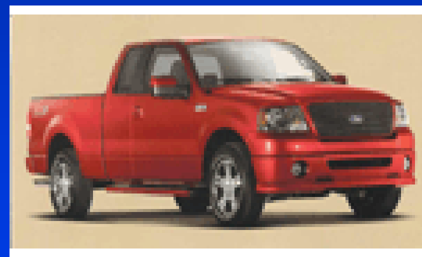
The Outlook for NGVs

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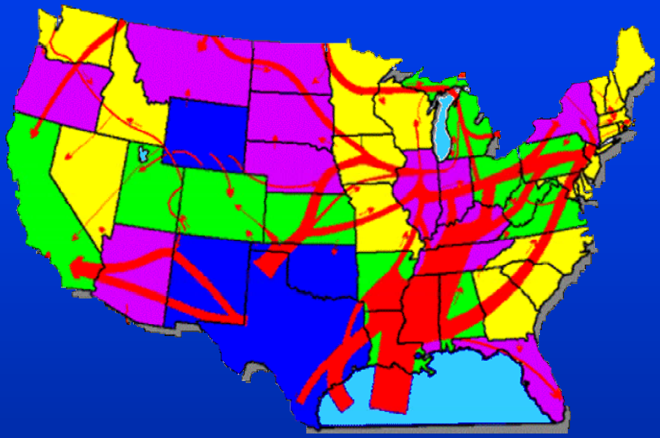
Facts About U.S. Natural Gas Supply

- 98+% from North America

  American fuel = American jobs

- Supply estimated @ 115+yrs

- “Game-changing “ shale gas plays
  - --33% of the total U.S. potential resources, according to the Potential Gas Committee



- 290K miles of interstate pipeline

– Provides gas to1.2 million miles of LDC distribution lines

Natural Gas for vehicles

- Compressed Natural Gas (CNG)
  - Delivered to site by local gas utility
  - Compressed and stored onsite
  - Dispensed into vehicle

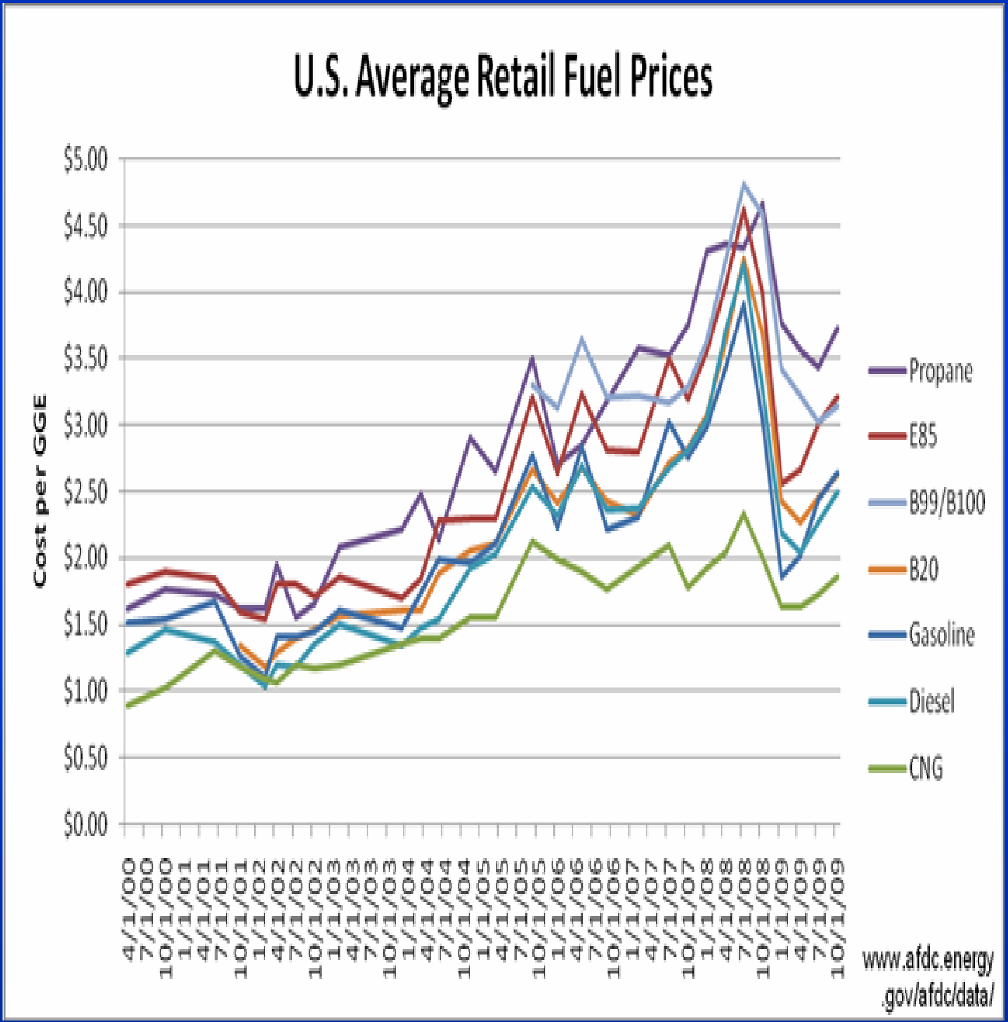
- Liquefied natural gas
  - Cryogenically cooled to liquid @ ~(260)F
  - Made on-site or delivered to site
  - Requires only 30% of space of CNG

