



NEWS RELEASE

FuelCell Energy Subsidiary Executes Power Purchase Agreement For Long Island 7.4 MW Fuel Cell Project

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- 20-Year Power Purchase Agreement executed for 7.4 MW Project in Yaphank, NY
- Advances LIPA and PSEG Long Island efforts to achieve compliance with NY Clean Energy Standard (CES)

DANBURY, Conn., Dec. 20, 2018 (GLOBE NEWSWIRE) -- **FuelCell Energy, Inc.** (Nasdaq: FCEL), a global leader in delivering clean, innovative and affordable fuel cell solutions for the supply, recovery and storage of energy, today announced the signing of the first of three long-term power purchase agreements (“PPA”) under the Fuel Cell Resources Feed-In Tariff IV (“FIT IV”) program administered by PSEG Long Island.

This PPA stems from the selection of a 7.4 megawatt fuel cell project located in Yaphank, New York by PSEG Long Island under a solicitation for 40 megawatts of fuel cell based power resources. The solicitation sought NY CES qualified fuel cell resources from one megawatt to under 10 megawatts in nine designated electrical distribution development areas and up to 20 megawatts at the transmission level at 10 key substation locations across Long Island. The Yaphank 7.4 megawatt project is one of three projects totaling 39.8 megawatts awarded to FuelCell Energy as part of the FIT IV competitive bid process.

The power from the Yaphank project will be sold under a 20-year power purchase agreement. FuelCell Energy’s wholly-owned special purpose project entity, Yaphank Fuel Cell Park, LLC, will own, operate and maintain the fuel cell power plants, which are being installed by FuelCell Energy. In addition to reliable and local clean energy, the fuel cell facility will be a good economic partner for the Town of Brookhaven offering new incremental revenue from leasing a site from the Town.

“We have finished the permitting, engineering and site design required to progress this innovative 7.4 megawatt project in Long Island to construction,” said Chip Bottone, President and Chief Executive Officer of FuelCell Energy,

Inc. "Fuel cells are a great fit to provide grid modernization by delivering increased security, enhanced sustainability and capital efficiency. One of the most space-efficient clean energy technologies qualified under the CES, this project, along with the other two FIT IV projects that are nearing this same stage of development, demonstrate the many benefits of integrating clean and predictable fuel cells into New York's energy mix."

The other two selected projects have made substantial progress completing the prerequisite items leading to PPA execution. FuelCell Energy expects to complete the remaining items in the near term, allowing FuelCell Energy to execute PPAs for the remaining 32.4 megawatts of projects. These projects include:

- An 18.5 megawatt project located at the Brookhaven Rail Terminal in Yaphank.
- A 13.9 megawatt project located at an industrial park also in Yaphank, NY.

The Company has been diligently working to complete development of these landmark projects, and currently plans to commence construction in 2019. Development activities up to this point have included environmental reviews, electrical interconnection studies, and permitting activities under the NY SEQRA process, and design engineering and planning. FuelCell Energy continues to work cooperatively with the Town of Brookhaven, the landowners, local agencies and the interconnection review teams at New York Independent System Operator ("NYISO") and PSEG Long Island.

In addition to the delivery of continuous, reliable and CES-qualified electricity to this growing area of the system, according to publicly available information, the combined fuel cell facilities will defer millions of dollars in local transmission and distribution upgrades otherwise needed to maintain reliability in the Yaphank area.

PSEG Long Island operates the Long Island electric power delivery system for LIPA, a subdivision of the State of New York that owns the electric transmission and distribution system serving Long Island and the Rockaways, with a mission to enable clean, reliable, and affordable electric service for its customers. With initiatives to meet Governor Cuomo's New York State's aggressive clean energy goals, LIPA and PSEG Long Island lead New York with the largest commitment to clean fuel cell technology.

"LIPA and PSEG Long Island are leaders in clean energy deployment, taking visionary steps forward in its programs to develop the use of fuel cell power systems as part of its energy technology mix," said Chip Bottone, President & CEO of FuelCell Energy, Inc. "LIPA and PSEG Long Island's commitment to meet Long Island's growing need for clean electricity and their focus on installing resilient power generation contribute to the overall reliability and performance of LIPA's electric grid."

Forward Looking Statement

This news release contains forward-looking statements within the meaning of the safe harbor provisions of the

Private Securities Litigation Reform Act of 1995, including, without limitation, statements with respect to the Company's anticipated financial results and 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, changes to projected deliveries and order flow, changes to production rate and product costs, general risks associated with product development, manufacturing, changes in the regulatory environment, customer strategies, unanticipated manufacturing issues that impact power plant performance, changes in critical accounting policies, 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.

About FuelCell Energy

FuelCell Energy, Inc. (NASDAQ: FCEL) delivers efficient, affordable and clean solutions for the supply, recovery and storage of energy. We design, manufacture, undertake project development of, install, operate and maintain megawatt-scale fuel cell systems, serving utilities and industrial and large municipal power users with solutions that include both utility-scale and on-site power generation, carbon capture, local hydrogen production for transportation and industry, and long duration energy storage. With SureSource™ installations on three continents and millions of megawatt hours of ultra-clean power produced, FuelCell Energy is a global leader in designing, manufacturing, installing, operating and maintaining environmentally responsible fuel cell power solutions. Visit us online at www.fuelcellenergy.com and follow us on Twitter [@FuelCell_Energy](https://twitter.com/FuelCell_Energy).

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