

# PickensPlan

## T. Boone Pickens Media Coverage 4.10.10-4.12.10

### Total of 20 Placements

Print: 8  
Blog/Online: 9  
Broadcast: 3

### Coverage Summary:

*US News & World Report* has a special issue dedicated to energy in which Pickens is mentioned in two pieces. The first article discusses the progress that is being made to move towards clean energy sources, but says more still needs to be done. The article mentions the components of the Pickens Plan and the delays in Pickens' wind farm that happened as a result of problems with financing and transmission. The second piece is a snapshot of various energy sources, with Pickens being mentioned in regards to natural gas. It says Pickens, backed by Democratic Senator Harry Reid, has proposed an initiative to invest in natural gas fueling stations, but questions the ability to get the American public onboard with this fuel source.

*Barron's* reported Clean Energy Fuels, looking at Pickens' involvement in the company and his push for a greater use of natural gas as a transportation fuel. The article looks at the current state of natural gas vehicles and fueling stations, pointing to reasons why the fuel has not caught on for cars, but could be a good source to fuel heavy duty trucks. Clean Energy CEO Andrew Littlefair is quoted in the piece discussing the possibility of deploying billions of gallons of natural gas into very targeted trucking fleets. *Reuters*, *Bloomberg* and *Fox Business Network* briefly reported on the piece as well, mentioning outstanding stock options and warrants. *The Street Insider* also covered the news, summarizing the *Barron's* article.

*The Hill's On the Money* blog reported on Pickens' upcoming testimony at the Ways and Means Committee hearing on Wednesday, calling Pickens an influential figure in the fight for turning the country on to renewable fuels.

### Highlighted Placements (Full Articles Below)

**The Energy Race** – *US News & World Report* – April 2010 (Attached)  
**Reality Check: The Powers That Be** – *US News & World Report* – April 2010 (Attached)  
**T. Boone Pickens' Gassy Stock** – *Barron's* – 4/12/10  
**Pickens' Clean Energy shares set for a fall** -*Barron's* – *Reuters* – 4/11/10  
**Clean Energy, Devon Energy, ValueClick: U.S. Equity Preview** – *Bloomberg* – 4/11/10  
    o *BusinessWeek.com*  
**U.S. Stocks Advance on Greek Rescue Package, Takeovers** – *Bloomberg* – 4/12/10  
**Pickens' Clean Energy Fuels (CLNE) Could See Pressure from Warrant Exercises, Subsidy Uncertainty** - *Barron's* (XOM, T, WMT, More...) – *Street Insider* – 4/12/10  
**T. Boone Pickens To Testify On Incentives At Ways And Means Energy Hearing** – *The Hill Blog* – 4/9/10

### Print Placements (Full Articles Below)

**Obama's Fractured Coalitions** – *National Journal* – 4/9/10  
**Democrats Vying For House** – *Billings Gazette* – 4/11/10

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

**T. Boone's Wind Plans Blow Into Minnesota** – *Earth2Tech* – 4/9/10  
**T. Boone Pickens Bringing Wind Power Plans to Minnesota** – *Fast Company* – 4/9/10  
**Pickens: Oil Price to Rise 10 Percent on Low Supply** – *MoneyNews.com* – 4/12/10

**Report From Europe: Greece Gets Some Breathing Space** – *Seeking Alpha* – 4/12/10  
**Find Out Why This Green Journalist Supports Offshore Oil Drilling** – *The Daily Green* –  
4/12/10  
**Memo To Republican Candidates For Federal Office** – *The Daily Caller* – 4/12/10

## HIGHLIGHTED COVERAGE

### T. Boone Pickens' Gassy Stock – *Barron's* – 4/12/10

*Even if the government raises subsidies to the natural-gas industry, shareholders in Clean Energy Fuels don't have much chance of hitting pay dirt. Industry tycoon T. Boone Pickens may get his payday, though.*

By Bill Alpert

T. BOONE PICKENS SAYS HE STARTED PROMOTING natural-gas- fueled vehicles back in 1988, hoping to boost the price of his company's natural gas. "I predicted I would do it within three years," says the 81-year-old tycoon. "Now it's 2010."

After 22 years, he thinks it's finally happening. A Pickens-controlled company, Clean Energy Fuels, sells natural gas to trucks and buses at yearly volumes equivalent to 120 million gallons of gasoline. Shares of Clean Energy (ticker: CLNE) have quadrupled within the past 12 months, to around 21. With America's natural gas currently cheaper than OPEC's diesel fuel, Pickens is optimistic that Congress will enact an energy bill that subsidizes the conversion of trucks to natural gas. He's lobbied politicians and the public with his "Pickens Plan" for oil independence: generate electricity with wind and solar power plants, fuel vehicles with the natural gas supplied by the likes of Clean Energy Fuels.

Wall Street has already voted for the Pickens Plan. Clean Energy's \$1.3 billion stock-market capitalization values the yet unprofitable venture at 45 times the cash flow that analysts forecast for this year and 20 times the average forecast for 2011 -- about double the multiples of some rival companies. A jubilant end-zone dance like that seems premature. Natural gas clearly merits increased use as truck fuel, in place of the dirtier, more expensive, imported diesel. But after rising 50% since December, the stock price of Clean Energy more than discounts a potential boost in the generous government subsidies that have kept losses at the Seal Beach, Calif.-based enterprise from being even deeper than they are.

If large fleets of trucks eventually roll on natural gas, major oil and gas companies could step in without much trouble and compete away Clean Energy's gross margin -- which is five times the average for gasoline and diesel distributors. Shareholders can expect to get massively diluted, also. To build out its fueling infrastructure, Clean Energy has had a cash-sucking need for capital investment. Management awards itself piles of stock options. Warrants hanging over the company will dilute earnings almost 30%, including a wad that Pickens must exercise before 2012 or lose a profit of \$150 million. He can use the money: Most of his shares are pledged to a bank. Clean Energy investors should brace for that 30% haircut.

IN 1996, PICKENS RETIRED FROM his independent energy company, Mesa Petroleum, and from a swashbuckling career as a corporate raider. Since then, he's managed money with uneven results -- and been a generous donor to hospitals, universities and Republican candidates.

He also paid Mesa \$1.3 million in 1997 for two natural-gas fueling stations at the airports in Los Angeles and Phoenix. Those stations were the start of Clean Energy Fuels, which now counts more than 200 locations in 23 states. Another 50 stations are in the works, says Andrew Littlefair, who is the company's chief executive and a Pickens colleague since the days at Mesa.

Cities from Los Angeles to Atlantic City are deploying natural- gas-fueled trucks and buses. Commercial trucking fleets are testing the fuel at companies like UPS, Wal-Mart and AT&T. Those are good-sized markets. Municipalities use more than five billion gallons of diesel and gasoline a year to run heavy vehicles, while regional trucking fleets use an estimated 30 billion.

"People are finally figuring out that this thing can and will work," says Littlefair. "The story's not that complicated. It's a low-carbon fuel that's cheaper and works pretty well for the right vehicles."

For many frustrating years, Pickens argued that the right vehicles included cars. Among the 11 million vehicles now running on natural gas worldwide, there are over 60 models of car. Fiat sold more than 140,000 natural-gas-powered cars last year in Italy. But in the U.S., a paltry total of 130,000 vehicles use the fuel, few of them cars. Honda markets the only natural-gas car, the Civic GX, in California and New York.

Gasoline was always cheaper in the U.S. than in Europe. And now, America seems to have picked batteries to replace the gasoline in cars. Natural gas may help generate some of the electricity that powers plug-in electric cars, but the gas will get burned at power stations and the energy distributed through electric wires rather than fueling stations like Clean Energy's.

But 18-wheeler trucks can't run on today's batteries. Vehicles in the heavyweight classes known as Class 5 to Class 8 can carry the large fuel tanks required to cover meaningful miles on compressed natural gas (squeezed at 3,600 pounds per square inch) or liquid natural gas (cooled to minus 160 Celsius). So Pickens and Clean Energy have refined their sales pitch to target the 18-wheelers.

State and local governments were the first large customers. In California and Arizona, air quality concerns got government agencies interested in natural-gas-powered trucks. Compared with diesel, natural-gas engines produce much less nitrous oxide and particulate matter, and about 20% less greenhouse gas.

The container ports of Los Angeles and Long Beach, Calif., play host to about 500 gas-powered drayage trucks, which haul containers away from ships. Another 500 are being deployed now, with 160 more this summer. In less than two years, the number of states with some gas-fueled municipal trash trucks has risen from three to 11, and Clean Energy has contracts to fuel many of these government vehicles.

CEO Littlefair says that annual fuel consumption of the nation's buses is about 2.5 billion "gasoline gallon equivalents" (as they say in the alternative fuel business). Trash and recycling trucks use two billion GGEs. Airport vehicles, some 1.5 billion GGEs.

"We don't expect that every vehicle in the nation is going to run on natural gas," Littlefair says. "But we can deploy billions of gallons of natural gas into very targeted trucking fleets."

After a decade under Pickens ownership, Clean Energy came public in May 2007 by selling 10 million shares at 12 bucks a share. Most of the company's revenues come from selling fuel under contracts with fleet operators. Those sales rose from 75 million GGEs in 2007 to 101 million in 2009 -- about two-thirds compressed natural gas and one-third liquid -- to generate revenue of \$118 million in 2007 and \$132 million in 2009.

Falling natural-gas prices somewhat offset volume increases but help the larger cause of establishing gas as a cheaper fuel than gasoline and diesel. As crude-oil prices continue climbing, America keeps finding deeper and deeper reserves of natural gas in shale formations around the continent.

Natural-gas advocates like to sketch out the widening differential in fuel costs by charting the oil prices (in dollars per barrel) divided by gas prices (in dollars per million British thermal units). As the chart Cheaper Than OPEC shows, that ratio of oil-to-gas has gone from 11 to 23 this year. Says Littlefair: "That just speaks to the fact that there's a hell of a lot of natural gas."

