

NTRD Program Disclaimers

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**Texas Commission on Environmental Quality
New Technology Research & Development (NTRD) Program
Monthly Project Status Report**

Contract Number: 582-5-70807-0006

Grantee: Railroad Commission of Texas

Date Submitted: October 12, 2005

Report for the **Monthly** period:

Starting Date: September 1, 2005

Ending Date: September 30, 2005

Section I. Accomplishments *(Please provide a bulleted list of project accomplishments as well as a description of their importance to the project.)*

1. Two potential manufacturers have submitted the required information to CARB. These are Lubrizol and Precision Governors. In both cases CARB has requested additional minor information and clarification as reported by the companies. We have not seen the response from CARB. Safe Controls of El Paso, Texas, was contacted by phone, email and letter and asked if they intend to participate in the program. At this time we believe that their own internal reorganization and refocus is keeping them from participating.
2. A third potential manufacturer participant, Motive Ventures of Boerne, Texas, a start-up company, has inquired into the program and announced that they will submit a letter of interest to CARB. Motive Ventures may be an engineering certification and manufacturer of record for equipment manufactured by a fuel-equipment company that does not want to take on the liability of being the manufacturer of record for the record-keeping emissions guarantee.
3. At this time we have not heard anything new from NETT Technologies. We believe that they still have an interest but they may not be able to get their letter of intent approved by CARB by the time the testing starts.
4. The Invitation for Bids for emission testing has been completed, posted on the Texas Marketplace and sent out to potential bidders. We are presently waiting for their response to the bid request, which we expect back by the end of October. At that time the bids will be evaluated and awarded, and a purchase order will be issued for the testing. Testing is expected to commence 4-8 weeks after the issuing of the purchase order.

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

Task I. Select partners

2.1.1 Select retrofit fuel systems

2.1.5 Submit names of verification partners and copies of the agreements

Task 2. Initiate CARB verification process

2.3.1 Select testing laboratory

Section II: Problems/Solutions

<p>Problem(s) Identified</p> <p><i>(Please report anticipated or unanticipated problem(s) encountered and its effect on the progress of the project)</i></p>	<p><i>Safe Controls has not communicated their interest in the program in the last 4 months.</i></p>
<p>Proposed Solution(s)</p> <p><i>(Please report any possible solution(s) to the problem(s) that were considered/encountered)</i></p>	<p><i>Safe Controls was sent a letter asking for confirmation of interest. As no reply was received, they have been dropped from the program.</i></p>

<p>Action(s) Conducted and Results</p> <p><i>(Please describe the action(s) taken to resolve the problem(s) and its effect)</i></p>	<p><i>In addition to maintaining communications with Safe Controls and Zenith Controls, AFRED has contacted CARB (Robin Myers) to keep up to date on the changing CARB timelines. CARB has postponed the final adoption of the retrofit procedures. Discussions with CARB's Mark Willams verified that the interim program will proceed using published procedures and process until additional questions are answered. CARB does not expect that any changes will alter the program measurably.</i></p>
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Section III. Goals and Issues for Succeeding Period: *(Please 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)*

- 1. Evaluate IFB responses, select laboratory, secure TCEQ approval of laboratory.*
- 2. Receive documentation from Precision Governors.*
- 3. After CARB approves the testing plan enter into letters of agreement with Lubrizol and Precision Governors as initial manufacturer partners.*
- 4. If NETT or Motive Ventures intends to submit an application to CARB, incorporate them into the program.*



Date: October 12, 2005

Authorized Project Representative's Signature

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.*

- 1. Invitation for Bids for laboratory testing services. Bid opening is scheduled for Oct. 28.*