

# PickensPlan

## T. Boone Pickens Media Coverage 4.14.10

### Total of 34 Placements

Print: 12  
Blog/Online: 6  
Broadcast: 16

### Coverage Summary:

Pickens appeared on *CNBC's Squawk Box* this morning, where he discussed natural gas legislation and what needs to be done to make sure energy gets the proper attention from Congress. A summary of his appearance was linked to the front page of *CNBC.com* today.

*Bloomberg* reported on Pickens' testimony and comments he made during his *CNBC* interview, focusing on potential job creation from natural gas, the chances of energy legislation passing before the end of May and his opposition to cap-and-trade measures. The coverage also includes Pickens' thoughts on testimony from the assistant Treasury secretary discussing the phasing out of tax incentives for oil and gas production, with Pickens saying the government shouldn't tax the industry. Several additional articles, including ones from *The Hill* and *Dow Jones*, discuss the idea of repealing oil and gas tax breaks.

*The Hill's Energy & Environment Blog*, *Greentech Media*, *24/7 Wall Street* and a *Houston Chronicle* blog also covered Pickens' testimony, highlighting key points he made regarding natural gas legislation's ability to create jobs and the need to take advantage of the abundance of natural gas found in the U.S.

The Center for American Progress released a report today discussing the use of natural gas to fuel heavy vehicles. The piece highlights the Pickens Plan and the NAT GAS Act, discussing the key components of the bill. The full report is attached.

*The American Prospect* looked at people pushing for the greater use of natural gas as a source of clean energy, highlighting Tim Wirth, Dan Weiss, John Podesta, Carl Pope, Aubrey McClendon and Pickens.

### Highlighted Placements (Full Articles Below)

**Natural Gas Plan Gaining Support in Congress: Pickens** – *CNBC* – 4/14/10

**U.S. Energy Law Should Boost Natural Gas Trucks, Pickens Says (Update 1)** – *Bloomberg* – 4/14/10

**Pickens Says Chances Improve for Energy Legislation by Late May** – *Bloomberg* – 4/14/10

**Pickens Says Cap-And-Trade Proposals Won't Succeed in Congress** – *Bloomberg* – 4/14/10

**T. Boone Pickens Pushes House To Boost Natural Gas Vehicles** – *The Hill's Energy & Environment Blog* – 4/14/10

**The \$62M Pickens Project: A Fool With a Plan** – *Greentech Media* – 4/14/10

**Pickens, With \$95 Oil Call, Touts Natural Gas Over Foreign Oil** – *24/7 Wall Street* – 4/14/10

**Obama Administration Pushes Energy Tax Plan** – *Houston Chronicle Blog* – 4/14/10

**American Fuel: Developing Natural Gas for Heavy Vehicles** – *Center for American Progress* – 4/14/10 (Attached)

**An Unnatural Alliance** – *The American Prospect* – 4/14/10

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

**Administration Official: Repeal Of Oil And Gas Tax Breaks Won't Hurt Economy** – *The Hill Blog* – 4/14/10

**US Tax Panel Chairman: US Needs To Expand Renewable Energy Credit** – *Dow Jones* – 4/14/10

○ *WSJ.com*

**Print Placements** (Full Articles Below)

**Pickens: No Takers On Groundwater** – *Lubbock Avalanche-Journal* – 4/14/10

**State Panel Talks Of Clean Energy** – *Jackson Sun* – 4/14/10

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

**CNBC Media Alert: T. Boone Pickens, BP Capital CEO, On CNBC's "Squawk Box"**

**Tomorrow, Wednesday, April 14th At 8am ET** – *Press Release* – 4/13/10

**Clean Energy (CLNE) Sell Off A Correction...Buy Some At Bargain Prices** – *Benzinga* – 4/13/10

**Wanted: Transmission for Wind** – *Penn Energy* – 4/14/10

## HIGHLIGHTED COVERAGE

### **Natural Gas Plan Gaining Support in Congress: Pickens – CNBC – 4/14/10**

A proposal to use more US natural gas instead of foreign oil is making "great strides" and will likely be passed by Congress by year-end, T. Boone Pickens, founder and CEO of BP Capital told CNBC.

"This President has the opportunity to reduce foreign imports, the only President that we've ever had in America that can do it, and we have to do it with our resources," Pickens said in a live interview. "We are so overwhelmed with nat gas reserves today—we have twice as much as nat gas as the Saudis have oil."

Pickens is expected to testify at House hearing on "Energy Tax Incentives Driving the Green Job Economy," discussing the energy reform and his support of the bi-partisan nat gas act under consideration in both the House and the Senate.

Pickens has invested \$62 million of his own money in natural gas projects during the past two years.

Pickens said the government needs to provide tax credits and incentives to the trucking industry for them to help purchase new trucks that use natural gas.

"We've got to give them \$65,000 (for) a new truck," he said. "It's going to take us seven years to do eight million trucks. If we do that, it's going to give us \$100 billion back into this country that we don't buy foreign oil with. And every billion that we spend, we create 100,000 jobs."

"So on \$7 billion, we can create 700,000 jobs," he added.

With the global economy improving and demand growing from countries such as China, Pickens said, the US will see oil reach \$95 a barrel by the end of the year.

"If we continue on that same trail—now we're importing about 68 percent of our oil—in 10 years, we will be importing about 75 percent of our oil and we will pay \$300 a barrel for it."

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### **U.S. Energy Law Should Boost Natural Gas Trucks, Pickens Says (Update 1) – Bloomberg – 4/14/10**

By Simon Lomax and Mark Drajem

April 14 (Bloomberg) -- T. Boone Pickens, the billionaire energy hedge-fund manager, said U.S. lawmakers should try this year to "jumpstart a natural-gas vehicle industry" instead of passing a greenhouse-gas trading measure he opposes.

"Natural gas is an excellent example of how we can create green jobs," Pickens, chairman of Dallas-based BP Capital LLC, said today in testimony for a hearing of the House Ways and Means Committee.

Pickens is lobbying Congress to pass tax incentives that encourage the production of trucks fueled with natural gas instead of diesel. The incentives could spur the production of 236,000 "clean natural-gas trucks," which would displace almost 2 billion gallons of diesel a year, Pickens said.

The debate over energy policy in Congress has been dominated by a plan to cut U.S. greenhouse-gas emissions through a cap-and-trade program, in which companies would buy and sell a declining number of pollution rights. Cap-and-trade legislation narrowly passed the House of Representatives in June. A similar plan in the Senate has failed to advance.

Senator John Kerry, a Massachusetts Democrat, is leading efforts to revamp the cap-and-trade proposal so it can pass this year. Boosting the use of natural gas produced in the U.S. as a transportation fuel has “wide, deep and bipartisan” support in Congress, Pickens said.

“I do not think cap-and-trade can make it,” Pickens said before today’s hearing in an interview on CNBC television. “This administration needs a nonpartisan issue that is huge, and this is huge.”

President Barack Obama should also reverse course on phasing out tax incentives for oil and gas production, Pickens said. Repealing the incentives would raise more than \$40 billion over 10 years and help the U.S. “transition to a 21st century energy economy,” Michael Mundaca, an assistant Treasury secretary, said in his testimony.

“Don’t tax the industry,” Pickens said. “If I was going to tax anything, I would tax foreign oil.”

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### **Pickens Says Chances Improve for Energy Legislation by Late May – Bloomberg – 4/14/10**

By Mark Drajem

April 14 (Bloomberg) -- T. Boone Pickens, chairman of Dallas-based BP Capital LLC, said that there is a “better than 50-50 chance” that energy legislation will pass Congress before the end of May.

Pickens told the financial television network CNBC he is focused on converting 8 million commercial trucks to run on natural gas from petroleum products in order to reduce oil imports.

“This has to happen because this is a security issue for this country,” Pickens said.

Pickens said oil will be trading at \$95 a barrel by the end of this year.

