

*For immediate release:
March 25, 2008*

Distributed Energy Systems Books Turbine Orders with Canadian Power Company

BARRE, VT — Distributed Energy Systems Corp. (Nasdaq: DESC), an innovative leader in wind power technology, announced today that it received an order for its advanced Northwind 100 gearless wind turbines from Newfoundland and Labrador Hydro (Hydro), the fourth largest utility company in Canada.

Three Northwind 100 turbines will be installed in Ramea, a small remote island on the south coast of Newfoundland and one of 22 isolated communities served by Hydro. Ramea is the site of a five-year innovative research and development project for an isolated wind-hydrogen-diesel generation system, one of the first of its kind in the world. This project is focused on developing an environmentally-friendly energy solution to be used in small, isolated electrical distribution systems. The project builds on the existing, successful wind-diesel system that has been operating in Ramea since 2004.

"We are very pleased to provide our experience and leading-edge, state of the art wind turbine to this innovative project in Ramea," said Bud Cherry, chief executive officer at Distributed Energy Systems. "The Northwind 100's track record for reliability and the technology and know-how of the DESC team will serve Newfoundland and Labrador Hydro extremely well."

"The Ramea Wind-Hydrogen-Diesel energy project has the potential to significantly reduce Hydro's reliance on diesel generation and provide clean, renewable energy to isolated customers," said Greg Jones, Hydro's senior business development analyst. "Distributed Energy Systems' technology and expertise in remote northern communities is a strong fit for us."

With 100kW of rated power, the Northwind 100 was originally designed for use in remote wind-diesel applications, and more recently has been released as an alternative power generator for grid-connected customers such as small businesses, commercial farms, small communities, schools and universities, and small corporate and industrial sites. The permanent magnet direct-drive (PMDD) turbine delivers best-in-class reliability and high energy capture to the mainstream wind energy marketplace.

About Distributed Energy Systems Corp.

Distributed Energy Systems Corp. (Nasdaq: DESC) creates and delivers wind and hydrogen power solutions to a decentralized energy marketplace, giving users greater control over their energy cost, quality, and reliability. Northern Power Systems, the company's wind division, has a history of leadership in wind power. The company's installed base of turbines has logged almost 2 million kilowatt-hours of production to date. The Northwind 100 is the company's branded 100kW wind turbine and is most widely known for helping wind-diesel customers in isolated communities save money and improve their power portfolio. More recently, the Northwind 100 has been penetrating the mainstream marketplace and providing wind power in grid-connected applications. For more information, visit www.distributed-energy.com.

About Newfoundland and Labrador Hydro (Hydro)

Headquartered in St. John's, Newfoundland and Labrador, Hydro is a Crown corporation with a mandate to deliver safe, reliable, least-cost energy to industrial, utility and

residential customers in Newfoundland and Labrador. The company supplies over 80 per cent of the province's electrical energy, and has expanded its operations into oil and gas, wind generation, and, research and development. Hydro, with its subsidiaries, is the fourth largest power utility in Canada, with over 7,300 megawatts (MW) of installed generating capacity in 2007. For more information, visit www.nlh.nl.ca.