

# PickensPlan

## T. Boone Pickens Media Coverage 7.3.10-7.6.10

### Total of 19 Placements

- Print: 8
- Blog/Online: 3
- Broadcast: 8

### Coverage Summary:

*Energy Washington Week* reported that legislation to convert heavy-duty trucks to run on natural gas is gaining traction in the Senate. The piece mentions a report by environmental think tank “Resources for the Future” that notes the “largest oil reductions come from our aggressive scenarios mandating penetration of heavy-duty trucks fueled by liquefied natural gas into the U.S. fleet.” The article also outlines the energy bills that have been introduced, including those by Senators Richard Burr and Saxby Chambliss, Senator Richard Lugar and Senators John Kerry and Joseph Lieberman. Here is a link to the report referenced in the piece:

[http://www.rff.org/Documents/RFF\\_NEPI\\_Exec\\_Summary.pdf](http://www.rff.org/Documents/RFF_NEPI_Exec_Summary.pdf)

### Highlighted Placements (Full Articles Below)

- **Oil Spill Gives Natural Gas Vehicle Proposals More Traction In Energy Bill** – *Energy Washington Week* – 7/5/10

### Print Placements (Full Articles Below)

- **Ala. Men Hope Route 66 Trip On CNG Proves A Point** – *Associated Press* – 7/3/10
  - *Birmingham News*
  - *Chicago Daily Herald*

- *Denton Record Chronicle*
- *WIAT-TV*
- **OnCue Seeks To Add Natural Gas Facility** – *Edmond Sun* – 7/2/10
- **Kleiner-Backed V-Vehicle’s Headquarters Remains in San Diego—For Now** – *San Diego Union Tribune* – 7/2/10
- **Fracas Erupts Over ‘Fracking’ Practices** – *Houston Business Journal* – 7/2/10
- **Try New Energy Sources** – *The Oregonian* – 7/2/10

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

- **Natural Gas For Transportation? Yes, Via Electric Cars** – *Hybrid Cars* – 7/2/10

## **HIGHLIGHTED COVERAGE**

### **Oil Spill Gives Natural Gas Vehicle Proposals More Traction In Energy Bill – *Energy Washington Week – 7/5/10***

Long-standing proposals to transition the United States' heavy-duty truck fleet to natural gas are gaining traction in Senate energy legislation discussions as a way to help wean the country off of its dependence on petroleum in light of the ongoing oil spill in the Gulf of Mexico, industry and congressional sources say.

Natural gas vehicle provisions are included in key climate and energy bills being considered in the Senate and an influential environmental think tank released a report recently that says a "mandate" to manufacture trucks that run on natural gas, along with policies on efficiency and other energy issues, could make significant headway in reducing U.S. oil consumption.

The proposals for natural gas vehicles stem from a plan offered in 2008 by oilman turned wind and natural gas advocate T. Boone Pickens that calls for replacing natural gas power generation with wind power generation produced along a massive wind corridor across the middle of the United States. The natural gas could then be used to power natural gas vehicles.

In a broad June 23 report laying out various energy policy options for meeting President Obama's goals of simultaneously reducing oil use and carbon dioxide (CO<sub>2</sub>) emissions, the environmental think tank Resources for the Future (RFF) finds that a mandate requiring natural gas heavy-duty trucks would significantly reduce oil consumption. While the group stresses that a combination of policies would be most effective, the report notes that the "largest oil reductions come from our aggressive scenario mandating penetration of heavy-duty trucks fueled by liquefied natural gas [LNG] into the U.S. fleet," gradually rising to 100 percent in 2020. Such a policy would deliver over a 2 million-barrel-per-day reduction in oil use in 2030, the report states.

An RFF source says the report focused on heavy-duty trucks because they have low fuel economy, they travel large numbers of miles, and there are many of them. The source says there are between 200,000 and 300,000 trucks on the road in the United States. At the same time, trucks offer the easiest opportunity to begin transitioning to natural gas vehicles because they are

fewer in number than passenger vehicles, the source says. If the heavy-duty truck fleet adequately transitions to natural gas, then such an effort can be expanded, the source says.

It would also be much easier to develop an infrastructure (installing refueling stations) for LNG trucks because they largely travel only on the interstate highway system. "Rather than converting an entire fleet of individual transportation vehicles, focusing on one segment of that would make more sense," the source says.

But the RFF source acknowledges that building an adequate infrastructure for refueling LNG trucks could be a major roadblock for the proposal. "I think the biggest concern for converting any type of vehicle to run on natural gas is the infrastructure issue and whether there can be enough infrastructure put in place and at a reasonable cost to make the switch," the source says.

The source continues, however, that most trucks operate on a "hub and spoke system" where they only travel one leg of a longer journey, making it easier to facilitate the construction of refueling stations on major routes. "Because of the hub-and-spoke system, it makes the infrastructure problem a little more surmountable. Then you only have to really put refueling stations in those hubs, if you will. I think that is the direction that the trucking industry is headed. If that is the case, then that will help get around that infrastructure concern," the source says.

Such a proposal would significantly reduce oil consumption and would also reduce greenhouse gas emissions from trucks. But the RFF report notes that switching to natural gas vehicles is not the most efficient way to reduce transportation emissions. That could be done at a lower cost by increasing fuel economy standards, the report suggests. "To a certain extent it would reduce greenhouse gas emissions, although I think the reductions in greenhouse gas emissions actually come at a fairly high cost compared with other policies that are more specifically designed to target the reduction of greenhouse gas emissions," the source adds.