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### **Pickens Says Cap-And-Trade Proposals Won’t Succeed in Congress – Bloomberg – 4/14/10**

By Mark Drajem

April 14 (Bloomberg) -- T. Boone Pickens, chairman of Dallas-based BP Capital LLC, said U.S. energy legislation he predicts will pass this year will not include cap-and-trade measures he opposes.

Instead, the measure will stick to incentives for natural gas, which are supported by lawmakers from both political parties, and related energy measures, he said today on cable television channel CNBC.

“I do not think cap-and-trade can make it,” Pickens said. “This administration needs a nonpartisan issue that is huge, and this is huge.”

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### **T. Boone Pickens Pushes House To Boost Natural Gas Vehicles – The Hill’s Energy & Environment Blog – 4/14/10**

By Ben Geman

Billionaire oil magnate T. Boone Pickens on Wednesday pushed House lawmakers to pass legislation that expands use of natural gas-powered vehicles as a way to reduce foreign oil imports.

In testimony to the House Ways and Means Committee – which is holding a hearing on energy tax policy today – Pickens touted the “New Alternative Transportation to Give Americans Solutions Act of 2009” that has 142 House co-sponsors.

It includes new and expanded tax credits for natural gas vehicles, including credits for manufacturing the vehicles – which are currently a small market segment – and a long-term extension of credits for installing natural gas refueling infrastructure at gasoline stations or elsewhere.

Pickens argues the legislation would create 600,000 jobs, and in particular sees potential for using natural gas to replace diesel fuel in heavy trucking fleets.

“Heavy-duty trucks use approximately one-third of the oil we import as a transportation fuel. And, because heavy-duty trucks either go home to the barn every night or, if they are over-the-road 18-wheelers, they tend to run the same routes on a regular basis. Therefore, the often-cited argument against NGVs: ‘we don’t have the refueling infrastructure’ doesn’t apply,” Pickens said in his submission to the committee.

“If Henry Ford had decided not to build the Model-T based upon the availability of gas stations, where would be today?” he added.

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### **The \$62M Pickens Project: A Fool With a Plan – Greentech Media – 4/14/10**

By Eric Wesoff

Pickens vows that we’re going to have the Natural Gas Act legislation by Memorial Day.

T. Boone Pickens, the 81-year-old oilman, geologist and Chairman of BP Capital Management, is on a mission to get the U.S. off of OPEC oil and on to domestic natural gas -- and he insists that he doesn't have a lot of time left on earth to get it done

He testified today at the Ways and Means Committee Hearing in Washington D.C. on “Energy Tax Incentives Driving the Green Job Economy”

As usual, Pickens began his testimony with a folksy homily. He said that his parents told him, "Son, a fool with a plan can beat a genius with no plan." Well, genius or fool -- Pickens has a plan, The \$62 million Pickens Project, that aims to get the U.S. off of foreign oil.

Pickens said that his mission was catalyzed by listening to presidential candidates over the last few decades, (both Republican and Democrat) say, "Elect me and we'll be energy independent" but never making good on their promises.

"We are awash in natural gas," according to Pickens. Pickens claims that the United States has natural gas reserves that are equivalent to 700 billion barrels of oil and it is his personal crusade to move that ocean of natural gas into the American transportation sector. He claims to have already spent \$62 million on this quest, known as the Pickens Plan.

He's going to get natural gas into the U.S. transportation sector by getting the Natural Gas Act (HR 1835) through the House and Senate Bill 1408 through that august body. Transitioning the nation's 18-wheelers to run on natural gas is his first target. The legislation has bipartisan support with nearly 150 House and Senate co-sponsors split down party lines.

Boone wants the U.S. to "just get eight million trucks done." We have 250 million vehicles in the U.S., "so eight million is doable." Once those eight million are done, according to Pickens, the results will be "so outstanding" that we can move to light-duty trucks. He said that AT&T's fleet is already moving entirely to natural gas.

Earlier this year, Pickens said, "We are five times bigger than the Saudis" in terms of natural gas reserves / fuel equivalent. Natural gas is "cleaner" and "it's under our feet." He also said that the U.S. would go down in history as the dumbest country ever to have graced the globe if we do not make this transition.

Pickens mentioned that skeptics say there are no filling stations for natural gas. But according to Pickens, "Filling is easy, the resource is the hard part, and we have the resource." He adds, "The worst thing you can do is to tax the domestic oil industry. Tax foreign oil, instead."

The Pickens Plan wants to create jobs which cannot be "off-shored," and which utilize domestic resources. Transforming eight million class 8 heavy duty 18-wheelers into natural gas vehicles over seven years can "cut OPEC in half." Pickens claims that passing the NAT GAS Act will create more than 600,000 new, high quality, long-term, well-paying jobs by jump-starting a natural gas vehicle (NGV) industry in the U.S.

Jeffrey Sachs Ph.D., Director, The Earth Institute, Columbia University testified and had this to say, "We have absolutely no energy plan. We have one hundred good ideas and no plan." He added, "There are lots of choices but only a few that count -- large scale solar, wind nuclear, natural gas, EVs and grid flexibility."

Joseph Romm, Senior Fellow, Center for American Progress also testified today and added, "Our energy policy is a Ponzi scheme"

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The Congressional Research Service created this summary of HR 1835:

New Alternative Transportation to Give Americans Solutions Act of 2009 - Amends the Internal Revenue Code to: (1) allow an excise tax credit through 2027 for alternative fuels and fuel mixtures involving compressed or liquefied natural gas; (2) allow an income tax credit through 2027 for alternative fuel motor vehicles powered by compressed or liquefied natural gas; (3) modify the tax credit percentage for alternative fuel vehicles fueled by natural gas or liquefied natural gas; (4) allow a new tax credit for the production of vehicles fueled by natural gas or liquefied natural gas; and (5) extend through 2027 the tax credit for alternative fuel vehicle refueling property expenditures for refueling property relating to compressed or liquefied natural gas and allow an increased credit for such property. Requires 50% of all new vehicles purchased or placed in service by the U.S. government by December 31, 2014, to be capable of operating on compressed or liquefied natural gas. Authorizes the Secretary of Energy to make grants to manufacturers of light and heavy duty natural gas vehicles for the development of engines that reduce emissions, improve performance and efficiency, and lower cost.

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Here are some excerpts from Pickens' written testimony:

In January 2010 our trade deficit for the month was \$37.3 billion; \$27.5 billion of that was money we sent overseas to import oil. Put another way, three-quarters of our trade deficit is foreign oil.

In the recent past, natural gas was considered to be a declining resource which needed to be protected so that there was sufficient material to be a peaking fuel for power generation, a heating and cooking fuel, and as feed stock for the chemical and pharmaceutical industries. Eighteen months ago the Potential Gas Committee, in conjunction with the Colorado School of Mines, issued its biennial report suggesting that including shale, America's natural gas reserves were now sufficient to serve our needs for the next 100 years which took a great deal of pressure off the need to husband its use.

Then, more recently, a J.P. Morgan study (including Canada) projected reserves of 8,000 trillion cubic feet (Tcf). Even if only half of that in-place gas is commercially viable for recovery, that more than doubles the reserve life of our domestic natural gas to over 200 years' supply.

Natural gas is an environmentally friendly fuel – certainly the most environmentally friendly of the fossil fuels. One of the reasons is, the molecular composition of methane is four hydrogen atoms and one carbon atom. When burned as a transportation fuel, the 4-1 hydrogen-to-carbon ratio creates a fraction of the greenhouse gases of gasoline and, unlike diesel exhaust particulate, natural gas particulate is not listed as a known toxic air contaminant. Natural gas is one of the most widely distributed resources in America. Natural gas lines run up every street and down every alley of nearly every city and town in our nation. Natural gas is safe. Few people would cook over a stove in the kitchen of their home fueled by gasoline, but tens of millions of natural gas ranges are used to safely cook our meals every day indoors.

Using natural gas as a transportation fuel would make a major impact on the job market at home well into the future.

Natural gas is the perfect fuel to immediately reduce our dependence on foreign oil and – to the point of this hearing – jumpstart a natural gas vehicle industry in the United States.

