



T. Boone Pickens Media Coverage 3.26.11-3.28.11

Total of 7 Placements • Print: 5 • Blog/Online: 2

Coverage Summary:

Deseret News editorial writer Jay Evensen, who has spoken with Pickens in the past, wrote a piece on the progress that has been made to use natural gas in vehicles, although he mentions that it has been slow to happen. He says, "Pickens complained about how stupid it is for Americans to be funding both sides of the war on terrorism, given the types of bad guys who profit from oil. He's still right. Solving that problem quickly, however, may be impossible."

The Star Ledger ran a Q&A with Senator Menedez that mentions his work with Senator Hatch on the NAT GAS Act. He discusses the tax credits that would be offered to build refueling infrastructures and change the nation's truck fleet to natural gas.

Highlighted Placements (Full Articles Below) • Fighting Bad Guys With Natural Gas – Deseret News – 3/27/11

Notable Natural Gas Coverage (Full Articles Below) • Q + A with Sen. Menendez on Strategic Petroleum Reserve – Star Ledger – 3/25/11

Print Placements (Full Articles Below) • T. Boone Pickens' Energy Plans Has Skeptics - Connecticut Post – 3/26/11 • NGVs Take the Hill – April 13 – Fleets and Fuels – 3/28/11 • T. Boone Pickens To Speak At Dalton Summit On Manufacturing – Chattanooga Times Free Press – 3/25/11

Blog/Online Placements (Full Articles Below) • Reuters Washington and the World

Diary – Reuters Daybook – 3/25/11 • Student Responds To Pickens In Facebook Note – YaleDailyNews.com – 3/25/11

HIGHLIGHTED COVERAGE

Fighting Bad Guys With Natural Gas – Deseret News – 3/27/11

By Jay Evensen

Two years ago I spoke with T. Boone Pickens, the Oklahoma-born financier who has invested a good deal of his fortune trying to wean the nation off oil in the name of national security.

Oil prices had just finished a good impression of an amusement park ride, which wasn't doing a lot for his goal of converting millions of U.S. trucking fleets to natural gas. Business people tend to do things that make economic sense. When you're on an amusement park ride, it doesn't make a lot of sense — economic or otherwise — to hop off.

And so Pickens' agenda has had to crawl at an agonizingly slow pace. That doesn't mean there hasn't been progress.

Last week, the Flying J Travel Center in Salt Lake City opened what is being billed as the nation's second largest liquefied and compressed natural gas station. Heavy trucks can't operate efficiently on the kind of natural gas that lights your home fireplace. They require a liquid form of the gas that has been treated at a temperature of 260 degrees below zero Fahrenheit. But unless you can find filling stations along your route, you aren't too likely to invest the \$90,000 or so more it costs to buy a truck outfitted with the engine and the special fuel tank needed to run on the stuff.

The Salt Lake station will be an incentive for some companies to begin converting their fleets.

But no matter how quiet things get in your neighborhood tonight, you're not likely to hear the sound of Hugo Chavez or any of several Middle Eastern monarchs, despots and other assorted evil oil magnates shaking in their boots. At this rate, their great-grandkids may have to worry about the demand for oil disappearing, but that's just as likely to be

from the oil drying up as it is from Americans switching to natural gas.

The industry says there now are more than 100 such stations nationwide. The number of regular gas stations is elusive. The nearest I could find was a 1998 figure of 187,097, as published in The Journal Of Petroleum Marketing.

My guess is it's higher today.

Rich Moskowitz, vice president of the American Trucking Associations, said he's seeing "more companies interested in (natural gas), but not in terms of replacing their fleets, but in augmenting them." For a big change to happen, the market will need several liquefied natural gas stations competing with each other to keep prices down.

But here's the rub — that sort of change isn't likely to happen without some sort of incentives or credits. In other words, it would require an expenditure of taxes. Read that aloud and my guess is your neighborhood will get quieter, especially if someone is expecting a tea party invitation soon.

The new station in Salt Lake City was paid for in part by federal stimulus money. Meanwhile, the state Division of Air Quality has announced several grants and loans that will be used to help local carriers either buy or convert their vehicles to natural gas.

Companies with medium-sized trucks and local routes may begin a gradual switch to natural gas. If you operate long-haul trucks that drive irregular routes, however, you still can't be sure you'll find a place to fill up.

Even then, Moskowitz notes, the stainless steel tanks needed for liquefied natural gas add significantly to a truck's weight, which may reduce the load they can carry.

Two years ago, Utah Sen. Orrin Hatch sponsored a bill that would have provided tax incentives to help companies switch their fleets and gas stations provide the fuel. It failed. Today, such a thing is even less likely to pass.

Pickens complained about how stupid it is for Americans to be funding both sides of the war on terrorism, given the types of bad guys who profit from oil. He's still right. Solving that problem quickly, however, may be impossible.