A natural gas industry source says that proposals for natural gas vehicles -- whether from LNG or compressed natural gas -- are gaining more traction in light of the oil spill. But the source also notes that building out the needed infrastructure could pose a problem. Nevertheless, the source says natural gas vehicles are more successful when "there's a single filling depot and all of the vehicles come back to the same place at the end of the day -- buses, vehicles around ports, things of that nature. It's a little more complicated when you've got vehicles that travel all over the place." The source continues: "And so the first place to tackle that issue, I think, beyond fleet

vehicles, would be over-the-road trucks where they essentially travel the interstates and it might be easier to establish the infrastructure necessary to do that."

Despite the potential impacts on oil consumption from such proposals, some environmentalists say the infrastructure issues are an insurmountable problem, pointing to ongoing difficulties in setting up ethanol refueling stations. "Setting up the infrastructure for building these LNG engines is probably slightly more difficult than there's credit for. The trucking industry, sort of by its nature, relies on the fueling infrastructure that we have. I haven't seen any good statistics on how many miles you can get and how many terminals you'll have to build, but if you look at the history of ethanol vehicles and E85 stations and the laborious process of trying to get an ethanol infrastructure built, it's almost a complete failure," one environmentalist says.

A bill introduced in the Senate last week by Sens. Richard Burr (R-NC) and Saxby Chambliss (R-GA), which is being cast as an alternative to energy and climate legislation, includes as the main focus of the legislation provisions meant to incentivize natural gas vehicles. According to a summary, the bill: "Extends the alternative fuel tax credit for compressed natural gas and liquid natural gas"; "Extends the income tax credit for the purchase of vehicles that run on alternative fuels"; "Creates a Natural Gas Vehicle Bond Program -- allows state and local governments to issue tax-exempt bonds in order to finance natural gas vehicle and infrastructure projects"; and "Requires federal agencies to purchase alternative fuel vehicles unless the agency can show that alternative fuel is unavailable."

A source in Burr's office says the main purpose of the senators' legislation is to find "some of the key ways we can reduce our dependence on oil for the transportation sector, obviously, and reduce greenhouse gas emissions, but without putting a price on carbon, without capping carbon."

The senator's staff met with a number of vehicle manufacturers before writing the legislation and they were told that it's best to start with heavy-duty trucks. "They've been talking to different manufacturers and they really think that if you provide the right incentives both for the manufacturing and purchasing of the vehicles, as well as for the fueling infrastructure, that you could really have a game-changer if you get just a few manufacturers to make natural gas trucks and long-haul vehicles," the source says.

An energy bill authored by Sen. Richard Lugar (R-IN), which is seen as the main Republican alternative to Democrats' proposals, does not specifically include incentives for natural gas vehicles. But it does increase vehicle efficiency standards.

Energy and climate legislation introduced by Sens. John Kerry (D-MA) and Joseph Lieberman (I-CT), which is one of the main bills in contention to form part of comprehensive legislation expected to be brought to the floor in mid-July, also includes natural gas vehicle provisions. The bill includes: extensions of tax credits for natural gas vehicles, a natural gas vehicles bonds program, and incentives for facilities that manufacture natural gas vehicles. In addition, the bill calls for a study on the impacts of increasing the percentage of natural gas vehicles in the federal fleet.

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## **PRINT COVERAGE**

**Ala. Men Hope Route 66 Trip On CNG Proves A Point** – *Associated Press* – 7/3/10

By Murray Evans

ARCADIA, Okla. - A drive along old U.S. Highway 66 can provoke nostalgic memories of a bygone era, of two-lane roads winding through small towns dotted with mom-and-pop stores, full-service gas stations and tourist stops, such as the famed red Round Barn of Arcadia.

Two Birmingham, Ala., men hope their trip down The Mother Road causes others to look to the future, at least when it comes to vehicle fuel. Mark McConville and Keith Barfield are making the 2,450-mile journey from Santa Monica, Calif., to Chicago in a candy-apple red 1966 GTO that's been converted to run on compressed natural gas, or CNG.

The men started what they dubbed as the "Drive to Inspire" on June 27, passed through Oklahoma on Thursday and Friday and plan to finish their trip on July 4. Their ultimate goal is to win converts to the cause of using CNG as a vehicle fuel in the U.S., where it has yet to significantly catch on as an alternative to gasoline.

Supporters of expanded CNG use say the fuel produces less greenhouse gases than oil, is found in massive quantities in the U.S. and is less expensive at the pump than gasoline or diesel fuel.

"We heard (President Barack Obama) speak on June 15 and he said he wants to unleash American innovation. That's just what we've brought here today," McConville said after a stop at Pops, a Route 66 restaurant featuring a 66-foot-tall sculptural rendition of a pop bottle with a straw. "It's just an example to show if natural gas can be used in American muscle cars ... then you can certainly use it in today's higher-technology cars.

"This is a great way to energy independence and it meets the environmental criteria. ... It seems like we get the best of both worlds here."

McConville, 51, owns a company that provides van shuttle service from Birmingham to Atlanta airports. When gasoline prices spiked two years ago, his bottom line took a major hit. Barfield, an accountant, had heard billionaire energy magnate T. Boone Pickens tout CNG use as part of the "Pickens Plan" for U.S. energy independence. The two friends discussed the possibility of using CNG vehicles for the shuttle service.

McConville started using CNG vans a year ago and aid the change saves the company \$25 per round trip in fuel costs, which essentially paid for the cost of the vans within a year. That gave him another idea-to convert his GTO to run on CNG. They did that last October, at a cost of about \$3,500.

