



## T. Boone Pickens Media Coverage 3.2.10

### Total of 10 Placements

- Print: 6
- Blog/Online: 3
- Broadcast: 1

### Coverage Summary:

The *Houston Chronicle* article focuses on lobbying efforts from the Independent Petroleum Association of America this week in Washington. One of the focuses will be on pushing against congressional proposals for new regulation of hydraulic fracturing. IPAA Chairman Bruce Vincent said they will also be encouraging the role of natural gas as part of America's energy future, highlighting the NAT GAS Act as a prime candidate.

*NGI's Daily Gas Index* reported on comments that Pickens made last week at the annual meeting of the Texas Independent Producers and Royalty Owners Association (TIPRO), including pushing for greater use of natural gas in trucks. ANGA CEO Regina Hopper is quoted in the piece reminding TIPRO members to get out and tell the natural gas story.

The *Cleveland Plain Dealer* published a letter to the editor by the Ohio state leader for the Pickens Plan discussing the bipartisan support for the NAT GAS Act and the need to encourage more legislators to get on board.

In a clip from *Real Clear Markets*, Jim Cramer said Goldman Sachs' decision to upgrade natural gas is interesting because this may indicate some type of natural gas legislation coming out of Washington. The video can be viewed here:

[http://www.realclearmarkets.com/video/2010/03/02/cramer\\_signs\\_of\\_new\\_nat\\_gas\\_legislation.html](http://www.realclearmarkets.com/video/2010/03/02/cramer_signs_of_new_nat_gas_legislation.html)

*The Hill* piece looks at the lobbying battle that is taking place between the natural gas and coal industries as natural gas lobbyists push for new incentives to encourage utilities to switch from coal to natural gas. ANGA's Regina Hopper is quoted in the piece discussing natural gas' ability to accelerate greenhouse gas emissions reductions and advance our clean energy economy.

The *Wall Street Journal* article looks at the battle between wind and natural gas in Texas as the two sides clash over the state's operating rules. The gas people say the playing field is tilted in wind's favor. Wind accuses gas of trying to snuff out the wind energy sector.

### Highlighted Placements (Full Articles Below)

- &#61623 **Oil, Gas Execs Launch Lobbying Campaign** – *Houston Chronicle* – 3/1/10
  - o *San Antonio Express News*
  - o *iStockAnalyst*
- &#61623 **Gas-Related Energy Legislation A Sure Thing, Say Execs** – *NGI's Daily Gas Index* – 3/1/10
- &#61623 **Bipartisanship exists among Ohio congressional representatives who support the Natural Gas Act of 2009** – *Cleveland Plain Dealer* – 3/2/10

### Notable Natural Gas Coverage (Full Articles Below)

- &#61623 **Cramer: Signs of New Nat Gas Legislation?** – *Real Clear Markets* – 3/2/10
- &#61623 **Natural Gas Lobby Challenging Coal** – *The Hill* – 3/1/10

&#61623 **Natural Gas Tilts at Windmills in Power Feud** – *Wall Street Journal* – 3/2/10

**Print Placements** (Full Articles Below)

&#61623 **Letters** – *Houston Chronicle* – 3/1/10

**Blog/Online Placements** (Full Articles Below)

&#61623 **V-Vehicle Misses Deadline, Loses \$87M for Louisiana Plant** – *Cleantech* – 3/1/10

## HIGHLIGHTED COVERAGE

### **Oil, Gas Execs Launch Lobbying Campaign** – *Houston Chronicle* – 3/1/10

By Jennifer Dlouhy

WASHINGTON — The leaders of dozens of independent oil and gas companies are swarming Capitol Hill this week to press lawmakers against boosting industry taxes and against imposing new federal regulations on drilling techniques.

The company CEOs — including 28 from Texas — are embarking on the face-to-face lobbying campaign as part of the Independent Petroleum Association of America's annual fly-in, which puts energy executives across the table from their lawmakers in Washington.

About 50 executives will be meeting with lawmakers and aides from about 70 congressional offices today and Wednesday.

