlier authorized construction of TrAIL, pending approval in Pennsylvania. The Pennsylvania Commission will issue a final order at a later date.

TrAILCo will continue its pre-construction activities, such as right-of-way acquisition, permitting and engineering activities, in all three states. The construction phase will last about two-and-a-half years, with TrAIL targeted for completion by June 2011.

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 approximately 1.6 million customers in

Pennsylvania, West Virginia, Maryland and Virginia. For more information, visit our Web site at www.alleghenyenergy.com.

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