At recent prices, liquid natural gas is available for about 48 cents per gasoline gallon equivalent. Even after adding compression and transportation costs, the stuff is significantly cheaper than diesel. Clean Energy's salespeople are using that cost advantage to pitch the fuel to the operators of commercial fleets whose trucks travel within regions of a few hundred miles. The truckers who carry goods regionally, from distribution hubs to retail stores, actually make up most of the trucking industry, says Littlefair. Each 18-wheeler uses 20,000 GGEs a year, so the Clean Energy chief is eager to expand pilot programs with fleet operators like Wal-Mart and the Phoenix-based Swift Transportation.

But to take advantage of cheap natural gas, a trucker has to spend an additional \$8,000 on each vehicle for modified tanks and engines. That initial hurdle has Clean Energy and its prospective customers looking for government help. Pickens and Clean Energy have spent heavily to persuade voters and legislators that natural gas vehicles deserve taxpayer subsidies.

The company poured \$19 million into a 2008 campaign on behalf of California Proposition 10, which proposed a state bond issue to pay for natural-gas conversions. Environmental groups argued against the proposal and voters rejected it decisively. "That was a bad idea," say Pickens now, of Prop 10. "The California people didn't want any more taxes and I don't blame them."

The natural-gas fuel business already enjoys substantial government benefits, as do the producers of other alternative fuels like ethanol. Clean Energy fattens its revenues with a federal excise-tax credit of 50 cents per gasoline gallon equivalent, as shown in the charts, Clean Energy Fuels. Even with that corporate entitlement, Clean Energy can't report a profit under generally accepted accounting principles: In 2008 it lost \$44 million, or 98 cents a share, and in 2009 it lost \$33 million, or 60 cents a share.

The company likes to adjust its reporting for the noncash expense of hedging gas prices in the futures markets and for its stock option awards (which totaled a fancy \$25 million in the past couple of years). Ignoring the derivative losses, but not the options expense, still left a loss of 26 cents a share for 2009. As shown in this page's lowest bar chart, the hole would be deeper still without Uncle Sam's credits.

As it happens, the alternative-fuel industry's tax credits expired in December. Congress was too busy, perhaps, fighting over health care. Pickens and Littlefair are confident that the credit will be renewed and made retroactive. More important to Clean Energy, however, is a separate proposal for government payments worth many thousands of dollars per truck for natural-gas conversion. Versions of such legislation have been floated in the House and Senate, with bipartisan sponsorship.

THE OBAMA ADMINISTRATION HASN'T said much about natural-gas vehicles, but the Clean Energy gents are optimistic that some sort of energy bill will make it through Congress this year, with natural-gas fuel incentives tucked somewhere inside. "I'm not selling Clean Energy Fuels," says Pickens, of his lobbying. "I'm selling 'Get off OPEC oil'....At least give me credit for that!"

"I don't need the government involved in it," says Littlefair. "But government support is important to make this happen faster than it would. The regional trucking market -- worth 30 billion gasoline gallon equivalents annually -- that's where tax credits on vehicles will help it move faster."

For now, Clean Energy's competitors are local jobbers who service truck fleets. If the Pickens Plan becomes reality, however, the little company might have to compete with the integrated oil companies and natural-gas utilities. Clean Energy has built a few liquid-natural-gas plants, but historically it bought most of its LNG from ExxonMobil (XOM) and Williams Gas Processing. Their gas refineries usually put their raw material through a liquid phase, anyway, in the course of removing heavier components like ethane and propane.

Littlefair says investors often ask worried questions about the barriers to entering his business. He reassures them that he has his own LNG plants, as well as contracts with the majors, like Exxon, and with the trucking fleets. Clean Energy is trying to partner with the truck stops, too. "Is there an ironclad barrier to entry? No," he acknowledges. "But put all that together and it gets you pretty far downfield."

Pickens and Littlefair have done an admirable job of hurdling obstacles in establishing natural gas as an alternative to dirty diesel imports from nations that hate us. At Clean Energy's recent stock price, however, a new investor won't get to enjoy much of the upside. Littlefair plans to use debt for some of his future capital needs, but new share issues are a certainty. If the company reports a profit, investors should brace for the sucker punch of Pickens' 15-million-share warrant exercise. After 15 years with little reward, he's got it coming. Well, good for him, but not very good for investors.

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### **Pickens' Clean Energy shares set for a fall -Barron's – Reuters – 4/11/10**

NEW YORK, April 11 (Reuters) - Shares in Clean Energy Fuels (CLNE.O), the natural gas company controlled by energy tycoon T.Boone Pickens, are likely to drop at least 30 percent due to its high valuation and an upcoming dilution of its share base, according to financial weekly Barron's.

The paper, in its April 12 edition, said that Clean Energy's healthy business prospects have already been more than priced into the company's recent valuation at 45 times 2010 cash flow and 20 times average forecasts for 2011 -- about double the multiples of some rival companies.

Shareholders of Clean Energy can expect to get massively diluted as management has plenty of stock options and warrants hanging over the company will dilute earnings almost 30 percent.

The warrants include some that Pickens must exercise before 2012 or lose a profit of \$150 million.

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### **Clean Energy, Devon Energy, ValueClick: U.S. Equity Preview – Bloomberg – 4/11/10**

By Lu Wang

April 11 (Bloomberg) -- Shares of the following companies may have unusual moves in U.S. trading tomorrow. Stock symbols are in parentheses.

Bruker Corp. (BRKR US): The maker of laboratory instruments may rise as much as 33 percent during the next year as biotechnology research by governments, universities and corporations expands, Barron's reported, citing Jose Haresco, an analyst at Brean Murray Carret & Co. in New York.

Clean Energy Fuels Corp. (CLNE US): The company co-founded by billionaire T. Boone Pickens to provide natural gas for motor vehicles may fall as much as 30 percent because of a potential warrant exercise by Pickens by 2012, Barron's reported, without citing anyone.

Devon Energy Corp. (DVN US): Apache Corp. (APA US) is in final talks to buy Devon's assets in the Gulf of Mexico for \$750 million, Dow Jones reported, citing people familiar with the transaction.

Invesco Ltd. (IVZ US): The manager of the Aim and PowerShares funds said in a statement on Business Wire that it had \$419.6 billion of assets under management at the end of March, down from \$423.1 billion at the end of 2009.

King Pharmaceuticals Inc. (KG US): Novartis AG's (NOVN VX) Sandoz unit can resume sales of King's Skelaxin muscle relaxant, a U.S. judge said.

Lazard Ltd. (LAZ US): The biggest non-bank merger adviser may gain if the company reduces the amount of money it sets aside for compensation to the industry standard of 50 percent, Barron's reported.

ValueClick Inc. (VCLK US): The Internet advertising company said Tom Vadnais is retiring as chief executive officer and will be replaced by James R. Zarley.

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### **U.S. Stocks Advance on Greek Rescue Package, Takeovers – Bloomberg – 4/12/10**

By Joanna Ossinger

April 12 (Bloomberg) -- U.S. stocks rose, sending the Dow Jones Industrial Average above 11,000, as a \$61 billion rescue package for Greece and takeovers bolstered equities before Alcoa Inc. starts the first-quarter earnings season.

Alcoa gained 2.5 percent before reporting results after financial markets close. Palm Inc. surged 20 percent as the creator of the Pre smartphone was said to be seeking bids for the company. DynCorp International Inc. rallied 49 percent following an agreement to be bought by Cerberus Capital Management LP. Mirant Corp. and RRI Energy Inc. jumped more than 12 percent on plans to combine in a \$1.6 billion merger.

The Standard & Poor's 500 Index increased 0.3 percent to 1,197.73 at 11:03 a.m. in New York after capping a sixth straight weekly advance, the longest stretch of gains in a year. The Dow Jones Industrial Average rose 24.72 points, or 0.2 percent, to 11,022.07 today.

"We do expect to see earnings gains for most companies in the cyclical sectors," said Fred Dickson, chief market strategist at D.A. Davidson in Lake Oswego, Oregon, which manages around \$25 billion. "The story will be the margin by which companies top estimates and the extent of upward revisions in their second-quarter revenue and earnings guidance."

Alcoa is due to report first-quarter earnings after the close of trading today, becoming the first Dow company to post results for the three months through March. Combined profit for S&P 500 companies will increase 30 percent in the first quarter from a year earlier, according to analyst estimates compiled by Bloomberg.

#### Earnings Forecasts

The S&P 500 has jumped 77 percent from a 12-year low in March 2009 as the economy returned to growth and the Federal Reserve kept its benchmark interest rate near zero to safeguard the recovery. The biggest rally in seven decades has left investors so skittish that even forecasts for a 30 percent surge in U.S. earnings are failing to keep them from hedging bets on equities.

The premium on options that insure against losses in the S&P 500 over those wagering on gains, known as skew, rose to the highest level since June 2008, data compiled by Bloomberg show. Traders sought protection as shares rallied for six weeks, pushing a measure of momentum that compares stocks with their 50-day average to the most bearish reading in 13 months, according to Bespoke Investment Group LLC.

Intel Corp., JPMorgan Chase & Co., Bank of America Corp. and General Electric Co. are also scheduled to report results this week. Alcoa advanced 2.2 percent to \$14.71.

#### M&A Rebound

So far this year, U.S. companies have announced more than \$272 billion in mergers and acquisitions, compared with \$213 billion in the same period last year, as businesses that stored cash during the worst downturn since the Great Depression put money to work again.

"The trend is positive," said Bruce Bittles, chief investment strategist at Milwaukee-based Robert W. Baird & Co., which oversees more than \$75 billion in client assets. "When large companies are trying to buy smaller ones, they're obviously optimistic about the economy and their future. That spreads throughout the system."

