



FuelCell Energy to Power Wastewater Treatment Plant With 1.0 MW of Renewable Power

California Facility Improves Efficiency of Electricity Source Needed to Treat 30 Million Gallons of Sewage Daily and Promotes Cleaner Air

DANBURY, Conn., March 6, 2007 (PRIME NEWSWIRE) -- FuelCell Energy, Inc. (Nasdaq:FCEL), a leading manufacturer of ultra-clean electric power plants for commercial, industrial and government customers, today announced the sale of its DFC1500MA power plant to operate on anaerobic digester gas from a sewage treatment facility serving the southern California city of Riverside. The facility treats 30 million gallons of wastewater daily.

The Direct FuelCell®* (DFC®*) plant was sold through FuelCell Energy's distributor, Alliance Power Inc., a consultant in siting economically and environmentally friendly electric generation facilities. Riverside will own and operate the DFC1500MA at Riverside's Water Quality Control Plant through its Public Works Department and will assume ownership of the unit upon project completion.

Renewable fuel for the DFC1500MA power plant will come from gas generated in the wastewater treatment process. This digester gas until now has been used by three reciprocating engines that power the treatment plant. However, because fuel cells involve no combustion -- converting renewable digester gas into electricity electrochemically -- they operate hundreds of times cleaner than conventional power generators. Fuel cells significantly reduce nitrogen oxides, particulates and sulfur oxides. Due to its inherent higher efficiency, the DFC1500MA unit will also reduce the rate of carbon dioxide emitted for each kilowatt-hour generated.

"The superior emissions characteristics of our fuel cells are an important factor in California -- a state that is very serious about its clean air programs," said William Karambelas, FuelCell Energy's Vice President of Business Development, Western Region. "Recently passed emission restrictions mean that many more power generation applications that had been predominantly fossil-fuel burning will now be transitioned to cleaner alternatives like our fuel cells. We expect that the city of Riverside installation will serve as an effective model for those future installations."

"This power plant will move us closer to becoming a more sustainable city as we seek to find alternative fuels for our growing community," said Ronald O. Loveridge, mayor of the city of Riverside. "Fuel cells allow us to capture more power per unit of digester gas when compared to existing engines. As the city expands, there is increasing demand on the wastewater plant. Using the Direct FuelCell will allow us to offset a greater portion of our growing electrical demands with less impact on the environment."

California's Self-Generation Incentive Program (SGIP) is providing \$4.5 million for the project through the Southern California Gas Company. The SGIP program was developed to foster the installation of specific renewable and clean generation sources throughout the state, including fuel cell power plants. Since its inception in 2001, SGIP incentives have been updated and expanded to support the creation of more green energy. Current SGIP funding levels have been extended by the California legislature until January 1, 2012.

About Alliance Power, Inc.

Alliance Power, Inc. has developed economical and environmentally acceptable distributed generation (DG) facilities ranging in size from 1 MW to 49 MW. The company's unique approach to DG projects maximizes the use of existing utility infrastructure to reduce costs. Alliance Power performs all aspects of project implementation including siting, planning, permitting, designing, constructing, financing, and operating. The company has a proven team, and has the experience and technology to deliver DG power supplies on schedule - - with economical and competitive rates. Alliance Power has a staff experienced in providing power generation development in a variety of settings and for a wide array of clients. Alliance Power's headquarters are located in Littleton, Colorado, with regional offices across the U.S. More information is available at www.alliancepower.com.

About FuelCell Energy, Inc.

FuelCell Energy develops and markets ultra-clean power plants that generate electricity with up to twice the efficiency of conventional fossil fuel plants with virtually no air pollution and reduced greenhouse gas emissions using a variety of fuels including renewable biogas and domestically available fuels like natural gas. The company's fuel cell products, ranging in size from 300 kW to 2.4 MW, are scalable for distributed generation applications 10 MW and larger while producing base load electricity giving commercial, industrial and utility customers improved power generation economics and reliability with lower emissions. Headquartered in Danbury, Conn., FuelCell Energy services over 60 power plants worldwide that have generated more than 150 million kilowatt hours. For more information on the company please go to www.fuelcellenergy.com.

This news release contains forward-looking statements, including statements regarding the Company's plans and expectations regarding the development and commercialization of its fuel cell technology. All forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Factors that could cause such a difference include, without limitation, the risk that commercial field trials of the Company's products will not occur when anticipated, general risks associated with product development, manufacturing, changes in the utility regulatory environment, potential volatility of energy prices, rapid technological change, and competition, as well as other risks set forth in the Company's filings with the Securities and Exchange Commission. The forward-looking statements contained herein speak only as of the date of this press release. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statement to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based.

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