

DISTRIBUTED ENERGY SYSTEMS CORP
Form 8-K
January 18, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 16, 2008

Distributed Energy Systems Corp.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction)

000-50453
(Commission File Number)

20-0177690
(IRS Employer

of Incorporation

Identification No.)

10 Technology Drive, Wallingford, Connecticut
(Address of Principal Executive Offices)

06492
(Zip Code)

Registrant's telephone number, including area code: (203) 678-2000

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- “ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - “ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - “ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - “ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.02. Termination of a Material Definitive Agreement

On January 16, 2008, the registrant entered into a Termination Agreement with Morgan Stanley Wind LLC, pursuant to which the registrant and Morgan Stanley Wind agreed to terminate, effective as of the date of the Termination Agreement, the Joint Venture Agreement between the registrant and Morgan Stanley Wind dated as of March 7, 2007, which established a framework for the registrant and Morgan Stanley Wind to work together to develop, finance, own and operate projects utilizing waste-to-energy technology, combined-heat-and-power technology and other advanced energy technologies.

In connection with the termination, Morgan Stanley Wind agreed to pay the registrant \$500,000, as well as reimbursement for a portion of expenses. In addition, the registrant assigned, and Morgan Stanley Wind agreed to assume, the rights and obligations of the registrant in connection with the ongoing projects under the Joint Venture Agreement. A copy of the Termination Agreement is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Termination Agreement between the registrant and Morgan Stanley Wind LLC, dated as of January 16, 2008.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DISTRIBUTED ENERGY SYSTEMS CORP.

Date: January 18, 2008

By: /s/ Peter J. Tallian
Peter J. Tallian, Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Termination Agreement between the registrant and Morgan Stanley Wind LLC, dated as of January 16, 2008.