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### **Pickens, With \$95 Oil Call, Touts Natural Gas Over Foreign Oil – 24/7 Wall Street – 4/14/10**

By Jon C. Ogg

T. Boone Pickens has seen his share of ups and downs, and his share of success and failure. The over-80, or octogenarian, billionaire is testifying in Washington D.C. today to get Americans off foreign oil with the help of natural gas located here in America. His stock is Clean Energy Fuels Corp. (NASDAQ: CLNE) that will likely be a huge winner if a nationwide network of compressed natural gas stations gets built to capitalize off this move, although just this weekend in our Unusual Suspects was a very noted valuation pan from Barron's. Westport Innovations Inc. (NASDAQ: WPRT) may not be the only player in making engines for these trucks using compressed natural gas, but its stock has also been on the move this week. Pickens gave a \$95 oil call today and he is testifying before the U.S. House of Representatives Committee On Ways and Means today in Washington.

Pickens gave a price prediction of \$95 oil by the end of 2010 on CNBC this morning and he touted a tax incentive he is proposing to migrate over to compressed natural gas trucks. This morning he told CNBC, "We've got to give them \$65,000 a new truck... It's going to take us seven years to do eight million trucks. If we do that, it's going to give us \$100 billion back into this country that we don't buy foreign oil with. And every billion that we spend, we create 100,000 jobs.... So on \$7 billion, we can create 700,000 jobs." As far as his \$95 oil target before the end of the year, Pickens cited the global economy improving and demand growing from countries such as China.

Westport is up over 5% at \$19.66 today, and it hit a new 52-week high of \$19.70 today, on reports that a warrant exercise generated an additional \$8.4 million in cash for Westport. Earlier this week the company announced that it had achieved high volume scale production with Delphi Automotive Systems. The stock was trading under \$18.00 just five trading days ago and the prior 52-week trading before today was \$4.18 to \$19.42.

Pickens is telling Ways & Means today, "The only way we can solve the OPEC oil threat is by replacing their expensive, dirty fuel with cleaner, cheaper, American natural gas." He is urging Congress to pass legislation to dramatically expand the use of domestic natural gas as a heavy duty transportation fuel. The move today is noted as being buried inside H.R. 1835, or The NAT GAS Act.

Bill 1835 was introduced in the House of Representatives on April 1, 2009 and Pickens said it has 138 bipartisan co-sponsors. The Senate version of this bill, S. 1408, was introduced on July 8, 2009 as a bipartisan bill by Senate Majority Leader Harry Reid and Senator Robert Menendez (D-NJ) and Senator Orrin Hatch (R-UT).

Pickens again noted that America has not had an energy plan for 40 years and that every single President since Richard Nixon has pledged to reduce American dependence on foreign oil. He also noted that President Obama has pledged to eliminate America's dependence on OPEC oil in 10 years.

Again, Pickens calls this the greatest transfer of wealth in human history.. WITH A TALLY OF \$1 BILLION PER DAY BEING SENT ABROAD FOR FOREIGN OIL.... A billion isn't what it used to be, but that is an alarming figure. Pickens noted that the January 2010 trade deficit for the month was \$37.3 billion and \$27.5 billion of that was money for imported oil, meaning foreign oil is responsible for about 75% of the U.S. trade deficit.

Pickens further noted that some two-thirds of our foreign oil is used as a transportation fuel and that building more nuclear plants or more solar or wind farms will not make a dent in our dependence on foreign oil.

This was interesting... "Let's dismiss two concerns I hear over and over. First, government doesn't have a role in this. "Let the free markets work," they said. If you think OPEC is a free market, you're nuts. China is using state-owned banks to finance state-owned oil companies to lock up decades of oil production all over the world – including Iraq. Second, the skeptics say there's no natural gas fueling infrastructure. Forget it. Let's look to our free enterprise system. If you create the market, the private sector will build it. Can you imagine what would have happened if we had told Henry Ford: 'Forget about building Model Ts. There's no place to fuel them.'?"

Pickens is of course now trying to use U.S. JOBS as an angle on top of it... "This is a hearing about jobs. There's a lot of talk about the Green Economy leading the 21st Century. We estimate the NAT GAS Act will put 236,000 clean natural gas trucks on America's roads. You will displace 5 percent of foreign diesel demand each year, and create more than 600,000 new, permanent jobs; roughly the same number of temporary jobs created for the 2010 census. Each Class 8 truck — the heaviest of the heavy duty — converted to natural gas creates 6 jobs."

Today Pickens also released his monthly update on the level of foreign oil imports in the U.S. showing that EIA data shows about 60% of US oil was imported. Given the increase in the price of oil in March, Pickens noted that the U.S. will spend \$326.4 billion on oil in 2010: nearly 25 percent more than 2009.

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### **Obama Administration Pushes Energy Tax Plan – *Houston Chronicle Blog* – 4/14/10**

By Tom Fowler

Obama administration officials today are asking Congress to axe tax incentives for oil, gas and coal, while renewing credits for biofuels, solar power and other renewable energy sources.

The energy plans are being detailed in what promises to be a daylong hearing of the powerful House Ways and Means Committee, the tax-writing panel in Congress that would play a key role in advancing -- or killing -- the proposals.

Matt Rogers, senior adviser to Energy Secretary Steven Chu, said that more than \$5 billion in clean energy manufacturing tax credits and payments to renewable energy generation projects -- established by the stimulus package enacted last year -- have helped revive the sector.

These payments have quickly steered money to "projects that otherwise would have been idled in the face of a great recession," Rogers said. "These programs are bringing private capital off the sidelines and back into the clean energy markets."

Continuing some of the initiatives would help the U.S. compete with China and other foreign countries that are racing to build the next generation of wind turbines and photovoltaic cells, said Chairman Sander Levin, D-Mich.

Right now, the U.S. "is playing catch up" while "the governments of other countries . . . are racing ahead to dominate in this area" by directing federal dollars to clean energy projects, Levin said. "If we are not aggressive about expanding our green manufacturing capacity, these jobs will be created overseas and the U.S. will become more reliant on goods that are produced outside our borders."

At the same time, the administration is asking Congress to do away with \$36.5 billion in oil and gas industry tax incentives -- echoing a similar proposal the White House advanced in 2009. But this year, the request has extra political weight, because the United States last September joined 19 other nations in the "group of 20" to phase out subsidies for fossil fuels that produce heat-trapping carbon dioxide when they are burned

The incentives give gas, oil and coal an advantage, while suppressing investment in clean energy technologies necessary to boost the United States' competitive edge against other countries, said Assistant Treasury Secretary Michael Mundaca.

"We are looking to remove those provisions in the tax code that advantage one sector over another (and) that lead to an overallocation of resources to one set of taxpayers as opposed to another," Mundaca said. The fossil fuel subsidies "lead to distortions in investment . . . and prevent us from this transition we do need to make" to a clean-energy economy.

But Rep. Dave Camp, R-Mich., argued that repealing tax incentives long enjoyed by oil and natural gas producers would only make the U.S. more dependent on foreign energy sources and suppress efforts to extract natural gas from shale plays nationwide. He noted that in 2007, 85 percent of the nation's energy demand was supplied by gas, coal and oil; nuclear supplied 8 percent and renewable sources such as hydropower, solar and wind provided the remaining 7 percent.

"You cannot increase the cost of producing 85 percent of the energy being used today and expect consumers or employers to benefit from tax incentives that are going to less than 10 percent of the energy being used today," Camp said.

Rep. Devin Nunes, R-Calif., questioned the fairness of ending subsidies for one energy sector at the expense of another. "Why is it okay to have incentives for green technologies (and not) domestic oil and gas production?" he wondered.

Mundaca insisted that the Obama administration generally supports neutral tax policies, but that "the tax code should be used to incentivize or subsidize an investment where the market itself is not providing the proper incentives," or where the price of products does not capture such positive benefits as lower greenhouse gas emissions.

That idea drew a rebuke from Rep. Sam Johnson, R-Texas, who said that "Washington bureaucrats (shouldn't be) picking winners and losers."

