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Fuel Cell Power Plant at Correctional Institution Achieves Commercial Operation, Cleanly and Affordably Enhancing Power Reliability

- | *Cost savings for a municipality and only paying for power as generated, thereby avoiding capital investment*
- | *Enhancing power reliability of Santa Rita Jail's critical infrastructure with continuous on-site power generation that is virtually free of pollutants*
- | *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., Jan. 10, 2017 (GLOBE NEWSWIRE) -- [FuelCell Energy, Inc.](#) (Nasdaq:FCEL), a global leader in the design, manufacture, operation and project development of ultra-clean, efficient and reliable fuel cell power plants, announced the commercial operation of a megawatt-class combined heat and power (CHP) fuel cell plant located at Santa Rita Jail in Alameda County, California. The fuel cell plant generates continuous on-site power and heat for the correctional facility, enhancing power reliability for critical infrastructure while simultaneously advancing its sustainability goals through the ultra-clean fuel cell generation process. Under a power purchase agreement (PPA), Alameda County pays for the power as it is produced at a cost lower than electric grid prices; achieving cost savings without any capital outlay. FuelCell Energy retains the PPA and long-term project cash flows through a direct subsidiary with financing provided by PNC Energy Capital.

The fuel cell power plant operates in tandem with Santa Rita Jail's existing solar array, demonstrating the complimentary features of combining energy sources at the same location to reduce exposure to peak pricing. The power generated by the fuel cell plant meets approximately 60 percent of Santa Rita Jail's total power needs and the CHP configuration provides heat for hot water. Total thermal efficiency for this installation is approximately 68 percent. Generating both power and heat from the same unit of fuel reduces emissions and fuel usage from combustion-based boilers; decreasing the County's carbon footprint while enhancing the sustainability profile of Santa Rita Jail.

"We are pleased to provide Alameda County with a reliable, affordable and clean power generation solution that strengthens its on-site power supply, enhances its sustainability profile and delivers cost savings," said Chip Bottone, President and Chief Executive Officer at FuelCell Energy, Inc. "Our power plants are appealing for applications such as these and our access to capital such as the PNC Energy Capital facility enables us to offer a pay-as-you-go financing structure that further enhances our customer value proposition."

FuelCell Energy's direct subsidiary recently closed on financing with PNC Energy Capital ("PNC") through a sale lease-back transaction. The power purchase agreement (PPA) structure that is supported by this financing enabled Alameda County to avoid an upfront investment in the power generation equipment and, instead, purchase power as it is produced by the project.

The ultra-clean fuel cell power generation process avoids combustion and associated pollutants such as nitrogen oxide (NO_x) that causes smog, sulfur dioxide (SO_x) that contributes to acid rain and particulate matter that can aggravate asthma. This installation will avoid the emission of approximately 5,800 tons of CO₂/year, when compared to average United States grid, equivalent to the carbon absorbed by approximately 4,900 acres of US forest in one year.

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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