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FOR IMMEDIATE RELEASE

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FUEL TECH ANNOUNCES FUEL CHEM[®] DEMONSTRATION

WARRENVILLE, Ill., June 17, 2009 – Fuel Tech, Inc. (NASDAQ: FTEK), a world leader in advanced engineering solutions for the optimization of combustion systems and emissions control in utility and industrial applications, today announced a FUEL CHEM[®] demonstration order from an existing domestic electric utility customer. The demonstration will be conducted on a medium-sized Powder River Basin coal-fired boiler, with chemical injection scheduled to commence during the third quarter.

John F. Norris Jr., President and Chief Executive Officer, commented, “There are two primary drivers for incorporating a TIFI[™] Targeted In-Furnace Injection[™] program at this client’s facility. First is the desire to inhibit the formation of efficiency-robbing slag on the unit’s boiler tubes, which typically arises from the presence of sodium impurities in Powder River Basin coals. Second is the client’s objective of achieving modest reductions in nitrogen oxide (NO_x) emissions. This can be expected to occur with an improvement in the unit’s heat rate as less heat input - in the form of less NO_x forming, combusted coal - will be required to generate a unit of work output, in terms of BTUs per kilowatt-hour.”

About Fuel Tech

Fuel Tech is a leading technology company engaged in the worldwide development, commercialization and application of state-of-the-art proprietary technologies for air pollution control, process optimization, and advanced engineering services. These technologies enable customers to produce both energy and processed materials in a cost-effective and environmentally sustainable manner.

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The Company's nitrogen oxide (NO_x) reduction technologies include advanced combustion modification techniques - such as low NO_x burners and overfire air systems - and post-combustion NO_x control approaches, including NO_xOUT[®] and HERT[™] SNCR systems as well as systems that incorporate NO_xOUT CASCADE[®], NO_xOUT ULTRA[®], Rich Reagent Injection (RRI) and NO_xOUT-SCR[®] processes. These technologies have established Fuel Tech as a leader in NO_x reduction, with installations on over 550 units worldwide, where coal, fuel oil, natural gas, municipal waste, biomass, and other fuels are utilized.

The Company's FUEL CHEM[®] technology revolves around the unique application of chemicals to improve the efficiency, reliability, fuel flexibility and environmental status of combustion units by controlling slagging, fouling, corrosion, opacity and acid plume, as well as the formation of sulfur trioxide, ammonium bisulfate, particulate matter (PM_{2.5}), carbon dioxide and NO_x. This technology, in the form of a customizable FUEL CHEM program, is being applied to over 85 combustion units burning a wide variety of fuels including coal, heavy oil, biomass, and municipal waste. A breakdown of the nature of these customer units is posted on the Company's website.

Fuel Tech also provides a range of combustion optimization services, including airflow testing, coal flow testing and boiler tuning, as well as services to help optimize selective catalytic reduction system performance, including catalyst management services and ammonia injection grid tuning. In addition, flow corrective devices and physical and computational modeling services are available to optimize flue gas distribution and mixing in both power plant and industrial applications.

Many of Fuel Tech's products and services rely heavily on the Company's exceptional Computational Fluid Dynamics modeling capabilities, which are enhanced by internally developed, high-end visualization software. These capabilities, coupled with the Company's innovative technologies and multi-disciplined team approach, enable Fuel Tech to provide practical solutions to some of our customers' most challenging problems. For more information, visit Fuel Tech's web site at www.ftek.com.

This press release may contain statements of a forward-looking nature regarding future events. These statements are only predictions and actual events may differ materially. Please refer to documents that Fuel Tech files from time to time with the Securities and Exchange Commission for a discussion of certain factors that could cause actual results to differ materially from those contained in the forward-looking statements.

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