Palm rallied 20 percent to \$6.18, its highest intraday price in more than a month. The company is working with Goldman Sachs Group Inc. and Frank Quattrone's Qatalyst Partners to find a buyer, according to three people familiar with the situation. Taiwan's HTC Corp. and China's Lenovo Group Ltd. have looked at the company and may make offers, said the people, who declined to be identified because a sale hasn't been announced.

Mirant gained 18 percent to \$12.65. The power generator and RRI Energy said they will combine their companies in a \$1.6 billion stock transaction to form the second-largest independent U.S. power producer. RRI climbed 13 percent to \$4.45.

Sinopec, Syncrude Canada

China Petroleum & Chemical Corp., Asia's biggest refiner, plans to buy ConocoPhillips's stake in oil-sands producer Syncrude Canada Ltd. and could pay around \$4 billion, a person familiar with the matter said. ConocoPhillips rose 1.1 percent to \$55.93.

DynCorp International, a defense contractor that helped train Iraqi police, agreed to be acquired by Cerberus Capital Management LP for about \$1.5 billion, including the assumption of debt. DynCorp gained 49 percent to \$17.47.

European governments yesterday offered Greece a 45 billion- euro (\$61 billion) rescue package at below-market interest rates in a bid to stem its fiscal crisis and restore confidence in the euro.

Greek Loans

Forced into action by a surge in Greek borrowing costs to an 11-year high, euro-region finance ministers said they would offer as much as 30 billion euros in three-year loans in 2010 at around 5 percent. That's less than the three-year Greek bond yield of 6.98 percent as of April 9. Another 15 billion euros would come from the International Monetary Fund.

"We do not believe that this latest initiative solves Greece's problems," Jeremy Batstone-Carr, London-based director of research at Charles Stanley & Co., wrote in a report. "All this latest development provides is a standby or 'bridging finance' while the country undertakes the eye watering fiscal measures necessary to bring the deficit swiftly under control."

Caterpillar Inc. rose 2 percent to \$66.59. The world's largest maker of bulldozers and excavators was raised to "outperform" from "neutral" at Robert W. Baird & Co.

Clean Energy Fuels Corp. declined 4.2 percent to \$20.55. The company co-founded by billionaire T. Boone Pickens to provide natural gas for motor vehicles may fall as much as 30 percent because of a potential warrant exercise by Pickens by 2012, Barron's reported, without citing anyone.

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**Pickens' Clean Energy Fuels (CLNE) Could See Pressure from Warrant Exercises, Subsidy Uncertainty - Barron's (XOM, T, WMT, More...) – Street Insider – 4/12/10**

T. Boone Pickens has been pushing natural gas as a viable alternative to oil for the past 22 years or so, and now believes that prices of the invisible gas should finally be making the moves that they should've so many years ago. One of his holdings, Clean Energy Fuels (NASDAQ: CLNE), provides that equivalent of 120 million gallons of gasoline to natural gas trucks and buses annually. However, with the expiration of government grants and potential exercise of stock options by Pickens and other major investors, Clean Energy investors just may be setting themselves up for a little more downside before the ship rights, according to a recent Barron's article.

Shares of Clean Energy have tripled over the past 12 months, to about \$21 today. Additionally, natural gas is now trading more cheaply than crude oil, and T. Boone Pickens thinks that the U.S. government will offer subsidies to convert more trucks and buses to run on nat gas.

His "Pickens Plan" does just that; attempt to ebb America's reliance on foreign oil. Wall Street is already liking it, boosting Clean Energy's market cap to \$1.3 billion, which is about 45x cash flow that analysts are predicting for the duration of the year, and 20x FY11 estimates.

Clean Energy also has a rather large gross margin, at about 5x industry average. However, the company has had a large cash need as well, in order to expand. Barron's thinks that investors should prepare themselves for a 30% dilution of value, as management awarded itself a mess of stock options, and those warrants will need to be exercised in the near future, in particular by T. Boone himself as he might lose up to \$150 million post-2012: Most of his shares are pledged to a bank.

Many companies and municipalities are switching to natural gas operations. Since owning just two nat gas stations in 1997, the footprint has extended to over 200 stations in 23 states. Companies like UPS (NYSE: UPS), Wal-Mart (NYSE: WMT), and AT&T (NYSE: T) are leading the charge as well. Muni's are using up to five billions of diesel and gas to run heavy vehicles.

Amazingly, there are over 11 million vehicles running on nat gas in the world right now; Fiat sold more than 140,000 nat gas powered cars last year in Italy alone. Only about 130,000 vehicles in the U.S. run on nat gas, and a slim margin of those are actual cars. Honda (NYSE: HMC) makes the only nat gas car for the U.S., the Civic GX, for use in California and New York.

A big pitch for Pickens is the larger heavy-haulers in the U.S., because they simply cannot switch over to batteries right now. Instead, the haulers and work trucks could utilize compressed natural gas (CNG) or liquefied natural gas (LNG), as its lighter, cheaper, and has the power to drive the trucks down the road.

CLNE CEO Andrew J. Littlefair says that the annual fuel consumption of the nation's buses is around 2.5 billion "gasoline gallons equivalent" (GGE). Waste management trucks account for 2 billion GGEs, and airport vehicles use about 1.5 GGEs. Littlefair doesn't expect that every bus and large truck will run on nat gas, but expects that they will deploy billions of nat gas to targeted trucking fleets.

Sales for CLNE have risen from 75 million GGEs in 2007, to 101 million GGEs in 2009, with the ratio of 2/3 CNG and 1/3 LNG. Revs were \$118 million in 2007, and \$132 million last year.

LNG is also a super-cheap alternative to gasoline. At today's prices, LNG costs about \$0.48 per GGE, and not much more after compression and transportation costs are factored in. CLNE estimates that each 18-wheeler semi uses approximately 20,000 GGEs per year, but it would cost about \$8,000 to convert their rigs to run nat gas. This is where Pickens is hoping for subsidiaries to help truckers, governments, and corporations with the cost.

CLNE gets a federal excise-tax credit of approximately \$0.50 per GGE, but has still reported U.S. GAAP losses of \$0.98/share in 2008 and \$0.60/share for 2009. The current credit expired in December last year, as the government was working to push through the current health care bill, but Pickens and Littlefair are confident that the credit will be renewed and be made retroactive.

A passage of a new energy bill would allow grants and subsidiaries for the 30 billion GGE regional trucking market for Clean Energy, but it would then need to compete with the big-boys. CLNE has built a few of its own plants over the years, but acquired many of them from ExxonMobil (NYSE: XOM) and Williams Gas Processing.

The market doesn't have a stringent barrier to entry for competitors, but Littlefair notes that they have key contracts with Exxon, and are trying to push into the truck stop market, making them further down the road than most give them credit for.

Though the company has come far, Barron's believes that an investor at this price probably won't get a chance to enjoy much more upside in the stock. Should the company report a profit, investor's might expect Pickens to exercise his warrants for 15 million shares.

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**T. Boone Pickens To Testify On Incentives At Ways And Means Energy Hearing – *The Hill Blog* – 4/9/10**

By Jay Heflin

T. Boone Pickens, the Texas oil magnate turned green energy advocate, is expected to testify at the Ways and Means Committee hearing on energy tax incentives, sources told *The Hill*.

Pickens, with an estimated net worth of approximately \$3 billion, is an influential figure in the fight for turning the country on to renewable fuels.

He has also been speaking with lawmakers about his plan that seeks to create millions of jobs by, in part, building up the wind energy sector of the country and giving homeowners and businesses incentives to make their structures energy efficient.

The Ways and Means hearing is slated for April 14 and will likely be a media circus because of the attention Pickens usually draws.

That hearing is expected to focus on ways to create jobs in the energy sector.

"This hearing will examine benefits currently in place and discuss potential for new incentives to further drive job creation, economic growth and reduce our dependence on foreign oil," Levin said in prepared remarks.

How the chairman intends to pay for these new incentives remains to be seen. President Obama has advocated ending several tax breaks aimed at the oil industry, which could be used to offset a job-energy package. Rep. Bill Pascrell (D-N.J.) recently told *The Hill* that closing tax breaks for oil companies have been discussed at committee meetings.

Since the economic crisis began, approximately \$39 billion in energy tax incentives have been enacted. Many of them were focused on stimulating demand for renewable fuels and energy efficient alternatives.

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## PRINT COVERAGE

### **Obama's Fractured Coalitions** – *National Journal* – 4/9/10

By Kirk Victor

On the most momentous day of his 14-month presidency, Barack Obama gathered with Vice President Biden and top aides in the Roosevelt Room to watch as the House, after a fiery debate, passed far-reaching health care reform legislation. Lots of happy high-fiving followed on that Sunday night, March 21. The vote gave Obama a historic achievement that had eluded other presidents since Theodore Roosevelt -- the opportunity to sign into law a sweeping expansion of health care.

But hours earlier on the National Mall, another group had gathered -- a boisterous crowd estimated at 250,000 -- to urge Obama to fulfill his promise to enact comprehensive immigration reform. You didn't have to be an intrepid reporter to pick up on a deep sense of disappointment -- and even betrayal -- that the president had not done more to advance the goal of bringing 11 million immigrants out of the shadows and giving them a pathway to citizenship.

Latinos had backed Obama 2-to-1 over Republican nominee John McCain in the 2008 presidential election, and their votes had made the difference in Colorado, Florida, Nevada, and New Mexico, all states that President Bush carried in 2004. "People are really, really upset. I have never seen it so bad," said Salvador Reza, a veteran activist and immigration reform advocate who arrived at the Mall after traveling 14 days in a caravan from Phoenix. "President Obama is in danger of losing the Latino vote, either because they won't go to the polls for him next time or they might vote for somebody else as a protest."

