

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: __March 10, 2006_____

Report for the **Monthly** period:

Starting Date __02/01/06_____ Ending Date __02/28/06__

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 progress against objectives. Both vehicle vendors have indicated a delayed vehicle shipment by 2 weeks. At this point, a May 2006 vehicle delivery is forecasted.
- **Vehicle Construction** –
 - **Azure Dynamics** – The Azure Dynamics vehicle will be converted to hybrid drive power in Azure's Vancouver, BC headquarters versus the Boston area facility to provide a better product and more complete testing prior to release and delivery. In order to do so, the base truck had to be transported to Vancouver, and approximately a 1.5 week delay in the project was incurred. A project review is scheduled at Azure Dynamics on 3/14 to gauge project status and build quality.
 - A design revision to the floor of the truck was made to allow for the increased size of the transmission/clutch/motor components. Several options were presented by Azure, and the choice was made based on driver/operator safety and ease of ingress & egress.
 - **Eaton/International** – The project continues to move ahead at International for a truck delivery in May 2006. Approximately 2 weeks delay has been seen due to resourcing at International and difficulty in getting purchasing documentation in place. Final revisions to the purchasing paperwork are underway, and expected by 3/19; pending final approval of the purchasing terms is not holding up progress at this point in the project.
- **Testing/Data Acquisition**

LopezGarcia Group

 - **Emissions Instrumentation** – An updated proposal from Clean Air Technologies has been received, containing a later “valid-through” date. The choice of emissions monitoring equipment will be reviewed with the Heavy Hybrid project team at the National Renewable Energy Lab (NREL) in Golden, Co. on 3/6. If NREL agrees with the project team's recommendation to use the CAT system, a purchase order for the system can be issued shortly after the meeting.
 - **Testing Protocol** – Drive cycle analysis is nearing completion; the drive cycle analysis will be a portion of the overall testing protocol that will be reviewed with NREL for input and guidance on 3/6. The testing protocol document describes the testing regime that the hybrid and baseline trucks will be subjected to for both the laboratory (dynamometer) and real-world delivery operation. This protocol must be reviewed and approved by TCEQ prior to initiation of vehicle testing. Another next step will be to identify the baseline vehicles to be used for comparison to the hybrid units.

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

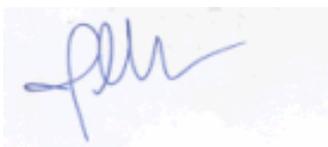
The above activities are directly related to Article 2, Scope of Work, Task 1: Development and Delivery of Hybrid Vehicles, specifically sections 2.1.1, 2.1.2, and 2.1.3.

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>No specific problems identified at this point.</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>n/a.</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)*

1. *Continue vehicle fabrication activities with each supplier. Ensure each supplier is staying on task with project scope and timeline.*
2. *A formal Purchase Order needs to be issued to International once the purchasing agreement paperwork is in place (terms and conditions, final contract, etc.)*
3. *Obtain final proposal for emissions monitoring equipment and get purchasing documents and contract in place for the system. A proposed Scope of Work change has been submitted.*
4. *Finalize proposed testing protocol with environmental consultants and National Renewable Energy Lab (NREL). The proposed testing protocol will be reviewed at the NREL's Heavy Hybrid program center, and learnings and input from that review will be incorporated into the proposal by end of March.*



Date: March 10, 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.*