Rep. Lloyd Doggett, D-Texas, drew a distinction between tax incentives exploited by large energy companies with offshore subsidiaries and independent producers operating in the U.S.

"I see a distinction between an Exxon Mobil -- which last year reported over \$45 billion of profits and reported a tax liability of zero . . . and a small independent operator somewhere in the country responsible for finding most of the new (energy)," Doggett said.

T. Boone Pickens, the billionaire energy investor who chairs BP Capital and wants to see Congress enact incentives to spur the use of liquefied natural gas as a transportation fuel, added his voice to the choir.

"Don't tax the industry at this point," he told the Ways and Means Committee. "It's not time to tax the domestic oil industry. If you want to tax something, tax either foreign oil or tax gasoline, but do not take away from this industry in this country at a critical time, when we are trying to get off of OPEC oil and get on our own resources."

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## **An Unnatural Alliance** – *The American Prospect* – 4/14/10

By Sarah Laskow

In places like Ithaca, New York, green advocates might be fighting to keep natural-gas companies away, but in Washington, D.C., progressive leaders and national environmental groups are ready to fight for natural gas as a source of clean energy.

Take Tim Wirth. The former senator, who came to Congress in 1977 as a representative from Boulder, Colorado, asked climate guru James Hansen to testify about global warming in 1988 and worked in the State Department on climate-change issues during the Clinton administration. Long familiar with the natural-gas industry, Wirth, who now heads Ted Turner's United Nations Foundation, is pushing its leaders to cuddle up to their peers in the solar and wind industries.

"What happens when the wind doesn't blow? What happens when the sun doesn't shine? It's natural gas that should be filling that gap," Wirth told natural-gas producers last summer at a conference in Colorado. "You should be the closest buddies of the wind and solar industry."

Natural gas is a fossil fuel that emits clouds of carbon, and its extraction can dirty air, water, and land. Yet natural gas has a place in the staunchest environmentalists' plans for the future of American energy. In part, they support natural gas because they know wind and solar will not be enough to meet America's fuel needs for years to come. More important, though, natural gas burns cleaner than coal. The climate bill that the House passed last June would give the coal industry plenty of leeway to keep its carbon-spewing plants open. If environmental groups want climate legislation that does more to clamp down on carbon emissions, the natural-gas industry is their ally against coal.

"The emergency is coal and oil," says Kert Davies, research director for Greenpeace USA. "And it's natural gas that poses a competitive threat."

Until recently, natural gas had no chance of supplanting coal: The amount of gas available was too small. In the 1990s, groups like the Natural Resources Defense Council (NRDC) and Greenpeace floated the idea of natural gas as a "bridge fuel" between the dirty past and the clean future. At the same time, a fleet of natural-gas plants went up around the country and burned enough gas to spike the fuel's price. Energy bills in gas-producing states like Oklahoma and Texas went up, Congress denounced the shortage, and companies pushed to open public lands to drilling. Policy-makers and analysts dismissed natural gas as an energy solution and focused on technologies like "clean" coal and biofuels. But hydrofracture drilling, or hydrofracking, which involves using water and chemicals to open cracks in gas-rich shale formations, solved natural gas' supply problem. New wells using this technology have tapped into gas reserves so huge that the industry is now saying that natural gas could power America for one hundred years or more.

The Center for American Progress (CAP), for instance, had focused its energy-policy recommendations on biofuels and renewables like wind or solar but now promotes natural gas. "The reason for the recent interest in natural gas is that, with advances in technology, there's great opportunity to develop shale gas," says Daniel Weiss, a senior fellow at CAP. "While a few years ago we were worried about natural-gas shortages, now there is a big gas surplus, and there may not be enough room to store it all."

This new wealth of low--carbon fuel bubbled up just as coal companies were extracting protections and incentives for their industry from members of Congress working on climate legislation. The coal industry was undermining both environmentalists' hopes for a real shift in energy production and the natural-gas industry's chance at holding on to a greater share of the energy market. The alignment of these interests has made for unexpected partnerships. John Podesta, the president of CAP, has appeared alongside T. Boone Pickens, the oil baron who funded Swift Boat Veterans for Truth and who is promoting wind energy and natural gas. Carl Pope, the head of the Sierra Club, has made the rounds on Capitol Hill with the head of the Chesapeake Energy Company, Aubrey McClendon, another Swift Boat benefactor and a bundler for the McCain campaign.

For both sides of these alliances, however, the advantages only go so far. While progressives are pushing natural gas as a step toward dependence on renewable energy sources, the natural-gas industry sees it as being a major energy source for much longer. A recent ad by the Clean Skies Foundation, an industry-funded nonprofit, calls natural gas "the gateway to a better world of energy." Or as Roger Cooper, an executive vice president of the American Gas Association, says, if natural gas is a bridge fuel, "it's a very long bridge."

Groups like Greenpeace and NRDC have reservations about hydrofracking but try to balance them against natural gas' carbon advantages. It helps that the boom is happening while Democrats, who are more willing to put in the safeguards that green groups favor, control the legislative and executive branches. When Dick Cheney was vice president and the energy industry had free rein in Washington, environmental groups had more to worry about. At a 2001 hearing, an NRDC analyst, who testified after eight industry representatives, had to argue against drilling in places like the Alaska National Wildlife Refuge and Utah's Red Rock Desert. In 2004, the Environmental Protection Agency found that hydrofracking did not contaminate drinking water, and in 2005 Congress exempted the process from regulation under the Safe Drinking Water Act. National environmental groups are not asking the Obama administration to reconsider hydro-fracking altogether, but they are encouraging the EPA and Congress to update the rules governing the industry.

The federal government is taking a second look at the potential environmental impacts that were brushed aside during the last administration. In 2009, Congress directed the EPA to conduct a new study of hydrofracking: The agency agrees that there are "compelling reasons" to worry about effects on ground and surface water and says it is working to start the study as soon as possible. Legislators also started circulating a piece of legislation known as the FRAC Act, which would restore the EPA's ability to regulate the technique. Rep. Henry Waxman's House Energy and Commerce Committee started investigating the gas industry's drilling practices, and the committee's first report revealed that Halliburton and other companies had violated a voluntary agreement with the EPA to keep diesel-based chemicals like benzene out of fluids used in the process.

The natural-gas industry has shown more interest in fighting against the coal industry in the Senate round of climate-bill negotiations, but even without significant advantages built into the final legislation, natural gas should feature more prominently in the nation's energy mix in the coming years. The new supply of shale gas could fix the price volatility that kept the industry a small player until now.

A long-term relationship between natural gas and renewable energy, however, might not materialize. "The industry's not ready to make that shift," Wirth says. "It's palpably in their self-interest to do so, but to date they have not."

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## **NOTABLE NATURAL GAS COVERAGE**

**Administration Official: Repeal Of Oil And Gas Tax Breaks Won't Hurt Economy – *The Hill Blog* – 4/14/10**

By Jay Heflin

Michael Mundaca, Assistant Treasury Secretary for tax policy, on Tuesday told Ways and Means members that President Obama's budget proposal to repeal several tax breaks used by the oil and gas companies would not affect the hiring decisions of these businesses.

"The amount of tax incentives we are proposing to repeal are less than 1 percent of the revenue generated in the oil and gas industry," he said. "We don't think it will have a significant affect on prices, so we don't see that there will be a significant [knock] with respect to employment."

Mundaca's comment came during a committee hearing on creating jobs by promoting green energy.

Obama's budget proposal raises taxes by roughly \$40 billion on oil and gas companies by closing several loopholes used by the industry.

Rep. Dave Camp (R-Mich.) the committee's ranking Republican, said oil and gas companies provide 85 percent of the country's energy demand, when coupled with coal. He warned tax increases on these industries would hamper economic growth.

Ways and Means Chairman Sandy Levin (D-Mich.) countered Camp's argument, saying the U.S. lags behind other countries in promoting green energy technology.

"Our country, in this area, is playing catch up," he said. "We have lacked an energy policy for changing times and changing technologies."