They started planning their Route 66 trip about that time, knowing the major challenge would be finding enough CNG fueling stations along the route. According to the Washington, D.C.-based group Natural Gas Vehicles for America, while there are more than 1,100 natural gas vehicle fueling stations in the U.S., only about half of them are open to the public.

Aware of that lack of infrastructure, Barfield and McConville are being accompanied on the trip by a vehicle that carries extra CNG, just in case. They've made alternative fueling arrangements for so-called "holes" along Route 66 where they said CNG stations aren't readily available, most notably Flagstaff, Ariz., and Amarillo, Texas.

"Oklahoma is way ahead of the rest of the country in requiring some (CNG) stations every 150 miles," said Barfield, 53. "We really wish that there would be enough stations all across the country so that people could travel on CNG."

The issue of CNG fueling availability is one of simple economics, said Larry Grillot, the dean of the University of Oklahoma's Mewbourne College of Earth and Energy. While some cities, states and private organizations have converted heavy-duty vehicles to CNG and have their own fueling stations, public access to those stations can be limited. And while there are a handful of public CNG stations in larger towns, he said, it's more difficult to find them in rural areas.

"How do you go from place to place and not get stuck in the middle? That's the hardest part," Grillot said. "Historically, it takes awhile to start to put that (infrastructure) in."

Grillot said it would take a "policy decision" by the federal government to kick-start the process of mass usage of CNG as a vehicle fuel. If that happens, he said, it could lead toward the development of better CNG engine technology and increased production of CNG vehicles in the U.S. There is only one mass-market natural gas car sold in the U.S., the Honda Civic GX.

"We have a lot of natural gas resources, but it always gets down to, how much and at what price (will it cost) and how will that compete with gasoline?" Grillot said. "...We'll be using oil and gas for a long, long time, but natural gas is one of those bridging fuels that can address a lot of concerns that is right there, right now, and it's pretty easy to use."

Says McConville: "Americans are pretty good businesspeople. If there's demand, the gas stations will come."

U.S. Rep. Dan Boren, D-Okla., has sponsored a bill he thinks would encourage the use of CNG as a vehicle fuel. What is what is known as the New Alternative Transportation to Give Americans Solutions-or NAT GAS-Act would offer incentives to automakers to make natural gas vehicles and to consumers to buy those vehicles. A long-term aim of the bill is to bring more natural gas-powered vehicles to market, both the heavy-duty and passenger varieties.

The first version of the bill was introduced in July 2008 by Boren and then-U.S. Rep. Rahm Emanuel of Illinois. Emanuel since has become Obama's chief of staff. A companion Senate bill has been co-sponsored by Majority Leader Harry Reid of Nevada.

But the current version of the House bill-which has 144 co-sponsors-has languished in committees for months.

During the U.S. Conference of Mayors meeting last month in Oklahoma City, the mayors traveled around in CNG-powered vehicles and passed a resolution asking Congress to pass legislation to boost the use of natural gas. Pickens praised that act, saying the mayors see the NAT GAS Act "as a solution to embrace our own natural resource and keep that money right here in our country."

McConville and Barfield aren't so unlike those who traveled Route 66 during the highway's early years in the 1920s, said Michael Wallis of Tulsa, the author of "Route 66: The Mother Road," who served as the voice of the sheriff of the mythical town of Radiator Springs in the animated movie "Cars." He said many on Route 66 advocate the use of alternative fuels.

Wallis called the GTO driven by the two men "the future, because we have to get our act together. This road is not just poodle skirts and James Dean and '57 Chevys and loud pipes and Harley guys and all of that. It's not just nostalgia. It's reality. We have the opportunity right now, with our various forms of alternative energy ... to turn this place around.

"This is going to get us there," he said, pointing at the car. "These two guys and their families are showing you the way. They're gently hitting you over the head with a board and saying, 'Climb on.' ... We're all in this together. Everybody lives on Route 66. Every state has a Radiator Springs."

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### **OnCue Seeks To Add Natural Gas Facility – *Edmond Sun* – 7/2/10**

By James Coburn

EDMOND — An opportunity has surfaced for the City of Edmond to use a local resource to fill city vehicles with compressed natural gas, said Bob Schiermeyer, speaking recently to the Central Edmond Urban Development Board.

An OnCue Express site plan amendment won the support of the Urban Board to add a compressed natural gas facility. OnCue is on the northeast corner of Ninth Street and Broadway.

“They would place in an area just north of the canopy an island for compressed natural gas,” Schiermeyer said.

A 20-foot by 40-foot brick-veneer enclosure is planned for storage of tanks and equipment. Landscaping would be altered at the location but the number of plants will not change.

“We are doing three in the metro area and six in the northern half of Oklahoma,” said Robbie Hudson, representing OnCue. “They will be Chesapeake satellite offices.”

Chesapeake Energy is planning to increase its number of CNG vehicles, he said. CNG sells for about \$1.40, Hudson said. And CNG as a fuel source is saving the City of Oklahoma City \$1,000 a month in energy costs for each of its 12 trucks, Hudson said.

Urban Board member LeRoy Cartwright said OnCue’s proposal is a leadership opportunity for Edmond to provide an alternative fuel source to consumers. Consumers would use a regular gas dispenser to fuel their vehicles.

Honda is already offering the Civic GX, Hudson said. CNG conversion is offered at Carter Chevrolet, Okarche; Jim Norton Ford, Broken Arrow; and at Tulsa Gas Technologies Inc., according to CNGNow.com

“I’ve watched that one on 50th and Western. That is nice and clean with no additional traffic problems. I think it’s a great idea,” Cartwright said.