"There is no better effective voice than a real live constituent from Midland or from Oklahoma or from Houston or Colorado meeting with their members, or their policymakers, to talk about how these policy proposals ... could actually play themselves out," said Bruce Vincent, president of Houston-based Swift Energy Co. and chairman of the IPAA.

The group is focusing on a few key issues:

- Lobbying against the Obama administration's proposal to ax \$36.5 billion in oil and gas tax incentives that the industry relies on for cost recovery and to mitigate the inherent risk of drilling.

- Pushing against congressional proposals for new regulation of hydraulic fracturing, a technique used to produce natural gas from unconventional sources.

- Urging lawmakers to protect the ability of energy producers and users to buy and to sell financial derivatives to manage risk, such as a producer entering into an oil futures contract to hedge against the possibility that crude prices will fall on the cash market.

The industry leaders also are weighing in on efforts to cap greenhouse gas emissions, arguing the effort should be global and that any congressional global warming bill should promote cleaner-burning natural gas.

"Legislatively, what they can do is try to encourage the role of natural gas as part of America's energy future," Vincent said. One prime candidate: the so-called Natural Gas Act, backed by billionaire Texas oilman T. Boone Pickens and Rep. Dan Boren, D-Okla.

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### **Gas-Related Energy Legislation A Sure Thing, Say Execs** – *NGI's Daily Gas Index* – 3/1/10

Growing domestic natural gas supplies from shale plays will fuel North America's energy needs for 100 years or longer, energy executives said Thursday in Houston at the annual meeting of the Texas Independent Producers and Royalty Owners Association (TIPRO).

Growing gas shale production, combined with security and environmental advantages put the United States on one track, said keynote speaker G. Steven Farris. "We are heading toward natural gas."

The United States now has "at least a 100-year supply" of gas and possibly twice that, Farris said. Shale discoveries and the ramp-up in drilling have "taken the exploratory side out of the business."

Farris and T. Boone Pickens, who has taken up the cause for natural gas in the past two years, both said increasing gas use in the transportation sector would lower carbon dioxide emissions and, most important, reduce foreign oil imports.

"Conversion of 25% of the U.S. vehicle fleet to gas would lower oil imports by 5 million b/d," Farris said. And regardless of the political climate in Washington, DC, "at some point, we're going to get legislation" concerning climate change. "If we are serious about carbon dioxide, then we will be serious about natural gas."

Pickens, who has pushed for Congress to create tax incentives for gas-fueled vehicles, said he thinks energy legislation, with a tilt to natural gas, could be enacted before Memorial Day. Bills containing tax incentives have been under consideration by both the House and the Senate in the past few months (see Daily GPI, Nov. 20, 2009; July 9, 2009).

However, Pickens said subsidies for natural gas should be off the table. "I don't want any subsidies for natural gas," he said. "All I want is encouragement to get our heavy-duty vehicles over the natural gas." Private industry, he said, "should provide the infrastructure" to build gas-fueling equipment.

The legendary wildcatter, who's now 81, cut his teeth in Texas oilfields decades ago again said his focus was on reducing imports of oil from OPEC. Since mid-2008 he estimated he's spent more than \$62 million of his own money to promote the Pickens Plan, which at first touted the importance of alternative energies but now focuses on domestic natural gas.

"I'm for everything American -- all of it -- coal, nuclear, anything American," Pickens said. I'll take anything over OPEC oil...We're dependent on oil from countries that hate us." Heavy-duty vehicles using natural gas would provide a "practical solution" to the diesel they now burn.

If the estimated eight million trucks now on U.S. highways burned natural gas instead of diesel, Pickens said the United States would import 2.5 million b/d less of oil just for that sector, which is about half of what it now imports from OPEC members.

Regina Hopper, CEO of America's Natural Gas Alliance, reminded TIPRO members that they needed to get out and tell the natural gas story. "We need to communicate very effectively that this clean American product is available right now," she said.

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### **Bipartisanship exists among Ohio congressional representatives who support the Natural Gas Act of 2009 – *Cleveland Plain Dealer* – 3/2/10**

There has been significant discussion about lack of bipartisan effort in Congress. A closer look at Ohio's congressional delegation tells a different story, at least among six of 18 delegates.

