FuelCell Energy
Ultra-Clean, Efficient, Reliable Power

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FuelCell Energy to Supply Fuel Cell Stacking and Conditioning Equipment to POSCO Power for Manufacturing Facilities

POSCO Power Orders DFC300 Fuel Cell Power Plant to develop applications for emergency power

Danbury, CT – July 6, 2010 – FuelCell Energy, Inc. (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 a contract to procure fuel cell stack module assembly and conditioning equipment to sell to POSCO Power, the Company's South Korean partner. This contract demonstrates POSCO Power's continued investment in fuel cell production capacity to capitalize on the demand for ultra-clean and highly efficient power generation in South Korea centered on the Company's Direct FuelCell® products. FuelCell Energy also announced that under a separate contract, POSCO Power has ordered a 300 kilowatt DFC 300MA fuel cell power plant.

The production equipment will be used to assemble and condition fuel cell stacks in South Korea using fuel cell components supplied by FuelCell Energy. The production equipment is expected to be shipped in 2010. POSCO Power began construction of a fuel cell stack assembly plant in South Korea in April 2010, reporting that the plant is expected to have annual production capacity of 100 megawatts and expected completion by December, 2010. This production capacity is being added in response to the Renewable Portfolio Standard (RPS) passed by the South Korean Legislature in March 2010. The program, which will become effective in 2012, will mandate 350 megawatts of additional renewable energy per year through 2016, and 700 megawatts per year through 2022. Fuel cells on natural gas and bio-gas fully qualify under the program.

The DFC 300MA fuel cell power plant will be used by POSCO Power to develop market applications that target grid support combined with the ability to provide emergency power for installations requiring an uninterrupted supply of power. In the event of temporary interruption of power from the transmission grid, the fuel cell power plant would then switch and provide power to the installation. Examples of these installations include hospitals, multi-unit residential buildings, etc. The South Korean Government is providing financial support for the purchase of this fuel cell power plant and associated development activities.

"These contracts further demonstrate the commitment by POSCO Power to expand the market for fuel cells in South Korea," said Ben Toby, Vice President International Business Development. "South Korea has adopted a visionary renewable portfolio standard that will require a significant addition of renewable power generation in the coming years and our partner is positioning themselves to ensure that fuel cells are well represented under this RPS program. The South Korean government recognizes the benefits of fuel cells including highly efficient and

ultra clean distributed generation that can be located to support and enhance the existing transmission grid."

About FuelCell Energy

DFC® fuel cells are generating power at over 50 locations worldwide. The Company's power plants have generated over 500 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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