



FuelCell Energy

FuelCell Energy, Inc.

NASDAQ: FCEL

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Development, West Region**

May 7, 2008

reliable, efficient, ultra-clean



Safe Harbor Statement

This presentation contains forward-looking statements, including statements regarding the company's plans and expectations regarding the development and commercialization of fuel cell technology. All forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The forward-looking statements speak only as of the date of this presentation. The company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in the company's expectations or any change in events, conditions or circumstances on which any such statements are based.



- **FuelCell Energy (“FCE”) has been delivering commercial fuel cell power plants in CA since 2003 with our Direct FuelCell® technology**
- **A leading fuel cell technology developer for over 30 years – over \$500 million invested.**
- **HQ in Danbury, CT with state of the art manufacturing in Torrington, CT with 50 MW capacity – 100 MW via Automation.**
- **Established commercial presence in U.S., Canada, Germany, Japan and Korea via distributor relationships.**
- **Currently the largest manufacturer of stationary fuel cells using carbonate and solid oxide technologies.**



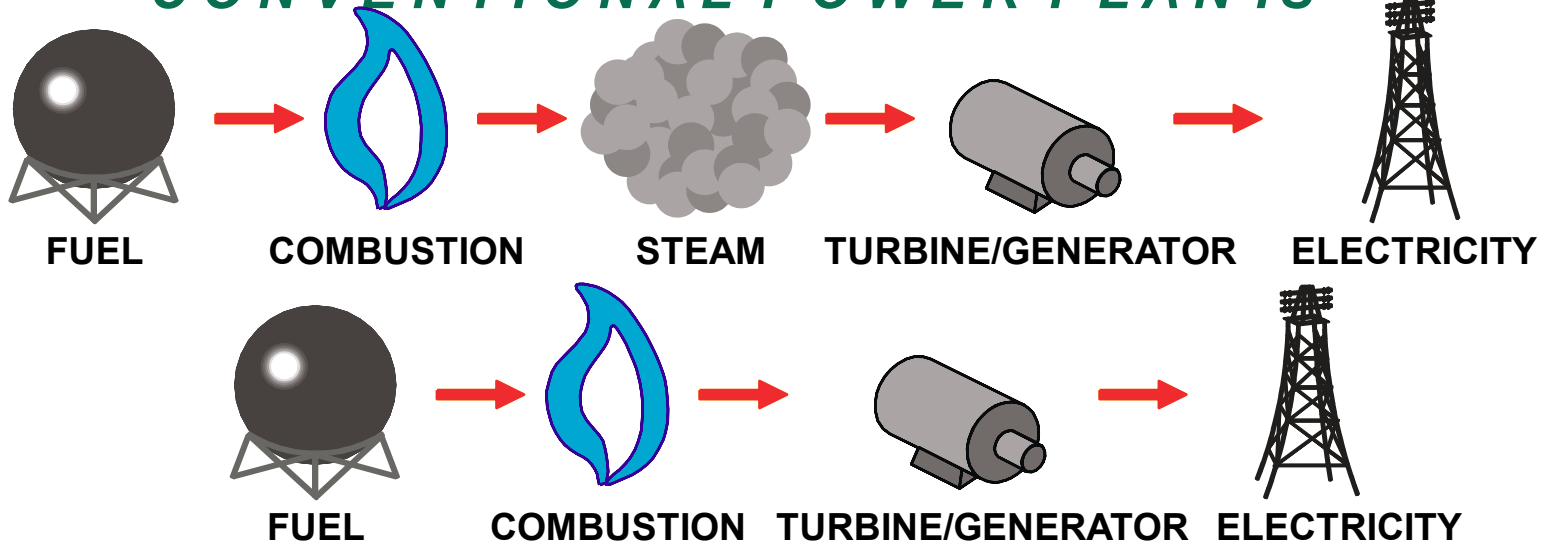
Torrington, CT



Danbury, CT



CONVENTIONAL POWER PLANTS



FUEL CELL POWER PLANT





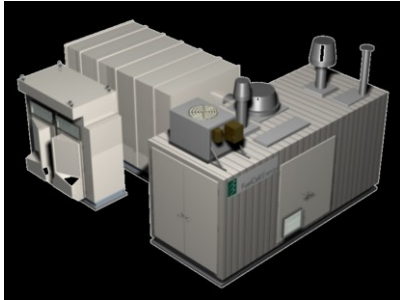
- FCE Evolution in California DG market
 - Earliest plants operated by LADWP on natural gas
 - Follow-on plants operated on Digester Gas at Palmdale and Santa Barbara
 - Currently 20 projects totaling 12 MW operating in CA today
 - 40% of existing projects operate on Bio Gas up to 12/07
 - 93% of new projects being installed in '08 are Bio Gas
- Lessons Learned
 - Digesters occasionally take the day off – have natural gas as a backup
 - Bio Gas treatment systems require continuous O&M – N.G. backup
 - WWTP's run diesel generator test monthly – install load banks
 - CA policy makers favor renewable fuels – be ready to use them all



- What allows FCE to sell fuel cells today –
 - Renewable bio-gas offers 24/7 green power
 - Power Purchase Agreements (“PPA”)
 - Public-funded subsidies (CA, CT, Korea)
 - Federal Investment Tax Credit (pending renewal)
 - Emissions Value (CA, Asia)
 - Consistent cost reductions
