

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

Contract Number: 58211111473264

Grantee: Alternative Motive Power Systems

Report for the Monthly period: July 2011 **Date Submitted:** Aug. 10, 2011

Section I. Accomplishments

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

- Calls with Axion Power (new battery option) & Crown Battery
- Continued communications with Railserve regarding precise locomotive dimensions, fabrication, packaging and engine options
- Conversations with American Traction Systems regarding improvements to traction motor drive system
- Gather additional data to finalize generator selection

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

- Task #1

Section II: Problems/Solutions

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

- a) No significant problems

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

- a) None

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

- a) None

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

We still need to visit Axion Power to conduct test on their batteries and have tentatively scheduled a visit to Augusta, Georgia, to look at another AGM Battery option along with a Sodium technology that we do not believe will be appropriate for the locomotive but of interest to AMPS while we're there. Our default battery selection is the Odyssey P1800 as initially proposed. As we mentioned last month, we are familiar with this kind of development, we have options available for critical systems should "Plan A" not work out.

Date: July 12, 2011

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.*