



T. Boone Pickens Media Coverage 7.10.09

Total of 53 Placements

- Print: 12
- Blog/Online: 20
- Broadcast: 21

Coverage Summary:

Fox News Channel and *Fox Business* reported on the introduction of the NAT GAS Act. The reports outline the tax credits and say this is a clear message that the government is committed to natural gas powered cars. Pickens' ad was also aired and the Pickens Plan website was mentioned.

Pickens latest blog on *The Huffington Post* discusses the NAT GAS Act, saying now is the time to act. The piece outlines the bill and explains how natural gas plays an important role in reducing our dependence on foreign oil.

Roll Call published a picture of Pickens and Senator Orrin Hatch as they walked to the news conference to introduce the NAT GAS Act.

Oil & Gas Journal also reported on the introduction of the bill, highlighting the key components and the benefits of natural gas.

Articles continue to appear regarding Pickens' plans for his wind farm. *Platts* reported that Pickens kept his cool as reporters bombarded him with questions about the future of wind energy.

The *Wall Street Journal* printed a correction to yesterday's story, saying that Pickens still hopes to build the wind farm in Texas after 2013.

The Lawrence Journal World wrote an editorial that discusses the advances Kansas had made with renewable energy, saying it's great news that the state is in the running for one of Pickens' smaller wind farms.

Highlighted Placements (Full Articles Below)

- **Now Is The Time: Pass the NAT GAS Act** – *The Huffington Post* – 7/9/09
 - *AlterNet*
- **Slideshow** – *Roll Call* – 7/9/09
- **Reid, Hatch, Menendez Introduce Bill to Promote NGVs** – *Oil & Gas Journal* – 7/9/09
- **T. Boone Pickens: Cool, Calm and in Charge** – *Platts* – 7/9/09
- **Corrections & Amplifications** – *Wall Street Journal* – 7/10/09
- **In the Game** – *Lawrence Journal World* – 7/10/09

Print Placements (Full Articles Below)

- **Beyond Oil** – *The Economist* – 7/11/09
- **Pickens Praises Markey for Stance on Natural Gas** – *Greeley Tribune* – 7/10/09
- **T. Boone Pickens Calls Harry Teague 'a True Energy Independence Crusader'** – *The New Mexico Independent* – 7/9/09
- **Timothy P. Carney on Congress Gives Your Money to T. Boone Pickens** – *Washington Examiner* – 7/10/09
 - *San Francisco Examiner*
 - *The Business Insider*

- **School Officials Hope Pickens Will Donate Wind Turbine** – *Lincoln Courier (IL)* – 7/9/09
- **Editorial: Oil's Up! Oil's Down! What's Going On?** – *Schenectady Daily Gazette* – 7/10/09

Blog/Online Placements (Full Articles Below)

- **Natural Gas Vehicles Could Get a Boost** – *Washington Energy Services* – 7/9/09
- **Bipartisan Bill Boosts Tax Credits For Natural-Gas Vehicles** – *Green Car Reports* – 7/9/09
- **New US NAT GAS Act of 2009 Introduced on 'Energy Independence Day'** – *NGV Global News* – 7/8/09
- **MNN vs. Slate, Round Two: Selling Cars in 2015** – *Mother Nature Network* – 7/10/09
- *Reuters*
- **Natural Gas ETFs: Down But Not Out** – *Seeking Alpha* – 7/10/09
- **The Pickens Plan: Where Are We One Year Later?** – *Seeking Alpha* – 7/10/09
- **Hedge Funds Update: Soros, Anderson, Meriwether, Rosenberg and More** – *Seeking Alpha* – 7/10/09
- **T. Boone Pickens' Epic Wind Fail** – *Seeking Alpha* – 7/9/09
- **Senate Takes a Step Back on Energy** – *CBS News' Political Hotsheet* – 7/9/09
- **Senate Climate Change Bill Delayed Until September** – *Environment News Service* – 7/9/09
- **T. Boone Pickens, Billionaire Booster of Wind Power, Cancels His Huge Windfarm** – *Discover Magazine Blog* – 7/9/09
- **Does Pickens' Plan B include Wisconsin?** – *Milwaukee Journal Sentinel Blog* – 7/9/09
- **Pickens Slows Construction of Pampa Wind Project Due to Financing** – *Houston Economic Policy Examiner* – 7/9/09
- **Finance, Transmission Take Wind Out of Pickens' Sails** – *Environmental Finance* – 7/9/09
- **Pickens Seeks New Home For Wind Farm** – *Clean Tech Brief* – 7/9/09
- **Lack of Capital Shelves Pickens Wind Plan** – *Domestic Fuel* – 7/9/09

HIGHLIGHTED COVERAGE

Now Is The Time: Pass the NAT GAS Act – *The Huffington Post* – 7/9/09

By T. Boone Pickens

I've always said that the most important quality of a good leader is that you've got to be willing to make a decision. Too often, people fall victim to what I call the "ready-aim-aim-aim-aim" syndrome. Everything has got to be absolutely perfect. The truth is sometimes you've got to be willing to pull the trigger. Only afterward does it become apparent that the time was right.

