Pennsylvania Gets Its First Hybrid School Bus as Jennings Transportation Corp. Receives Plug-In Unit From IC-Corporation, Advanced Energy

IC Corporation Delivers the First Hybrid School Buses That Can Attain Up To 70-100 Percent Increase in Fuel Efficiency, 90 Percent Reduction in Emissions

Nazareth, PA (April 25, 2007)

The Keystone State is becoming one of the key states driving the use of new hybrid school bus technology that can save school districts up to 70-100 percent in fuel economy and reduce emissions by 90 percent.

Nazareth Area School District will become the first school district in Pennsylvania to operate the new hybrid school bus built by IC Corporation, the nation’s largest school bus manufacturer, and Enova Systems, a leading provider of hybrid drive systems. The hybrid bus is a result of a nationwide initiative called the Plug-In Hybrid Electric School Bus Project. A total of 19 hybrid buses have been awarded to states around the country by Advanced Energy, a non-profit corporation that initiated a buyer’s consortium of school districts, state energy agencies and student transportation providers.

Pennsylvania’s Environmental Protection Agency played a key role in securing the bus. It provided a grant of $112,000 under the Alternative Fuels Incentive Grant program to assist with cost of the bus. The state's incentive program provides assistance for projects that result in the deployment of advanced alternative vehicle technologies and the use alternative fuels.

Jennings Transportation, a school bus contractor in Nazareth, is adding the hybrid school bus to its fleet and will begin operating the bus for the 2006-2007 school year. Wolfington Body Company, based in Exton, Pa., is the local IC Corporation dealership that is providing the service and support for the new hybrid school bus.

"The opportunity to be among the first in the nation to operate hybrid school buses is an honor, especially as a small family business," said Tom Ochs, owner of Jennings Transportation. "The students and community in Nazareth will benefit from the reduced fuel costs and reduced emissions."

While the exterior of the school bus looks the same, it is powered with innovative new technology. The hybrid school bus project features Enova's Charge Depleting System (or "Plug In"), which was extensively tested and evaluated at IC Corporation’s research and technology facility in Fort Wayne, Ind. With an overnight charge, this system utilizes a larger battery based on advanced battery chemistry that provides stored energy intended to be drawn down over the driving cycle, thus optimizing fuel economy. Depending on the route, fuel economy is expected to improve by 70-100 percent. The hybrid system can also reduce emissions by up to 90 percent.

“This project provides operational benefits to school districts, while also providing the reduced emissions desired by the U.S. Environmental Protection Agency and a valuable return on investment to school boards,” said Ewan Pritchard, P.E., Advanced Energy’s hybrid program manager.

The initial powertrain for the hybrid school bus will couple an International® VT365 V8 diesel engine with the 25/80-kilowatt hybrid-electric powertrain, incorporating a transmission, batteries and an electric motor. The system is based on a parallel architecture, allowing the system to utilize both diesel and electric power in a highly efficient manner.

The hybrid school buses are also outfitted with a proprietary GPS system called AWARETM Vehicle Intelligence that allows school officials to track the exact location and performance of the school bus via a password-protected site on the Internet.

“IC Corporation’s hybrid school bus revolutionizes the school bus industry,” said Michael Cancelliere, vice president and general manager of IC Corporation. “Improving fuel efficiency and reducing emissions helps school districts and the environment. On the heels of Earth Day, IC Corporation is committed to environmental leadership and delivering value to our customers.”

Later this, year other school districts around the country will be receiving the remaining IC Corporation hybrid school buses awarded in Advanced Energy’s bid. These members of Advanced Energy’s buyers’ consortium are currently scheduled to receive buses:

- North Carolina Department of Public Instruction (2 buses)
- South Carolina Department of Educations (2 buses)
- State of New York (2 buses)
- Napa Valley Unified School District, Napa Valley, Calif. (1 bus)
- Durham School Services, Everett, Wash. (1 bus)
- Lake Chelan School District, Chelan, Wash. (1 bus)
- City of Seattle (1 bus)
- Little Rock, Ark., School District (1 bus)
- Sigourney Community School District, Sigourney, Iowa (1 bus)
- Nevada Community Schools, Nevada, Iowa (1 bus)
- Killeen Independent School District, Texas (1 bus)
- Austin Independent School District, Texas (1 bus)
- Fairfax County, Va. (1 bus)
- Florida Department of Education (2 buses) – DELIVERED
- Jennings Transportation, Nazareth, Pa. (1 bus) – DELIVERED

The hybrid school buses are manufactured at IC Corporation's plant in Conway, Ark. More information about the program is available www.hybridschoolbus.org.

About IC Corporation
IC Corporation is a wholly owned affiliate of Navistar International Corporation (OTC: NAVZ). The nation's largest integrated manufacturer of school buses, IC Corporation is a leader in passenger protection, chassis design, engines and ergonomics. The company is also a producer of commercial buses. All IC Corporation buses are sold, serviced and supported through a renowned dealer network that offers an integrated customer program encompassing parts, training and service. Additional information is available site at: www.ic-corp.com.

About Enova Systems, Inc.
Enova Systems (AMEX: ENA and AIM: ENV and ENVS) is a leading supplier of efficient, environmentally friendly digital power components and systems products. The Company's core competencies are focused on the development and commercialization of power management and conversion systems for mobile and stationary applications. Enova applies unique 'enabling technologies' in the areas of alternative energy propulsion systems for light and heavy-duty vehicles as well as power conditioning and management systems for distributed generation systems. The Company develops, designs and produces drive systems and related components for electric, hybrid-electric, and fuel cell powered vehicles. For further information, contact Enova Systems directly, or visit its Web site at www.enovasystems.com.

About Advanced Energy
Advanced Energy is a Raleigh-based nonprofit corporation that enables utility customers to improve returns on their energy investments. The corporation also strives to create environmental, economic and societal benefits through innovative and market-based approaches to energy. The Hybrid Electric School Bus Project represents a collaborative effort among many parties to improve the nation's air quality. The project has demonstrated that industry, government and non-profits can successfully work together to improve the environment and encourage the economy.

About Jennings Transportation
Jennings Transportation is a small family owned and operated transportation company in Bushkill Township, Pennsylvania. Jennings is a private contractor for the Nazareth Area School District. Since 1973, the company has been transporting school children to and from school safely. Jennings is proud to be a part of The Hybrid Electric School Bus Project in order to create a cleaner environment and better air for our school children.