 - CARB 07 Certifications on both N.G. and Bio Gas
 - Rule 21 Certified for Simplified Interconnection
 - Higher electrical efficiency (47%) vs. combustion



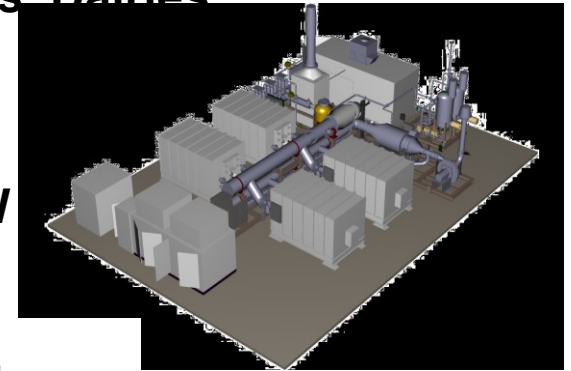
- **AB 32 passed – strict limits on greenhouse gas emissions**
- **CARB 07 sets tough new standards for NOx emissions**
- **\$80 million + annual incentives via Self-Gen Incentive Program**
- **As of April 24, 2008, Fuel Cells receive incentives up to 3 MW**
- **\$2500/kW for power plants running on natural gas**
- **\$4500/kW for power plants running on biofuel**
- **AB1214, AB67 and CPUC Code 2827.10(d) eliminate utility Standby Rates and Exit Fees for Fuel Cells up to 5 MW**
- **Net Metering**



300 kW *DFC300 MA* - 300-Bed Hotels, Wastewater plants, small industrials, Dairies

DFC1500 - 1000-Bed Hotels, Prisons, Wastewater plants, Food processors, Industrial facilities, Hospitals

1.2 MW



DFC3000 - Hospitals, Manufacturing, Universities

2.4 MW





FCE Units in CHP Applications

FCE Model	Power Output (kW)	Useful Waste Heat @ 130 F(BTU/Hr.)	Useful Waste Heat @ 650 F (BTU/Hr.)
DFC 300 MA	300	704,000	109,000
DFC 1500	1200	2,275,000	186,000
DFC 3000	2400	4,550,000	372,000



FuelCell Biogas treatment requirements vs. Combustion

Bio-Gas Issue	FCE Specs.	Engine Specs.	Turbine Specs.
H ₂ S Removal	Yes – 2 vessels for average system	Yes – 1 vessel for average system	Yes – 1 vessel for average system
Siloxane Removal	Yes – lower tolerances	Yes – can cause internal & catalyst damage	Yes – can cause internal damage
Halogen, Chlorides, and Fluorides Removal	Yes	Optional	Optional
Gas Compression	15 PSI - low	1-40 PSI - medium	>200 PSI- high
Natural Gas backup	Yes - Recommended	No	No
Parasitic losses	Medium	Low	High



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Early Bio Gas Fuel Cell Installation







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Applications for DFC Plants



Wastewater Treatment, Santa Barbara, CA



Sharp Factory, Mie Prefecture, Japan



San Diego Sheraton, CA



Santa Rita Jail, CA



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Applications for DFC Plants



Bad Berka Hospital, Germany



Sierra Nevada Brewery, California



Kirin Brewery, Japan



CA State Northridge



- **Questions?**
- **Tours available for FCE units in the field**

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Sheraton Hotel, New York