Levin looks to introduce legislation that provides tax incentives for green energy; a cost that would be subject to paygo rules. Camp cautioned lawmakers against closing the oil and gas tax breaks to pay for Levin's initiatives.

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**US Tax Panel Chairman: US Needs To Expand Renewable Energy Credit – *Dow Jones* – 4/14/10**

By Ian Talley

WASHINGTON (Dow Jones)--Congress should expand tax credit programs that encourage domestic manufacturing of renewable and other low-carbon energy technologies, the chairman of the House Ways and Means Committee said Wednesday.

The Obama Administration has said it wants to boost funding for an existing program that was oversubscribed to put a fresh wind in the U.S. renewables industry, revitalize the economy and help the country better compete with other nations such as China that are beginning to lead in clean tech manufacturing.

In the absence of laws that curb greenhouse gas emissions or that set federal mandates on clean energy production, and as credit markets dried up after the financial meltdown, the renewables industry has begun to falter. Other countries with incentives that subsidize the more expensive, but lower-carbon, energy technologies compared to conventional fossil fuel energy, and nations with cheaper labor pools, are accelerating manufacturing of low-emitting technologies such as wind turbines, solar panels and electric car batteries.

The Obama Administration is aiming to more than triple renewable energy production in coming decades and force conventional greenhouse gas-emitting energy producers to cut their emissions. A climate bill and renewable energy mandate has so far failed to pass Congress, but the Administration is using other powers such as the Clean Air Act, tax incentives and other federal authorities over rates and project approvals to encourage low-carbon technologies.

"We have to make certain this demand is satisfied with goods produced in the U.S.," Chairman Sander Levin, (D., Mich.) said at a hearing on energy tax policies.

"If we are not aggressive about expanding our green manufacturing capacity, these manufacturing jobs will be created overseas and the United States will become more reliant on products that are produced outside of our borders," he said.

The stimulus bill passed last year provided \$2.3 billion in investment tax credits for low-carbon technology manufacturers, but more that \$8.1 billion in applications flooded Treasury and the Department of Energy. The Administration has proposed an additional \$5 billion of these tax credits for a new round of competitive awards.

To pay for the new tax incentives, the Administration and Democratic leadership want to ax tens of billions of dollars-worth of tax credits for the oil and natural gas industry.

Republicans on the Ways and Means Committee challenged the oil sector tax repeals, saying it would increase reliance on foreign crude, cost jobs and raise energy prices.

"I don't know how you can tax 85% of energy and still grow the economy," said Dave Camp, (R., Mich.), the tax panel's ranking member.

But Michael Mundaca, Treasury's assistant secretary for tax policy, said, "we don't see a need for (the tax credits)," which he said were leading to "over-investment."

Democrats have so far failed to see those repeals approved after several attempts in recent years.

Mundaca said the Administration was working to change the tax code to incentivize both demand and supply of clean technology. Treasury is also seeking to expand tax breaks for energy-efficient appliances, cars, and buildings while the Environmental Protection Agency said it will recommend efficiency measures at power stations, refineries and other large, industrial emitters as part of new rules to cut greenhouse gases.

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## **PRINT COVERAGE**

### **Pickens: No Takers On Groundwater** – *Lubbock Avalanche-Journal* – 4/14/10

By Elliott Blackburn

The Panhandle's best-stocked water marketer has led many a buyer to the well but can't find anyone to drink.

T. Boone Pickens said he had picked up little interest in his plans to sell groundwater from beneath 200,000 acres of rolling ranchland to Dallas, San Antonio, or really any thirsty customer down state wanting to buy.

"They're not lined up in the hall waiting to talk to me," Pickens said.

The 81-year-old billionaire called the billions of groundwater gallons to which his Mesa Water company holds rights "stranded water;" trapped under ranchland not suited for farming and far from big Texas metropolises.

Amarillo and Lubbock both declined the reserves in the past. Costly pipelines left Midland, San Angelo, San Antonio and Dallas uninterested.

State regulators dealt him a setback in February, too, with a ruling that restricted him to pumping 20 percent or less from water rights in Hemphill County over the next 50 years.

Pickens supported pumping regulation for the aquifer, he said after Tuesday's talk, but Mesa Water filed a lawsuit challenging the ruling in March. He considered leaving half of the aquifer in place more than 50 years more reasonable.

"It is regulated, and I believe you have to, for the good of the reservoir," Pickens said. "I'm willing to cut off at 50 percent. I think that's the smart thing to do."

Pickens spoke with Evan Smith, editor of the non-partisan Texas Tribune media organization, on the eve of his scheduled testimony to the U.S. House Ways and Means Committee on natural gas legislation.

His \$62 million Pickens Plan campaign launched advertising supporting the NAT GAS Act in January. The legislation creates tax breaks for vehicles fueled with natural gas and requires 50 percent of all new federal vehicles be able to use the fuel by 2014.

Such incentives would help tilt the country to use domestic natural gas for transportation and away from oil supplied by the Organization of Petroleum Exporting Companies.

"The plan is very simple: Get on your own resources and get off the enemy's oil," Pickens said.

He graded President Barack Obama an "A" on energy efforts after some haggling on the question with Smith.

"I have not paid any attention to what he's doing, other than energy," Pickens said.

"It's a very gracious, if implausible, answer," Smith said.

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### **State Panel Talks Of Clean Energy** – *Jackson Sun* – 4/14/10

By Ned B. Hunter

The University of Tennessee Knoxville continues to move ahead with research to help end the nation's dependency on foreign oil.

The university increased its two-year effort to entice Tennessee farmers to grow switchgrass as a means of producing energy for coal-fired plants and ethanol for motor vehicles by reaching out to West Tennesseans on Tuesday.

Donald Tyler is a professor of soil management for the university's Institute of Agriculture and Biosystems Engineering and Soil Science Division. Tyler, other members of the university and chief executive officers and representatives of clean, renewable and alternative energy companies were in Jackson on Tuesday to attend the region's first Tennessee Renewable Energy Economic Council.

The event was hosted by Jackson city Councilman Ernest Brooks II, a member of the state's Tennessee Renewable Energy and Economic Development Council advisory committee.

"This is about opportunities for farmers, and cities and counties," he said, "and the creation of jobs that clean energy can produce for our citizens."

Tyler said the state has committed \$70.5 million over five years to the discovery and development of biomass energy products. The university is focusing on switchgrass, though other alternatives to crude oil products also are being studied.

Switchgrass is a native North American, warm-season, perennial grass found primarily in the Southeast and Eastern Texas. The university recruited 37 East Tennessee farmers in 2009 who planted nearly 1,900 acres of switchgrass.

Studies showed that the grass produced about two tons of dry material in its first year of harvest and around seven tons when it reached maturity in three years, Tyler said. Each ton of switchgrass produces between 80 and 90 gallons of ethanol. The state is providing \$12.5 million over five years in subsidies to farmers who agree to plant the multi-use grass, Tyler said.

"Switchgrass has gone to a coal-fired plant in East Tennessee," he said. "It is burned like coal, but it replaces the CO<sub>2</sub> that is taken out of the air. It does not add it."

The U.S. imported an average total of 8.5 million barrels per day of crude oil in January, according to the U.S. Department of Energy. That totals nearly \$6 million per day in import costs just for oil.

Other presentations included the use of natural gas in motor vehicles by Clean Energy Fuels Corp., the company started by T. Boone Pickens in 1997, which he later sold.

The company sold more than 90 million gallons of natural gas for use in motor vehicles in 2009. The company came to Jackson to show local government leaders how switching to natural gas powered vehicles can save taxpayers money and reduce carbon emissions.

William Lee has worked in the bioenergy field for 18 years. The chief executive officer of Frontline Bioenergy gave an emphatic "no" when asked if the search for energy producing and motor vehicle fuel alternatives was nothing more than another doomed federally funded project.

"Why do you think we are in Iraq and worried about Iran?" he asked. "We have a dependency on oil that has skewed some of our visions in this country, and that must change."

