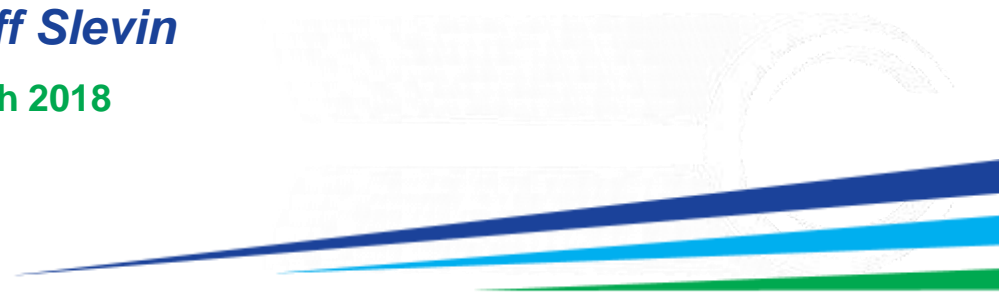




Fuel Cell Microgrids

Geoff Slevin

March 2018



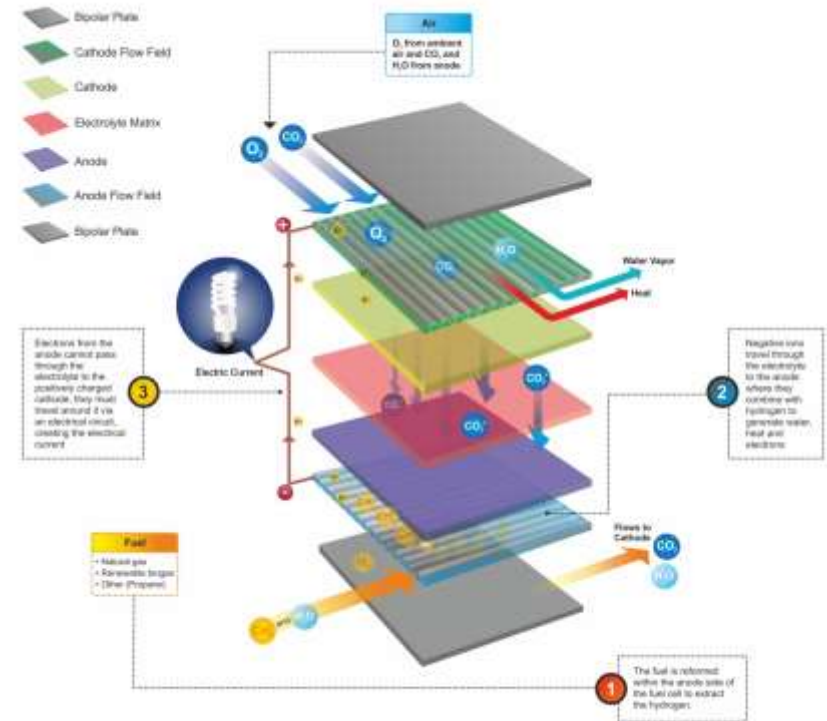
This presentation contains forward-looking statements, including statements regarding the Company's plans and expectations regarding the development and commercialization of fuel cell technology. All forward-looking statements are subject to risks and uncertainties that could cause actual results to 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. The Company may refer to non-GAAP (generally accepted accounting principles) financial measures in this presentation. The Company believes that this information is useful to understanding its operating results and the ongoing performance of its underlying business. Please refer to the Company's earnings release for further disclosure and reconciliation of non-GAAP financial measures.

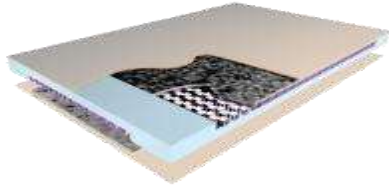
- **Fuel Cell CHP Technology**
- **Technical, Operational, and Commercial Benefits in Microgrids**

- **Generate electricity, and sometimes usable waste heat, by virtue of an electrochemical reaction**
- **No combustion, no criteria pollutant emissions (NO_x, SO_x, PM₁₀)**
- **More efficient than competing baseload technologies, produce lower CO₂ emissions.**

Electrochemical Conversion of Fuel to Electricity

- Consists of two electrodes—a negative electrode (or anode) and a positive electrode (or cathode)—sandwiched around an electrolyte
- Fuel and water is fed to the anode and air is fed to the cathode
- A catalyst at the anode separates hydrogen molecules into protons and electrons, creating a flow of electricity between cathode and anode
- The chemical reaction also produces water and heat