American financier T. Boone Pickens stated in the Pickens Plan that converting 10 percent of U.S. vehicles to CNG would lower U.S. oil consumption to save nearly \$50 billion dollars each year.

“That’s \$50 billion less spent on foreign oil,” Pickens stated.

OnCue’s site plan amendment will next head to Edmond City Council for a public hearing at 5:30 p.m. July 12 in City Council Chambers, 20 S. Littler.

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**Kleiner-Backed V-Vehicle’s Headquarters Remains in San Diego—For Now** – *San Diego Union Tribune* – 7/2/10

By Bruce V. Bigelow

San Diego has learned from years of painful experience that being the hometown of a corporate headquarters is an insecure relationship that depends entirely on the fidelity of the company’s CEO. So it seemed inevitable that San Diego-based V-Vehicle would move its headquarters to the San Francisco Bay Area after the wheels came off the automotive startup on March 24th.

That was the fateful Wednesday when the U.S. Department of Energy rejected V-Vehicle’s application for \$320 million in loans (\$70 million for engineering and \$250 million for manufacturing) under the agency’s Advanced Technology Vehicle Manufacturing program.

The DOE decision appeared to take V-Vehicle by surprise. Within a week, founding CEO Frank Varasano left the company—along with Horst Metz, the vice president of assembly operations. Ray Lane, V-Vehicle’s founding chairman and a managing partner at Kleiner Perkins Caufield Byers, stepped in as interim CEO. So it seemed it was only a matter of time until V-Vehicle moved its headquarters from San Diego, where Varasano lives, to someplace near Lane’s office in Menlo Park, CA.

## V-Vehicle Headquarters

Something like that still seems likely to happen. Lane continues to run the four-year-old startup on an interim basis from Menlo Park, while Kleiner Perkins conducts an active search for a replacement CEO, according to David Langness, a spokesman for V-Vehicle in Los Angeles. Langness tells me that most of V-Vehicle's corporate functions, including finance and operations, remain at the startup's leased office space in downtown San Diego's East Village.

V-Vehicle has raised about \$87 million in venture funding, and Kleiner Perkins (which also is backing electric carmaker Fisker Automotive of Irvine, CA) is not the only big-name involved. Other prominent investors include the billionaire oilman T. Boone Pickens (who was calling for a switch to natural gas-powered vehicles), and Google Ventures. But the VC money represents only a fraction of V-Vehicle's capital requirements, so the Energy Department's rejection has pushed the startup to the precipice. The company still needs the federal loans, along with almost \$90 million in Louisiana state and local government financing, to build its automotive assembly plant in Northeastern Louisiana.

Lane, who was the president and COO at Oracle before joining Kleiner Perkins, travels frequently between Menlo Park and San Diego, as well as Monroe, LA, where V-Vehicle still hopes to refurbish a shuttered plant, and Detroit, where the company also maintains an office. Tom Matano, the celebrated Mazda designer who was recruited as V-Vehicle's director of design, continues to work for the company in San Francisco, where he also serves as executive director of the School of Industrial Design at the Academy of Art University.

With Lane in the driver's seat, V-Vehicle submitted a revised application for the DOE loans in mid-May. The company says the revised application would include more operational and financial information.

Lane told The News Star newspaper of Monroe, LA, the revised application would address two key concerns, which he says energy department officials raised in their rejection of V-Vehicle's original loan application. With V-Vehicle seeking more than \$400 million in federal, state, and

local government financing, Lane says the energy department wants to see the startup put more of its own skin in the game—ostensibly by raising additional private capital. Lane says the energy department also wants the company to secure a partner to distribute its cars as part of the company’s go-to-market strategy.

The automotive startup also lifted the veil, at least somewhat, on the stealth strategy that Varasano had maintained after V-Vehicle made its debut at a Louisiana news conference in June 2009. V-Vehicle’s launch triggered widespread media attention—and intense speculation—at the time by announcing plans to manufacture a “high-quality, environmentally friendly, and fuel-efficient car” without providing any details explaining how or why the car was environmentally friendly. Because V-Vehicle’s financial supporters included Kleiner Perkins and Pickens, some reports guessed that the company was building an electric vehicle, or perhaps a car powered by natural gas.

After V-Vehicle’s loan was rejected, however, the company disclosed that it planned to build a conventional gasoline-powered, four-passenger sedan. In April, the company also rolled out a prototype V-Vehicle for select Louisiana state politicians and media (although no photographs were allowed). In this respect, V-Vehicle’s leadership has continued to rely on the timeworn stratagem of winning political support for the company by emphasizing the fact that the company will add some 1,400 jobs to an economically depressed corner of disaster-wracked Louisiana.

News reports describe the V-Vehicle prototype as a four-door compact hatchback that is roughly the length of a Toyota Corolla and as wide as a BMW 5 Series, with front-wheel drive and 15-inch wheels. The body is made of a white-colored composite material—not metal—so it is likely lighter than a conventional car. According to one report, V-Vehicle also plans to eliminate the paint facility, an expensive operation that requires extensive environmental controls, by allowing customers to order personalized colors and patterns that would be affixed in a process akin to shrink-wrap.

So now, much depends on the outcome of the startup’s revised application.

Still left unsaid, however, is how a V-Vehicle powered by an internal combustion engine is significantly more fuel-efficient or environmentally friendly than some cars already on the road today. I'm also left wondering how all of this is really different from conventional automotive production—and why what's been disclosed so far would be considered “advanced technology.”

