



FuelCell Energy
Ultra-Clean, Efficient, Reliable Power

FOR IMMEDIATE DISTRIBUTION

FuelCell Energy Sells 1.4 Megawatt Fuel Cell Power Plant to Provide Renewable Power from Biogas Helping to Solve Agricultural Waste Issue

Danbury, CT – August 17, 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 the sale of a 1.4 megawatt (MW) DFC1500 fuel cell power plant to G3 Power Systems, Inc. (G3). The power plant will be installed at Olivera Egg Ranch, LLC, a poultry ranch located in French Camp, California. It will utilize renewable biogas for fuel, converting what is currently a waste problem for Olivera Egg Ranch into clean electricity that is generated at the point of use. FuelCell Energy will service the power plant under a five year service agreement. The sale of this power plant represents the first order by G3 under an agreement with FuelCell Energy, Inc. that provides non-exclusive distribution rights for fuel cell power plants.

The waste stream from the poultry operation emits ammonia, methane and other gases, resulting in both environmental and economic disposal challenges. Olivera Egg Ranch presently uses a solid waste lagoon for waste disposal. An anaerobic digester will be installed and the waste stream will be directed into this structure where heat and microorganisms will reduce the volume of waste and create methane gas as a byproduct. The fuel cell power plant will utilize 100 percent of this methane waste byproduct as fuel to generate renewable electricity. The power plant emits virtually zero harmful pollutants such as NO_x, SO_x and particulate matter due to the lack of combustion in the fuel cell electrical generation process.

“This pioneering fuel cell power plant project demonstrates my commitment to the environment, enabling me to convert the waste stream from my poultry operations into biogas, which in turn is processed into clean, green power,” said Ed Olivera, Owner of Olivera Egg Ranch, LLC. “My waste disposal costs will decrease as will my power bill as the poultry operation will continually generate the fuel needed to create electricity, reducing the amount of electricity needed from the electrical grid.”

The power generated by the fuel cell power plant will be adequate to meet approximately all of the power needs of the Olivera Egg Ranch facilities. The byproduct heat from the fuel cell energy conversion process will be directed to the anaerobic digester, avoiding the need for a combustion-based boiler to provide the necessary heat for the anaerobic digester process and increasing the overall efficiency of the fuel cell power plant while reducing greenhouse gas emissions. The power plant is expected to be operational by mid 2011.

Olivera Egg Ranch is a third generation family farm producing approximately 14 million cartons of eggs per year for stores and restaurants in the San Francisco Bay Area. Founded in 1949, the operation has three locations producing and distributing chicken, duck, quail and goose eggs.

“We evaluated all of the power generation options available in the marketplace today and identified fuel cell power plants as the best commercial technology available to meet baseload power needs in an efficient and environmentally friendly manner,” said Ray Brewer, President, G3 Power Systems, Inc. “We have identified a number of opportunities in agriculture along with other commercial opportunities that are well suited for fuel cell applications and look forward to developing our relationship with FuelCell Energy to grow the market for fuel cells in California and other western states.”

G3 provides complete turn key fuel cell installations along with engineering and construction services and power purchase agreements. G3 has completed 14 energy projects including fuel cells, solar and biomass applications, and is currently under contract to design three different fuel cell projects, each of multiple megawatts. The firm is located in Novato, CA and was founded in 2009. FuelCell Energy, Inc. entered into an agreement with G3 in March, 2010 that provides non-exclusive distribution rights for fuel cell power plants.

“Renewable biogas applications, such as this project for Olivera Egg Ranch, demonstrate how a fuel cell can help food processing and agricultural operations manage their waste streams, improve their economics and generate clean electricity,” said Chip Bottone, Senior Vice President and Chief Commercial Officer of FuelCell Energy, Inc. “Converting agricultural waste into renewable biogas and then into clean power is a large market for fuel cells.”

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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