It is ironic that at the very moment Obama is ready for a victory lap, he instead faces a major political detour. Ire is rising within the broad coalition of activists -- including that crowd on the Mall -- that helped him win the first majority vote for a Democratic president since Jimmy Carter in 1976. They are frustrated and angry that he has neglected their priorities. Obama can no longer count on them to remain reflexively in his corner.

Indeed, after his display of bravado and intensity that turned a near-defeat on health care into a resounding victory, the president may have invited the envy of other issue advocates -- and renewed calls for a similar push for their agendas. When asked what Obama could do to win back Latinos, Reza said, "He can move immigration reform just as forcefully as he has done the health care bill."

Other activists suggest that with health care no longer a distraction, it is time for Obama to deliver for them. "Health care has really sucked all the oxygen out of the room for almost a year, and so now you will see other issues coming to the fore, and more opportunities for the president to exercise leadership on behalf of women's rights," said Terry O'Neill, president of the National Organization for Women.

Similarly, labor leaders are seeking action to advance their priorities. "What they are looking for is a president who's willing to put political capital into the issues at the top of their agenda -- not that they are invited to the White House, not that they get a phone call, but that the political capital is spent," said Harley Shaiken, a labor expert and a professor at the University of California (Berkeley). "That's what some in labor are saying just hasn't happened."

The pushback from allies "is part of the vibrancy of our party and one thing that you expect if you get into public life," said White House deputy press secretary Bill Burton. "The president's view is that you do the right thing, and the politics will follow."

Progressives And Their Discontent

Obama has plenty of fence-mending to do, from Latinos who are put off by the lack of progress on immigration reform; to union members who feel that the president has put their issues on the back burner; to abortion-rights advocates who say that the deals struck to win health care legislation endanger those rights; to young people whose enthusiasm has dissipated as they struggle to find jobs and worry about the escalating war in Afghanistan; to gay-rights advocates distressed by the failure to end the "don't ask, don't tell" policy; to environmentalists dismayed at the recent White House decision to allow drilling in large swaths of coastal areas; to other progressives whose expectations of a sharp change in direction have gone unfulfilled.

That repair work must happen quickly. Without the stalwart support of party activists in the midterm elections, Democratic majorities in the House and Senate could be in jeopardy. Further down the road but even closer to home, Obama will be counting on the ardent backing of these groups to win a second term in 2012.

"Within the various components of the activist community, the disappointment with the Obama administration is broad and deep," said Robert A. Walsh Jr., executive director of National Education Association Rhode Island, whose teachers are furious about Obama's recent support for the wholesale faculty dismissals at a high school in his state.

"I am deeply disappointed. I was an early supporter of Barack Obama. I gave him my first personal contribution probably before [the 2008 caucuses in] Iowa, well before my colleagues. I drank the Kool-Aid, and therefore they should worry more about me being deeply disappointed than about my organizational affiliation."

True believers, whose expectations were sky-high after the election, are not about to give Obama a pass because a unified, resolute Republican opposition has blocked much of his agenda. Immigration reform, for example, is always a combustible issue, but it is especially explosive in light of the nation's high unemployment rate. Obama has signaled that he needs help to garner some GOP support for an overhaul.

"I have always pledged to be your partner as we work to fix our broken immigration system, and that's a commitment that I reaffirm today," Obama told the crowd on the Mall in a videotaped message. Still, he added, "You know as well as I do that this won't be easy and it won't happen overnight."

But Rep. Luis Gutierrez, D-Ill., a longtime champion of immigration reform, is not mollified by uplifting oratory or excuses. The president must put some muscle behind his words, he said. Gutierrez contended that the impetus for the big turnout on the Mall came from Obama's bare-bones reference to immigration in his State of the Union address earlier this year.

"Look, the president uttered 28 words -- one minute in the State of the Union -- and hundreds of thousands of people came to Washington to say, 'That is not enough, Mr. President,'" Gutierrez said. "They didn't feel energy. They didn't feel that it was a priority. So they came out to let the president know that we won't be treated as though we are invisible, that he made a commitment the first year of his administration, and we expect him to keep it."

#### Straight Talk From Friends

The president's failure to cultivate his base puzzles Randi Weingarten, president of the American Federation of Teachers. She contends that the energy and enthusiasm of core supporters will be crucial - not only in upcoming political campaigns but also in advancing Obama's legislative agenda. The White House, Weingarten said, should have learned a lesson from the health care debate. The administration "likes to talk about being post-partisan and likes to do things that show that it is moving beyond its base. However, it was the base that [Obama] came back to, to get health care done."

Going forward, political veterans say, the president could follow various prescriptions for reigniting the fervor, continuing the populist themes that he struck in the final weeks of the health care debate as he

blistered the insurance industry, say, or pushing specific issues such as "card-check" legislation to make it easier for workers to join unions -- even knowing that the Senate might block it.

At a minimum, Obama must show a willingness to fight for his most loyal backers' causes if he expects to fire up their passion and get their help on the campaign trail. "There is no question that a good portion of the base is alienated or angry or discouraged," observed Robert Borosage, co-director of the liberal Campaign for America's Future. "Some significant portion of this is because health care really just ate up [so much time] -- so other things on the agenda couldn't get the attention they needed. That includes basic things like jobs and fundamentally promised goals like immigration reform."

Take another one of those promises -- ending "don't ask, don't tell" -- a policy begun in 1993 to allow gay soldiers to serve in the military so long as they conceal their sexual orientation. Last year, Obama reiterated his campaign pledge to allow gays and lesbians to serve openly. "We should not be punishing patriotic Americans who have stepped forward to serve this country," he declared to great applause in a speech to the Human Rights Campaign, a gay-rights advocacy group, in October. "Progress may be taking longer than you'd like," Obama acknowledged, but he urged the crowd to stick with him. "Do not doubt the direction we are heading and the destination we will reach."

Despite the lofty rhetoric and a recent statement by Adm. Mike Mullen, chairman of the Joint Chiefs of Staff, that he, too, supports ending the policy, many advocates are not appeased. Even Defense Secretary Robert Gates's declaration that change is inevitable and his convening of a working group to advise the military on how to end the policy "responsibly," is not enough. After all, that group won't report its findings until December.

"The gay community is at this point quite disappointed at the fact that they feel they have largely been ignored in the first part of this presidency," said Richard Socarides, who was the senior White House adviser for gay and lesbian civil-rights issues from 1997 to 1999 in the Clinton administration. "There is still time to fix that between now and the midterms, especially if the president makes a push to actually repeal the 'don't ask, don't tell' law this year, as opposed to just talking about it. Unfortunately, there are no signs right now that it is going to happen. The rights of gay Americans continue to be pretty far down on his list of priorities."

Similarly, abortion-rights advocates are incensed that as the price of winning half a dozen anti-abortion lawmakers' votes to pass health legislation, Obama agreed to sign an executive order underscoring that the law will not allow federal subsidies for abortions.

"President Obama campaigned as a pro-choice president, but his actions today suggest that his commitment to reproductive health care is shaky at best," NOW's O'Neill declared in a statement. "The message we have received is that it is acceptable to negotiate health care on the backs of women, and we couldn't disagree more."

O'Neill, elaborating on comments reported elsewhere, said in an interview, "I have heard from a lot of people saying Hillary [Rodham] Clinton would never have allowed this anti-abortion measure [as president]. Of course I don't think that she would have." O'Neill ticked off other objections to the law, including the absence of a public option, a government-run agency to increase competition between insurers. "Anything you can do to reduce costs helps women, because women have less money than men."

Still, despite her adamant insistence that "as a policy matter, the law is bad for women," O'Neill concluded, "As a political matter, the progressive movement, including the women's movement, is better off with Barack Obama not having suffered a humiliating defeat on health care."

O'Neill added, "Friends tell friends when their policies are not good. That is what I am doing."

More such friends are emerging. Environmentalists, who in general have been very supportive of Obama, are troubled that he would open coastal areas to drilling, even though they praise his other actions, such as raising automobile mileage requirements.

Carl Pope, chairman of the Sierra Club, posted comments on National Journal's Energy & Environment experts blog that blistered the drilling initiative as "a blatantly political move." Obama, Pope wrote, had "made clear during his campaign that he fully appreciates, as oilman T. Boone Pickens puts it, that our oil addiction 'is one crisis we can't drill our way out of.' The administration knows that offering these leases will do nothing to reduce our oil addiction -- they may even provide a false sense of security."

In the same posting, Pope went out of his way to praise another White House initiative. Rules boosting fuel-efficiency standards, he wrote, would "genuinely advance America's climate and national security" by reducing oil demand, cutting carbon waste, and saving drivers billions of dollars.

He asserted, however, that the drilling decision was bad policy and bad political strategy, concluding that the White House's hope to win over Republicans for its comprehensive climate and energy proposal is pie in the sky. "It's bad vote counting," Pope wrote. "The oil industry attacked Obama for not offering even more areas -- and no new Republican votes for climate legislation popped out of the Capitol Hill woodwork. The likely outcome of all of this is damaging leasing, little oil production, and fewer, not more, votes for climate legislation."

#### Presidential Scapegoating

The campaign bunting, bumper stickers, and Obama posters that once adorned the offices of the National Education Association Rhode Island in Cranston are gone. Now, Walsh says, "the hottest item circulating among a lot of our colleagues across the country is the piece that was in Harper's magazine [in February] that John MacArthur wrote -- 'Rattle Obama With Primary Challenger.' One of the lead items in that piece was, 'Won't Get Fooled Again.' "

What prompted the 180-degree turn on the president? His praise for a school board's decision to fire the entire professional staff -- more than 90 people -- at the only high school in Central Falls, where student test scores are consistently at rock bottom.