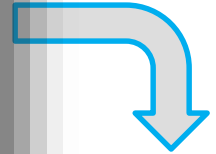




Individual fuel cell component



400 components are used to build one 350 kW fuel cell stack



Two modules are used for a 2.8 MW power plant



The stacks are enclosed, creating the fuel cell module



4 stacks are combined to build a 1.4 MW plant

	MW - Class
Technology	Carbonate
System Size Range	1.4 MW - 3.7 MW
Typical Application	Utilities, campuses, industrial - baseload
Fuel	Natural gas, Biogas, others
Advantages	High efficiency, scalable, fuel flexible & CHP
Electrical Efficiency	47-60%
Combined Heat & Power (CHP)	Steam, hot water, chilling

Sub-MW-Class	
Phosphoric Acid	Solid Oxide
400 kW	200 kW
Commercial buildings - baseload	Commercial buildings - baseload
Natural gas	Natural gas
CHP	High Efficiency
40% - 42%	50% - 60%
Hot water, chilling	Depends on technology used

Mechanical Balance of Plant
Conditions & humidifies fuel prior to delivering to module

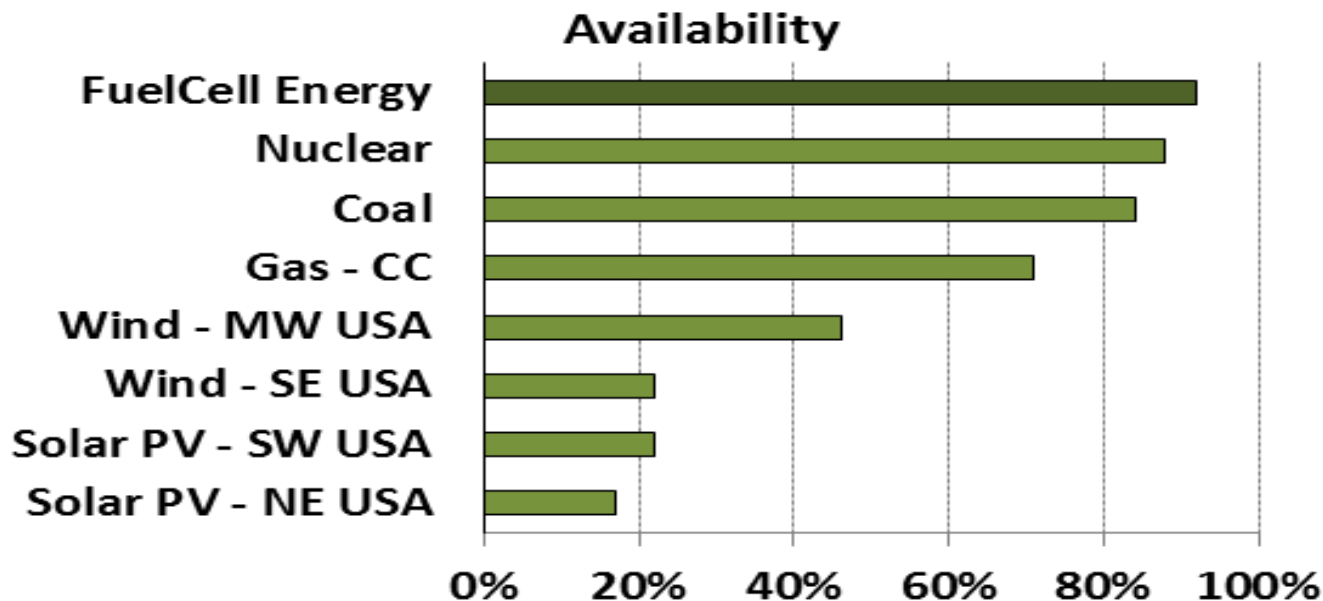
1.4 MW Module

Electrical Balance of Plant
Converts direct current produced by fuel cells to alternating current



Need	Fuel Cell Provides
Reliability	High Availability and Resiliency
Savings	Electricity Savings Available in Major Markets
Sustainability	Criteria Pollutant and GHG Emissions Savings

High fuel cell plant availability



Source: FCE & NREL

Case Study – UC San Diego



- Grid-connected 2.8 MW fuel cell powered by Directed Biogas providing electricity and absorption chilling to campus grid

“A fuel cell powered by directed biogas is the cornerstone of the micro-grid operation”