Jay Evensen is a Deseret News editorial writer. Email him at even@desnews.com. For more content, visit his web site, www.jayevensen.com

NOTABLE NATURAL GAS COVERAGE

Q + A with Sen. Menendez on Strategic Petroleum Reserve – Star Ledger – 3/25/11

The U.S. Strategic Petroleum Reserve contains 727 million barrels of oil stored in salt caverns along the Gulf of Mexico in Texas and Louisiana. The reserve was established after the Arab oil embargo of the 1970s as a hedge against any emergency that would stifle the flow of oil from overseas.

Presidents have ordered drawdowns to sell to refineries twice, during the 1990 Gulf War and after Hurricane Katrina in 2005 disrupted oil production in Louisiana. Congress approved nonemergency sales of the oil three times in 1996: once to raise money to move some of the stored petroleum to a new site, and twice to reduce the federal budget deficit.

Now, Sen. Robert Menendez (D-N.J.) is proposing the sale of 50 million barrels to suppliers, as gas prices rise after months of political unrest in Libya and other oil-producing Arab nations. Revenue raised would reduce the federal deficit and support alternate energy development, Menendez said. He spoke recently with Linda Ocasio of The Star-Ledger's editorial board.

Isn't the Strategic Petroleum Reserve for emergencies?

In my mind, the reserve is for potential disruptions, and there is a question whether events in the Middle East have created disruption. In a fragile economic recovery, families not only face consequences at the gas pump, but for every product that needs fuel. Rising food and commodity prices are a result of this energy reality. We face the threat of the economy teetering back to the recession. Releasing 50 million barrels for sale will drive down the price of oil. President Bush released 30 million barrels after Katrina, when the cost of oil was \$69.50 a barrel. The price of oil dropped by 5 percent within a day, and after two weeks, it dropped 9.5 percent. Our goal is, we put 50 million barrels of oil out and we would see the dropping of the price from \$100 a barrel. We would still be making far more than what we purchased it at, and rescuing the economic

recovery we're in. Now is the time to act decisively.

Is it mortgaging our future?

If we were in a different economic time, I would say yes, let's not touch the reserve. But we're coming out of a recession. Today, in the hearings on TARP (the government bailout of the financial industry), it was clear without TARP, we would've had a depression.

How long would the sale of 50 million barrels calm gas prices?

The 50 million barrels would be sold over 100 days. It could tamp prices down for months ahead. I'm not sure exactly how long. A lot of other factors are involved: The Libya situation could change. Saudi Arabia could increase production further. We could push oil companies with leases to drill on federal land to use it or lose it. A lot of things could affect prices. The release of the barrels is not a long-term solution, but part of a broader solution.

And how much would the sale raise to reduce the deficit?

It might generate as much as \$500 million, but it could be less. We'd have to refill the 50 million barrels to restore the petroleum reserve, and the price could go down.

What kind of incentives are you proposing to spur development of natural gas vehicles?

I'm working with Sen. Orrin Hatch (R-Utah) on the Natural Gas Act. America already has the largest natural gas reserve in the world; 98 percent originates in North America. Natural gas burns cleaner and is a critical transitional fuel to a robust renewable energy portfolio. It's one-third cheaper to run vehicles on natural gas than gasoline. There are 10 million natural gas vehicles on the road worldwide, but only a small percentage in the United States. We would extend tax credits, offer a tax-exempt bond program, build refueling infrastructures and change the nation's truck fleet to natural gas.

Would we have to use hydraulic fracking to extract this natural gas?

There are fears the injection of chemicals, sand and water to release gas embedded in rock has the potential to pollute waterways.

I believe we should probably do more to regulate fracking as a practice — and perhaps some areas should be off-limits. We can recover our enormous natural gas reserves in a responsible way that does not affect drinking water.

What are the tax giveaways for oil companies?

The giveaways existed from a different time when there was an effort to increase exploration and incentivize oil companies to explore, dating from before the 1970s. Ending them would save taxpayers \$17 billion over five years, and an estimated \$35 billion over 10 years. Oil subsidies are no longer needed. The top five oil companies had nearly \$1 trillion in profits over the last decade. They don't need our money.

PRINT COVERAGE

T. Boone Pickens' Energy Plans Has Skeptics - Connecticut Post – 3/26/11

By Vinti Singh

NEW HAVEN -- Since the United States has no energy plan, billionaire energy investor T. Boone Pickens has proposed his own.

First, the U.S. should wean itself off foreign oil and switch to domestic resources, beginning with natural gas, Boone said, outlining the basics of the "Pickens Plan" at a talk at the Yale University Law School last week.

Pickens told Yale students they should do their part by making sure their next car is one that runs on domestic resources. Currently, only one such domestic car, the Honda Civic CX, runs solely on natural gas.

To amp up the market, the Pickens Plan calls for passing federal legislation that would give \$65,000 tax credits to natural gas-fueled 18-wheel trucks. Pickens said he wants to replace all heavy duty diesel trucks in the U.S. this way, and he hopes consumer vehicle markets will follow suit.

Since transportation is responsible for 70 percent of oil consumption, Pickens said his plan would put a sizeable dent in U.S. foreign oil demand.

Electric cars "are the final answer," Pickens said, but Americans will use natural gas for the next 20 to 30 years until technology prices come down.