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### **Fracas Erupts Over ‘Fracking’ Practices – *Houston Business Journal* – 7/2/10**

By Ford Gunter

Despite the best intentions of energy icon T. Boone Pickens and regardless of the controversy over deepwater exploration in the Gulf of Mexico, onshore natural gas operations in the United States face a serious and distracting problem.

Hydraulic fracturing — the now common industry process of injecting water and chemicals into reservoirs to fracture rock and free up gas and oil — is in the cross hairs of shareholders and environmental groups, and is drawing scrutiny from Congress, which is considering increased regulation.

Shareholder groups filed proposals this year affecting a dozen companies involved in hydraulic fracturing, or “fracking,” in which they requested more disclosure on risks. The response votes were very favorable, the groups say.

Of 12 proposals filed, six went to a shareholder proxy vote and were supported by between 21 percent and 42 percent of shareholders.

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**Try New Energy Sources – *The Oregonian* – 7/2/10**

I hope that the Boardman coal-fired plant is replaced, not phased out ("Coal plant's closure is a race against time," June 30) . Let's seriously debate the alternative for a zero-emissions plant using solar, wind and nuclear (thorium). The idea of dealing with nuclear waste worries me, as does its high capital cost, but it is reliable, abundant and produces no greenhouse gases. Letting the three technologies go head-to-head with the same funding appeals to me.

I agree with T. Boone Pickens that we have reached peak oil and will be spending \$4.99 a gallon in the near future, regardless of how much we drill, baby, drill. It is a global market.

I also agree with the science of global warming and with the need to tax carbon so as to reflect its harm and pay for its replacement.

Robert Bressler, North Portland

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## **BLOG/ONLINE COVERAGE**

### **Natural Gas For Transportation? Yes, Via Electric Cars – *Hybrid Cars* – 7/2/10**

Billionaire oil man turned energy independence activist T. Boone Pickens has lately been doing the cable news talk show rounds again, trying put a little wind back into the sails of his flagging Pickens Plan. The alternative energy scheme would seek to replace gasoline with compressed natural gas, which generates 30 percent less emissions and is readily abundant within the United States. Pickens spent what any non-billionaire would consider a fortune promoting and investing in this idea, with little or nothing to show for it as of yet.

According to a two-year study out of M.I.T. though, natural gas really is the future—just not of transportation. The report says it's highly unlikely that natural gas will ever power more than 15 percent of vehicles in the United States, but predicts that by 2050, the fuel will replace coal as the leading source of electrical power in the United States. Simply by ramping up natural gas production and electrical generation, the study says that "CO2 emissions could be reduced by as much as 22 percent with no additional capital investment."

So even if mainstream commuter cars will never carry CNG tanks, the electric vehicles of tomorrow are likely to indirectly get much of the juice they use to charge their batteries from natural gas.

Don't Write Off CNG Vehicles Just YetM.I.T. found some realistic uses for natural gas vehicles: "There are two vehicle market segments likely to offer an attractive payback period in the near term: high-mileage, light-duty fleet vehicles (e.g., taxis, government vehicles) and high-mileage, non-long-haul, heavy-duty vehicles (e.g., urban buses, delivery trucks)."

And some carmakers do see still potential for growth in the market. The Honda Civic GX is the only mass-produced natural gas car available in the United States, though the company has been reluctant to expand production on the vehicle—which is only available in four states. Honda seems to be biding its time, waiting to see whether government incentives will lead to more natural gas pumps at filling stations and how the market will react to an inevitable uptick in oil

prices. If there is a clamor for more natural gas Civics in the U.S., the Japanese automaker is capable of significantly ramping up production at its Greensburg, Ind. plant, which began manufacturing the GX last year.

Chrysler is reportedly weighing a much more aggressive move into CNG. According to a recent report by Edmunds, the company is likely to offer several vehicles with a CNG option in the coming years. Fiat, which took over Chrysler last year after it declared bankruptcy, already sells 130,000 natural gas vehicles per year in Europe. Just how many of these cars will be built and whether this will translate into a significant increase in the number of these vehicles on American roads though is anybody's guess.

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## BROADCAST COVERAGE

### 1. America's Crude Reality (Rebroadcast)

CNBC, National | DMA: 0

07/05/2010, 06:00 AM - 07:00 AM

[CC] 00:13:56 A trip to the great white north, does canada have a smarter and safer way to feed our addiction? By 2030, we could be getting anywhere from 3 million to 6 million barrels per day of **oil** from canada. Cnbc's michelle caruso cabrera gets an all-access pass to devon **energy's oil** sands project. And later, **energy** icon **BoonePickens** with us to maput his solutions for **fueling** the future.00:14:18

[CC] 00:26:31 First, when "America's crude reality" returns. Legendary **energy** tycoon **BoonePickens** weigh in on the need to get beyond the barrel. How long until we actually find the **fuel** of the future? And what will it be? Plus, is America missing a big growth opportunity by not spending enough on **energy** r&d? I wouldn't say just to reinvent research and **energy**. It's to invent it for the first time.00:27:12