"If a school continues to fail its students year after year after year, if it doesn't show signs of improvement, then there's got to be a sense of accountability," Obama said on March 1 at the U.S. Chamber of Commerce. "And that's what happened in Rhode Island last week at a chronically troubled school, when just 7 percent of 11th-graders passed state math tests -- 7 percent. When a school board wasn't able to deliver change by other means, they voted to lay off the faculty and the staff. As my Education secretary, Arne Duncan, says, our kids get only one chance at an education, and we need to get it right."

Weingarten, whose union represents the fired teachers, tries to be circumspect when pressed about Obama's comments. "The president's comments about Central Falls were unfortunate," she said. His words "sent all the wrong signals about all of us having to have collective responsibility to help turn around schools."

The president did not even have his facts straight, Weingarten contended. When the trustees announced the mass dismissals, the high school had been showing a turnaround in literacy rates, an especially noteworthy advance during difficult economic times in the poorest school district in the state. Another Rhode Island school, Met Center, got Obama's praise for providing individual attention and hands-on training. But Met Center has a 4 percent math achievement rate, she said, lower than that of Central Falls.

"There are a lot of feelings of betrayal, not just in Central Falls but among teachers throughout the country because, after all, teachers don't go into education to get rich," Weingarten said. "Teachers go into education because they want to make a difference in the lives of kids. They want support. We know we can't do it alone."

She added, "We will keep pushing and advocating and doing the things we think will work to help kids, but the point is that it is a dialogue. And that's part of what needs to go on -- a dialogue, not scapegoating or demonizing or shouting at one another."

Picking up that theme, veteran labor activist Jeff Faux, who founded the Economic Policy Institute, a liberal think tank in Washington, said, "There is this popular perception that the whole problem of education is the teachers unions. Even though they are [Obama's] allies, he is not coming to their defense in any way.

"The schools are in a terrible [socioeconomic] environment. That is not the whole story, but when most teachers are trying to do the best job they can, the president ought not just automatically accept this grandstanding by the school board in Rhode Island."

Politically, the president's applause for the mass dismissals is a potentially serious mistake, warned Shaiken, the labor expert at the University of California. "On that one, [Obama] miscalculated. The political team said, 'Look, this will play well with people concerned about schools.' But he touched a raw nerve," Shaiken said. "This goes to the heart of what unions are about, when an entire school is fired."

He contended that any political gains for the president may be outweighed by resentment from the broad labor movement. "It makes it very difficult to organize the secondary leaders, presidents of local unions and local labor councils, to do an all-out effort for the Democrats in November and for the president down the road," Shaiken said. "You are asking somebody to spend a Saturday making phone calls, and they say, 'So he can endorse the firing of another school?'"

Jake Kohlman shares the bewilderment that Obama has not done more for his allies. The 27-year-old activist had worked for the Change to Win labor federation since 2006 when he requested a transfer to focus on the 2008 get-out-the-vote efforts for Obama in Northern Virginia. No Democrat had carried the Old Dominion since Lyndon Johnson in 1964, and Kohlman said that it was exciting to be on the ground in the frenetic period before Election Day. Obama won Virginia with the help of labor organizers' grunt work.

But Kohlman's euphoria was short-lived. A week before the inauguration, Change to Win laid off some of its staff, and he was a casualty. "It was sort of rude," he said. "It was not exactly filled with any hope-and-change-type thing."

As he looked for work, Kohlman said he was stunned by the new administration's approach to important labor issues -- especially its failure to push the Employee Free Choice Act to make it easier for workers to form unions. "It has really sort of shocked me how little effort President Obama is putting into labor issues in terms of union priorities," he said. Given the big Democratic majorities on Capitol Hill, "everyone thought [the bill] was going to pass."

Obama pursued other issues instead, but the White House gave the impression that the labor measure would eventually become law despite the business lobby's bitter opposition. "All that does is get labor hopes up unnecessarily, because there just aren't enough votes [in Congress] for it," Kohlman said. "It is almost like a carrot dangling out there. They are using it to keep the unions in line. It just surprised me because I know how much labor worked for President Obama, got out the vote, knocked on doors, and did canvassing."

Kohlman couldn't find a job in Washington. Now he is headed to Fort Benning, Ga., excited about joining the Army. As for the way Obama has handled labor, the departing activist concluded, "It makes me wonder if he just knows that labor has no real other option. It's not like in 2012 unions are going to be supporting the Republican candidate. Labor has no leverage."

Taking groups for granted is no way to reignite the passion they brought to the 2008 campaign. Ultimately, Obama must demonstrate a willingness to stand up for them and to take on Republicans who have stood in the way of moving their priorities. He must spend political capital.

Even hard-charging Gutierrez has some optimism that Obama is headed in the right direction. "We see a presidency that is maturing. I only hope that that guy from Illinois -- who wasn't even a U.S. senator when he [gave the keynote speech] to the Democratic convention in 2004, can bring some of that charisma and energy to the issue of comprehensive immigration reform. Maybe we have to push him there -- maybe that is what we have to do up to now, but eventually he will lock arms with us. That is my hope."

That display of solidarity from Obama would make a great deal of difference to activists heading into a difficult election cycle. "People want to know what side you're on," Borosage said. "They don't expect you to solve the world's problems, but they want to know if you are on their side and fighting for them."

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### **Democrats Vying For House – *Billings Gazette* – 4/11/10**

HELENA — Four Democrats seeking their party's June 8 congressional nomination agree on many issues but have staked out separate positions on certain others.

They are running for the U.S. House seat held by five-term Republican Rep. Denny Rehberg, who faces two challengers in the GOP primary.

Here's a look at the Democratic candidates — Tyler Gernant, Melinda Gopher, Dennis McDonald and Sam Rankin — and what they say are the differences among them.

Tyler Gernant

Gernant was a strong proponent of the so-called public option in the federal health reform bill, although the proposal didn't make it in the law. The law needs a government-run insurance option to provide Americans with a choice, the Missoula lawyer said. His Web site calls for reining in federal spending and reducing the federal debt.

"Our first priority must be to stabilize Social Security," he said. "This can only be accomplished by banning the use of Social Security funds for anything other than Social Security."

In addition, Gernant advocates a privacy amendment to the U.S. Constitution based on the privacy provisions in the Montana Constitution.

The 27-year-old candidate cites his youth as an advantage.

"I obviously am the youngest candidate," he said. "I think I offer a fresh perspective. I don't have a lifetime of political favors to pay back. The other advantage is I don't have any skeletons in my closet."

With former U.S. Senate Majority Leader Mike Mansfield's nephew by the same name as his campaign treasurer, Gernant said he aims to follow the late senator's example of reaching out to Republicans, Democrats and people from all walks of life.

While he hasn't owned his own business, Gernant said as an attorney he has helped hundreds of businesses grow and prosper, from coffee shops to biodiesel companies.

"I helped create a corporation that turns bull crap into energy," he said. "If you can turn bull crap into energy, just imagine what you can do in Washington."

Melinda Gopher

The Missoula paralegal said she remains a strong advocate of a single-payer health care system, unlike some of her opponents. She has been critical of the reform bill passed by Congress and signed into law by President Barack Obama, calling it “just a starting point.”

“I think we agree on a lot of issues that are really important to Democratic voters,” Gopher said of the four Democratic candidates. “Where I differ from them is not just my approach but my background. I think I’m the only candidate running who is emphasizing reaching out to the other party.”

Beginning with a few people in Great Falls, Gopher said she worked for more than 20 years leading a successful grass-roots fair-housing movement targeting housing discrimination by race.

Gopher said she worked with fellow American Indians to urge the state to buy the Ulm Pishkin, a former buffalo jump that’s now a state park south of Great Falls. She said the purchase enhanced the concept of cultural tourism in Montana.

In addition, Gopher said she and her father helped the tribes on the Fort Belknap Indian Reservation have a press conference about water pollution from the Zortman and Landusky gold mines. That helped trigger interest in the issue and Montanans later banned cyanide heap-leach mining, she said.

“I have led successful grass-roots campaigns in Montana in the past that are local that are effective,” Gopher said. “As we saw in 2009, the ascendancy of Barack Obama was really a grass-roots model.”

Dennis McDonald

The Melville rancher is on record supporting a single-payer health care system, in which the government provides tax-supported health insurance for all.

“I was the first candidate to say let’s take Medicare, a program that is uniquely American, with administrative costs of 2 percent to 3 percent, and make it available to all American citizens over time,” he said.

McDonald said he was the first candidate to endorse billionaire T. Boone Pickens’ proposal to run the country’s new diesel fleet on natural gas, a move that could reduce U.S dependence on foreign oil by a third.

He also wants to see the nation make a “huge investment” in renewable energy and envisions Montana Tech being the “citadel of renewable energy and innovation.”

On the economy, McDonald said he wants to “rid the nation of the notion of trickle-down economics” and instead invest in ordinary people.

“The economic meltdown has taught that the trickle-down may work for Wall Street, but not for Main Street Montana and certainly not for working families in Montana.”

Turning to his background, McDonald said, “I think I bring a sense of maturity and experience to that process.” He cited his experience working as a lawyer, working on Robert Kennedy’s 1968 presidential campaign, participating in civil rights marches, starting cattlemen organizations and serving on an international trade commission under Presidents Bill Clinton and George W. Bush.

He also embraced the ability of workers to organize into unions and wants to invest heavily in higher education.

“I’m the only candidate that operates a business and signs someone’s paychecks,” McDonald said.

Sam Rankin

Alone among his opponents, Rankin is making special-interest campaign money his chief issue.

"My campaign will focus on the perverse influence of special-interest money and why electing me will start a reversal of the unhealthy way excessive money has negatively affected our political system," the Billings real estate broker said.

Rankin, a former state chairman of Montana Common Cause, has decided to restrict his campaigning to four to six weeks in the primary, not accepting individual donations of more than \$75 from individuals and pledging not to run negative advertising.