"I don't want to get off Saudi oil and end up on Chinese batteries," Pickens said.

But his plan has its share of critics, who question how feasible its implementation is and wonder if the threats it poses to the environment don't outweigh the economic benefits.

Attorney Lee Hoffman, who sat on Gov. Dannel P. Malloy's energy policy working group, said there isn't enough natural gas infrastructure to support 18-wheelers that make cross-country trips.

But Pickens, who vehemently believes in the free market, said the infrastructure would follow the equipment.

Hoffman questioned whether the country is willing to withstand the "fits and starts" of the market as the infrastructure is developed. Most people will be hesitant to buy a natural gas car if fueling stations aren't widespread, he said.

Others wonder if the environmental risk of "hydrofracking," the process by which natural gas is extracted from the ground, is worth decreasing dependence on foreign oil. Hydrofracking requires millions of gallons of water, and questioned if it was the best use of a dwindling resource.

Environmental groups say when millions of gallons of water are injected into the ground to extract natural gas, a large number of toxic chemicals are used in the process, and nearby drinking water aquifers are contaminated.

"I've fracked over 3,000 wells," Pickens said in a press briefing after his talk. "...I've never messed up any aquifer."

Concerns over hydrofracking are stalling potential drilling in Pennsylvania and New York. Drilling in those regions would make more natural gas available to Connecticut.

Joe Glowienka, a former corporate energy economist, said, "am I willing to say, in interest of avoiding groundwater contamination in other states, am I willing to shortchange the state on energy?"

For Glowienka, who is the president of the conservation group Connecticut Council of Trout Unlimited, the answer is yes. "I'm not convinced the drillers know what is going on," in terms of environmental damage, he said.

Despite the criticism, Pickens is confident his plan will be successful.

"My case is made," Pickens said. "We're going to natural gas. It's going to happen."

Pickens has spent millions of dollars over the last three years raising awareness about his plan.

NGVs Take the Hill – April 13 – Fleets and Fuels – 3/28/11

NGVAmerica is staging Natural Gas Vehicles Take The Hill! in Washington on April 13, with speakers including

T. Boone Pickens aiming to help educate lawmakers and the public about “the great potential of clean, American natural gas as a viable, affordable vehicle fuel.”

On Maryland Avenue, SW, next to the National Museum of the American Indian. Free food, too.

NGVAmerica info, Denise McCourt, 202-824-7365; dmccourt@ngvamerica.org;
www.ngvstakethehill.org

T. Boone Pickens To Speak At Dalton Summit On Manufacturing – Chattanooga Times Free Press – 3/25/11

T. Boone Pickens, a billionaire Texas oil man known for his expertise on energy issues, will bring his message about energy independence to the Manufacturing Summit planned in Dalton, Ga. on May 19.

U.S. Rep. Tom Graves, R-Ga., one of the organizers of the event, said Boone's participation “raises the profile of the Summit and underscores the importance of manufacturing in our region and across America.

“Rising energy prices and the lack of a national energy strategy are serious problems for the future of manufacturing, so Summit attendees will benefit greatly from hearing Mr. Pickens’ message on energy independence,” Graves said.

The manufacturing forum is promoting the slogan, “We Can Make it in America.”

Information about the manufacturing summit is available at www.mfg2011summit.com.

BLOG/ONLINE COVERAGE

Reuters Washington and the World Diary – Reuters Daybook – 3/25/11

Tuesday, April 19

*WASHINGTON -- CNN founder Ted Turner, CEO of Turner Enterprises; and T. Boone Pickens, CEO of BP Capital Management, discuss renewable and alternative energy, and America's dependence on OPEC oil, as a threat to the US economy and national security, at a National Press Club luncheon.

Student Responds To Pickens In Facebook Note – YaleDailyNews.com – 3/25/11

By Ben Prawdzik

Billionaire oil and gas mogul T. Boone Pickens emphatically called for an end to the United State’s dependence on foreign oil during a talk at the Yale Law School auditorium on Thursday, but not everyone was as enthusiastic about his idea of change.

Pickens called for the US automotive fleet to begin converting to domestically produced natural gas as the primary fuel source. In order to accomplish this goal, he called on the US government to allow for expanded natural gas exploration, which raised concern to audience member Julie Botnick '14.

During the question and answer session, Botnick asked how Pickens viewed natural gas exploration’s environmental impact. Exploration is done by a process called hydraulic fracturing or “fracking.” Gas companies pump high pressure mixtures of water and

chemicals to release natural gas from fractures in the rock bed, and environmentalist groups claim that these chemicals can contaminate groundwater.

Pickens responded that in his career of fracking thousands of wells, he did not know of any environmental risks. Botnick did not push the issue further with Pickens, but later that evening posted a Facebook note titled "Don't Pick His Plan" that criticized Pickens's environmental stance.

Botnick claimed there was "an extreme lack of up-to-date information and research" to Pickens's argument and warned of "becoming the generation who causes the misguided destruction of the water supply and homes of whole regions of the country."