[CC] 00:30:50 An addiction to **oil** is one thing, an addiction to **oil** that makes the U.S. Dependent on some not-so-friendly foreign countries is quite another. The U.S. consumes roughly 19.5 Million barrels of **oil** a day. We import from opec countries nearly 6 million barrels a day. That's about a third of what we consume and nearly half of what we have to import. **T. BoonePickens** is founder and chairman of BP Capital Management. If we don't buy this **oil** from the middle east, we buy from somebody else. We buy from canada. It's all going to be consumed. What difference does it make if we say we're not going to buy from the middle east? I agree. I would not argue with that. It's not going to work that way. Because if you cut them off --Say you cut opec off, well, it's --It's going to --You cut them off, I mean, it's going to be very disruptive for a period of time and the process will certainly escalate with that. I don't think you can **pick** and choose that way as to where you purchase **oil**. What if we let **oil** get really expensive? What if we wait for market forces to take hold. **Oil** gets expensive. People stop using it. What's wrong with letting the market work? We saw it two summers ago. It got to be \$4.11. People started looking at alternatives. They started not driving as much. The price went back down. We stopped. What's wrong with letting the market work until it's gone and really expensive? That day, \$4.11 Was the day launched the **Pickens** plan, July 8, 2008. And my position there was get off of opec **oil**, it's not friendly to us. At some point, you're going to pay an unusual price for that **oil**. And we -- I'm a peak **oil** person. So I think 85 million barrels is all the world can produce. So you start running over 85 million for demand, and we're --We're coming up on that pretty fast now --That as the global economy recovers, demand will go up to 86, 87. Price will follow. If you're capped off on supply, you only have one way to kill demand, that's with price. And you will run the price up. No question you'll do that. But why do you want to do that when you have resources in America that we can use? We don't have to play the market. We have cheaper, cleaner resources in America. I don't know if they're cheaper. I mean, when we look at things like ethanol. Look,

I'll give a boost to ethanol here. I used to be very much against ethanol. But it replaces foreign oil. Foreign oil costs me a lot more than just \$72 or \$76 a barrel. So does the ethanol. Because there's a lot of tax incentives in there. It's not oil price either. Ethanol creates jobs. And it's money here. Money made here, taxes are paid on it. It helps the economy. When we send the money out of here for foreign oil, it's gone. And if two-thirds of your trade deficit is the purchase of foreign oil. I mean, everything we do for foreign oil hurts us. It does us no good. .... We're stuck with fossil fuel for a long time. There's no question about it. But the natural gas --You go --What you need to do is give a --Give a test case and show what natural gas can do for you. That case is to take the 8 million 18-wheelers in the United States, 8 million out of 250 million vehicles. Just 8 million, give me those. And go to natural gas on those vehicles and you'll cut opec in half. All right, we'll learn the lesson from there. **T. BoonePickens**, thanks for joining us today.00:35:26

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

## **2. America's Crude Reality (Rebroadcast)**

**CNBC, National | DMA: 0**

**07/04/2010, 11:00 PM - 12:00 AM**

[CC] 00:13:54 a trip to the great white north. Does canada have a smarter and safer way to feed our addiction? By 2030, we could be getting anywhere from 3 million to 6 million barrels per day of **oil** from canada. Cnbc's michelle caruso cabrera gets an all-access pass to devon **energy's oil** sands project. And lar, **energy** icon **BoonePickens** with us to map out his solutions for **fueling** the future.00:14:18

[CC] 00:26:38 First, when "America's crude reality" returns. Legendary **energy** tycoon **BoonePickens** weighs in on the need to get beyond the barrel. How long until we acally find the **fuel** of the future? And what will it be? Plus, is America missing a big growth opportunity by not spending enough on **energy** r&d? I wouldn't say just to reinvent research and **energy**. It's to invent it for the first time.00:27:13

[CC] 00:30:51 An addiction to **oil** is one thing, an addiction to **oil** that makes the U.S. Dependent on some not-so-friendly foreign countries is quite another. The U.S. consumes roughly 19.5 Million barrels of **oil** a day. We import from opec countries nearly 6 million barrels a day. That's about a third of what we consume and nearly half of what we have to import. **T. BoonePickens** is founder and chairman of BP Capital Management. If we don't buy this **oil** from the middle east, we buy from somebody else. We buy from canada. It's all going to be consumed. What difference does it make if we say we're not going to buy from the middle east? I agree. I would not argue with that. It's not going to work that way. Because if you cut them off --Say you cut opec off, well, it's --It's going to --You cut them off, I mean, it's going to be very disruptive for a period of time and the process will certainly escalate with that. I don't think you can **pick** and choose that way as to where you purchase **oil**. What if we let **oil** get really expensive? What if we

wait for market forces to take hold. **Oil** gets expensive. People stop using it. What's wrong with letting the market work? We saw it two summers ago. It got to be \$4.11. People started looking at alternatives. They started not driving as much. The price went back down. We stopped. What's wrong with letting the market work until it's gone and really expensive? That day, \$4. 11 Was the day launched the **Pickens** plan, July 8, 2008. And my position there was get off of opec **oil**, it's not friendly to us. At some point, you're going to pay an unusual price for that **oil**. And we -- I'm a peak **oil** person. So I think 85 million barrels is all the world can produce. So you start running over 85 million for demand, and we're --We're coming up on that pretty fast now --That as the global economy recovers, demand will go up to 86, 87. Price will follow. If you're capped off on supply, you only have one way to kill demand, that's with price. And you will run the price up. No question you'll do that. But why do you want to do that when you have resources in America that we can use? We don't have to play the market. We have cheaper, cleaner resources in America. I don't know if they're cheaper. I mean, when we look at things like ethanol. Look, I'll give a boost to ethanol here. I used to be very much against ethanol. But it replaces foreign oil. Foreign oil costs me a lot more than just \$72 or \$76 a barrel. So does the ethanol. Because there's a lot of tax incentives in there. It's not oil price either. Ethanol creates jobs. And it's money here. Money made here, taxes are paid on it. It helps the economy. When we send the money out of here for foreign oil, it's gone. And if two-thirds of your trade deficit is the purchase of foreign oil. I mean, everything we do for foreign oil hurts us. It does us no good. .... We're stuck with fossil fuel for a long time. There's no question about it. But the natural gas --You go --What you need to do is give a --Give a test case and show what natural gas can do for you. That case is to take the 8 million 18-wheelers in the United States, 8 million out of 250 million vehicles. Just 8 million, give me those. And go to natural gas on those vehicles and you'll cut opec in half. All right, we'll learn the lesson from there. **T. BoonePickens**, thanks for joining us today.00:31:52