Led by Congressman Tim Ryan, Ohio District 17, six representatives signed and sent an important letter to the remaining 12. Those signing the letter are Reps. John Boccieri (District 16), Marcy Kaptur (District 9), Steven LaTourette (District 14), Betty Sutton (District 13) and Patrick Tiberi (District 12). The letter asks others in Ohio's delegation to co-sponsor HR 1835, commonly called the Natural Gas Act of 2009. This bipartisan legislation provides tax credits for natural gas fuels and vehicles as well as development of natural gas fueling stations. The act also requires that 50 percent of all government vehicles be natural-gas-capable by 2014.

Members of the Pickens Plan, a nonpartisan social action network advocating the use of wind, solar and natural gas in the United States, support this legislation for several reasons. Natural gas is far cleaner than any fossil fuel and is abundant; it will reduce the \$700 billion sent abroad annually for petroleum to countries that don't like us; and natural gas provides for a significant increase in American jobs. America's

Natural Gas Alliance estimates that the industry supports 40,000 direct and indirect jobs in Ohio now. In the future, Ohio projects 60,000 similar jobs.

Use of Ohio natural gas will create direct jobs and support technology, manufacturing and agricultural jobs. In the last 10 years, Ohio lost more than 400,000 jobs, and the six congressional delegates mentioned earlier are fighting to bring them back and save billions of dollars from going abroad for petroleum. These legislators need help to bring the other 12 representatives on board. To contact your representative by visiting [congress.org](http://congress.org).

Veronica Gold, Bowling Green

Gold is Ohio state leader for the Pickens Plan.

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## **NOTABLE NATURAL GAS COVERAGE**

### **Cramer: Signs of New Nat Gas Legislation? – *Real Clear Markets* – 3/2/10**

Cramer said the decision by Goldman Sachs to upgrade natural gas is “incredibly interesting” because this may indicate some type of nat gas legislation coming out of Washington. Adding, “you don’t make this call, unless you have some conviction.”

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### **Natural Gas Lobby Challenging Coal – *The Hill* – 3/1/10**

By Jim Snyder

Natural gas lobbyists, who felt their industry got the short shrift in climate legislation, are pushing new incentives to encourage utilities to switch from coal to natural gas.

In doing so, the sector is starting a lobbying fight with the coal industry, which has long and deep ties on Capitol Hill and is determined to hold onto its role as the dominant source of electricity in the United States.

Lobbyists for natural gas companies were heartened by reports that President Barack Obama would announce during a speech on the economy last Wednesday a program to encourage utilities to displace coal with natural gas.

The president’s speech was to validate a lobbying campaign to promote the industry’s profile in Washington that has built on new discoveries of huge natural gas reserves in shale rock formations in Texas and the Northeast. But the president ended up only reiterating his support for comprehensive energy and climate legislation in his speech before the Business Roundtable on Wednesday, without mentioning natural gas specifically.

Natural gas releases about half of the carbon emissions as coal when burned. According to the Congressional Research Service, displacing older coal plants with nearby natural gas facilities could cut greenhouse gas emissions from the utility sector by 20 percent. The report, however, also raised unanswered questions about the feasibility of such a switch.

Coal now accounts for around 50 percent of the electricity produced in the United States; natural gas, around 20 percent.

But the fight is just getting started, after years in which energy sectors co-existed peacefully by not challenging one another directly. Climate legislation has strained relations.

America’s Natural Gas Alliance, a trade group formed to bring cohesion to the industry’s lobbying efforts split among producers, pipelines and distribution companies, has spent \$1.6 million on lobbying since starting in 2009. Its founders say the annual budget could reach \$80 million.

The alliance has spent some of its money promoting a reversal of the coal-natural gas ratio of electricity production.

Industry lobbyists say the need for the revived campaign was underscored by the House climate bill.

The measure included enough incentives for “clean” coal and renewable energy that natural gas use would actually decline in upcoming years, according to the Energy Information Administration, even though natural gas is cleaner than coal and more dependable than the wind or the sun.