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## **BLOG/ONLINE COVERAGE**

**CNBC Media Alert: T. Boone Pickens, BP Capital CEO, On CNBC's "Squawk Box" Tomorrow, Wednesday, April 14th At 8am ET – Press Release – 4/13/10**

WHEN: TOMORROW, WEDNESDAY, APRIL 14TH AT 8AM ET

WHERE: CNBC'S "SQUAWK BOX"

In a CNBC interview, T. Boone Pickens, BP Capital CEO, speaks with CNBC's Becky Quick on "Squawk Box" tomorrow, Wednesday, April 14th at 8AM ET.

About CNBC:

CNBC is the recognized world leader in business news, providing real-time financial market coverage and business information to more than 340 million homes worldwide, including more than 95 million households in the United States and Canada. The network's Business Day programming (weekdays from 5:00 a.m.-7:00 p.m. ET) is produced at CNBC's headquarters in Englewood Cliffs, N.J., and also includes reports from CNBC news bureaus worldwide. Additionally, CNBC viewers can manage their individual investment portfolios and gain additional in-depth information from on-air reports by accessing <http://www.cnbc.com>.

Members of the media can receive more information about CNBC and its programming on the NBC Universal Media Village Web site at <http://nbcumv.com/cnbc/>.

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**Clean Energy (CLNE) Sell Off A Correction...Buy Some At Bargain Prices – Benzinga – 4/13/10**

By Mortimer Duke

T. Boone Pickens has been supporting natural gas (NGY) as a viable alternative to oil for the past 22 years and with recent events in the global economy, it seems that nat gas is finally be making the moves that they should have made so many years ago.

Clean Energy Fuels (CLNE) provides the 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 (CLNE) investors just may be looking at a little downside before the present rally continues. Translation... a correction means a buying opportunity.

Shares of Clean Energy have tripled over the past 12 months, to about \$20 per share as of today's close. 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 the clean and green energy.

"Many companies and municipalities are switching to natural gas operations. With just two nat gas stations in the US in 1997, the number has increased to over 200 stations in 23 states at present, Companies like UPS (UPS), Wal-Mart (WMT), and AT&T (ATT) are leading the charge as well."

With over 11 million vehicles running on nat gas in the world right now, only about 130,000 of those vehicles are in the U.S. Honda (HMC) makes the only nat gas car for the U.S. market, 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).

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## **Wanted: Transmission for Wind – Penn Energy – 4/14/10**

By Sharryn Dotson, Online Editor

A report from the National Renewable Energy Laboratory (NREL) and conducted by EnerNex Corp. said states along the Eastern Interconnection could switch 20 percent of their power generation from fossil fuels to wind power by 2030, but only with additional investments in transmission capacity, specifically from the Midwest where wind power is readily available. The Eastern Interconnection covers an area from Halifax, Nova Scotia to New Orleans; and from Miami to Fargo, N.D.

The report, the “Eastern Wind Integration and Transmission Study (EWITS),” said that even with the cost of transmission being close to \$93 billion in 2009 dollars for 22,697 miles of new lines, the price tag is small compared to the overall costs of installing and connecting wind capacity to the national grid.

### FERC’s hands are tied

During testimony before a House subcommittee on energy and environment in June 2009, Federal Energy Regulatory Commission (FERC) Chairman Jon Wellinghoff said the commission recognizes the importance of building more transmission lines at a time when President Barack Obama is calling for cuts in greenhouse gases.

“Transmission is critical to meeting the goal of reducing reliance on carbon-emitting sources of electric energy and bringing new sources of renewable energy to market,” Wellinghoff said.

Daniel Brooks, program manager with the Bulk System Integration Program at the Electric Power Research Institute (EPRI) said a lack of transmission lines would limit the amount of wind that can be installed.

“We’re already seeing instances where wind is being curtailed because of transmission capacity,” Brooks said. “Wind developers will concentrate projects around areas with the best wind resource but it may be far from transmission.”

One example Brooks gave is in west Texas, specifically within the Electric Reliability Council of Texas, or ERCOT, region.

“There’s a significant portion of the 9,500 MW of wind that ERCOT has built up in the area,” Brooks said. “There’s a lot of activity to develop more transmission, but they regularly experience curtailment because of a lack of transmission.”

One such case is the wind farm that businessman T. Boone Pickens was planning to build in the Texas panhandle as part of his “Pickens Plan” to wean the country off of foreign oil. The 1,000 MW, 667-turbine wind farm was postponed because Pickens said he could not get the project connected to transmission lines. Instead, he distributed most of the wind turbines to other projects around the U.S.

One problem, according to Wellinghoff, is that FERC is not able to override any state agency’s rejection to site transmission lines. The U.S. Court of Appeals for the Fourth Circuit refused to review a February 2009 ruling that FERC could not overrule a state’s rejection to a siting permit application.

The original ruling consolidated four court cases: *Piedmont Environmental Council v. FERC*, *Public Service Commission of New York v FERC*, *Minnesota Public Service Commission v FERC* and *Communities Against Regional Interconnect v FERC*. The complaints contended that a state’s denial of a siting permit application could still be overruled within a year under a FERC rule, even though authority to site transmission facilities has traditionally been left to the states.

“Without new siting authority, the commission’s ability to address these challenges is limited,” Wellinghoff said. “For this reason, I recommend that Congress enact legislation that will enable transmission developers to invoke federal authority in appropriate circumstances to site the transmission facilities necessary to interconnect renewable power to the electric transmission grid and move that power to customers.”

### Transmission technology

Brooks said EPRI is researching a method that could use previously sited lines and increase the transmission capacity of these lines by 5 to 10 percent over their nameplate rating. It’s called Dynamic Thermal Ratings (DTR), and it involves using ambient cooling on the lines so they can dissipate the heat better than under standard conditions.

“The problem with it is that transmission lines are typically long, and it will have to be carried hundreds of miles,” Brooks said.

DTR also will not bring a big enough increase in the amount of generated electricity that can be transmitted. “DTR will not get you from 2 percent wind energy to 20 percent wind energy,” Brooks said.

The increase will not be enough, however, to cover the expected amount needed for transmission to cover the Eastern Interconnection.

“It’s not the capacity to deliver average wind from the Southwest and the Great Plains. You have to build redundancy into the plans,” Brooks said. “It has to provide for its own contingencies in order to not overload its capacity.”

Michael Goggins, manager of transmission policy with the American Wind Energy Association (AWEA), said no matter what reports such as the NREL study say, the country is in need of new transmission lines.

“The United States grid is old and obsolete and it doesn’t do a good job of getting power where it needs to go,” Goggins said. “Even if we build up advanced coal plants, nuclear or renewables, it will all need transmission.”

### The Three P’s

Garry Brown, chairman of the New York Public Service Commission, said siting is one of the issues companies and commissions have to overcome because one size doesn’t fit all.

“There are vast amounts of open land (in the West) which allow you to site transmission without affecting localities,” Brown said. “In the East, you have to worry about getting them sited in populated areas and transmission lines tend to be unpopular.”

A Feb. 26 article in The New York Times touched on the problem. Several utilities in the Northwest, California and the Southeast said they were not willing to share in the costs for installing new transmission lines to carry wind and solar power to markets around the United States.

“It’s like if North Dakota is trying to sell electricity to Chicago, that means Minnesota and Wisconsin get to enjoy the lines and don’t get any of the benefits,” Brown said.

AWEA’s Goggins agrees. “States are looking at how it benefits them and not at the bigger picture,” he said. “Costs should be assigned across interconnections and even down to consumers, since they are the ones who would be getting more reliable power and lower costs.”

Goggins said one voice has not been heard much in the debate: The consumer. A related second issue is who will end up paying for the lines? "Others say it should be like the interstate highway system so it should be socialized," Brown said. "But the complaints are 'Why should they pay?'"

Goggins said a third problem also exists: Planning.

"Right now, people are doing a lot of short-term planning, like installations for the next 5 or 10 years," Goggins said. "However, people will have to start doing longer-term planning and making plans for the next several dozen years."