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

### **3. Fox Business**

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

**07/02/2010, 02:00 PM - 03:00 PM**

[CC] 00:33:36 . Americans around the country prepare to celebrate independence day our next guest is looking for another day of freedom. Joe Shuster, Beyond Fossil Fuels Road Map To Energy Independence By 2040. Joe, great to see you. You say it would be great to find a new way of energy and cheaper and better cleaner than fossil fuels, right? Well, absolutely. I want to thank you for infighting --Inviting me to discuss a sear subject. No, I'm not a tree hugger. I think I'm very pragmatic. I'm worried about my children and grandchildren and your children and grandchildren and inheriting a world in total chaos. That is what concerns me. David: what is most --I've seen the stats on **windmills** and the other. Even with the best analysis from **T. BoonePickens** who has a stake in the whole project, that is not going to cut it for a while. We'll be using fossils for a long time. What is the most reasonable thought of a way to get away from

that dependence? Well, we're going to need all the silfuels we can put our hands on, every drop of **oil** and every cubic foot of gas to make the transition where we are today to pleadly clean, renewable, a eternal **energy** regime. So, it is not like, fossil **fuels** will go away. We do have to get away from them. Earth. Let's face it. I did, one of the things they just had a congressional hearing where, secretary chu was asked, what will our **energy** mix look like 30 or 40 years hence? He couldn't answer it. And, I'm thinking to myself, well, he couldn't answer it, maybe there is political issue involved. Or he just doesn't know. Both are very disconcerting. And, --. David: joe, lete get you on to one particular point. First of all a chemical engineer for those who don't know. You co-founded Minnesota valley of engineering. A really break through company that came out with equipment, crgenic equipment used in industry medicine. Deep freeze material. What, when you think of what you did in your research what other people are doing in solar, what particular way of divining energy is going to be the most useful and productive for us? I covered that in a report we just published. The title of it is, energy independence day 2040. In that document I talk about all the limitations and strengths and weaknesses of all energy sources. And after, after determing these, strengths and weaknesses, I put together a rational, mix, and then, also, also, determined what the cost would be. And here's whathe mix will look like. I think it is fairly reasonable. We'll have renewables about 50% that will include, wind, solar, tides, waves. Geothermal. Tams, et cetera. Dams. Fossil fruls and deficit of 40%. The only way the deficit will be made up is with nuclear energy. The world lucked out. It is inevitable nuclear energy is in our future. Not nuclear energy we know today. Because we're running out and they're poisoning the we'll be using fast neutron reactors which will use for fuel the waste that we were going to throw away in yucca mountain.00:38:06

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

#### **4. The Ray Lucia Show**

**Syndicated Radio, National | DMA: 0**

**07/05/2010, 01:00 PM - 02:00 PM**

00:32:00 ... the study also suggested there will be growth in compressed **naturalgas** vehicles especially for short haul vehicles like buses but it did not find the costs to be attractive for liquid **naturalgas** especially for long haul vehicles ... Texas billionaire **TBoonePickens** says the study did not focus enough on **naturalgas** for transportation ... **Pickens** thinks **naturalgas** should be used to run 18 wheelers 00:33:59

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

#### **5. Clean Skies Sunday**

**WJLA-TV (ABC) CH 7, Washington, DC | DMA: 9**

**07/04/2010, 09:30 AM - 10:00 AM**

[CC] 00:02:01 Well, it's now up to senate majority leader harry reid to craft an energy and climate bill he thinks will pass, despite stiff and what could be unanimous opposition from republicans. Democrats say they're aiming for floor debate before the August recess. Well, congress has been passing energy bills since the 1970s, but despite the billions being spent to encourage domestic oil production, our oil imports have only grown. Our executive editor, margaret ryan, takes a look at America's oil addiction and why it's a habit that's so hard to break. We will break the back of the energy crisis. We will lay the foundation for our future capacity to meet America's energy needs from America's own resources. For decades, we talked and talked about the need to end America's century-long addiction to fossil fuels. And for decades, we have failed to act with the sense of urgency that this challenge requires. For 36 years, presidents have made energy independence a goal. Why have we failed to achieve that goal? Why are we still importing all that oil and what can we do to stop? Ryan: back in 1973, when opec's first oil embargo mangled the U.S. Economy, we imported about half of our daily oil needs, and we used only 12 million barrels a day. Today we use more than 19 million barrels and we import nearly 2/3 of it. We're now importing as much oil as we used in the '70s. It turns out in 1970, U.S. Oil production peaked. All the consumption added since has added to imports. Opening up more land to drilling or allowing more drilling will mitigate the fall-off in U.S. Oil production, but I don't see a situation where we're going to see a major increase in U.S. Oil production. Ryan: that leaves us sending billions abroad for oil. **T. Boone Pickens** says we're sending more than \$600,000 a minute overseas. We've had chances to use less. We've cut our oil for electricity generation down from 17% to less than 2% of our power. Phil sharp, head of a bipartisan think tank, says we're using all our oil more efficiently. We probably ought to celebrate that, although about half of that is the result of improved efficiency in vehicles and about half of it is the result of actually losing industry that was big consumers of oil. Ryan: 70% of our oil is used in transportation, 2/3 as gasoline and the rest as diesel or fuel for airplanes and railroads. The other 30% goes for things as diverse as home heating oil, fertilizers, plastics, asphalt, and lubricating oils. There are substitutes for some uses, but even if we got rid of all that, we'd still be importing half the oil we use just as in 1973. The biggest place to look is right here, right in our driveways. R car engines have gotten much more efficient since 1987, but our average mileage has been stuck around 20, 21 miles per gallon, because we started buying larger and heavier vehicles. A larger car, woman: we need because we travel home to New Jersey a lot to fit all of our four children. Sometimes a dog or two. And the reason I chose the dodge grand caravan is because it had more storage space in the back than the honda odyssey, and that's really what sold me, was a foot and a half more storage space. Ryan: and until 2008, low gas prices made larger cars a reasonable choice. Basically, we've been unwilling to say we would price ourselves at a much higher rate to force ourselves, in industry and as individuals, to use less. Ryan: mario eberle sells fords in northern Virginia. He says customers want economy and they want to be green. I think that's the biggest change that I've seen, that people are actually aware and they're making a conscious effort to be green and to have less of a carbon footprint. ...00:05:47