"I think money needs to be attacked by candidates," he said.

Another issue that Rankin said separates him from his Democratic opponents is his call to address federal entitlements, such as Social Security and Medicare.

"I'm taking on the third rail of politics," he said. "I've said the entitlements are too extravagant."

Rankin said elderly people should be assured there will be no cutbacks in their current level of Social Security payments, but he favors cuts in future benefits for people age 56 and younger.

"The reduction would ensure the future of Social Security," he said. "If there are no changes, the financial meltdown that might ensue could leave the young with much much less than the changes made now."

He called for increasing to 70 the minimum age at which people may draw Social Security payments and reduce, over time, benefits for wealthy people. He would phase in these changes.

He also favors enacting steps to revamp Medicare.

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## **BLOG/ONLINE COVERAGE**

### **T. Boone's Wind Plans Blow Into Minnesota – *Earth2Tech* – 4/9/10**

By Katie Fehrenbacher

T. Boone Pickens — everyone's favorite oil baron turned natural gas and wind backer — has been trying to find a home for his former plan to build the world's largest wind farm in the panhandle of Texas. Back in January the project got cut in half and Pickens was kicking it up North, possibly to Canada and Minnesota. Now it looks like the 334 turbines could land in Goodhue, Minn., creating a 78 MW wind farm, according to local Minnesotan media.

The project is also getting some help from conglomerate General Electric, which originally supplied Pickens with the wind turbines and then cut him a deal to halve the order when his plan hit rocky financial ground. According to local media, Pickens Mesa Power has created a joint venture with GE, called American Wind Alliance, which will help finance the project and deliver about 50 MW of the turbines.

Minneapolis-based National Wind, will develop the wind project, potentially starting this year, and Xcel Energy will buy the electricity. It's not a done deal yet, and the project still needs to secure permits and financing, and the state utility regulators need to approve Xcel Energy's participation. If history is any guide, who knows if Goodhue will actually end up getting the wind farm — the original project has had a variety of iterations, sizes and locations.

One reason that Pickens wind farm fled Texas is the issue with transmission in the state. (See GigaOM Pro's "Renewable Energy Charging Up Electrical Transmission Tech," sub. req'd.) Pickens has said that by the time he expected to begin taking deliveries of the turbines next year, the Texas Panhandle would still not have enough transmission lines to carry electricity from the project.

Texas leads the nation in wind power, boasting large stretches of windswept rural plains and a regulatory environment that can fast-track wind projects. Yet drawing that power from remote areas to more populated regions is expensive (a 2008 report estimated the state could spend between \$2.95 billion and \$6.38 billion building new transmission lines) and time-consuming.

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### **T. Boone Pickens Bringing Wind Power Plans to Minnesota – *Fast Company* – 4/9/10**

By Ariel Schwartz

Oil magnate T. Boone Pickens gave up on his ambitious plan to build the world's biggest wind farm in the Texas panhandle long ago, but he never completely lost his interest in wind power. In January, Pickens announced a plan to cut the Texas wind turbine order in half to 334 GE-branded turbines. Originally, half of the turbines were supposed to go to a wind farm in Minnesota, and half were supposed to go to Canada. But now the all-American billionaire has nixed the Canada plan and decided to send all of his turbines to Goodhue, Minnesota--a plan that will create a 78 MW wind farm capable of powering 31,000 to 70,000 homes.

Earth2Tech reports National Wind will most likely develop the project, which will eventually sell electricity to Xcel Energy. If everything goes as planned, the wind farm will go into operation next year. But we can't be too sure--Pickens has shuffled his plans around so much in the past that we're hesitant to say anything is a done deal. In any case, Xcel still needs to get permission from state utility regulators to buy electricity from the Pickens project, and National Wind also has to contend with local residents concerned about the noise and health impacts of the turbines.

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## **Pickens: Oil Price to Rise 10 Percent on Low Supply** – *MoneyNews.com* – 4/12/10

By Dan Weil

Oil legend T. Boone Pickens sees room for oil prices to rise another 10 percent, as supply isn't keeping up with demand.

He also predicts President Barack Obama's offshore drilling plan will have little impact.

"All the world can produce is 85 million barrels a day," Pickens says.

But, "Projections are now that you'll need 86 to 86.5 million barrels a day," he told Bloomberg. "This is going to move up."

Oil has departed its prior trading range of \$70-\$80 per barrel and has now entered a range of \$80-\$90, he says. Benchmark crude for May delivery recently traded at about \$84.92 a barrel on the New York Mercantile Exchange.

As for Obama's offshore drilling plan, "It won't make a dent," Pickens said. "Whatever dent it makes will be 10 years. The market doesn't pay attention to anything 10 years out."

Bottom line, Pickens said, "I don't think you're going to come up with very much oil."

Still, he supports the plan. "I'm for anything American because I want to get off oil from the Mideast," Pickens said. "That's a security issue for the country."

Pickens has been beating the drum for natural gas to replace oil. "It's cleaner, it's cheaper, it's ours, and it's abundant," he said.

Oil prices have now reached a sweet spot, says Harvard economist Kenneth Rogoff.

"It's not too low that it's causing crises in oil-exporting countries. And it's not so high that it's threatening the recovery in the U.S. and Europe," he told the New York Times.

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## **Report From Europe: Greece Gets Some Breathing Space** – *Seeking Alpha* – 4/12/10

For some time now markets have been crying out for clarity over the size and price of the EU's proposed aid package for Greece. Prompted by last week's developments in the Greek bond market, that clarity has finally arrived. Risk sentiment rebounded on Friday as newswires reported that EU finance ministers would be holding a conference call on Sunday to hammer out the details of a package that would be substantial in order to get the attention of markets. The EU Commissioner for Economic and Monetary Affairs, Ollie Rehn, said that EU finance ministers had agreed that Greece would be provided with up to €30bn of three-year loans at an interest rate of around 5% (the actual rate will be 300bps over the relevant Euribor swap rate with an additional 50bps service charge). As of Friday's close, this is a full two percentage points below the prevailing yield on Greek 3-year bonds (even after Friday's 52bps rally) and 365bps higher than the yield on German 3-year bonds. Officials from the European Commission, the Greek Government, the ECB and the IMF will meet later today to discuss the IMF's involvement (it is still envisaged that the IMF will contribute one-third of the package, making for a €45bn package in total). European bourses closed higher across the board on Friday as news of the likely package came through but European bond markets weakened (EU nations will fund the package in accordance with each country's share of the ECB). EUR/USD rose a bigger figure and a half and has risen the same again this morning now that the details of the package have been confirmed. US equities also posted solid gains on Friday with the Dow closing within a whisker of 11,000. The only US data point of note was the February wholesale sales report, which showed growth in shipments continuing to outpace growth in inventories.

The start of the US Earnings season will be a primary focus throughout the week for investors who will be looking for fresh signs of economic growth. Dow component Alcoa (AA) kicks off earnings season after the market closes Monday (consensus is for EPS of 11c). Intel (INTC), JPMorgan Chase (JPM), Bank of America (BAC), Google (GOOG) and General Electric (GE) all also report earnings this week.

#### Today's Market Moving Stories

&#61623 The Chinese released a trade deficit on Saturday. This owes more to the timing of the Chinese New Year than the global economy but it helps the discussions that are ongoing about a revaluation of the renminbi. Everything points to a move, but a modest one – one that does not massively disrupt the global economy and allows recovery to continue while appeasing the US policymakers. The shift in the world economic order is not slowing down.

&#61623 In the UK, a busy weekend of opinion polls saw the Labour party with just over 30% of the vote, the Conservatives with just under 40% and an outright majority for anyone remains elusive. This week's highlight (I suppose) will be the first of the televised debates between the party leaders on Thursday. The risk must be that no-one delivers a "knockout blow" and markets get jittery. It doesn't take much to look at how the eurozone rallied around Greece and conclude that the UK does not have that kind of support – though it does have the ability to let its currency slip.

&#61623 A German finance ministry spokesman said that, "the fact that there is now a fire-extinguisher hanging on the wall says nothing at all about the probability of whether it will be needed." He noted that a Summit agreement would be needed to activate aid and that conditions "should not be automatic." He also added that the Bundestag "would have to be consulted on any emergency aid."

&#61623 German exports are up. Exports rose by 5.1% MoM in February, which is not only more than the market expected, but the sharpest month-on-month increase since June. This brought exports to 14.5% above the lowest level reached during the recession, but still around 22% off the pre-crisis trend. Imports rose by 0.2% MoM and as a result the surplus widened to €12.6 billion from €8 billion in January; the current account surplus is €9.1 billion. This evidences the importance of the foreign sector as a driver of the recovery in this phase of the cycle. The recovery in global demand for exports is particularly significant for Germany, a country that is clearly oriented towards foreign trade. For example, at €71.270 billion per month, German exports exceed the total combined exports of France, Italy and Spain.

&#61623 Business sentiment and manufacturing output are on their way up in France. The Bank of France business sentiment index advanced one point in March to 103, with a 2-point increase (to 92) in the confidence in services component.

&#61623 UK producer prices rose sharply in March, due partly (not entirely) to higher energy prices. Basic materials prices rose by 3.6% MoM, and are now 10.1% higher than one year ago. Factory gate prices increased by 0.9% month-on-month, pushing inflation in producer prices to 5%. There were price hikes in eight of the ten main product categories. This appears to indicate that inflation moderation in terms of consumer prices, currently one point over the Bank of England's target at 3%, is perhaps not as fully guaranteed as the bank's last report suggested, and that we could see some volatility and surprises in price indicators over the next few months.

