



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Hearings Begin Oct. 23 on Allegheny Energy's Transmission Line

Blackouts Could Affect West Virginia Within Four Years if Line Not Built

GREENSBURG, Pa., October 18, 2007 – Allegheny Energy, Inc. (NYSE: AYE) and its Trans-Allegheny Interstate Line Company subsidiary continue to work toward obtaining West Virginia state regulators' authorization to build a new 500-kilovolt transmission line. Public comment hearings, scheduled to begin in Morgantown on Oct. 23, are an integral part of the open and thorough regulatory process.

Conducted by the Public Service Commission of West Virginia (PSC), these hearings are an opportunity for the public to comment on the proposed line.

PJM Interconnection, an independent expert responsible for the reliability of the transmission grid, 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 throughout the PJM region, including West Virginia and adjacent areas of Allegheny Power's transmission zone, as soon as 2011. PJM is the regional grid operator for a 13-state area.

"Our nation's top energy experts have called for new transmission lines to be built to prevent looming power reliability problems," said David E. Flitman, President of Allegheny Power and Trans-Allegheny Interstate Line Company. "The U.S. Department of Energy, the North American Electric Reliability Corporation and PJM all agree – something must be done now. Our TrAIL project will provide a timely solution to some of these problems."

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 five in West 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," Flitman said. "The Commission's public comment hearings are a critical element of the rigorous approval process in West Virginia. We urge people to stay informed, keep an open mind and support a thorough, fair review of our plans by regulators."

Regulatory commissions in Virginia and Pennsylvania have already conducted similar public hearings.

Technical witnesses will testify under oath during evidentiary hearings scheduled for early 2008 in West Virginia, Virginia and Pennsylvania. Evidentiary hearings are open to the public to attend.

While the line is critical to the ongoing reliability of the grid, there are other benefits to the West Virginia economy as well, which include:

- expanding markets for local coal;
- an estimated 700 jobs during the construction phase; and
- the potential for new generation projects, including clean-coal technologies.

The 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 West Virginia, the line will run about 114 miles, passing to the west of Morgantown in Monongalia County and traversing Preston, Tucker, Grant, Hardy and Hampshire counties before crossing into Virginia.

For a schedule of hearing locations and times, visit the PSC Web site at www.psc.state.wv.us. Learn more about TrAIL and see the full application with the PSC by visiting the project Web site at www.aptrailinfo.com.

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.