Yesterday, I witnessed what leadership is all about firsthand. My good friends, Senators Harry Reid and Orrin Hatch, signed on as cosponsors of Senator Robert Menendez's new bill: the NAT GAS Act. This is one of the most important pieces of legislation to be introduced in the Senate over the last 40 years. It goes right to the heart of the question I've been asking since I launched the Pickens Plan a year ago on July 8:

When are we going to put in place the energy plan this country needs and deserves?

Now is the time.

The NAT GAS Act will extend and increase tax credits for natural gas vehicles and refueling. It will help encourage the development of natural gas vehicles, a much needed step for our beleaguered auto industry. NAT GAS will also save consumers thousands of dollars on fuel costs and protect our environment by utilizing cleaner burning natural gas.

This bill is the only way I know to quickly and effectively reduce our dependence on foreign oil. No other fuel can replace diesel and power a big semi or a garbage truck, including batteries. For too long, our dependence on foreign oil has been one of the leading factors influencing American foreign policy. If we can eliminate that issue by using our enormous domestic natural gas resources, I am confident that it will benefit our national security, our economy, and the environment.

As I have said many times before, natural gas is cleaner, cheaper, it's abundant, and it's American. That's why Senator Menendez's bill enjoys exceptional bipartisan support, starting at the top with Harry Reid and Orrin Hatch. The House version, which was introduced by Dan Boren, John Sullivan, and John Larson, now has a total of 71 cosponsors from both sides of the aisle. We're pulling together on this one. Not as Democrats. Not as Republicans. But as Americans.

For almost four decades, this country has been floundering without an energy plan. Is now the best time to put one in place? No. The best time to do that was back in the 1970s when we were importing a small fraction of our crude from overseas. But as these leaders are demonstrating, now is the right time.

Follow T. Boone Pickens on Twitter: www.twitter.com/boonepickens

Slideshow – *Roll Call* – 7/9/09



Sen. Orrin Hatch (left) talks with BP Capital Management Chairman T. Boone Pickens on Wednesday as they head to a news conference with Sen. Bob Menendez to introduce the New Alternative Transportation to Give Americans Solutions Act, which supports vehicles that run on clean natural gas.

Reid, Hatch, Menendez Introduce Bill to Promote NGVs – *Oil & Gas Journal* – 7/9/09

By Nick Snow

US Senate Majority Leader Harry M. Reid (D-Nev.) joined Sens. Orrin G. Hatch (R-Utah) and Robert B. Menendez (D-NJ) in introducing legislation on July 8 to increase use of natural gas in US motor vehicles.

“Each day, our nation consumes about 21 million bbl of oil, more than 25% of the world’s supply. Nearly 70% is imported from outside our borders. With only 3% of the world’s oil reserves, we cannot produce our way to a safe and secure energy future,” said Reid. “We must get serious about using cleaner burning natural gas and renewable energy, and this legislation is a strong step in the right direction.”

The three senators said that their bill, S. 1408, would expand the alternative fueled vehicle and refueling property tax credits in several ways. It would make all dedicated NGVs eligible for a federal tax credit equal to 80% of the vehicle’s incremental cost, instead of only some NGVs as is the case now. It would make all bi-fuel NGVs eligible for a 50% federal tax credit for the first time.

It would increase allowable incremental cost limits to more accurately reflect costs of producing or converting NGVs. For a light-duty vehicle, the purchase tax credit cap would climb to \$12,500 from \$5,000. For all other vehicles, the cap would be doubled.

The bill also would extend for 10 years alternative fuel credits for natural gas used as vehicle fuel, for the purchase of a natural gas vehicle, and for installing NGV refueling equipment. It would let state and local governments issue tax-exempt bonds to finance NGV projects. It would authorize grants for light-duty and heavy-duty NGV engine development.

Other provisions

It would allow 100% of the cost of a natural gas vehicle manufacturing plant that is placed in service before Jan. 1, 2015 to be expensed and to be treated as a deduction in the taxable year in which the facility was placed in service. This would decrease to 50% after Dec. 31, 2014 and would be phased out by Jan. 1, 2020.

S. 1408 also would require federal agencies, when complying with mandatory federal fleet alternative fuel vehicle purchase requirements, to buy dedicated alternative fuel vehicles unless the agency can show that alternative fuel is unavailable or that purchasing such vehicles would be impractical.

"We saw last summer how the wild fluctuations in oil prices helped to wreck our economy and we've seen how pollutants from dirty fuels are wrecking our planet," said Menendez. "Our economic crisis has shined a spotlight on the urgent need for alternative, cleaner and cheaper sources of energy that we don't have to import. By making it easier and cheaper to own a vehicle that runs on natural gas, we can help families save money on energy, create new manufacturing jobs and clean our air."

Hatch said that gas is an important vehicle fuel alternative not only because of its potential to increase US energy security, but also because it is significantly less expensive. He noted that he lobbied to include provisions encouraging more hybrid and alternative-fueled vehicle development and use in the 2005 Energy Policy Act, but added that NGVs have not grown as quickly as gasoline-electric hybrids in the time since.