#### Reaction To Greek Bailout News

Well, the first reaction has been to welcome the deal. Short positions in Greek stocks and in the euro have been squeezed. That first reaction will, I am sure, give way to fresh concern in due course. This latest package solves Greece's short-term funding problems and helps them get through the next six weeks of debt rollovers, but it is really just a further extension of the core theme of the last few years. Just as western governments have had to step in to bail out their banks (who borrowed far too much cheap money to lend to over-indebted consumers), so the European leaders have stepped in to bail out the Greeks, who also borrowed far too much money during the good days. This leaves two questions dangling. The first is how will the fundamental problem of excess borrowing be tackled? And the second is where does the rest of Europe get the money from? The answer is, to some degree, the same in both instances. The need to tackle excess borrowing is going to result in a higher savings rate (in Greece, as

in the UK) and slower growth in spending as a result. That will be offset by very low interest rates. And the money will come from even more government bond issuance at the heart of the eurozone, where low rates, steep yield curves and a lack of inflation make it possible for Germany to continue issuing debt at under 1.5%, making the 5% they charge to Greece look like a reasonable return.

There are plenty of reasons to fear that shuffling the debt from over-borrowed consumers to banks, to government and on to bigger governments will end in disaster. However, before that happens the escape route remains the same as it has always been. As long as inflation remains low, interest rates can stay anchored and the higher equity prices rise, the more tempting it is for investors to buy government debt anyway. And if there is any threat of a buyers' strike, then the debt can still be bought by the central bank as quantitative easing is ramped up again. So the Europeans have bought some time to let the Greeks get their fiscal house in order. The price, of course, is that fiscal policy will need to be tightened at a delicate point in the economic cycle. And the upshot, as far as I can see, is that for all the enthusiasm, with which markets may greet this latest deal, the ECB is on hold for even longer and the euro will have to take some of the strain by weakening further.

## Company News

&#61623 As confirmed in its recent results, Bank of Ireland (IRE) is expected to buy back the Government warrants attached to the €3.5bn preference shares, increasing the size of the fund raising at the group beyond the €2.7bn capital requirement outlined by the Financial Regulator. Reports over the weekend suggest that the warrant buy back would boost the size of the fund raising by circa €450-500m. I had previously outlined a funding mix of €500m from subordinate conversion, €1 to €1.5bn in a rights issue, and €1bn preference shares conversion, with the Government maintaining a minority shareholding. The bank is believed to be primed to move for a rights issue pending the approval of its business plan by the EU.

&#61623 On AIB (AIB), there is more speculation on the potential shape of the group's operations after the execution of its disposal plan. BNP (BNPQY.PK) and Soc Gen (SCGLY.PK) are named as potential suitors for its Polish business, while the future of the UK business very much in focus, with the group examining the sale of its the business banking arm and Northern operations. AIB may also be expected to repurchase the Government warrants on its stock, boosting the potential size of its fund raising.

&#61623 Home Retail surged 5.2%, its biggest intraday gain since December, after the Mail on Sunday reported that Asda may be interested in making an offer for the owner of Argos stores.

&#61623 Palm (PALM) rallied 13% on news the company is working with Goldman Sachs and Frank Quattrone's Qatalyst Partners to find a buyer. Taiwan's HTC and China's Lenovo (LNVGY.PK) have looked at the company and may make offers.

&#61623 Clean Energy Fuels declined 3.3% in Germany on a story the company co-founded by billionaire T. Boone Pickens to provide natural gas for motor vehicles may fall as much as 30% because of a potential warrant exercise by Pickens by 2012.

&#61623 This morning, UBS (UBS) pre-announced a Q1 10 pre-tax profit of at least CHF 2.5bn. The bank didn't provide much additional info. It only said that net new money outflows in all businesses were substantially lower than in Q4 09.

&#61623 British Airways (BAIRY.PK) strike action reduced Heathrow's March traffic by 180,000, but the airport still reported a 0.4% increase in traffic to 5.2m passenger for the month relative to March 2009. Without the BA strike action, Heathrow traffic would have been up 3.8%. Stansted continues to struggle with traffic down 4.7% for both March and the first three months of the year, and while the London airports together reported a 0.7% drop in March, the YTD figure is still a 0.2% increase, despite the effects of the weather and the BA strike.

&#61623 Bank of America (BAC), JPMorgan Chase (JPM) and Wells Fargo (WFC) may have to set aside an additional \$30 billion to cover possible losses on home-equity loans, an amount almost equal to analysts' estimates of profit at the three banks this year. Recognising the home-equity loan losses is unfinished business from the housing bubble. Potential write downs on the loans are casting a shadow over earnings, as analysts try to determine how much, and how quickly, loan-loss expenses will decline from the industry wide peak reached in June 2009.

Apple's (AAPL) move into mobile advertising shows the market is competitive and US regulators should permit Google (GOOG) to buy AdMob, Google Chief Executive Eric Schmidt said. Apple CEO Steve Jobs said April 8 that they will offer iAd, an advertising platform that would compete with AdMob, on a new operating system for its iPhone. The announcement escalated Apple's rivalry with Google for customers and application developers as demand for smartphones climbs.

Adobe Systems (ADBE) is getting ready to unveil one of its most important products in years, a major rewrite of its graphics software that is causing a buzz in Silicon Valley as well as friction with Apple. The company's Creative Suite product line accounts for more than half of Adobe's revenue. Adobe is counting on the new version it plans to announce Monday – Creative Suite 5, or CS5 for short — to help it rebound from one of its toughest years ever. But the product also contains a feature that has added to tension between Adobe and Apple, which once were close allies. The companies have been feuding because Apple has banned Flash from products including the iPhone and new iPad.

BASF (BASFY.PK), the world's biggest chemical producer, is preparing a bid for Cognis, a maker of lotions, cleaning products and shampoos, that may value the closely held company at about €3 billion.

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## **Find Out Why This Green Journalist Supports Offshore Oil Drilling – *The Daily Green* – 4/12/10**

By Gloria Dawson

Amanda Little is a distinguished environmental journalist, so one might expect that her book *Power Trip: From Oil Wells to Solar Cells -- Our Ride to the Renewable Future* would be edged with a certain disdain for those industries that rely heavily on oil. But instead, as she writes about her visits to oil rigs, NASCAR races and everything inbetween we find her taking an honest, non-judgmental look at many petroleum-loving cultures. As you read *Power Trip* you see an author enjoying the trip -- meeting military leaders, farmers and even T. Boone Pickens -- much to her own surprise. There's never a feeling of elitism in her writing, she honestly wants to know how we got to our current energy crisis, so we have a chance of getting ourselves out.

We asked Little what her thoughts were on Obama's proposed drilling plans and her hopes for Obama's larger energy strategy.

Questions for Amanda Little

Glo: Do you think President Obama's new offshore drilling plan is a necessary evil right now to get America off of foreign oil?

The offshore drilling plan will do next to nothing to get America off of foreign oil, but I support it nevertheless. It's a necessary evil for political reasons--a gambit designed to win votes for climate policy. A number of Senators who have been withholding support for the climate bill have complained that America isn't doing enough to develop its own oil reserves. Offshore drilling is a political concession-- and I think, a necessary concession -- that will bring Republicans to the table on comprehensive energy and climate policy and, if all goes well, garner new votes.

Glo: In defense of his plan, Obama said, "... this announcement is part of a broader strategy that will move us from an economy that runs on fossil fuels and foreign oil to one that relies more on homegrown fuels and clean energy. And the only way this transition will succeed is if it strengthens our economy in the short and long term." Is this really the best short term plan?

The climate bill will add a cost to carbon, which will in turn make renewable and alternative fuels more cost-competitive with fossil fuels, accelerating the shift to a clean energy economy. The benefits of getting

climate legislation passed outweigh the burdens of opening up coastal regions to oil exploration and development.

Glo: What do you hope to see in the rest of Obama's energy strategy?

We need a bold price on carbon -- that is the holy grail. Bold enough to begin leveling the playing field between renewables and fossil fuels, to drive innovation in clean technologies and make America competitive in the global economy. Props to the Obama administration's recent decision to finalize standards for CO2 emissions from vehicles--a huge step given that transportation accounts for nearly a third of our greenhouse gas emissions. I'd like to see a much more aggressive push for research and development in clean tech-- particularly on the smart grid and batteries or other energy storage devices that can dispatch renewable energies on demand.

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### **Memo To Republican Candidates For Federal Office – *The Daily Caller* – 4/12/10**

By Kevin Dillard

Unless you want to be in a minority party for the rest of time, you need to start being competitive with voters in the 18-35 age range. Sure, we haven't been the most prolific voters historically. But things are about to get serious, and if you think we'll continue to stay at home on Election Day you're wrong. The good news is that we're open-minded enough to listen, if you talk the right way. Here's how:

1. Understand that we're open-minded, industrious and aspirational.

Republicans have struggled with the 18-35 age block (famously so in 2008) since time immemorial. Why? The answer is easy. Fairly or not, it's viewed as the party of old white men. Think McCain, Dole, Kemp, Cheney, Reagan, Bush the Elder and to a lesser extent the Younger. Contrast that with Obama and a saxophone-playing Clinton.

In the summer of '08, I heard from many of my contemporaries (I was 32 at the time) that they would vote for Obama because he's "cool" and that McCain looked, sounded and carried himself like a Wal-Mart greeter. I had to cede the point, even though I was a public supporter of McCain (reluctantly so—I still think Romney would have had a decent, or at least much better, shot at besting Obama).

What we "get", generally speaking, is ambition and opportunity. The rumors are true—we have a rugged sense of individualism with a side of narcissism. Thus, libertarianism runs in our blood—isn't that what the internet (that vast something to which we're addicted) is about, anyway? Wherever it flourishes, freedom often follows. Why else would Iran and China have it censored?

