

PickensPlan

T. Boone Pickens Media Coverage 6.10.10

Total of 6 Placements

- Blog/Online: 5
- Broadcast: 1

Coverage Summary:

Pickens discussed the Gulf oil spill with *The Texas Tribune*. The piece also provides an update on the Pickens Plan.

On *CNBC's Squawk Box*, Pennsylvania Governor Ed Rendell said that Pickens is absolutely right in pushing for every fleet in America to run on natural gas. He went on to say that would be a great step towards energy independence and creating jobs.

Highlighted Placements (Full Articles Below)

- **T. Boone Pickens: The TT Interview** – *The Texas Tribune* – 6/10/10

Blog/Online Placements (Full Articles Below)

- **United States : Natural Gas Untapped As Resource, Investment** – *Procurement News* – 6/9/10
- **The Lastest Move In The Natural Gas ETF Is Pointing To A New Trend Higher (UNG, UNL, FCG)** – *ETF Daily News* – 6/9/10
- **Natural Gas; 'Poor Man's T. Boone Pickens' Promotes Propane For Cars** – *Greenwire* – 6/9/10

- **Wind Stocks Surge On A-Power Guidance, Clean Energy Push In Washington** – *TickerSpy*
– 6/10/10

HIGHLIGHTED COVERAGE

T. Boone Pickens: The TT Interview – *The Texas Tribune* – 6/10/10

By Kate Galbraith

T. Boone Pickens has worn many hats in his 82 years: oilman; corporate raider; benefactor to his alma mater, Oklahoma State University; and cheerleader-in-chief for a plan to free the country from its dependence on foreign oil. These days, he frequently wears another: oil spill talking head.

In a telephone interview on Wednesday, Pickens maintained that the BP disaster notwithstanding, the oil industry in the Gulf "hasn't had many problems" over the years. The last spills that blew out seabed wells near the U.S., he said, date back to 1969 (off the coast of Santa Barbara) and 1979 (off the coast of Mexico). Since the BP spill, the Obama administration has imposed a moratorium on deepwater drilling, but Pickens insists that offshore work must continue: "You know, we can drill those wells in the deep water. I don't think there's any question about that."

Asked whether he had lost money by holding shares of companies involved in the Gulf disaster, Pickens said that if he did have investments in some of the companies involved, it "would be insignificant."

Pickens emphasized that a long-term solution will not be found until the two relief wells are drilled (BP says they should be ready in August). "I think that it hasn't been made clear to the public that the way you're going to fix this is with a relief well," he said. The cap currently in place is far from a permanent fix — though he didn't expect it to work as well as it did. "I was a little bit surprised that they were able to tie back to that blow-out preventer and get 11,000 barrels a day," he said.

Tony Hayward, BP's chief executive, has come under pressure for saying that the spill wasn't causing much environmental damage, and that he wanted his "life back." Pickens agrees that

Hayward "made some boo-boos on some of the things he said." But he also thinks Hayward has gotten something of a bad rap: "I don't think there was any orders given by Hayward that were faulty," he said.

Pickens also expressed concern that the 11 workers who died in the rig explosion had received only "page two" media coverage, as well as little attention from the federal government, in contrast to the "page one" coverage for 29 miners who died in a West Virginia mine disaster this spring.

A growing chorus of environmentalists see the oil spill as a chance to motivate the country to move off of oil and toward renewable sources of energy, like wind power. Pickens notes that wind — which feeds the electricity grid, not our cars, not to mention the fact that it doesn't blow all the time — is not a straight substitute for oil. Wind also has another big problem right now, Pickens said: low natural gas prices, which essentially dictate how much other forms of electricity, like wind, can be sold for. "When natural gas is \$4.50 [per thousand cubic feet], it's hard to finance a wind deal. Natural gas has got to be \$6," Pickens said.