Goggins said the wind industry is ready to reach any renewable standard that is set.

"The industry is ready for a scale-up to levels we're seeing in the NREL report," Goggins said. "We can figure out ways to scale up wind plants and deal with any operational issues."

Goggins said one country is a prime example of how an increase in wind installations can be achieved.

"Take a look at Europe where they have more than 10 percent wind penetration," Goggins said. "I think the industry is more than ready."

Even though Goggins feels the wind industry is ready to reach the NREL goal, Brown said having a national standard in place would be helpful.

"States are reluctant to build it without a national standard," Brown said. "It's like being asked to build Interstate 84 without seeing a map of where it's going."

However, Brown said it could still be done.

"I think states can work it out in most cases," Brown said. "Siting is happening all the time for different projects. States have an important role in this."

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## BROADCAST COVERAGE

### 1. Squawk Box

**CNBC, National | DMA: 0**

**04/14/2010, 07:00 AM - 08:00 AM**

[CC] 00:00:10 Representative Carolyn Maloney who joins us to talk about Ben Bernanke. T.A.R.P. chair Elizabeth Warren and **oil** man **T. BoonePickens** will be our special guests this morning.00:00:38

[CC] 00:48:38 Still to come from Washington this morning, **boonepickens** joins us at the top of the hour. We'll talk **energy** policy and breaking our nation's addiction to foreign **oil**. He's in the house. He'll be with us in just a few minutes. "Squawk box" live from Washington, D.C. , Will be right back. (announcer) we're in the **energy** business.00:48:46

[CC] 00:56:46 Up next, **t. Boonepickens** leaves the **oil** patch and hits capitol hill to talk **energy** policy.00:56:51

[CC] 00:58:06 **T. Boone** tells all next on at the end of the day in sitka, Alaska, everyone awaits the return of the fishing boats. O their safe arrival is highly anticipated, o as is something else. A shipment of natural sea salt from cargill, essential for preserving the catch. We deliver the salt on precise schedules, and ship it efficiently all along the Alaskan coas. saving the fishermen money, and their catch. This is how cargill works with customers.00:58:28

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**Audience:** 350,005 **Spot Cost:** \$2,685

### 2. Squawk Box

**CNBC, National | DMA: 0**

**04/14/2010, 06:00 AM - 07:00 AM**

[CC] 00:12:37 Also, we've got **BoonePickens** storming Capitol Hill today with trying to kick the **energy** habit of the nation right now, our foreign **energy** habit. He is never once to mince words. I caught up with him last night, and guys, he is fired up this morning. So he has plenty to say. Absolutely.00:13:38

[CC] 00:39:03 Coming up this morning, we've got a virtual who's who. The world of Washington today. Everyone from Elizabeth Warren to **BoonePickens**, he'll be making his **energy** pitch directly to congress.00:39:26

[CC] 00:58:10 And bringing a little Texas to the beltway, legendary **oil** man **T. BoonePickens** storming to Capitol Hill. First he'll join us, though.00:58:13

**Audience:** 222,211 **Spot Cost:** \$1,738

### 3. Worldwide Exchange

**CNBC, National | DMA: 0**

**04/14/2010, 05:00 AM - 06:00 AM**

[EC] 00:47:00 We've got a powerful edition of "Squawk Box" coming up today. Legendary **oil** and **natural** goois **gas** giant **BoonePickens** will be joining us this morning at 8:00 A.M. Eastern time. That's just before he heads to Capitol Hill to try and convince lawmakers that incentives are the key for the future in green **energy** and jobs. 00:48:10

**Keywords:**Preview: **BoonePickens**; Congressional Oversight Panel chair Elizabeth Warren; Southwest Airlines Chairman and CEO Gary Kelly; Former Contiental Airlines chied Larry Kelner; Sen. Richard Shelby; CSX; JP Morgan

**Audience:** 90,489 **Spot Cost:** \$484

#### **4. Squawk Box**

**CNBC, National | DMA: 0**

**04/13/2010, 08:00 AM - 09:00 AM**

[EC] 00:42:48 As the Obama administration marches on toward a green and sustainable **energy** plan, our next guest is banking on **oil**. Joining us right now with more is Clayton Williams, the ceo of Clayton Williams **Energy**. That's an independent **energy** company based in Midland, Texas. Thanks for joining us this morning. Very glad to be here. You are a famous wild cater. You have been in the business for over 50 years and still drilling. Had a lot of fun, drilled a lot of **oil**, made a lot of mistakes. Drilled 2,000 wells over the year. Enough of them were good to keep me going. Right now what's driving the drilling situati at least when you are drilling -- two factors, Becky. The shell basins which have not been an ordinary reservoir found over the last seven or eight years so we have **naturalgas** to be drilled. You heard **BoonePickens** talk about it. There's 900 rigs now drilling for **naturalgas**. This was 1,500. So those are in reserves. And if the price went back up, there's more to drill but I think I can say there's lot of **naturalgas**. **Oil**, on the other hand, we probably have 500 drilling rig iing rigs for **oil** because there's less places to drill. **Naturalgas** is tied to this country so **oil** has more profitability and to me **oil** is more stable for an investor or wild catter. You mentioned **BoonePickens**. We'll be down in Washington testifying. His point is that **naturalgas** is domestic resource. Cheaper. Cleaner. It's something that we don't have to rely on foreigners for. Absolutely. You have Canadians with the same shell basins so they are bringing in a lot of **gas** in. We have long-term supply of **naturalgas**. For its heating value it's undervalued but there is so much of it will keep the cost down very affordable. When you start looking around at **oil** prices and watching them creep up toward \$85, is that something that you think is a fair price. We had someone saying **oil** is getting out of control and ahead of itself. When you asked me the **oil** price, I can tell you I'm going to the bar at 530. If you call me at 7:00 I may answer those questions. Not something a sober man would predict. There are so many factors of the growing third world. We're stable. There are new reserves across the world. We independents for example in Texas there are two new shell basins and you drill in areas where once would you have ten foot of pay and now we'll drill 4,000 feet and get one decent well so it's taking more money to find less **oil** but we have a lot of opportunity with this co-mingling in different zones to make one well. What's the price of **oil** that makes it worth your while to drill? At 70 to 80 we can be very active and produce a lot of **oil**. .... When it falls below \$60 a barrel? --It's all about making a profit. When you got a decent I'm shutting down. We've been there before up and down and float with it. And when it drops too far, we quit. When we think we can make a profit, we go back to drilling. I'm basically a driller. When you look out obviousl the price of oil is what's going to be factoring what you're doing but you can't turn on a dime and move your operations overnight so what are you doing right now? The main thing I did correctly that frequently when we have a price of oil that cause us to drill and it's profitable, the cost of drilling, service companies, we're at the point where we have no profit so six months ago I locked in my vendors for a price of --For example, for \$30 and three years ago it was 80 so locking in the cost of drilling and or jective is to lock in cost. You lock that in betting you think that they're not going to skyrocket beyond this point. I locked it in knowing that I places to drill. I have 200 wells to drill and I could make a profit if I can lock in these prices so 175 wells and I have my own rigs. I have hedged my oil for two years so I know that that income is all my existing oil production. I have locked in a profit for two years. That's good business and sometimes you have to get all of the circumstances together to be able to make that work. How confident do yo feel about the state of the American economy right now because the state of the economy is one of the major drivers for oil prices. I'm headed back to the bar. Thank you very much for coming in. It's been a pleasure talking to you. Fun to be here. Thank you. As we mentioned, tomorrow **BoonePickens** on the show. The legendary **oil** man who is now a **naturalgas** and **wind** man. He's going to be joining us ahead of his testimony on pitol hill. We'll get his comments on everything from clean **fuels** to drilling offshore. Again, that's coming up at 8:00 eastern time tomorrow.

