FuelCell Energy
Ultra-Clean, Efficient, Reliable Power

POSCO Power Orders 25.6 Megawatts of FuelCell Energy Power Plants and Fuel Cell Modules

Approximately $70 million order includes both DFC1500 and DFC3000 power plants and modules for delivery in 2009

DANBURY, Conn. -- April 23, 2008 -- FuelCell Energy, Inc. (NasdaqNM: FCEL), a leading manufacturer of high efficiency ultra-clean power plants using renewable and a variety of other fuels for commercial, industrial and utility customers, today announced that POSCO Power, South Korea's leading independent power producer, has ordered 25.6 MW of FuelCell Energy Power Plants and fuel cell modules. The order more than doubles FuelCell Energy's product backlog and represents nearly $70 million of sales scheduled for delivery in 2009.

"South Korea is a world-leading market for renewable energy and our company is committed to producing green energy and being the leading alternative energy equipment supplier," said Mr. Seung-Woo Lee, President and CEO of POSCO Power. "We have been researching the problem of rising greenhouse gas emissions for several years and we are convinced that fuel cells are a critical part of the solution with their 24/7, efficient, and ultra-clean operation. The demand for clean energy continues to grow and we expect DFC fuel cells will continue to generate substantial orders from our customer base, both utilities and independent power producers."

In a market that imports 90 percent of its fuel, the Korean Ministry of Knowledge Economy is a strong proponent of Korean energy independence. Backed by the country's commitment to energy independence and green power, POSCO Power signed a 10-year manufacturing and distribution agreement with FuelCell Energy in February, 2007. With this order, POSCO Power has ordered 38.2 MW of FuelCell Energy products to date.

DFC power plants meet South Korea's goals for clean air based on high efficiency, environmentally-friendly operation, and their ability to use multiple fuels including natural gas and biogas produced from waste. They produce power electrochemically and are 47 percent electrically efficient compared to similar sized fossil fuel power plants that achieve only 30-35 percent efficiency. The absence of combustion virtually eliminates pollutants like NOX, SOX and particulate matter and DFC power plants' higher efficiency means they deliver more ultra-clean power for each unit of fuel used, substantially reducing power costs and CO2 emissions. When operated in a combined heat and power configuration, where the fuel cells' byproduct heat is used for space or hot water heating, efficiency increases to as much as 80 percent, resulting in even more energy savings.

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In 2006, the Korean government created a renewable energy program designed to encourage the installation of clean energy generation like fuel cells. In addition, the government required that the power first be exported to the grid, favoring the installation of larger power generation systems, with the intent to provide clean, reliable and more economical electricity.

This order calls for FuelCell Energy to initially ship complete power plants while POSCO Power completes the construction of its own 50 MW fuel cell balance of plant (the non-fuel cell module part of the power plant) manufacturing facility, expected in the second half of 2008. By mid-2009, all balance of plant manufacturing for the Korean market will be transitioned to POSCO Power and FuelCell Energy will supply its proprietary fuel cell module to POSCO Power.

FuelCell Energy and POSCO Power also signed a Master Service agreement covering all POSCO Power installations. Executing this service agreement, FuelCell Energy and POSCO Power will jointly provide service for customers in Korea market.

"This is the next step for FuelCell Energy and POSCO Power to further penetrate the South Korean market for sustainable power generation," said Ben Toby, Vice President Global Business Development, of FuelCell Energy. "With our 24/7, highly-efficient and ultra-clean fuel cells, and POSCO Power's manufacturing capabilities, local presence and customer relationships, we are confident that South Korea will continue to be among our strongest markets."

About FuelCell Energy Inc.

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 40 locations worldwide. The company's power plants have generated more than 200 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, trading companies and power companies around the world. The company also receives substantial funding from the US Department of Energy and other government agencies for the development of leading edge technologies such as hybrid fuel cell/turbine generators and solid oxide fuel cells. For more information please visit our website at www.fuelcellenergy.com.

About POSCO Power

POSCO Power (http://www.poscopower.co.kr) became a wholly owned subsidiary company of POSCO (NYSE: PKK) in March 2006. POSCO Power's former name was Kyung In Energy Co., Ltd. which was established in 1972 as the first Korean Independent Power Producer.

As the biggest Independent Power Producer (“IPP”) in Korea with more than 30 years of experience and in-depth know-how, POSCO Power is renowned as one of the most reliable power generators in Korea with a total generating capacity of 1,800 MW and plays a major role meeting the peaking demand of the Seoul Metropolitan area (geographic advantages). It has

secured profitability under PPA (Power Purchase Agreement) with KEPCO (Korea Electric Power Corp.) and it is rated Excellent Credit Rating (AA+) and Financial Condition.

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 utility regulatory environment, 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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