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**CO-OPS CONFIDENT OF BENEFITS OF ACQUISITION TO MEMBERS
--Co-ops find numerous inaccuracies and misperceptions in consultant's report--**

Fredericksburg and Mount Crawford, Virginia – February 1, 2010 –Executives from Rappahannock Electric Cooperative (REC) and Shenandoah Valley Electric Cooperative (SVEC) said they are confident that the acquisition of Allegheny Power's Virginia service territory will benefit the customers currently served by Allegheny as well as current Cooperative members.

Asked if they were concerned with the recent report by Liberty Consulting Group, a consultant hired by the State Corporation Commission that examined the proposed acquisition, "The out-of-state consultant who prepared the report does not seem to understand the nature of electric cooperatives in general or the financial strength of our Cooperatives in particular; and therefore, many of the report's premises and conclusions are based on these misunderstandings. Like our current members, Allegheny Power ratepayers will experience stable long-term energy costs and top-notch member service once this acquisition is complete," said Kent D. Farmer, President and CEO of Rappahannock Electric Cooperative.

Myron D. Rummel, President and CEO of Shenandoah Valley Electric Cooperative, added, "The Cooperatives are confident that once the State Corporation Commission hears the evidence it will also see the benefits of this transaction for people and businesses that make up the service territories."

REC and SVEC agree with the consultant on one key point. As noted in Liberty's report, "the Cooperatives enthusiastically want to serve the new territory, and Potomac Edison does not."

As an example of just one of the numerous misperceptions in Liberty's report that the Cooperatives will rebut in their upcoming filing is the consultant's criticism of the amount of debt that the Cooperatives will incur as part of the transaction. "REC and SVEC are in strong financial shape and our access to capital will be on favorable terms that will permit our service territories and our members to thrive with affordable and reliable electric service," said Rummel. "Both Cooperatives have long histories of conservative management, and our boards would never permit us to enter into any transaction which they feel might create financial instability for our members. Savings created by other aspects of the acquisition will more than cover the cost of financing so that interest costs will not adversely impact energy rates."

(more)

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The consultant's report was filed in conclusion of its review of the Cooperatives' joint application to acquire the Virginia service area and distribution assets of Potomac Edison d/b/a Allegheny Power. The Cooperatives will have until February 12 to file their response. The Commission will then conduct a hearing on the matter on March 2.

About Shenandoah Valley and Rappahannock Electric Cooperatives

Both Shenandoah Valley and Rappahannock are member-owned, not-for-profit utilities. A board of directors elected by its respective customers governs each Cooperative, thereby giving member-owners a voice in the leadership of the Cooperatives. All profits are allocated back to the member-owners based on patronage.

Shenandoah Valley Electric Cooperative maintains over 5,239 miles of electric lines and serves more than 39,000 customers in the Virginia counties of Augusta, Rockingham and Shenandoah, and Hardy County in West Virginia. For additional information about SVEC please visit our Web page at www.svec.coop.

Rappahannock Electric Cooperative provides electric service to 103,000 connections in parts of 16 Virginia counties. With its general office in Fredericksburg, VA, Rappahannock maintains more than 12,500 miles of power lines through its service area, ranging from the Blue Ridge Mountains to the mouth of the Rappahannock River. For information about REC please visit our Web page at www.myrec.coop.

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