Pickens has dramatically scaled back his own plans to generate wind power. A few years ago, he grandly announced plans to build the largest wind farm in the world in the Texas Panhandle, on land he leased in the Pampa area. He no longer plans to put a wind farm in Texas — deterred, he says, by the lack of transmission lines to carry the power out of West Texas (the Texas government is spending \$5 billion to try to fix this problem). Pickens said he has given up the lease on his Pampa land, but could conceivably re-lease it. He renegotiated a \$2 billion order for turbines from General Electric down to \$1 billion and insists he hasn't abandoned the wind game. "You'll see some action on that pretty quick," he said. It bears noting, however, that back in March, he promised an announcement in 30 days about where the turbines would go — and nothing has happened yet.

Wind and natural gas were the two founding legs of the Pickens Plan, a plan to move the country off of foreign oil that he launched with much fanfare two years ago. The wind component — the vision of moving the country to 20 percent wind power by 2030 — clearly is struggling. So Pickens spends much of his time on natural gas, which he thinks should be used far more extensively in vehicles in order to move the country off of foreign oil. (Large shale-gas reserves, including the Barnett Shale in the Fort Worth area, can be accessed with new technology, and have recently boosted U.S. supply estimates.) So Pickens is in and out of Washington these days, as ever peddling the Pickens Plan. President Obama promised when he accepted the Democratic nomination for president in 2008 to "finally end our dependence on oil from the Middle East" in

10 years. But with the country still as dependent as ever, Pickens would like to see the president sign an executive order saying that all federal vehicles will run on domestic fuel.

Pickens is also working with lawmakers, as he has for the last few years, to boost the use of natural gas in vehicles. He has even allied with Senator John Kerry (D-Massachusetts) — an improbable partnership, reportedly initiated by Kerry, given that Pickens helped to fund the Swift Boat Veterans for Truth that helped foil Kerry's bid for the presidency in 2004. The Kerry-Lieberman bill would offer tax incentives for heavy-duty vehicles that use natural gas as fuel. A House bill to aid natural-gas vehicles has 143 co-sponsors, drawn from both parties, according to Pickens.

"Nothing has moved on energy in Washington," he says, "and now they're getting ready to address it. And I think you'll have legislation before the year's out."

BLOG/ONLINE COVERAGE

United States : Natural Gas Untapped As Resource, Investment – *Procurement News* – 6/9/10

Clean energy proponents often focus on geothermal, hydro, solar and wind, often overlooking one of the most prevalent natural resources in the U.S.: natural gas

Natural gas provides us with the opportunity to move away from our dependence on foreign oil. With our country currently obtaining 66 percent of its oil from foreign sources -- the highest rate in history -- now is the time to begin sourcing energy domestically, and in doing so, create jobs to help grow the economy.

The U.S. has the greatest supply of this natural resource in the world, with underground deposits stretching from New York to Texas. It's estimated that there may be enough natural gas to supply all of our needs for more than 200 years.

In addition to being abundant, natural gas is also clean. It produces roughly one-third the amount of carbon dioxide as gasoline, and a quarter of the carbon dioxide of coal. With carbon dioxide emissions being a key contributor to climate change, the reduction of greenhouse gases through the greater use of natural gas would have a positive effect on our environment.

Because it's so plentiful, natural gas is also cheap in comparison to other energy options. Compared with oil, natural gas is about two-thirds less expensive. Natural gas is measured in units of one thousand cubic feet -- mcf -- which is the equivalent of seven gallons. One mcf of natural gas sells about \$4.50, and the diesel fuel equivalent costs about \$21, meaning that natural gas costs 80 percent less.

But this abundant, cheap, clean, domestic source of energy is not being tapped to its full potential.

One of the biggest proponents for natural gas is T. Boone Pickens. The 82-year-old earned his \$3 billion fortune investing in the energy sector. For the past two years, he's been on a crusade to promote alternatives to oil, which include natural gas, solar and wind.

Not only is he investing his own money in these sectors, but he's also spent some \$60 million to promote The Pickens Plan. He's adamant that we need to move away from foreign oil, and has been spending his time and money promoting the plan.

The Latest Move In The Natural Gas ETF Is Pointing To A New Trend Higher (UNG, UNL, FCG) – *ETF Daily News* – 6/9/10

“The new trend can be found in natural gas and natural gas stocks. Natural gas is quickly emerging as a pocket of strength in the markets. For months, it has been underperforming the broader markets as supply far outstripped demand. But now natural gas is gaining new attention as a much safer, cleaner, more plentiful and cheaper alternative to crude oil,” Don Dion Reports From The Street.

