

## FuelCell Energy Team Awarded \$11.7 Million Contract to Further Develop Clean-Coal Fuel Cell Power Plant

### Award to Demonstrate a 60 Kilowatt Solid Oxide Fuel Cell Module

DANBURY, Conn., May 3, 2011 (GLOBE NEWSWIRE) -- FuelCell Energy, Inc. (Nasdaq:FCEL) a leading manufacturer of ultra-clean, efficient and reliable power plants using renewable and other fuels for commercial, industrial, government, and utility customers, today announced an \$11.7 million cost share award from the U.S. Department of Energy (DOE) for Phase III of the Solid State Energy Conversion Alliance (SECA) coal-based systems program. The SECA program is a collaboration among the Federal Government, private industry, and academia to develop megawatt-class solid oxide fuel cell (SOFC) power plants that use coal syngas to generate electricity. Power generation from coal syngas advances the nation's energy security while reducing greenhouse gas emissions. The total Phase III program cost is \$11.7 million, of which \$8.2 million will be funded by the DOE.

The objective for this Phase III award is to build and operate an SOFC module with output of 60 kilowatts (kW) utilizing the cell and stack designs of Versa Power Systems, Inc., the technology partner of FuelCell Energy. The design of the 60 kW SOFC module is scalable, allowing a building block approach to create 250 kW modules or larger. The SOFC module is fuel flexible, capable of operating on many fuels including natural gas, coal syngas or renewable biogas. This award will help to accelerate the development of affordable SOFC modules with enhanced performance and endurance.

"Clean power generated from coal addresses both environmental and domestic energy security concerns," said Chris Bentley, Executive Vice President, Government R&D Operations, Strategic Manufacturing Development, FuelCell Energy, Inc. "The ability to continue development, although on a limited scale, is vital for achieving the goal of providing the nation with clean power from an abundant domestic resource."

The USA has approximately one quarter of the world's recoverable coal deposits, the largest of any nation. Almost half of the power generated in the USA is from coal and this coal generated power contributes over one quarter of the nation's total greenhouse gas emissions. Fuel cells operating on coal syngas can generate clean power with virtually zero pollutants and significant reductions in greenhouse gas emissions.

The 60 kW SOFC module is expected to begin operating in the summer of 2012 at the Company's facility in Danbury, CT and the award concludes in the fall of 2012. FuelCell Energy will continue to partner with Versa Power Systems, Inc., managing the project and developing and testing the stack module and power plant designs. Versa Power Systems will continue to develop the core SOFC technology.

Versa Power Systems, Inc. is a leading developer of environmentally friendly solid oxide fuel cells, a clean-tech source of power to generate electricity for a range of applications. Headquartered in Littleton, Colorado, the Company has built systems integral to research projects conducted by partners including Fortune 500 industrial manufacturers, government agencies and associations focused on energy research. FuelCell Energy, Inc. owns approximately 39 percent of Versa Power Systems, Inc.

### **About FuelCell Energy**

DFC® fuel cells are generating power at over 60 locations worldwide. The Company's power plants have generated over 700 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](http://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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