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STAMFORD

## Clean air push helps Fuel-Tech

By Richard Lee  
Assistant Business Editor

An announcement by the Bush administration ordering states to impose stricter regulations on power plants may prove a boon to a Stamford company that specializes in air pollution control technology.

"I think it will clearly benefit the company," said Tracy Krumme, director of investor relations for Stamford-based Fuel-Tech NV.

The announcement from the federal government demands specific air quality improvement plans in 28 states, including Con-

necticut, by September of next year.

Fuel-Tech, whose technology cuts nitrogen oxide emissions from utility and industrial boilers, reported net income of \$3.2 million in the second quarter that ended June 30, compared with a loss of \$308,000 in the same quarter last year.

The company has seen a revenue increase since federal and state governments have stepped up standards to reduce air pollution, Krumme said.

"We've had a really strong six months. Since Jan. 1, we've fielded \$21 million in project orders," she said, noting that federal standards require an 85 percent cut in nitrogen oxide emissions from 1990 levels, affecting up to about 1,300 boilers at power plants.

The federal Clean Air Interstate Rule, issued in March, sup-

plants the State Implementation Plan, and expands regulation of nitrogen oxide and sulfur dioxide emissions to the 28 eastern states and the District of Columbia, said Environmental Protection Agency spokesman John Millett.

As a result, Krumme said, another 140 utility boilers will be affected. By 2015, the rule is supposed to reduce sulfur dioxide emissions in those states by more than 70 percent and nitrogen oxide by more than 60 percent from 2003 levels.

"CAIR will result in the largest pollution reductions and health benefits of any air rule in more than a decade," EPA Administrator Steve Johnson said. "The action we are taking will require all 28 states to be good neighbors, helping states downwind by controlling airborne emissions at their source."

A DEP action called the Federal Haze Rule also is designed

to preserve federally protected natural areas in the West, Krumme said, impacting 50 boilers.

Fuel-Tech is in a good position to benefit from the new rules, said Rob Kirkpatrick, managing director of Cardinal Capital Management LLC in Greenwich, owner of nearly 600,000 Fuel-Tech shares.

"Things on that side of the business seem to have some momentum," Kirkpatrick said, adding that its Fuel Chem operation, a process that reduces slag in boilers, also shows promise.

Winslow Funds in Boston, which focuses on environmentally responsible investments, owns about 1 million Fuel-Tech shares through its Winslow Green Growth Fund, and company President Jackson Robinson is optimistic about its prospects.

"The demand will continue to go up," he said.