00:48:14

**Keywords:**Oil: Schlumberger; Halliburton

**Visuals:**T. **BoonePickens**, CEO of BP Capital

**Speakers:**Clayton Williams, CEO of Clayton Williams **Energy**

**Audience:** 414,368 **Spot Cost:** \$3,242

## 5. Worldwide Exchange

**CNBC World, National | DMA: 0**

**04/14/2010, 05:00 AM - 06:00 AM**

[CC] 00:44:56 Good morning everybody. You know we have a powerful edition of Squawk Box coming up today oil and **naturalgas** giant Boone **Pickens** is to be joining us for an extended interview this morning at eight am eastern time. That's just before he heads to Capitol Hill the trying convince lawmakers that incentives are the key for the future of green energy and jobs.00:48:30

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

## 6. Fox Business

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

**04/13/2010, 01:00 PM - 02:00 PM**

[CC] 00:30:08 ( guest is Gil Goodrich )..everyone know there is so much nat gas . Now you have this the huge Marcellus shale, **BoonePickens** talks about it . Aside from power, when do we see **naturalgas** gain a more broad usage? I think there is some good reason for short-term benefit in the electricity generation business. I think you will see **naturalgas** taking a bigger and bigger share. We are currently at about 20% of the electricity generation... Clearly **naturalgas** is a great transportation **fuel** and we are not using it very well....00:30:43

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

## 7. KETK56 News Live At 5

**KETK-TV (NBC) CH 56, Tyler/Longview | DMA: 109**

**04/13/2010, 05:00 PM - 05:30 PM**

[CC] 00:07:53 During the official arrivals for the nuclear security summit in Washington. Texas billionaire **T. BoonePickens** says he knows what the U.S. should do to compete with communist China: drill! In politico dot com, **Pickens** says both China and the U.S. require huge amounts of **energy**. He tells readers: at some point, after the world emerges from the recession, demand for **oil** will increase faster than producers can supply it. During the past few years, China has spent nearly \$2-hundred billion on exploration, production, construction and "loans for **energy**" deals with more than 19 countries.00:08:37

**Audience: 13,031 Spot Cost: \$129**

## 8. Today In Amarillo

**KAMR-TV (NBC) CH 4, Amarillo | DMA: 131**

**04/14/2010, 06:00 AM - 07:00 AM**

[CC] 00:16:07 **T. BoonePickens** was at Texas Tech yesterday urging Texans to get involved in their local government. The west Texas **oil** and gas tycoon joined up with an online media group for Texas Tribune's college tour. It emphasizes public policy and government. **Pickens** focused his presentation on alternative **energy**.00:17:29

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**Audience:** 2,374 **Spot Cost:** \$22

#### 9. NBC 4 News At 10

**KAMR-TV (NBC) CH 4, Amarillo | DMA: 131**

**04/13/2010, 10:00 PM - 10:35 PM**

[CC] 00:15:31 And he's tackled the alternative **energy** industry, but can he make a good impression with college students? More on **T. BoonePickens'** visit to Tech next.00:16:40

[CC] 00:19:31 . **T. BoonePickens** was at Texas Tech today urging Texans to get involved in their local government. The west Texas **oil** and gas tycoon joined up with an online media group for Texas Tribune's college tour. It emphasizes public policy and government. **Pickens** focused his presentation on alternative **energy**.00:20:45

**Audience:** 8,735 **Spot Cost:** \$87

#### 10. NBC 4 News At 6

**KAMR-TV (NBC) CH 4, Amarillo | DMA: 131**

**04/13/2010, 06:00 PM - 06:30 PM**

[CC] 00:04:26 The **oil** and gas tycoon **tBoonePickens** made an appearance today, up next hear why he's urging Texans to get more involved in local government.00:05:18

[CC] 00:13:57 **T. BoonePickens** teamed up with a new online media group today urging young Texans to get involved in matters that concern the welfare of the state. The west Texas native was the key note speaker at the Texas Tribune's college tour which kicked off today at Texas Tech. The Texas Tribune is the state's first non-profit, nonpartisan public media organization. The goal of their college tour is to engage students in public policy and government. Today, **Pickens** focused on educating students about his alternative **energy** initiative, it was time to return to the polls today for some as several runoff elections took place around the panhandle. ...00:15:13

**Audience:** 8,858 **Spot Cost:** \$76

#### 11. Fox 14 News At 9

**KCIT-TV (FOX) CH 14, Amarillo | DMA: 131**

**04/13/2010, 09:00 PM - 10:00 PM**

[CC] 00:39:44 **TBoonePickens** wants Texas college students to get involved. The west **tBoonePickens** wants Texas college students to get involved.00:39:52

[CC] 00:41:19 **TBoonePickens** wants Texas college students to get involved. **Pickens** wants Texas college students to get involved. The west **tBoonePickens** wants Texas college students to get involved.00:41:35

[CC] 00:47:28 The west the west Texas native teamed up with a new online media group today, **Pickens** was the key note speaker at the Texas Tribune's college tour at Texas Tech. There goal is to engage students in public policy and government. Today, **Pickens** focused on educating students about his alternative **energy** initiative.00:48:38

**Audience:** 9,371 **Spot Cost:** \$160

**12. KAMC 28 News At Five**

**KAMC-TV (ABC) CH 28, Lubbock | DMA: 143**

**04/13/2010, 05:00 PM - 05:30 PM**

[CC] 00:01:21 media group made it's way today, the Texas Tribune first stop on the the day-long college tour. Program was highlighted by west Texas key-note speaker native **T. BoonePickens**, who urged students to learn more about alternative **energy** sources...00:03:51

**Audience:** 4,320 **Spot Cost:** \$47

**13. KLBK This Morning**

**KLBK-TV (CBS) CH 13, Lubbock | DMA: 143**

**04/14/2010, 06:00 AM - 07:00 AM**

[CC] 00:06:35 The Texas Tribune college tour made it's first stop at Texas Tech today and featured key note speaker **T. BoonePickens**. "I'm from west Texas". **Pickens** focused on his plan to eliminate depency on our **naturalgas**, .and find an alternative **energy** resources right here in America,... we'll replace opec with our **naturalgas**... introduced the **Pickens** plan almost two years ago. Since then, has spent 62-million dollars of his own fortune to propel the legislation... "somehow, I felt like it was my mission and I need to carry it out." Smith says **Pickens** was the perfect choice to encourage students to take interest is an issue that will certainly affect their future.00:08:04

**Audience:** 2,204 **Spot Cost:** \$23

**14. KLBK News At Ten**

**KLBK-TV (CBS) CH 13, Lubbock | DMA: 143**

**04/13/2010, 10:00 PM - 10:35 PM**

[CC] 00:00:00 .And we'll talk with billionaire **T-BoonePickens** about his message to hundreds at Texas Tech.00:00:10

[CC] 00:09:25 The Texas Tribune college tour made it's first stop at Texas Tech today and featured note speaker **T. BoonePickens**. "I'm from west Texas"..**Pickens** focused on his plan to eliminate depency on foreign **oil**, ... The west Texas native intoduced the **Pickens** Plan almost 2 years ago...00:12:17

**Audience:** 9,069 **Spot Cost:** \$109

**15. KLBK News At 6:00**

**KLBK-TV (CBS) CH 13, Lubbock | DMA: 143**

**04/13/2010, 06:00 PM - 06:30 PM**

"generations of college students are going to have to worry about energy when they get out of school as working people as families, as Texans. Who better to hear from than someone like **BoonePickens** who knows this issue inside and out."00:07:00

**Audience:** 5,564 **Spot Cost:** \$66

**16. KLBK News At 5:00**

**KLBK-TV (CBS) CH 13, Lubbock | DMA: 143**

**04/13/2010, 05:00 PM - 05:30 PM**

[CC] 00:03:55 Ad lib, a new media group is urging students at Texas Tech to get involved in matters that concern the welfare of the state. The Texas Tribune is the state's first non-profit, non-partisan on-line media organization. Today, the group made its Texas Tribune first stop on the college tour. The day-long highlighted by program was key-note speaker and west Texas native **T. BoonePickens who urged**, students to learn more about alternative **energy** sources...00:05:13

**Audience:** 4,025 **Spot Cost:** \$44