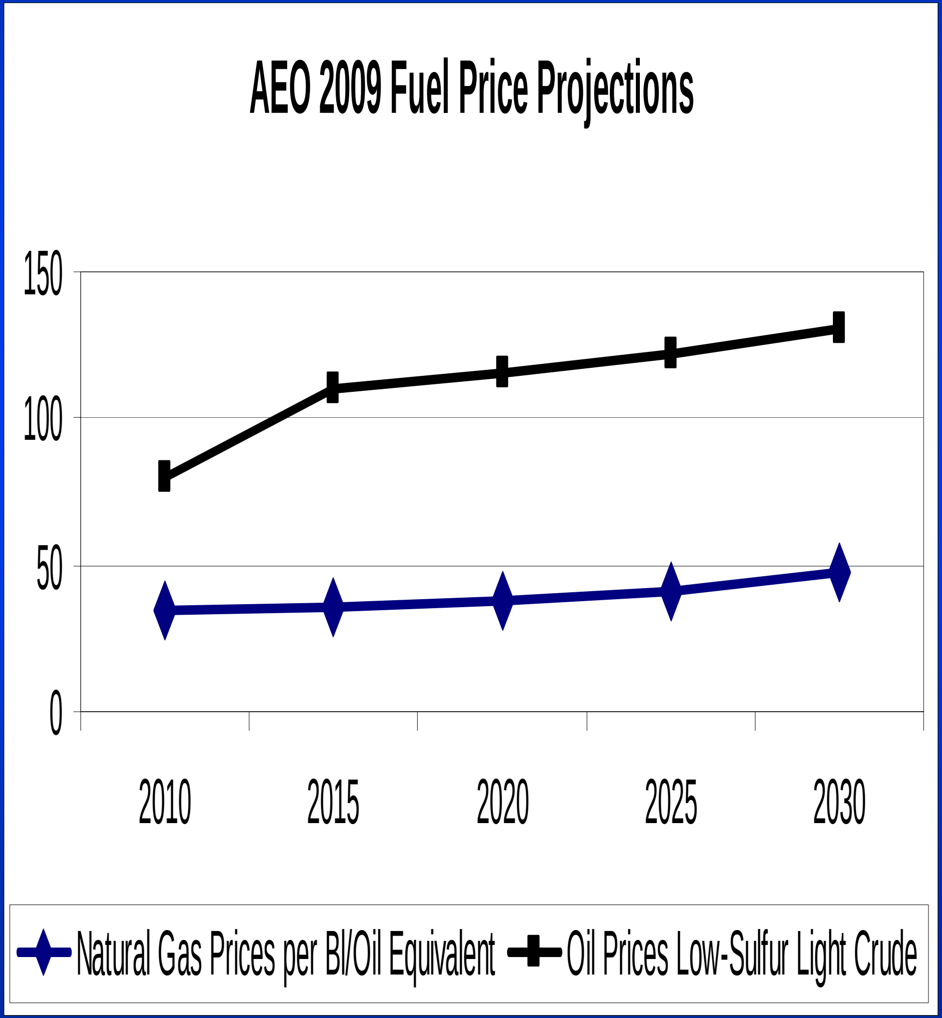
NGV Diagram – Mercedes B-Class

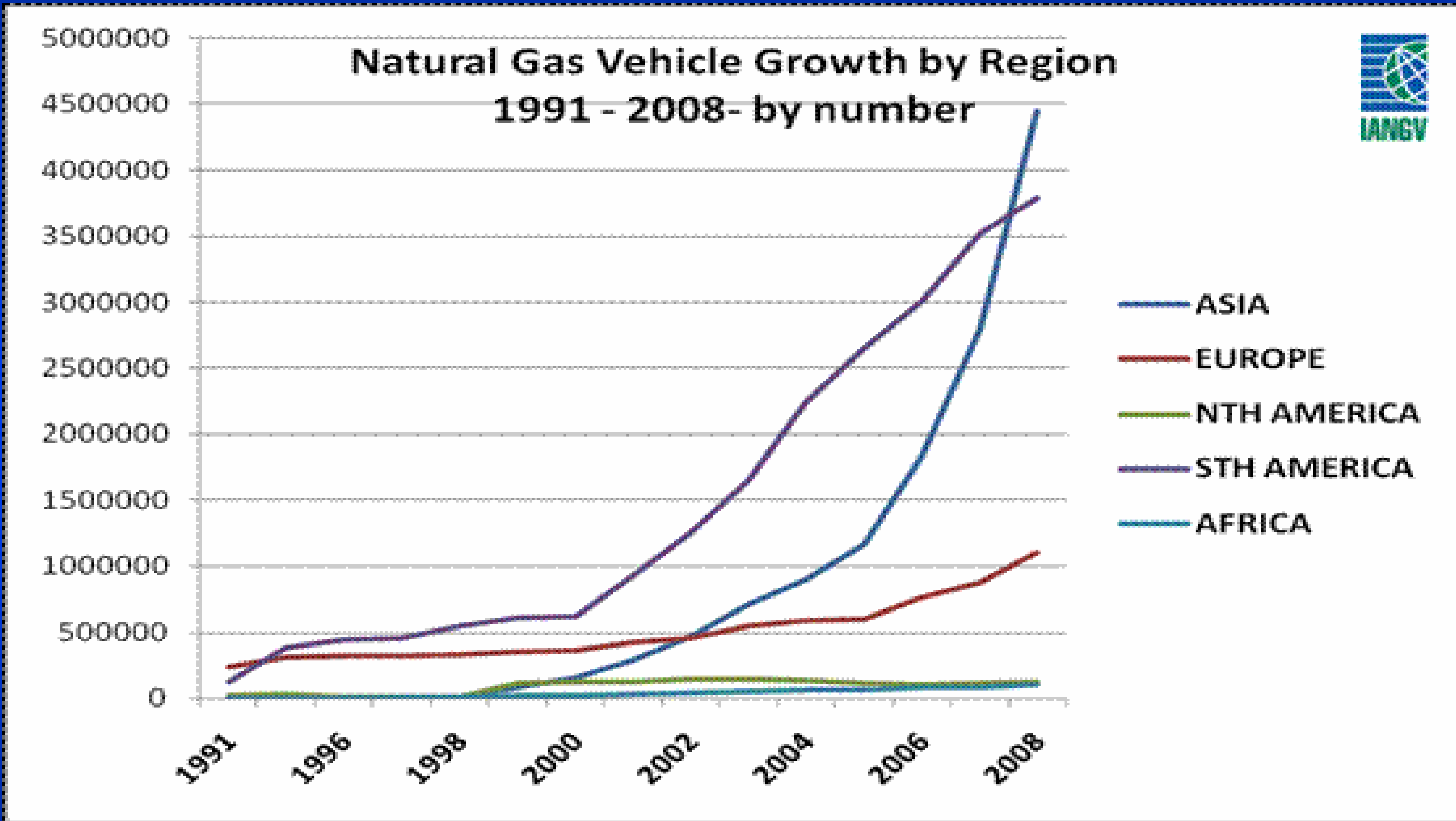
Compelling Case for NGVs

- NGVs are proven and reliable
  - ~12 million NGVs in use worldwide; ~110K operating on US roads
- Fleets are best opportunity
  - high fuel use, central fueling, local routes/op. areas
- NGVs are quiet
  - HD NGVs are 80-90% lower db level than comparable diesel
- NGV life-cycle costs are lower for high fuel use fleets

Historical & Projected Fuel Prices







Natural Gas Vehicle Growth by Region
1991 - 2008- by number
IANGV
5000000
4500000
4000000
3500000
3000000
2500000
2000000
1500000
1000000
500000
0
1991
1996
1998
2000
2002
2004
2006
2008
ASIA
EUROPE
NTH AMERICA
STH AMERICA
AFRICA

Market Potential

- The only real alternative to diesel fuel:
