



## NEWS RELEASE

800 Cabin Hill Drive, Greensburg, PA 15601-1689

**Media contact:**

Allen Stagers  
Manager, Corporate Communications  
Phone: (724) 830-5433  
Media Hotline: (888) 233-3583  
E-mail: [astagge@alleghenyenergy.com](mailto:astagge@alleghenyenergy.com)

**Investor contact:**

Max Kuniansky  
Executive Director, Investor Relations  
and Corporate Communications  
Phone: (724) 838-6895  
E-mail: [mkunian@alleghenyenergy.com](mailto:mkunian@alleghenyenergy.com)

### **FOR IMMEDIATE RELEASE**

## **Allegheny Energy Selects Fairmont for New Transmission Operations Headquarters Company Plans Environmentally Friendly Building in the I-79 High Technology Park**

**GREENSBURG, Pa., August 15, 2008--** Allegheny Energy (NYSE: AYE), announced today it will build its new transmission operations headquarters in Fairmont, W. Va.

Allegheny will construct an environmentally friendly building on a 9-acre parcel of land in the I-79 High Technology Park. The facility will serve as the center for Allegheny's multi-state transmission functions and will feature a new operations center, which will perform around-the-clock management of the electric grid. In addition, the new building will be home to Allegheny's transmission planning, engineering, maintenance and construction functions.

"With two major expansion projects underway, we need a new center to meet the complex requirements of our transmission system, and North Central West Virginia is an ideal location," stated Paul J. Evanson, Chairman, President, and Chief Executive Officer of Allegheny Energy.

Allegheny expects to start construction in 2009, with completion expected in mid-2011. Approximately 150 managerial, professional, technical, and administrative positions will be located in the new building.

### **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 1.6 million customers in Pennsylvania, West Virginia, Maryland and Virginia. For more information, visit our Web site at [www.alleghenyenergy.com](http://www.alleghenyenergy.com).

### **Forward-Looking Statements**

*In addition to historical information, this release may contain 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; and regulatory matters. 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 and actions of rating agencies;*

*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; inflationary and interest rate trends changes in market rules, including changes to PJM participant rules and tariffs; the effect of accounting pronouncements issued periodically by accounting standard-setting bodies and accounting issues facing our organization; 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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