

December 15, 2015

FuelCell Energy Announces Project Finance Facility with PNC Energy Capital

- | *Tax equity fund to finance up to \$30 million of projects under development*
- | *1.4 megawatt project at UCI Medical Center expected to be the first project funded by PNC Energy Capital*
- | *Facility expands project finance platform and enables FuelCell Energy to retain power purchase agreements and long term project cash flows*

DANBURY, Conn., Dec. 15, 2015 (GLOBE NEWSWIRE) -- [FuelCell Energy, Inc.](#) (Nasdaq:FCEL), a global leader in the design, manufacture, operation and service of ultra-clean, efficient and reliable fuel cell power plants, announced a \$30 million project financing facility with PNC Energy Capital, LLC, a full service capital provider to the renewable energy and demand side management segments of the energy industry. This facility provides long term financing for projects that the Company is developing under power purchase agreements (PPA).

PNC Energy Capital will provide financing through a sale / leaseback structure to select project subsidiaries formed and owned by FuelCell Energy. The financing facility monetizes the tax benefits and cash flows from customer power purchase agreements.

"PNC is committed to renewable energy, dedicating resources and building expertise to customize finance programs for the energy services industry," said Dick Rai, senior vice president and manager of PNC Energy Capital LLC. "As a leader in megawatt scale class deployments of clean, efficient baseload power plants, FuelCell Energy is an important strategic alliance for us, offering long-term opportunities and, most notably, adding fuel cells to our growing portfolio of clean and renewable assets."

Financing from PNC Energy Capital will broaden FuelCell Energy's financing capabilities, which is expected to accelerate deployment of fuel cell projects. "We are excited to team up with PNC and add this important and scalable financing structure to our commercial deployment platform," said Michael Bishop, Senior Vice President and Chief Financial Officer. "This efficient financing platform enables FuelCell Energy to retain management of certain power purchase agreements and should further enhance cash flows and service margins".

The first project to close under this structure is expected to be the previously announced 1.4 megawatt (MW) fuel cell power plant which provides both electricity and heat to the University of California, Irvine Medical Center (UCI). The power plant will generate about 30 percent of the facility power needs, while the heat produced will be used in a direct exhaust absorption chiller to produce 200 tons of cooling for an office building and associated institutional requirements. The installation is expected to achieve commercial operations in December 2015, at which time, the project will be financed under this PNC financing facility. FuelCell Energy will operate and maintain the plant and sell power under a long-term power purchase agreement to UCI. The agreement with PNC Energy Capital is subject to achieving certain customary closing conditions.

This financing facility provides FuelCell Energy the choice to retain projects that it develops and to benefit from the margin expansion opportunities inherent in the sale of power and heat derived from the underlying power purchase agreement with the off-taker. Revenue derived from the power purchase agreements of the select projects will be recognized by FuelCell Energy over the life of the project. This contrasts to the outright sale of equipment which generates one-time Product Revenue. "This financing facility with PNC exemplifies the continued evolution of FuelCell Energy's fuel cell projects to investment opportunities for leading financial institutions," continued Mr. Bishop.

Fuel cells electrochemically convert a fuel source into electricity and heat in a highly efficient process that emits virtually no pollutants due to the absence of combustion. The Direct FuelCell[®] (DFC[®]) stationary fuel cell power plants manufactured by FuelCell Energy utilize carbonate fuel cell technology and provide continuous power located where the power is used, including both on-site applications and electric grid support. The combination of near-zero pollutants, modest land-use needs, and quiet operating nature of these stationary fuel cell power plants facilitates locating the power plants in urban locations. The power plants are fuel flexible, capable of operating on clean natural gas, on-site renewable biogas, or directed biogas. Deployments range in size from 1.4 megawatt university and hospital campus installations to 60 + megawatt utility scale fuel cell parks.

Energy financing is provided by PNC Energy Capital LLC, a wholly-owned subsidiary of PNC Equipment Finance, LLC, a wholly-owned subsidiary of PNC Bank, N.A., member of The PNC Financial Services Group, Inc.(NYSE:PNC).

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, industrial operations, universities, municipal water treatment facilities, government installations and other customers around the world. The Company's power plants have generated over four 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. For additional information, please visit www.fuelcellenergy.com, follow us [on Twitter](#) and view our videos [on YouTube](#).

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