

NTRD Program Disclaimers

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



Contract Number: __582-5-70807-0011 ____

Grantee: __Rolling Frito Lay Sales, LP_____

Date Submitted: __September 9, 2005_____

Report for the **Monthly** period:

Starting Date __August 1, 2005_____ Ending Date __August 31, 2005____

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

- **Updated Integrated Project Timeline** – The projected timeline has been continuously updated to reflect the unanticipated delays in getting contract and purchase order documents in place, as well as estimated build times from the suppliers.
- **Contracts/Purchase Orders** –
 - **Azure Dynamics** - A Purchase order was issued for the Azure Dynamics hybrid conversion on August 4. This milestone was reached about 6 weeks later than anticipated due to accounting and internal project set-up requirements.
 - **LopezGarcia Group** - The process of getting paperwork in place (including confidentiality agreement, contract/services description, Terms & Conditions document, proof of insurance, etc.) is underway with LopezGarcia Group, who will provide environmental consulting as well as data acquisition and analysis for the project. A purchase order for their services is expected to be issued by 9/9/05.
 - **Eaton** - A meeting was held with Eaton Corp. and International Corp. in Ft. Wayne, IN, to discuss project strategy and timing. A proposal is on the table to have Eaton supply the hybrid drive components to International Corp., and International would integrate into the base chassis. International has recently acquired the chassis builder Workhorse Custom Chassis, who built both the gas and diesel chassis for the project. This will involve an amendment to the grant contract, which will be pursued.
- **Vehicle Delivery** – The gas truck is expected to arrive at Azure Dynamics on 9/6/05. The diesel truck will not be assembled with a body (bare chassis) to allow easier integration by Eaton/International. The chassis is currently ready for shipment, which will occur once contracting issues are resolved.

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

The above activities are directly related to Article 2, Scope of Work, Task 1: Development and Delivery of Hybrid Vehicles, specifically sections 2.1.1 and 2.1.2.

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>International proposes to integrate the hybrid drive components rather than Eaton. This will result in learnings for future production of larger number of vehicles with International and would shorten development time and cost required for any potential future orders for wider implementation of hybrid vehicles.</i></p>
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<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>Investigate with TCEQ what is required to amend the contract to reflect a different supplier of the comparable equipment and/or services as what was originally proposed.</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>No action as of yet. Will inquire with grant administrator, then make a decision on approach with the suppliers.</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)*

1. *Finalization of commercial terms and issuance of Purchase Orders to remaining vendors– gaining alignment on contract language, terms and conditions, etc. between Frito-Lay and individual supply vendors. Verification of certificates of insurance. Obstacles may be found in individual cases where opinions may differ between Frito-Lay and the vendors on legal language surrounding terms and conditions for the contract.*

2. *Generation of detailed fabrication and vehicle delivery timeline – for each vendor, will work to achieve a detailed work plan which will include defined delivery dates for major equipment pieces, fabrication timelines, assembly, testing, and delivery. Potential difficulties may lie in aligning schedules and available resources between F/L and vendors. This activity has been delayed with Azure, as they need to see the vehicle and take critical measurements from the vehicle to determine detailed installation approach. Drawings were not available from the truck body builder to speed the process.*

3. *Data analysis on current vehicle drive cycles - using GPS units to analyze current drive cycle for input into testing plans (ongoing activity). Pilot program independent of the hybrid project has activated gps on a number of vehicles currently in use, and the data is now becoming available for analysis. Plans are to track the truck drive cycles over time for approximately one month before completing detailed analysis.*



Date: September 09, 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.*