The climate bill and the fact that Obama failed to mention natural gas among his energy priorities in his first major address to Congress after his Inauguration has left the natural gas industry with middle-child-like insecurities that it is trying hard to put behind it.

Three gas groups — the Independent Petroleum Association of America, the Interstate Natural Gas Association of America, and the Natural Gas Supply Association — called for natural gas to be included in a “clean energy standard” that would mandate use of lower carbon fuels and renewable energy sources.

A clean energy standard could force some utilities to replace coal with natural gas.

“It’s time for policymakers to recognize the new domestic supply reality for natural gas,” said Donald Santa, president of INGAA, said in a release.

Other proposals floated include loan guarantees to help utilities finance natural gas plants, or tax incentives to encourage power companies to shut down their dirtiest coal facilities.

“ANGA members want to see proposals that recognize that an increased use of natural gas gives this country an extraordinary opportunity, right now, to both accelerate greenhouse gas emissions reductions and advance our clean-energy economy,” said ANGA President and CEO Regina Hopper in an email response to questions.

The coal industry rests its carbon-constrained future on “clean” coal technologies that would sequester and store CO<sub>2</sub>. Coal-powered utilities are responsible for around 33 percent of the carbon dioxide emissions from human activity in the United States.

In the near-term, though, coal lobbyists continue to stress the economic advantages of the fossil fuel.

The National Mining Association, the coal industry’s main trade group, put out a preemptive press release prior to the president’s speech that said displacing coal with natural gas would hurt the economy.

“Creation of an artificial electricity generation market for natural gas in place of affordable, abundant and reliable coal is bad public policy and undermines the administration’s economic and energy objectives,” said Hal Quinn, president and CEO of the mining group.

One coal lobbyist was putting together a fact sheet challenging the natural gas industry’s 100-year supply claim and noting historic and projected cost differences between coal and natural gas.

Climate legislation would likely reduce coal use, but the industry has proved remarkably adept at surviving in a difficult political climate.

A coal caucus formed in January by Rep. Shelley Moore Capito (R-W.Va.) has grown to 68 members, including 28 Democrats.

The House-passed bill included tens of billions of dollars in subsidies to help the industry develop carbon-capturing technologies thanks in large measure to a Democrat: Rep. Rick Boucher, who comes from a coal-producing district in Virginia.

Besides the National Mining Association, the industry is promoted by the American Coalition for Clean Coal Electricity, which has worked to build a grassroots network for coal over the past several years.

Because everyone uses electricity, the fight between coal and natural gas will draw in other groups as well.

Coal counts the support of railroads — another venerable Washington power — that get a large portion of revenues from transporting coal.

Chemical and fertilizer industries use natural gas as a feedstock. Those and other groups that use it as a raw material are worried that if utilities use more of it, the cost — and thus the cost of their products — could increase as well.

“We’re concerned if there is a fuel switch that it’s going to affect the price and availability of fertilizer that our folks need,” said Rick Krause, a lobbyist for the American Farm Bureau Federation.

Natural gas lobbyists, however, insist that times have changed and that new discoveries and greater use of drilling techniques, like hydraulic fracturing that allow access to gas in shale rock formations, change the debate in their industry’s favor.

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### **Natural Gas Tilts at Windmills in Power Feud – *Wall Street Journal* – 3/2/10**

By Russell Gold

TAFT, Texas—Wind power was a bit player in Texas as recently as four years ago. Today, wind turbines produce a significant share of the state's electricity.

But the growth of wind power has attracted powerful critics: the owners of natural-gas power plants.

Many environmental groups talk of how wind and relatively clean-burning natural gas can partner to displace dirtier coal, creating a path to power the U.S. while releasing fewer greenhouse gases. A bitter fuel fight in Texas points to a different future: one in which gas and wind are foes.

The gas and wind factions have been clashing over the state's operating rules for the past several months. The gas people say the playing field is tilted in wind's favor; wind accuses gas of trying to snuff out the nascent wind energy sector.

