

Agreement / Technology

Steam power for idling reefers

Canada / China - Canadian companies, **Clean Power Technology Inc** of Calgary, Alberta and **Flukong Enterprise Inc** have signed a letter of intent (LOI) for Clean Power to supply 500 steam hybrid engines for fuel savings of 40% or better in refrigerated trailer applications. Delivery is expected to start in 2010.

The technology, named CESAR (Clean Power's Energy Storage and Recovery), captures, stores and re-uses otherwise wasted heat from the exhaust of a conventional combustion engine. This is done by a heat exchanger, which subsequently stores the heat in form of steam in an accumulator, for use in the same engine or in a secondary vapour engine. After the primary engine has been shut down, power can still be produced by the secondary vapour engine.

In operation with the reefer trailer, the power is ultimately delivered as electricity to the compressor motor in the trailer mounted refrigeration unit. Flukong, a corporation focused on the development of new efficient technologies to reduce wastage of natural resources and operating mainly in North America and China, is to purchase 500 of Clean Power's hybrid refrigeration engines over an 18 month period. The hybrid does, however, first have to be certified by US regulatory bodies, including the EPA (Environmental Protection Agency).

President and CEO of Clean Power, Abdul Mitha, says: "Our Letter of Intent with Flukong is the latest of a number of cooperative agreements that we have put in place this year with major reefer operators, including one of the USA's largest grocery chains and a trans-Canadian freight trucking company. This agreement is part of our plan to widen our global reach beyond North America as the rest

of the globe catches up with strict economy, emissions and anti-idle legislation."

"We are hopeful that once our hybrid engine technology has been formally certified. We will be in a prime position to break into the vast Chinese and worldwide markets in this segment of the industry."

Clean Power states that it is expecting to generate around USD12,000,000 in gross revenues through this deal.

Hubert Lau, President and CEO of Flukong Enterprise, says: "Through its deep involvement in the North American and Chinese supply chains, Flukong Enterprises is witnessing considerable demand for technologies that provide significant cost savings, contribute to a corporation's sustainable and social responsibilities and also aid compliance with ever stricter environmental legislation. Clean Power's unique steam hybrid system ticks all of those board-level boxes, most especially the new US idle-time regulations on truck and reefer engines, which we expect to be adopted globally within a few years. This Letter of Intent enables us to leverage our network of contacts to the mutual benefit of Clean Power, Flukong and the environment in the USA, Canada and, most importantly, China."



Position of steam engine on the back of the truck's cab