Dion goes on to say, “Natural gas futures hit their highest level in more than 15 weeks on Monday as speculation rose that the chances for a very active hurricane season are high. Plus, there is even more speculation that soon policy makers in Washington are going to start listening to natural gas bulls, such as T. Boone Pickens, who argue that natural gas is the best long-term solution — economically and environmentally — for solving America’s energy problems. Natural gas futures cooled off on Tuesday, dropping 2.2% following a cooler weather forecast for the U.S. Midwest and Northeast. An explosion in a natural gas pipeline in Texas also pressured prices lower. But if the trend really is strong, these two issues won’t be able to keep prices down for long.”

“The U.S. Natural Gas Fund (NYSE:UNG) recently broken above its 50-day moving average, and it has broken through some previous resistance at around \$7.70 a share that held a strangle hold on this ETF for almost three months. The (NYSE:UNG) is a pure play on the price of natural gas futures. This technical move is significant and could be marking a new trend higher that is still in the early stages of development. Even President Obama recently pulled an about-face and endorsed natural gas as a viable alternative to crude oil during a speech last Wednesday at Carnegie Mellon in Pittsburgh,” Dion Reports.

ETFs offer an easy way to play Natural Gas and there are many options available besides the most popular US Natural Gas ETF (NYSE:UNG). We have listed some other options for investors to look at and compare to one another below. Note that we have listed some industry related ETFs as well as direct Natural Gas exposure plays excluding any leveraged ETFs. You can also visit our U.S. Natural Gas ETF (NYSE:UNG) category for more insight.

United States Natural Gas Fund (NYSE:UNG)

The United States Natural Gas Fund, LP (NYSE:UNG) is a new way for investors and hedgers to manage their exposure to energy. The United States Natural Gas Fund LP (NYSE: UNG) is an exchange traded security that is designed to track in percentage terms the movements of natural gas prices. UNG issues units that may be purchased and sold on the NYSE Arca. The investment

objective of UNG is for the changes in percentage terms of the units' net asset value to reflect the changes in percentage terms of the price of natural gas delivered at the Henry Hub, Louisiana, as measured by the changes in the price of the futures contract on natural gas traded on the New York Mercantile Exchange that is the near month contract to expire, except when the near month contract is within two weeks of expiration, in which case it will be measured by the futures contract that is the next month contract to expire, less UNG's expenses.

United States 12 Month Natural Gas (NYSE:UNL)

The investment seeks to reflect the changes, net of expenses, of the spot price of natural gas delivered at the Henry Hub, Louisiana, as measured by the changes in the average of the prices of 12 futures contracts on natural gas traded on the NYMEX. The fund will consist of the near month contract to expire and the contracts for the following eleven months, for a total of 12 consecutive months contracts, except when the near month contract is within two weeks of expiration, in which case it will be measured by the futures contract that is the next month contract to expire and the contracts for the following eleven consecutive months.

iPath DJ-UBS Natural Gas TR Sub-Idx ETN (NYSE:GAZ)

The investment seeks results that correspond generally to the price and yield performance, before fees and expenses, of the Dow Jones-UBS Natural Gas Total Return Sub-Index. The note is designed to reflect the performance of natural gas. The index is composed of the Henry Hub Natural Gas futures contract traded on the New York Mercantile Exchange.

First Trust ISE-Revere Natural Gas Idx (NYSE:FCG)

The investment seeks to replicate, net of expenses, the ISE-REVERE Natural Gas index. The fund invests at least 90% of assets in common stocks that comprise the index. The index is an equal-weighted index that consists of exchange-listed companies that derive a substantial portion of their revenue from the exploration and production of natural gas. The fund is nondiversified.

iShares Dow Jones US Oil Equipment Index (NYSE:IEZ)

The investment seeks results that correspond generally to the price and yield performance of the Dow Jones U.S. Select Oil Equipment & Services index. The fund generally invests at least 90% of assets in securities of the Underlying index and depositary receipts representing securities of the Underlying index. It may invest the remainder of assets in securities not included in the Underlying index but which BGFA believes will help the fund track Underlying index, and in futures contracts, options on futures contracts, options and swaps as well as cash and cash equivalents, including shares of money market funds advised by BGFA. It is nondiversified.

