

NTRD Program Disclaimers

1. Disclaimer of Endorsement:

The posting herein of progress reports and final reports provided to TCEQ by its NTRD Grant Agreement recipients does not necessarily constitute or imply an endorsement, recommendation, or favoring by TCEQ or the State of Texas. The views and opinions expressed in said reports do not necessarily state or reflect those of TCEQ or the State of Texas, and shall not be used for advertising or product endorsement purposes.

2. Disclaimer of Liability:

The posting herein of progress reports and final reports provided to TCEQ by its NTRD Grant Agreement recipients does not constitute by TCEQ or the State of Texas the making of any warranty, express or implied, including the warranties of merchantability and fitness for a particular purpose, and such entities do not assume any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represent that its use would not infringe privately owned rights.

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

Contract Number: _____582-5-70807-0005_____

Grantee: _____Teledyne Energy Systems, Inc._____

Date Submitted: _____10 November 2006_____

Report for the **Monthly** period:

Starting Date _____1Oct 2006_____ Ending Date _____31 Oct 2006_____

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

- Teledyne Energy Systems (TESI) and subcontractor Clean Fuel Generation (CFG) held two regular biweekly telecoms during the month of October.
- TESI was able to repair the damaged electrical connector of the compressor. During the month TESI completed testing of the hydrogen compressor, hydrogen circulator pump, and the air pump for the fuel cell system.
- A fuel cell stack was retested using a scaled load profile to more closely simulate the operating conditions of the fuel cell stack.
- CFG completed additional testing of the reformer which now has 406 hours of testing and 70 thermal cycles with no signs of catalyst deterioration. Reformer testing included cycling the unit between hot-standby and the operating condition. The duty cycle of the reformer simulated the operation that would be required of it for the APU with a hydrogen storage system.
- CFG continued testing the hydrogen purifier with an accumulated 165 hours and 60 thermal cycles at the end of the month.
- TESI and CFG continued work and completed the Task 2 report.

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

The above accomplishments are related to Task 2 in the Grant Activities.

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>None at this time.</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>Action(s) Conducted and Results</p> <p><i>(Please describe the action(s) taken to resolve the problem(s) and its effect)</i></p> | |

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)*

Goals for November are to complete the final editing of the Task 2 report for submission to TCEQ in the beginning of the month. Work on Task 3 will continue after TCEQ review of the Task 2 report and permission to proceed from TCEQ.

Additional information-



Date: 09 November 2006

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.*