



FuelCell Energy Announces Passage of Renewable Portfolio Standard by South Korean National Assembly

FuelCell Energy's Direct FuelCell(R) Power Plants Operating on Both Biogas and Natural Gas Qualify Under the New Program

DANBURY, Conn., March 24, 2010 (GLOBE NEWSWIRE) -- FuelCell Energy (Nasdaq:FCEL), a leading manufacturer of high efficiency ultra-clean power plants using renewable and other fuels for commercial, industrial, government and utility customers, today announced the passage of a Renewable Portfolio Standard (RPS) by the National Assembly of the Republic of Korea, requiring 4 percent clean energy generation by 2015 and 10 percent by 2022.

Today, only about one percent of Korea's electricity comes from renewable resources. The program, which will become effective in 2012, will mandate 350 megawatts (MW) of additional renewable energy per year through 2016, and 700 megawatts per year through 2022. Carrying forward, the policy introduced in 2006 under Korea's feed-in tariff program, the government has elected to designate fuel cells operating on natural gas and biogas as "New and Renewable Energy," fully qualifying under the new program.

"South Korea recognizes the inherent advantages of fuel cell power generation -- clean, low carbon, dependable and reliable -- and this week's announcement solidifies our place in the mandated mix of ultra-clean and renewable energy," said Ben Toby, Vice President of Global Business Development for FuelCell Energy. "With our successful track record in Korea, and our strong relationship with our partner POSCO Power, we are confident that this new policy will help drive our international market growth. There is no other fuel cell company on the planet with the products that meet Korea's need for baseload, clean power for grid-support as well as ours."

Highly efficient, clean and reliable fuel cells operating on widely available natural gas, as well as renewable biogas from wastewater treatment facilities, agricultural waste streams, and food and beverage facilities, will help South Korea achieve these RPS targets. Fuel cells provide baseload power to the grid, which complements and supplements power produced from intermittent sources like wind and solar. Already 24 MW of FuelCell Energy power plants are operating in South Korea. The new RPS law replaces and expands the existing voluntary Renewable Portfolio Agreement (RPA). Over the past three years, FuelCell Energy and its strategic partner POSCO Power have secured customer orders well over 90 percent of the 50 MW voluntary RPA fuel cell target.

FuelCell Energy's fuel cells are twice as electrically efficient as other distributed generation their size, which means less fuel is used. Because fuel cells produce power electro-chemically, without combustion, they produce near-zero emissions and have proven to be highly reliable since going commercial in 2003 FuelCell Energy currently has 97 megawatts of product installed or in backlog worldwide.

To meet expected demand, further the cost reduction progress, and solidify market leadership, POSCO Power and FuelCell Energy announced a program of manufacturing localization, under which fuel cell stack modules will be manufactured by POSCO Power in Korea from core components manufactured by FuelCell Energy in Connecticut. POSCO Power has already commenced operation of its new balance of plant facility in Pohang, South Korea, and is expected to begin the expanded scope of manufacturing late this year.

Over the next six months, with input from industry, academics, and the general public, experts from the Ministry of Knowledge Economy (MKE) and the Korean Electro-technology Research Institute (KERI) will finalize implementation details for the new RPS. Considering the mandated requirement for addition of substantial new renewable capacity before 2012, utility companies throughout South Korea are expected to move project development plans into high gear.

About FuelCell Energy

DFC® fuel cells are generating power at over 50 locations worldwide. The Company's power plants have generated over 450 million kWh of power using a variety of fuels including renewable wastewater gas, biogas from beer and food processing, as well as natural gas and other hydrocarbon fuels. FuelCell Energy has partnerships with major power plant developers and power companies around the world. The Company also receives funding from the U.S. Department of Energy and other government agencies for the development of leading edge technologies such as fuel cells. For more information please visit our website at www.fuelcellenergy.com

This news release contains forward-looking statements, including statements regarding the Company's plans and expectations regarding the continuing development, commercialization and financing of its fuel cell technology and business plans. 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, general risks associated with product development, manufacturing, changes in the regulatory environment, customer strategies, potential volatility of energy prices, rapid technological change, competition, and the Company's ability to achieve its sales plans and cost reduction targets, 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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