



FuelCell Energy

Ultra-Clean, Efficient, Reliable Power

FOR IMMEDIATE RELEASE

California Wastewater Treatment Facility Expands its FuelCell Energy Power Plant to Generate 1.0 Megawatt of Green Electricity

*Combined heat and power efficiency and near-zero emissions meet
City of Tulare's need for cost savings and clean power*

DANBURY, Conn. -- Dec. 8, 2009 -- FuelCell Energy, Inc. (NasdaqNM: 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 fourth DFC300 fuel cell unit to the City of Tulare, Calif. to expand the municipality's existing fuel cell power plant to 1.0 megawatt (MW) and increase the amount of green electricity produced at the regional wastewater treatment facility.

With this expansion of its on-site Direct FuelCell® (DFC®) power plant, Tulare will generate more than 40 percent of the electricity needed to run its water treatment operation. The City of Tulare wastewater treatment facility serves a population of 58,000, processing 12.5 million gallons per day of sewage from domestic households and commercial sources of water discharge, including waste from the region's seven large dairy-processing enterprises.

The San Joaquin Valley region has a myriad of challenges to improving local air quality because the City of Tulare is growing at more than double the rate of California's state-wide average. Fuel cells help address air quality concerns because they do not burn fuel, instead processing it electro-chemically to transform it into electricity, with near-zero emissions of NOX, SOX and particulate matter.

Additionally, heat is created in the process, which the system captures and applies to Tulare's wastewater treatment process. This combined heat and power system can deliver an overall efficiency of up to 90 percent, which results in low CO2 emissions and reduces the wastewater plant's overall electricity costs.

"The combined heat and power capability of FuelCell Energy's power plant has been ideal for us," said Lew Nelson, Tulare's Director of Public Works. "The fuel cells generate clean electricity and heat that we use in our anaerobic digester, making this system the most efficient and cost-effective for our needs."

Because these DFC power plants operate on methane, a renewable byproduct of wastewater processing, they eliminate the air pollution that normally would result from releasing the biogas to the atmosphere or flaring it.

"Tulare's wastewater facility is a perfect application for our products," said R. Daniel Brdar, Chairman and CEO of FuelCell Energy. "Wastewater facilities produce methane - a gas that is over 20 times more harmful than carbon dioxide. Instead of releasing the methane to the

atmosphere or flaring it, wastewater facilities use that gas in our power plants to cleanly and economically produce electricity and heat.”

Tulare’s success in applying this approach to wastewater treatment was honored by the U.S. Environmental Protection Agency with its Clean Air Excellence Award earlier this year. Under the EPA’s Green Power Partnership program, Tulare was named to the Top 20 List of the agency’s “partners generating and consuming the most green power on-site.”

About FuelCell Energy

FuelCell Energy is the world leader in the development and production of stationary fuel cells for commercial, industrial, municipal and utility customers. FuelCell Energy’s ultra-clean and high efficiency DFC® fuel cells are generating power at over 55 locations worldwide. The company’s power plants have generated over 400 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 and commercialization of its fuel cell technology. 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.

Direct FuelCell, DFC, DFC/T and FuelCell Energy, Inc. are all registered trademarks of FuelCell Energy, Inc. DFC-ERG is a registered trademark jointly owned by Enbridge, Inc. and FuelCell Energy, Inc.

Contact: Lisa Lettieri
ir@fce.com
(203) 830-7494

#