**Audience:** 14,647 **Spot Cost:** \$141

## 6. KQV News

**KQV-AM (IND) Freq. 1410, Pittsburgh | DMA: 23**

**07/05/2010, 10:00 AM - 11:00 AM**

00:20:00 ...one study from the Massachusetts Institute of Technology says **naturalgas** will be a steppingstone , a bridge to the low carbon future ..Ernie Moneese director of Mit energy initiative says of the growth of **naturalgas** is likely to come at the expense of coal because of its smaller carbon footprint ... .. the study also suggested there will be growth in compressed **naturalgas** vehicles especially for short haul vehicles like buses but it did not find the costs to be attractive for liquid **naturalgas** especially for long haul vehicles ... Texas billionaire **TBoonePickens** says the study did not focus enough on **naturalgas** for transportation ... **Pickens** thinks **naturalgas** should be used to run 18 wheelers 00:21:59

**Audience: 2,975 Spot Cost: \$13**

## 7. Stars & Dogs

**Business News Network, National Canada | DMA: 950**

**07/05/2010, 08:30 PM - 09:00 PM**

[CC] 00:08:27 Caller: this question's on encana for your guest there. I was just wondering what you thought about encana, gas producer. And what his thoughts are about, you know, U.S. And them turning to natural gas, you know, because of the environment, burning all the coal that they use now. Greg: I agree with you on the natural gas comments. I think the problems in the gulf have just highlighted how **naturalgas** is probably the commodity that will win longer term for this. We've got the **Pickens Plan**. Obama's out supporting **naturalgas** as a use much it's a domestic commodity. You don't have to go to the middle east for it so there's safety of supply. Longer term I think **naturalgas** is going to start gaining share for **energy** consumption versus **oil**. So in at case you want to be in **naturalgas**. Encana's a very safe conservative way to play **naturalgas**. They've got a lot of good --Since the spinoff of cenovus they've concentrated just on large-scale plays in north America for **naturalgas**. They've got plays in all the big shale assets in north America in U.S. Mainly. A company that's also done very well managing its capital budget. They've hedged a lot of their **naturalgas** production amore than \$6 for M.C.F. , Which is much higher than the current price. With that in mind the stock hasn't been as volatile. Some of the mid-tier that haven't done any hedging. Near term **naturalgas** contract. It's incredibly hard to predict **naturalgas** in the short term, but longer term I think it definitely has a positive bias. Sole encana would benefit from that. Howard: sorry. Any position there? Greg: we do own encana.00:10:46

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

## 8. Market Call

**Business News Network, National Canada | DMA: 950**

**07/05/2010, 12:30 PM - 01:30 PM**

[CC] 00:38:30 Caller: this question's on encana for your guest there. I was just wondering what you thought about encana, gas producer. And what his thoughts are about, you know, U.S. And them turning to natural gas, you know, because of the environment, burning all the coal that they  
greg: I agree with use now. You on the natural gas comments. I think the problems in the gulf have just highlighted how **naturalgas** is probably the commodity that will win longer term for this. We've got the **PickensPlan**. Obama's out supporting much it's a domestic **naturalgas** as a use commodity. You don't have to go to the middle east for it so there's safety of supply. Longer term I think **naturalgas** is going to start gaining share for **energy** consumption versus **oil**. So in that case you want to be in **naturalgas**. Encana's a very safe conservative way to play **naturalgas**. They've got a lot of good --Since the spinoff of cenovus they've concentrated just on large-scale plays in north America for **naturalgas**. They've got plays in all the big shale assets in rth America in U.S. Mainly. A company that's also done very well managing its capital budget. They've hedged a lot of their **naturalgas** production at more than \$6 for M.C.F. , Which is much higher than the current price. With that in mind the stock hasn't been as volatile. Some of the mid-tier that haven't done any hedging. Near term **naturalgas** contract. It's incredibly hard to predict **naturalgas** in the short term, but longer term I think it definitely has a positive bias. Sole encana would benefit from that. Howard: sorry. Any position there? Greg: we do own encana.00:40:45

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