

NTRD Program Disclaimers

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

Contract Number: __582-5-70807-0013_____

Grantee: _____Biofriendly Corporation_____

Date Submitted: _____12-10-2006_____

Report for the **Monthly** period:

Starting Date __November 1, 2006_____ Ending Date __November 30, 2006_____

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

Several planning meetings were held plan to continue development of the approach to CARB re verification of Biofriendly Green Plus and review progress with DOC selected for the testing.

A second draft was completed of the preliminary protocol.

CARB responded to the letter of intent

Mr. Dunlap continued conversations with personnel at CARB re our plans to run preliminary testing to prove that the DOC and Green Plus together achieve at least CARB tier 1 level of emissions reductions.

Several questions were raised (See problems and solutions and work to be performed in next period)

Preliminary testing of Green Plus with the first DOC was carried out at Olson Ecologic.

Biofriendly contacted Dennis Johnson who is one of the managers of the ETV program at EPA. We will be organizing a meeting with him early in the New Year to discuss the CARB/EPA ETV process for Green Plus.

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

Task 1, 2.1 preparing for ETV process. Submission of preliminary and full protocols.

Task 2. Running and reporting on testing.

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>	<ol style="list-style-type: none"> 1. The protocol approval process will probably take 6 months. We are three months into this process so far with CARB. 2. The current expiration of the grant is December 31 2006. 3. CARB requires some preliminary data to show the DOC with Green Plus will get close to the 25% reduction in PM or NOx required. 4. Olson EcoLogic and C-CERT cannot begin any new projects due to work load before the New Year. CEE is not qualified to perform this study
<p>Proposed Solution(s)</p> <p><i>(Please report any possible solution(s) to the problem(s) that were considered/encountered)</i></p>	<p>For 1 and 2. Since Biofriendly has fully entered into the process of preparing for and conducting testing for CARB we respectfully and earnestly request an extension of the current contract termination date from December 31st 2006 until June 30th 2007.</p> <p>For 3 and 4. Olson Ecologic has performed a short preliminary run on the Detroit Series 60 (1990) to generate proof of principal data required by CARB on one DOC with and without Green Plus. A second test will be run on a second DOC as soon as Biofriendly's TxLED testing is completed at Olson Ecologic.</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>Preliminary testing on a heavy duty engine with and without Green Plus and a DOC was completed in November. Results will be mailed in with the hard copy of this report.</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)*

Test second DOC at Olson Ecologic.

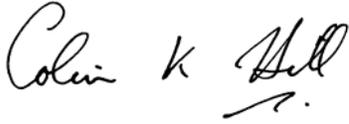
Develop a partner contract with a suitable DOC manufacturer to work together on CARB verification. They will supply the DOC and its specifications and any data already gathered on the DOC in use with ULSD on heavy-duty engines. This data will become part of the application package submitted to CARB

Continue to perform proof of principal testing at Olson Ecologic to show that a DOC with Green Plus in the fuel can reach a twenty five percent reduction in either NOX or PM. This will be done using EPA/CFR and CARB approved protocols.

Set up meeting with CARB officials to discuss data and protocol

Identify fuel to be used, get it analyzed and then place an order to have it delivered early in the New Year.

Set up meeting with Dennis Johnson at EPA to discuss ETV process and CARB data.



_____ Date: 12-12-2006

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.*