Benefits

- Cost savings during normal operations
- Microgrid satisfies 90% of campus electric needs
- Carbon neutral by utilizing directed biogas

Case Study – University of Bridgeport

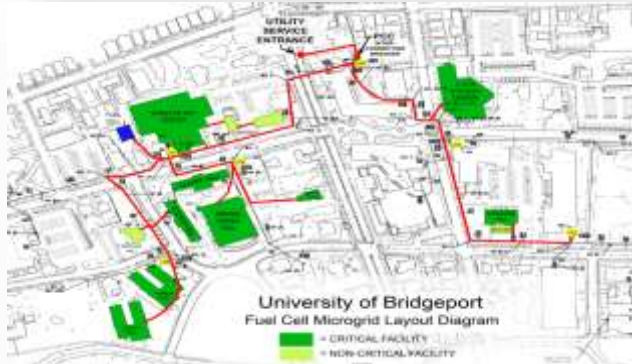


Project Overview

- 1.4 MW combined heat & power fuel cell power plant
- Supplies 80% of campus power needs
- Waste heat converted to hot water and supplied to three locations on campus
- Connecticut Microgrid Program Award

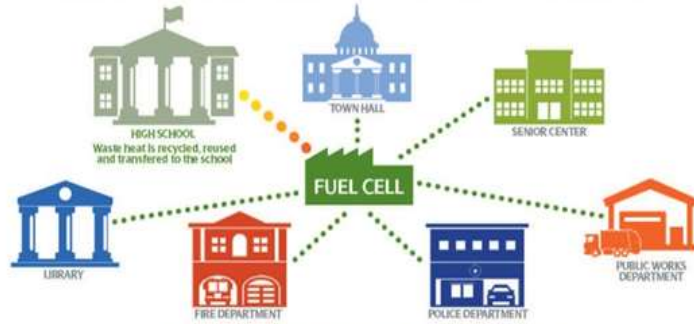
Benefits

- Cost savings during normal operations
- In a grid outage, power to critical facilities – shelter ~2700 persons, security, dining
- Renewable Energy Research Lab – “practice what we teach”
- Emissions reductions:
7,000 tons CO₂, 64 tons SO_x, 28 tons NO_x



Case Study – Town of Woodbridge, CT

Where Renewable Meets Reliable



A look at UI's Woodbridge fuel cell project



Project Overview

- 2.2 MW combined heat & power fuel cell power plant
- Power to UI grid during normal operation
- Supplies 100% of Town microgrid power needs during grid outage
- Heat supplied to Amity High School
- Connecticut Microgrid Program Award

Benefits

- Helps UI achieve its Class I RPS goals
- In a grid outage, power to critical facilities – police, fire, community services
- Savings to Amity High School ~ \$100K per year from avoided natural gas
- Enabled upgrade to local gas grid delivery infrastructure



Project Overview

- Grid-connected 5.6 MW fuel cell powered by Natural Gas
- Provides electricity and steam to Pfizer Groton campus
- Seamless grid independent capability
- Private, Critical Facility Microgrid

Benefits

- Closes electrical generation gap with a more reliable source than the commercial grid – makes site independent year round
- PPA structure with no up-front capital cost, delivers energy cost savings to Pfizer
- Enhances site sustainability profile (green energy source)
- Clean profile reduces permitting hurdles

"The self-reliance this plant affords us provides that stability and reliability of operation that we need"

Michael Lallier, Site Operations Manager, Pfizer

- **BRIGHT: Feb – 2018: 30% ITC Extended**
 - Previously left out of 2015 tax credit extension for wind and solar
- **GROWING: Regional Incentives**
 - NYSERDA, LIPA, NJ CEP
- **FUTURISTIC: Microgrid Opportunities**
 - NJ TC DER
 - NY Prize
- **NECESSARY: Advanced Technology**
 - Carbon Capture
 - Hydrogen Production

ExxonMobil



TOYOTA



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Fuel cells provide dependable, clean electricity and heat for microgrids, either alone or in parallel with other generation sources

Grid Connected mode

In normal operation the fuel cell synchronizes to local utility grid and offsets part or all of the load demand of the facility, reducing power needed from the utility

Microgrid mode

After a grid outage, facility loads see a brief interruption, and are then reconnected in a controlled manner to the fuel cell and other on-site sources

Critical Supply mode

Upon grid outage, disconnects from the grid and enters standby mode. Seamless backup power available to hard-wired customer critical loads up to 85% of fuel cell output

*Load Leveler operation profile:
microgrid established in ~30 seconds*