Jefferies | TR/J CRB Wildcatters Exploration & Production Equity ETF (NYSE:WCAT)

The investment seeks investment results that replicate as closely as possible, before fees and expenses, the price and yield performance of the Thomson Reuters/Jefferies CRB Wildcatters Energy E&P Equity index. The fund normally invests at least 80% of total assets in the equity securities that comprise the underlying index and depositary receipts based on the securities in index. The index is designed to track the overall performance of a universe of listed U.S. and Canadian small and mid-capitalization companies engaged in the exploration and production of oil and natural gas. The fund is nondiversified.

Natural Gas; 'Poor Man's T. Boone Pickens' Promotes Propane For Cars – *Greenwire* – 6/9/10

By Jason Plautz

A new alliance that jokingly bills itself as "the poor man's T. Boone Pickens plan" is seeking to give a unified voice to the fragmented propane industry and make the fuel a viable alternative for vehicles.

Speaking at a National Propane Gas Association meeting yesterday in Washington, D.C., officials from the propane industry officially launched Autogas for America, a group hoping to give propane its day in the sun. Chairman Stuart Weidie said the group's initial goal is to build a stakeholder network with a "common voice, common data and a common language."

"We don't want anybody that's interested in the market to get isolated," Weidie said, noting that there were some 5,000 propane companies across the country. Weidie is the president and CEO of the Blossman Cos., the country's 10th-largest propane dealer.

While there are 14 million autogas vehicles around the world, there are fewer than 200,000 in the United States, according to the group. The fuel, also known as liquid petroleum gas (the group prefers autogas because it is the term used in other countries), is frequently seen as a runner-up to electric, hybrid and natural gas cars, but the organization says the benefits are clear.

The gas is cleaner than petroleum, the group says, and a U.S. EPA study found that it could have "potentially lower" carbon dioxide, carbon monoxide and nitrogen oxide emissions. According to data from the Department of Energy, replacing 500,000 conventional vehicles with autogas ones would eliminate more than 2.64 million tons of greenhouse gases and CO₂ equivalent. About 90 percent of the world's supply is produced domestically and Weidie said fueling infrastructure could be built in a matter of days.

Autogas for America wants to see 500,000 autogas vehicles in the United States by 2013, starting with fleet vehicles such as state troopers, delivery vehicles and taxis. To that end, the group is pushing for a renewal of the 50-cent-per-gallon tax credit for alternative fuels in a bill that passed the House and is set to come up in the Senate this week (Greenwire, June 8). Besides getting inclusion in upcoming energy bills, the group also wants EPA to streamline its certification process to make it easier for consumers to own and drive an autogas vehicle (currently the certification needs to be renewed every year).

But first, the group is focusing on getting the entire industry aligned behind one message. The group's website lists 22 businesses and industry alliances as members, as well as 17 clean cities groups. Weidie said it was important for the industry to unite behind one face and invited several "friendly competitors" on stage with him during the launch.

"The CNG [compressed natural gas] lobby is huge," said Tucker Perkins, president of CleanFuel USA. "This is a safe place where we can all go."

Weidie said he recognized that propane would likely not be the ultimate end in vehicle technology. But he said it was cheaper than natural gas, cleaner than petroleum, more effective than electric and more proven than hydrogen.

"At a minimum, we're a great transition fuel to 20 years from today. ... We need to have some transition fuels before we find that magic bullet," Weidie said. "We're right here; we're right now."

Wind Stocks Surge On A-Power Guidance, Clean Energy Push In Washington – *TickerSpy* – 6/10/10

By Anita Godse

A-Power Energy Generation Systems (APWR) announced its unaudited first quarter earnings today, with mixed results. The company's revenues were \$67 million, an approximately 116% increase year over year, its GAAP net income was \$29.3 million, and its earnings per share was \$0.64. However, A-Power has attributed the spike in net income to one-time gains associated with the acquisition of a solar company and the value of outstanding warrants. Without the one-time gain, net income plummets to \$2 million, up 11% from 2009. Excluding non-recurring items, the company's earnings per share came in at 5 cents, well below the 22-cent consensus. Despite this, A-Power has raised its annual guidance for 2010 to \$500 million in revenues, compared to the old guidance of \$380 million and analysts' \$387 million expectations.