The success of wind power in Texas has come at the expense of natural gas. If the wind build-out continues, by 2013 the amount of gas consumed to make electricity could fall by 18.5%, as gas plants sit idle for longer, according to Tudor Pickering & Holt, a Houston-based energy investment bank.

At the heart of the battle is a fight over the vicissitudes of wind itself. The wind industry argues that since it can't control when the wind blows, it shouldn't be held to the same rules that require everyone else to make payments when they fail to deliver promised power. The natural-gas generators say everyone should operate under the same rules, and lament that wind's success is merely coming at the expense of another relatively clean energy source.

Similar fights are shaping up elsewhere. In the Midwest and Wyoming, fossil-fuel companies are questioning whether wind is getting too many advantages from government.

The lure of harnessing the wind has attracted big players. Wind-farm developers include NextEra Resources, a division of FPL Group Inc., the giant Florida-based power company, and E.On AG, the huge German power company. General Electric Co. is a major manufacturer of 400-foot-tall wind turbines and United Technologies Corp. recently entered the field.

The gas-wind feud is a testament to renewable energy's rapid maturation. Texas, with its wide-open flat spaces, has 9,400 megawatts of wind-power generation capacity—more than all the power plants in Utah. Texas has more wind power than any other state, according to the American Wind Energy Association, more than three times as much as California.

The Texas wind figure is expected to double by 2013 as more transmission lines are built. In the past three years, wind has come to provide 6% of the Lone Star State's power, up from 2%. Gas's share has dropped to 42% from 46%.

The stakes are high: The wholesale value of electricity generated in Texas's primary power grid was \$34 billion last year, according to state figures; the state doesn't break out the dollar size of the market by fuel type.

The fight is taking place largely outside the public eye in committees of the Electric Reliability Council of Texas, or Ercot, as Texas's main grid operator is known. Gas generators are backing rule changes that collectively require millions of dollars of retrofits to existing wind farms and add new costs.

None of the proposed changes would derail wind power, but they threaten to slow its growth. "Just like any new kid on the block, you are going to have to elbow your way in. And part of that is having those on top of the heap taking shots at you," says Denise Bode, chief executive of the American Wind Energy Association.

Every evening, grid operator Ercot forecasts how much electricity Texans will need the next day. Wind farms, as well as nuclear, coal and natural-gas-fired plants, report how much power they expect to provide, and their price. Ercot then orders up generation, beginning with the least expensive type—typically wind. Then come nuclear and coal plants, neither of which have been affected much by wind's growth.

The most expensive generators are typically older gas plants, and they are only dispatched in periods of peak demand. If the forecast is windy, more gas plants are left idle.

One grievance: Coal, nuclear and gas operators must pay for their own backup if an operational or maintenance problem prevents them from delivering power as promised. But if wind generators fail to deliver promised power because the wind doesn't blow, the cost of backing up wind power companies is spread among all the generators, state officials say. This puts an unfair burden on nonwind generators, says the gas faction.

"My philosophy is that whoever causes the problem should be responsible for fixing the problem," says Kevin Howell, president of Texas operations with NRG Energy Inc., the state's second-largest power provider. "Wind shouldn't cause problems that other people have to fix."

The wind industry says wind power is inherently different from fossil-fuel generation and shouldn't be held to the same rules. Wind is a variable, uncontrollable fuel, while coal and gas generators have ready access to their fuel and can control when their plants are generating power, wind advocates say. They also say they are being unfairly attacked in Ercot committees where traditional generators have more votes and more power.

"This is insidious," says Patrick Woodson, chief development officer for E.ON AG's North American wind operations. "Our competitors can essentially impose additional costs on us, and that really troubles us. This isn't death by a thousand cuts—it's death by a thousand grenades."

The attacks heated up in September. Calpine Corp., a Houston-based generator that owns 12 natural-gas-fired power plants in Texas, proposed a rule to E.ON that would require E.ON's new Papalote Wind Farm, and all other wind farms, to pay a penalty if they can't provide scheduled power because the wind isn't blowing. Wind generators were furious. They argued that new forecasting techniques made it easier to predict in advance when wind could provide power, but that they couldn't control nature.

