

September 7, 2016

FuelCell Energy Announces Operations Commencement and Funding of a Wastewater Power Project Including Renewable Biogas Processing

- | *Complete turn-key solution whereby FuelCell Energy installs, operates and maintains the fuel cell power plant including the cleaning and processing of the renewable biogas*
- | *City of Riverside, California pays for power produced under a power purchase agreement, generating immediate savings, avoiding a capital outlay and eliminating a waste disposal issue*
- | *FuelCell Energy, through a direct subsidiary, retains power purchase agreement and long term project cash flows with financing provided by PNC Energy Capital*

DANBURY, Conn., Sept. 07, 2016 (GLOBE NEWSWIRE) -- [FuelCell Energy, Inc.](http://www.fuelcellenergy.com) (Nasdaq:FCEL), a global leader in the design, manufacture, operation and service of ultra-clean, efficient and reliable fuel cell power plants, announced the completion of construction and commercial operation of a megawatt-class fuel cell power plant at the Riverside Regional Water Quality Control Plant in Riverside, California. The project is structured so that the City of Riverside pays for power produced achieving immediate operating cost savings without any capital outlay and in a manner that supports the City's sustainability goals.

A photo accompanying this announcement is available at <http://www.globenewswire.com/NewsRoom/AttachmentNg/f62fd53f-4e0b-4e5c-b1fa-751580453349>

The water treatment process at the Riverside Regional Water Quality Control Plant generates methane, a greenhouse gas. Through the use of anaerobic digesters, the Water Quality Plant captures the methane, which FuelCell Energy then cleans and uses it as the fuel source to generate carbon-neutral power for the wastewater treatment process as well as heat needed by the anaerobic digesters.

"In renewable biogas applications, such as this project, the biogas must be cleaned before being directed into the fuel cells, which is a separate system that requires maintenance and financing and previously, our customers needed to obtain separately from the fuel cell power plant," said Tony Rauseo, Senior Vice President and Chief Operating Officer, FuelCell Energy, Inc. "We leveraged our decades of wastewater industry experience and comprehensive engineering and design capabilities to manufacture our own gas clean-up system to not only ensure the quality of the clean-up, but to take responsibility for the entire solution for our customer and offer a complete and affordable power generation solution."

The Riverside wastewater treatment facility can process approximately 40 million gallons of wastewater per day with around-the-clock operations. The continuous power profile of the fuel cells supports the treatment process, utilizing approximately two thirds of the biogas generated to provide about one third of the power needs for the facility.

Concurrent with the achievement of commercial operations, FuelCell Energy's direct subsidiary closed on financing with PNC Energy Capital ("PNC") through a sale lease-back transaction. The Riverside fuel cell project is the second fuel cell project to be financed under the financing facility with PNC. The power purchase agreement structure that is supported by this financing enabled the City of Riverside to avoid an upfront investment in the power generation equipment and, instead, purchase power as it is produced by the project.

"FuelCell Energy developed this project and it retains ultimate ownership of the power purchase agreement, generating monthly revenue from the sale of power to the City of Riverside," said Michael Bishop, Senior Vice President and Chief Financial Officer, FuelCell Energy Inc. "This pay-as-you-go approach is valued by the marketplace and our access to capital such as the PNC Energy Capital facility enables us to meet the needs of our customers."

FuelCell Energy converts wastewater emission disposal problems into cost savings for municipal water treatment facilities, providing:

- | Complete turn-key [wastewater solution](#) for cleaning the biogas, generating ultra-clean power and heat, and operating and maintaining the gas clean-up system and the fuel cell power plant
- | Power purchase agreement structures that avoid any need for the municipality to invest directly in the power generation or gas clean-up equipment
- | Avoidance of clean air permitting challenges as fuel cells utilize an electrochemical process that produces power in a manner that is virtually absent of criteria pollutants such as nitrogen oxide (NO_x) that causes smog, sulfur dioxide

(SO_x) that contributes to acid rain, or particulate matter that can aggravate asthma

- Enhanced energy resiliency with affordable on-site power

About FuelCell Energy

Direct FuelCell[®] power plants are generating ultra-clean, efficient and reliable power on three continents, affordably providing continuous distributed power generation to a variety of industries including utilities, commercial and municipal customers. The Company's power plants have generated billions of kilowatt hours of ultra-clean power using a wide variety of fuels including renewable biogas from wastewater treatment and food processing, as well as clean natural gas. For additional information, please visit www.fuelcellenergy.com and follow us [on Twitter](#).

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