  - Potential market : ~ 6 Tcf
- Usage per vehicle:
  - Transit bus: 15,000 gal/yr (2.1 MMcf)
  - Over-the-road freight truck: 12,000 gal/yr (1.65 MMcf)
  - Garbage truck: 9,000 gal/year (1.25 MMcf)
  - Airport shuttle: 7,200 gal/yr (1.0 MMcf)
  - Urban delivery truck: 5,500 gal/yr (0.75 MMcf)

NGVs Are a “Good Fit” for Many Fleet Applications

- Local/State Government
- Airports
  - Shuttles
  - Taxis
- Transit
  - 11,000 buses
- School Districts
  - 3,000+ school buses
- Refuse
  - Nearly 4,000
- “Short-Haul” Delivery
- Utilities

Growing Selection of Vehicles from OEMS, SVMs and 2nd Stage Upfitters

OEMs

- American Honda
- Thomas Built Bus
- Blue Bird Bus
- Optima
- NABI
- El Dorado
- New Flyer
- Daimler/Orion
- Gillig
- Workhorse Chassis
- Elgin
- Allianz/Johnston
- Schwarze
- Tymco

OEMs

- Daimler/Freightliner
- Kenworth
- International/ESI
- Peterbilt
- Mack
- American LaFrance/ Condor
- Crane Carrier
- Autocar Truck
- Capacity
- General Motors (soon!)

SVMs

- Altech-Eco
- BAF Technologies
- Landi Renzo/Baytech Corp
- Cummins Westport
- Doosan Infracore America
- Emission Solutions Inc
- EvoTek LLC
- IMPCO Technologies
- Natural Drive
- NGV Conversions/Motori

NAT GAS Act of 2009

(House Bill H.R. 1835; Senate Bill S. 1408)

- Vehicle Purchase Income Tax Credit
  - Dedicated NGVs receive 80% tax credit
  - Bi-fuel vehicles receive 50% tax credit
  - Increases the incremental cost cap limits for NGVs
- Station income tax credit
  - Increases to 50% up to $100,000
- Alternative Fuels Excise Tax Credit
  - Extends the credit significantly

My Next Car!

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