

**Texas Commission on Environmental Quality
New Technology Implementation Grant (NTIG) Program
Quarterly Project Status Report**

Contract Number: 582-11-13127-3225

Grantee: Renewable Energy Systems Americas, Inc.

Report for the Monthly period: Period Ending 12/31/2011 **Date Submitted:** 1/4/2012

Section I. Accomplishments

Provide a bulleted list of project accomplishments as well as a description of their importance to the project.

- Ongoing review of design changes and further product development by LightSail, and evaluation of effect of these changes on contract SOW and schedule.

Indicate which part of the Grant Activities as defined in the grant agreement, the above accomplishments are related to:

- These activities are not specific to grant activities defined in the grant agreement, but are related to potential grant amendment requests.

Section II: Problems/Solutions

Problem(s) Identified: Report anticipated or unanticipated problem(s) encountered and its effect on the progress of the project

- a) After completion of the grant agreement, the vendor for the energy storage system, LightSail, informed us as to proposed design changes to their system. These design changes are expected to impact the present project schedule. These design changes are not expected to change the gross system parameters (MW/MWh, efficiency, etc.), but details of system layout and design are expected to change.

Proposed Solution(s): Report any possible solution(s) to the problem(s) that were considered/encountered

- a) We requested a 6 month extension to the grant agreement, which was approved by the TCEQ.

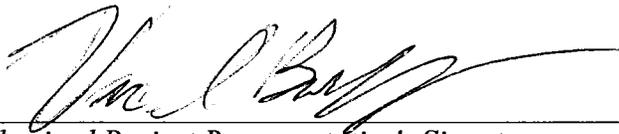
Action(s) Conducted and Results: Describe the action(s) taken to resolve the problem(s) and its effect

- a) The requested 6 month extension to the grant agreement was accepted and approved by the TCEQ.

Section III. Goals and Issues for Succeeding Period:

Provide a brief description of the goal(s) you hope to realize in the coming period and identify any notable challenges that can be foreseen

Our goals are to continue to follow the design changes to the LightSail product, and to evaluate these changes.



Authorized Project Representative's Signature

Date: 1/4/2012

NOTE: *Please attach any additional information that you feel should be a part of your report or that may be required to meet the deliverable requirements for tasks completed during this reporting period.*