"Winds can come up on you real quick," says Patrick Collier, a former oil-field worker who is now the operations supervisor at Papalote, built on 15,000 acres of cotton fields near Corpus Christi. On a recent day, a stiff 24-mile-an-hour wind was blowing in from the Gulf of Mexico. The Papalote wind farm was turning that into 116 megawatts, enough to power about 60,000 homes. Its top output is 180 megawatts. Over one 24-hour period, said Mr. Collier, it ran at 88% of its maximum—nearly unheard of in the wind business.

The proposed rule change "could turn back the clock" by forcing wind generators to promise low-cost power only during the windiest periods, said Mark Bruce, a consultant for NextEra Resources, the wind arm of FPL Group. Randy Jones, Calpine's vice president of Texas government affairs, shot back that NextEra was using scare tactics. The threat of wind holding back power was a "boogeyman," he said.

Texas decided not to penalize wind companies if they can't deliver scheduled power, but the idea has cropped up elsewhere.

A task force in the Midwestern power grid—which stretches from Ohio to Montana—in December recommended ending wind's exemption from penalties for failing to provide scheduled power. Wind companies last month formally protested the decision to the Federal Energy Regulatory Commission, arguing the task force was stacked with fossil-fuel generators that have "exhibited increasingly anti-wind biases," according to the protest. Lawmakers in Wyoming, where gas and coal taxes make up a large share of the state budget, are considering a tax on wind production.

Gas generators have an uphill fight. Polls have shown wind power is popular. State leaders who support the development wind farms have brought to rural Texas don't want to see the boom end. "We have great wind resources and we have communities that want them to be there," says Barry Smitherman, chairman of the Texas Public Utility Commission. "Let's be reasonable."

Wind farms are becoming politically potent taxpayers. E.ON's new wind farm near Corpus Christi is set to top the gas industry as the largest local taxpayer. Currently, Houston-based gas developer EOG Resources Inc. pays the most taxes to the local Taft school district. E.ON will be five times as large, and is expected to pay about one-third of the district's entire tax bill by 2011.

The new taxpayer is allowing Taft to issue \$18 million in bonds. One proposed improvement: two new junior-high science labs. "We couldn't have done this bond," says school business manager Noel Snedeker, "without those wind mills."

Wind's role on power grids used to be an afterthought. But improvements in wind-turbine technology, coupled with government incentives, led to a boom. In 2008, the latest data available, wind provided 1.3% of total power generation in the U.S. Some in Congress want to set a goal by 2020 of 20% of U.S. electricity coming from renewable sources, led by wind.

Not everyone thinks adding wind is a low-emission panacea. "What wind is doing is giving us the feeling that we're making progress displacing carbon, when in fact it isn't displacing coal plants. It is getting rid of your cleanest fossil-fuel source"—natural gas, says Kevin Forbes, director of the Center for the Study of Energy and Environmental Stewardship at Catholic University. "And it is making the challenge of running

a grid much more challenging, because you never know when your forecast for the wind is right or wrong. You are flying blind."

Ercot thinks these fears are overstated. A new forecasting tool is doing a good job of predicting when the wind will blow, says Kent Saathoff, Ercot's head of operations. Wind "is something we've become accustomed to and we've learned to operate with it," he says.

The gas industry says wind nearly caused major problems on the grid once already. On Feb. 26, 2008, a cold front moved through West Texas, and wind's output was soon 1,000 megawatts less than promised.

Reports by Ercot and the Texas Public Utility Commission say fossil-fuel generators shared the blame. They point out these plants were producing fewer megawatts than scheduled and unexpectedly exporting electricity to nearby grids.

Ercot declared an emergency at 6:41 p.m. and shut power to industrial customers that pay less in exchange for agreeing to get cut off in a crisis.

Blackouts were narrowly averted. Ercot says improved forecasting, now in place, would have staved off the emergency.

It's the job of Ercot supervisors such as David Pence to make sure this doesn't happen again. On a recent morning in the whisper-quiet Ercot control room, about 30 miles from Austin, he focused on making sure electricity demand was balanced with generation. Texans were using a little more than 33,000 megawatts of electricity. About 4,500 megawatts, nearly 14%, was coming from the wind.

