

December 4, 2014

UIL Holdings Displays Industry and Environmental Leadership With Purchase of High Efficiency Fuel Cell Power Plant for Gas Pipeline Application

- *3.4-megawatt fuel cell plant to be located at a natural gas pressure letdown station, supplying power to the electric grid*
- *Plant will generate ultra-clean power that is low carbon and virtually absent of pollutants*
- *Combined heat and power configuration enhances project economics, efficiency and sustainability*

NEW HAVEN and DANBURY, Conn., Dec. 4, 2014 (GLOBE NEWSWIRE) -- UIL Holdings Corporation (NYSE:UIL) and FuelCell Energy, Inc. (Nasdaq:FCEL) today announced they will install a state-of-the-art power generation facility that takes advantage of unspent energy at a natural gas pressure-reduction facility in Glastonbury, Connecticut.

The new 3.4-megawatt Direct FuelCell (DFC®) Energy Recovery Generator (DFC-ERG®) plant will be manufactured and installed by FuelCell Energy, Inc. at a gate station owned by UIL subsidiary Connecticut Natural Gas Corporation, where natural gas is converted from high to low pressure.

The facility will include a 2.8-megawatt Direct FuelCell® DFC3000® fuel cell power plant, accompanied by a turbo expander that will produce an additional 600 kilowatts of clean, class-1 renewable power by harnessing energy that is otherwise unused during the station's natural gas pressure-reduction ("letdown") process. The turbo expander uses this energy to spin a turbine and generate electricity. Heat from the fuel cell will support this process, improving the station's carbon footprint and enhancing the project's economics.

"At UIL, we are pleased to contribute to the effort to create new sources of clean, renewable energy in Connecticut," said James P. Torgerson, UIL's President and Chief Executive Officer. "This plant will operate cleanly and quietly, with a low carbon footprint. We are harnessing energy that is typically lost in the gas letdown process and doing so in a highly efficient and environmentally friendly manner. It's a good example of how our companies can work with our partners to find cost-effective clean energy solutions to the state's energy needs."

UIL purchased the power plant through a wholly owned subsidiary, UIL Distributed Resources, LLC. FuelCell Energy, Inc. will manufacture and install the plant and then remotely operate it, providing maintenance under a long-term service agreement. The electricity it generates will be sold to The Connecticut Light and Power Company under a 20-year contract. It is expected to begin producing power by the end of 2015.

"Our ultra-clean and efficient distributed power generation solutions assist utilities with driving demand for clean natural gas and taking advantage of energy that is typically lost in the gas letdown process to generate high-value electricity revenue," said Chip Bottone, President and Chief Executive Officer, FuelCell Energy, Inc. "We assist utilities with easy-to-site clean and quiet fuel cell plants that can be installed next to existing substations or letdown stations, or on the outskirts of a service territory."

"This DFC-ERG configuration achieves its high electrical efficiencies by combining highly efficient fuel cells with the turbo expander that uses energy that would otherwise have been wasted and has no associated fuel cost," said Tony Leo, Vice President Applications and Advanced Technology Development, FuelCell Energy, Inc. "Depending on the specific gas flows and application, the DFC-ERG configuration is capable of achieving electrical efficiencies up to 70 percent, which is almost double the fuel-to-electricity conversion efficiency of the U.S. electric grid."

Natural gas is transmitted under high pressure, and the pressure must be reduced prior to distributing it to homes and businesses. The DFC-ERG solution takes advantage of the energy released by the letdown station's pressure-reduction process to turn a turbine and generate electricity. Thermal energy from the fuel cell supports this pressure reduction power generation process.

Letdown stations are located near the points of use for natural gas, and a city will typically have a number of these stations within the urban area and surrounding suburbs.

About UIL Holdings:

Headquartered in New Haven, Connecticut, UIL Holdings Corporation (NYSE:UIL) is a diversified energy delivery company serving a total of approximately 700,000 electric and natural gas utility customers in 67 communities across two states, with combined total assets of over \$5 billion.

UIL Holdings is the parent company for The United Illuminating Company (UI), Connecticut Natural Gas Corporation (CNG), The Southern Connecticut Gas Company (SCG), and The Berkshire Gas Company (Berkshire), each more than 100 years old. UI provides for the transmission and delivery of electricity and other energy related services for Connecticut's Greater New Haven and Bridgeport areas. SCG and CNG are natural gas distribution companies that serve customers in Connecticut, while Berkshire serves natural gas customers in western Massachusetts. UIL Holdings employs more than 1,850 people in the New England region. For more information on UIL Holdings, visit www.uil.com.

About FuelCell Energy

Direct FuelCell® power plants are generating ultra-clean, efficient and reliable power at more than 50 locations worldwide. With more than 300 megawatts of power generation capacity installed or in backlog, FuelCell Energy is a global leader in providing ultra-clean baseload distributed generation to utilities, independent power producers, industrial operations, universities, municipal water treatment facilities, government installations and other customers around the world. The Company's power plants have generated more than 2.9 billion kilowatt hours of ultra-clean power using a variety of fuels including renewable biogas from wastewater treatment and food processing, as well as clean natural gas. The Company designs, manufactures, installs and services its proprietary fuel cell products. For more information, please visit www.fuelcellenergy.com

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