Don't forget that this generation has produced its fair share of extraordinary wealth already. Google, Facebook, MySpace, YouTube, along with a host of brick-and-mortar-type companies, have created some of the richest 20- and 30-somethings in the world. A recent Wall Street Journal article profiled the 20-ish founder of Facebook, and concluded that he was delaying the company's IPO because it would mean he'd lose some creative control. Mind you, he's rich already, but an IPO would make him ungodly rich. Like bailing out Medicare-rich.

2. The opening: sell Republican "reforms" as directly protecting our wealth and ambition, and engage in some generational warfare.

We all know intuitively that we won't see a dime of Social Security, or that if we do it will come at such a steep price that the returns will be in double-digit negative territory. Spending is the problem, and examples abound. Already mentioned: Social Security. Health care is another example. TARP yet another. ARRA another. All of these have something in common—borrowed money spent largely for the benefit of those over 50, or at least that's how we see it when we see bailed-out bank officers in the newspaper.

We know that, long-term, the only way out of trillion-dollar deficits is inflation, higher taxes and reduced benefits. Notice I said “and”, not “or”. The common denominator is that we’ll have less to show for our hard work—perhaps for the first time in the history of this country. Those retirees, right now? They’re still getting yearly increases in their Social Security payments, and extra little bonuses from Santa Obama to keep their votes securely intact. We notice that.

Tell us you understand, and tell us, Scott Brown-style, that you’ll fix it if elected.

And it’s not just the Democrats. Campaign against the Republicans who have done this to us—including George Bush (thank you very much for that trillion dollar-plus Medicare D fiasco), Tom DeLay (the enabler) and John “Hell no to the tanning tax!” Boehner. We know they’re part of the problem, so don’t be a goof and pretend that they are some kind of Saint of the Republic simply because they’re in your political party. Times are a little too serious to be pulling the line simply for the sake of pulling the line.

Oh sure, politicians say it all the time, as in “we’re leaving our children and grandchildren with all of our bills!”, as they leave the House floor and pad back to the Hyatt for another fundraiser with Merck. Republican candidates of a more aggressive variety (I’m thinking of you, Ed Martin in MO-3) need to make it personal.

3. Get mean.

Show up and tell us the truth—that we will live a life with stratospheric tax rates, a lower standard of living, less recreational time, a hideously inferior health care system and retirement? Oh right, we can forget about that.

We’ll have to work the rest of your life to pay for the indulgences of the Baby Boomers. Why will we get taxed at least 50% on everything we earn? Because former free-lovers defaulted on their second home in Del Boca Vista Florida, Arizona or California, or because they bought a \$250,000 house in suburban Chicago and took out four mortgages on it because they drank the Kool-Aid and thought that it was natural that the house tripled in value over six years. So why not take out another equity loan and take that two-month European tour we’ve been dreamin’ about, Maude? After all, we just got that little bonus from Santa, and Santa just mandated that the banks write down the loss to bail us out.

Or because they lived an unhealthy lifestyle eating chips and drinking cola, and now we have to pay for their kidney disease.

T. Boone Pickens was famous for saying that buying oil from other countries is a “transfer of wealth”. No it’s not. It’s giving a bargained-for price for a good in return. Just like buying a shirt at the mall. That’s commerce. Giving up large percentages of your income to support the excesses of previous generations, without any hope of ever seeing a return on that “investment” (aren’t politicians fond of that word) is a transfer of wealth. But even that term softens the real meaning. When you’re mugged, you’re subjected to a “transfer of wealth”. But what really happened is you got ROBBED.

Paint these politicians as thieves. Stealing directly from you to support a more politically important constituency. Tell us the truth: “They think you’re too enthralled by updating your status to see what they are doing to you”.

We have reason to be outraged. We just need a little prompting. It would help greatly if you’d relate to us. In fact, we even might like you.

On that topic...

4. Don’t assume you impress us, because you probably don’t.

Re-think your wardrobe, particularly if you are a male under 50. Don’t wear a Brooks Brother suit when you talk to us. It makes you look suspicious in a Mitch McConnell kind of way, or it makes you look like a

poser. (If you aren't familiar with that term, consider dropping out of the race immediately). If your sartorial sensibilities prevent you from dressing casual, then at least wear your Nantucket Reds and a navy blazer. At least then you'll remind us of the cool frat guy in college with two middle names and a suffix who carted us to keggers in his Land Rover. (In fact, chances are you were that guy.)

5. Focus on our pocketbook and keep it relevant.

While we're at it, let's drop the talk about social issues. All that does is offend the basic libertarian nature of this crowd. If they aren't gay, they have gay friends and roommates. They may not agree with it, but they also don't think they're friends should be "outlawed". They also know people who smoke pot, and are ok with it. So be intellectually honest and say those are state issues, just like health care regulation oughta be, and leave it at that.

You won't win many votes dwelling on those issues, but you will if you drive home the point that they are forking over money to support consumerist excess (other than their own, of course). Running a campaign based on outlawing gay rights or abortion at this time in history is a little like showing up to your grandmother's funeral in shorts and flip flops: it's amateurish and doesn't rise to the moment.

When speaking to us, do not, whatever you do, begin talking about committees on which you've served, procedural votes you've taken, or anything that isn't easily understood in 140 characters or less. Because if it isn't understood in Twitterform, eyes will glaze. It's not evidence of our stupidity, its evidence that we're busy building a life and can quickly determine what's important and tune the rest out.

Will those over 45 or 50 be offended? Likely not. After all, all you're doing is repeating what they've been saying about "leaving the bill to our grandchildren". Well, that's us, and those of us who aren't livid should be.

Kevin Dillard is an attorney and a government relations professional for a national health care organization based in St. Louis.

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## BROADCAST COVERAGE

### 1. The Call

**CNBC, National | DMA: 0**

**04/09/2010, 11:00 AM - 12:00 PM**

[EC] 00:47:11 ... People on the left of center part of the political spectrum love him, but the likelihood is that his replacement will not change the makeup of the court not all that much because it will be a liberal for liberal trade whether you're talking about Elena Kagan who is the U.S. Solicitor General or Diane Wood or Garland. All of those would be justices to replace Stevens. I think the real impact on business, Larry, could come from the political oxygen that is taken up by the fight to replace Justice Stevens on the court this summer. That could be the death now for comprehensive **energy** and climate legislation that cap and trade issue, you and I discussed many times, that has been a long shot. That long shot got even longer. I was just talking a few minutes ago to **Boone Pickens**, the **oil** man who is pressing his own **energy** plan which involves **natural gas**. He has some concern about the extent to which the political tension is going to be consumed by this fight. I talked to a republican senator the other day who was asked about what the political environment would be in Washington this summer if we had a supreme court fight. He said, well, I think I may go to the Middle East for a vacation. That gives you a sense, Larry, of exactly what this is going to be like in the end, President Obama is likely to get his choice, but it is going to be a fight and going to consume a lot of attention on this town. John, let me just ask you, there's, obviously, questions about the business impact of this change. ... 00:49:48

**Keywords:** Justice: TZ: President Barack Obama; Gerald Ford; **Boone Pickens**; EPA

**Visuals:** Supreme Court Justices including John Paul Stevens; Solicitor General Elena Kagan; Merrick Garland; Diane Wood

**Audience:** 361,113 **Spot Cost:** \$2,989

### 2. Fox Business Morning

**Fox Business Network, National | DMA: 0**

**04/12/2010, 05:00 AM - 06:00 AM**

[CC] 00:16:41 A quick look at three companies to watch for the day and we'll start this morning with Palm. Jumping more than 10% Friday on takeover rumors, and now reports this morning say Palm hired Goldman Sachs to help find a buyer for the company. Also watching Devon **Energy**, the "Wall Street Journal" reporting Devon is in final talks to sell assets in the Gulf of Mexico to Apache for \$750 million and Clean **Energy**, this is the **natural gas** company controlled by **T. Boone Pickens** and Barrons says the stock could fall by as much as 30 percent because **Pickens** has warrants he must use by 2012 and that could dilute the company's stock. 00:18:56

**Audience:** N/A **Spot Cost:** N/A

### 3. Monsters And Money In The Morning

**WBBM-TV (CBS) CH 2, Chicago | DMA: 3**

**04/09/2010, 06:00 AM - 07:00 AM**

[EC] 00:33:34 The economy is slowly improving and as optimistic as fueling the rise in oil and gas prices but many are worried higher gas prices could push the economy back in the dumps. Crude oil currently at 8612 gas prices are at 286 and Chicago about 309. Could it from the economic recovery to a stall corridor we are really edgy up your letter energy expert on earlier I'm looking at the futures, oil prices are edging up again in the futures market. At the open the economy to a stalled I think you'll really had an impact of consumers' wallets and we keep looking for signs of life in the consumer market and higher gasoline prices. We had a prediction on our show from our expert \$4 a gallon that you could be seen that by the end of the season.... the gasoline costs associated with delivering merchandise from coast to coast and all around America. We go back to **Boone Pickens** plan to convert the trucks to natural gas to the price of oil climbing and the price of natural gas as falling. That's part of the fact is we are dependent but we have so much natural gas but the fact is that we're so dependent on this global oil market having to do with what the Middle East says they're going to produce that our economy could go back were dependent because we chose to be dependent I don't authors and of oil out there for us to drive I don't think that there is the speculation has been and there is nothing more than speculation, but people much smarter than we will tell you that even if we do drilling of relocation that we have at our disposal we cannot fuel

marron needs. We need to be part of the global oil economy but we should of drilled 10 years ago but that drilling 10 years ago you just see that oil and gas and products now it would of bee better timing but would itself not be the entire problem 00:36:43

**Keywords:**TZ; **Oil:** BoonePickens; NY

**Visuals:**Rising Prices, Crude **Oil** Futures, **NationalGas** Price Average, Chicago **Gas** Price Average

**Audience:** 30,605 **Spot Cost:** \$226