"Right now," he said, scanning several 20-foot-high computer screens, "I'm comfortable."

Nearly every generator was producing the juice they had promised—except CPS Energy, San Antonio's municipal utility. It was delivering about 160 megawatts less power from wind farms than it had signed up for.

Reached later that day, Les Barrow, CPS's director of energy and market operations, explained that the wind died down about three hours before his forecast predicted. He said paying a penalty wouldn't make sense. "There has to be some kind of exemption for wind," he says, "because my crystal ball doesn't always work."

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## **PRINT COVERAGE**

**Letters** – *Houston Chronicle* – 3/1/10

Hooray Pickens

Regarding "Pickens sees progress; Billionaire expects approval of bill promoting use of natural gas" (Page D1, Friday), hooray for Boone Pickens. It is high time that prominent people extol the virtues of natural gas. His idea of using it to power large vehicles is a wonderful one. But I have to wonder why stop there? Why not for automobiles also? There are obvious problems of wide distribution, but the major oil companies invented wide distribution years ago. They surely could adapt to natural gas. Also providing

pressure vessels for the fuel is a problem, but I would think not a very serious one. These tanks wouldn't take more space than the huge batteries that are currently being used to power autos.

And that brings up another question or two. Millions are being spent to have autos either partly or wholly powered by batteries. What happens when these batteries die (as batteries are wont to do)? How long are they supposed to last? What is the cost for replacement? And, maybe most importantly, how will they be disposed of? Disposal of all batteries from flashlight to auto 12 volt batteries is already an environmental problem. What is to be done with these huge trunk-sized things?

- Kent Marshall, Missouri City

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## **BLOG/ONLINE COVERAGE**

### **V-Vehicle Misses Deadline, Loses \$87M for Louisiana Plant – *Cleantech* – 3/1/10**

California high-mpg vehicle maker fails to raise funds to access gov't capital for its Louisiana plant. Could plans for its production facility be delayed?

Stealthy San Diego-based automaker V-Vehicle has missed a critical funding deadline that means it will forfeit \$87 million in cash and incentives from the state of Louisiana for its new plant planned for Monroe, La., according to TheCarConnection.com.

Founded in 2006 by Frank Varasano, a former Oracle and Booz Allen Hamilton executive, the company needed to raise at least \$350 million in capital by today to receive the \$87 million, but TheCarConnection said the company has fallen significantly short.

As of January, the company had raised about \$90 million in private financing for its fuel-efficient gas vehicles, which reportedly get 40 mpg. The company is planning to renovate, retool, and expand a former Guide headlamp facility in Monroe for its production capacities, approximately doubling the facility's size with the addition of 325,000 square feet, according to a document from Louisiana Economic Development. Construction was expected to start this summer.

The company is also seeking a \$320 million in loan from the U.S. Department of Energy (DOE) through its Advanced Technology Vehicles Manufacturing program, though the DOE has yet to announce whether V-Vehicle will receive the loan (see the Cleantech Group's 2009 annual review and 4Q09 investment monitor – subscribers only). Varasano hasn't been willing to speculate publicly about what would happen if his company doesn't get the loan.

The company has raised more than \$100 million to date from investors including Kleiner Perkins Caufield & Byers, Google Ventures, and T. Boone Pickens' BP Capital.

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## **BROADCAST COVERAGE**

### **1. Six In The Morning**

**KOTV-TV (CBS) CH 6, Tulsa | DMA: 61**

**03/02/2010, 06:00 AM - 07:00 AM**

[CC] 00:09:22 O-S-U has kicked off a huge fundraising campaign. We'll talk to the school's president about the campaign and learn where the money will go... The money will be used for scholarships, building construction, faculty, and various programs on campus. They're off to a good start, on Friday, **BoonePickens** announced he's donating another 100 million dollars to the university. --Joining us this morning is Burns Hargis, the president of OSU. Good morning...00:13:07

**Audience: 42,280 Spot Cost: \$137**