As a whole the Wind Energy Stocks Index has gained 3.5% today, as all of its components climb higher.

A-Power has surged 16% on its announcement, and Quanta Services (PWR) is in positive territory after yesterday's upgrade to Buy from BB&T Capital Markets. Other top performers include for the session China Wind Systems Inc (CWS), Trinity Industries (TRN), and American Superconductor (AMSC).

Billionaire hedge fund manager and former oilman T. Boone Pickens is expected to start construction of wind turbines sometime this year. However, he has shifted much of the focus of his "Pickens' Plan" towards natural gas, where his BP Capital Management hedge fund is heavily invested.

Elsewhere, however, the wind movement is picking up speed. According to the Associated Press, 10 East Coast states have joined the Atlantic Offshore Wind Energy Consortium, which according to Interior Secretary Ken Salazar will "promote safe and environmentally responsible development, enhance the nation's energy security, and create jobs." The first offshore wind farm is expected to be built off of Cape Cod.

Given the recent clean energy push from Washington, which has drawn more attention following the BP (BP) Deepwater Horizon explosion, it will be interesting to see how wind energy and wind energy companies fare moving forward. Investors can track the Wind Energy Stocks Index for performance trends and a suite of other metrics at tickerspy.com.

BROADCAST COVERAGE

1. Squawk Box

CNBC, National | DMA: 0

06/09/2010, 07:00 AM - 08:00 AM

[CC] 00:48:37 (guest is Gov. Rendel)...So far there's been no major incident with all the drilling. No major incident of any groundwater being polluted in Pennsylvania. But we want to make sure that th happens. There was a spring here that got partially polluted. Fortunately the spring doesn't service any residential areas. There were trenches set up and most of the debris and polluted water was captured. So we've got to be very careful as we go forward to protect the environment and to make sure there are no accidents. It's a balance, but the balance has to be drawn correctly. Governor, these new regulations, are they more in the way of fine tuning, or is this going to substantially increase the costs of fracking? No, I think the area of fine tuning, Steve. We've worked with the industry --And this has been a fairly cooperative process --As I said, we've had good luck. We're doing a lot of drilling. This is the first incident we had coincidentally, West Virginia had an incident a day later. This is the first accident we've had, and we've had virtually no groundwater pollution. As you know, Steve, the technology in treating frack water is improving rapidly. I know GE and other companies are working on it. So you're in favor of fracking because that's going to be a great industry in your state? A great industry and it's going to produce American energy. And I think natural gas --I think **BoonePickens** is absolutely right. I think every fleet in America should convert to **naturalgas**. That would be a great step towards **energy** independence and a great step towards creating jobs here in America. Governor, that is such a pragmatic approach, making sure that you protect not only the jobs but the environment, working with the company to do that, making sure that you're looking at all approaches. Can you take what your experiences have been over the last few days and apply that to what's happening in the Gulf? Are there things that either the government and/or BP should be doing differently based on what you've seen with your experiences? Well, again, I think we're doing it for a review. Although the company is doing its review, not only is the Department of Environmental Protection looking at this, but we're hiring outside experts. I don't think you can rely on the companies themselves. Look, they've got different levels of priorities, and they draw the balance a little differently than we do. We have the public trust to uphold. So I think it's important to have outside experts take a look at this. But I think you've got to work with the industry. I don't think we can, any more than we can stop drilling for **oil**, we've got to drill for **oil**. I'm as big an advocate for renewable alternative **energy** economy as there is. And Pennsylvania is, I think, third in the country in the production of jobs. But we can't just turn our back on domestic **oil**. We need domestic **oil** as a bridge. There's no question. Just like we need **naturalgas** as a bridge....00:51:19

Audience: 364,605 **Spot Cost:** \$2,796