'An extra push'

"I believe strongly that an extra push is needed to spur the greater use of natural gas and to get more gas-fueled vehicles on the road," he maintained. He said that Utah is in a position to lead the US in NGV use and refueling station placement, and that the state's governor, Jon M. Huntsman Jr., has helped promote making the state's major north-south highway, Interstate 15, an NGV corridor.

T. Boone Pickens, who joined the three senators at their press conference, said that the bipartisan bill would do more to reduce US dependence on foreign crude oil than any other piece of legislation in the past 40 years. "It will accelerate the use of natural gas in vehicles and is the only way I know to quickly and effectively reduce our dependence on foreign oil," he said.

The three senators introduced their bill a day after Colorado Gov. Bill Ritter announced that his energy office applied to the US Department of Energy for a \$10 million grant to dramatically expand compressed natural gas's use as a transportation fuel in the state.

T. Boone Pickens: Cool, Calm and in Charge – Platts – 7/9/09

By Rodney White

Surrounded by a scrum of journalists in the US Capitol's LBJ Room, 81-year-old Texas entrepreneur T. Boone Pickens defined what it means to be unflappable. While all about him are seemingly losing their cool, Pickens, dressed in a very comfortable gray suit, never once raised his voice. His soft Texas drawl quieted the mob, much like oil on water.

With a half-dozen voice recorders thrust within inches of his face, hot television lights glaring, he didn't miss a beat in responding to questions about a subject that he previously refused to talk about -- the delay in the development of his windmill farm in north Texas.

He had wanted to talk about how July 8 would go down in history as America's Energy Independence Day. A bill that would encourage the use of natural gas by heavy transportation, a companion bill to

previously introduced House legislation. Converting 20% of the country's 18-wheelers to liquefied natural gas will go a long way toward reducing the demand for oil imported from unfriendly countries and help him sleep better at night.

Instead, he was bombarded by questions like, "Is wind power dead?"

Patiently, as he would with a child asking silly questions about Santa Claus, he said wind power "is not dead." He pointed out that he "had spent a lot of money" on his plans to develop a wind farm in north Texas. He was not abandoning the project, just delaying it. At the same time, renewables can't provide all the electricity the country needs and environmentalists will just have to accept that. Still, "renewables will be a part" of the country's energy future.

After about 15 minutes, the impromptu press conference ended, the wolf pack satiated. Pickens walked out of the room like he was going to a board room or a cocktail party with friends. There wasn't a bead of sweat on him, no hair was out of place.

Corrections & Amplifications – *Wall Street Journal* – 7/10/09

Texas oilman T. Boone Pickens still hopes to build a wind farm in the Texas panhandle sometime after 2013, a spokeswoman said, though the project's size remains unclear. A Thursday Marketplace article incorrectly stated that he had "pulled the plug" on a big project.

Robert S. McNamara in 1965 argued to President Lyndon B. Johnson not to escalate bombing in Vietnam. A timeline of Mr. McNamara's life accompanying a Remembrance article on Tuesday's Currents page incorrectly gave the date as 1966.

Pope Leo XIII wrote the 1891 encyclical "Rerum Novarum." A G-8 Summit article Wednesday about Pope Benedict XVI's encyclical "Caritas in Veritate" incorrectly said that Pope Leo XII wrote the 1891 encyclical.

General Motors Corp. last made the Chevrolet Vega in 1977. A Marketplace article Thursday about Chevrolet incorrectly described the Vega as a 1980s car.

Developer Harry Macklowe paid \$1.74 billion for Worldwide Plaza, a skyscraper in New York City, \$1.14 billion more than its new agreed-upon sale price of \$600 million. A Plots & Ploys item on Wednesday incorrectly said he paid \$1.14 billion less.

The law firm of Jeffrey Toberer, who won a Tax Court judgment in *Garnett v. Commissioner*, is Stinson Morrison Hecker. A Wednesday Money & Investing article incorrectly gave the firm's name as Stimson.

In the Game – *Lawrence Journal World* – 7/10/09

T. Boone Pickens is looking for a new home for almost 700 giant wind turbines, and Kansas apparently is on his list.

That's great news for the state, which is in a far better position to take advantage of Pickens' dilemma than it was a few months ago.

Pickens said earlier this week that he had put on hold his plans to build the world's largest wind farm in the Texas Panhandle. His decision was prompted by a combination of factors, including the nation's financial turmoil, declining natural gas prices and the lack of electric transmission lines in the wind farm's proposed location.

Now, Pickens says, he will look at building three or four smaller wind farms. The possible locations on the table mentioned were Wisconsin, Oklahoma, Kansas, Texas and Alberta, Canada.

To even be on that list is a significant step for Kansas, a step made possible in large part by renewable energy advances that have occurred under Gov. Mark Parkinson. The renewal energy legislation that was part of a package deal intended to move forward the construction of a coal-fired power plant in western Kansas also set the stage to attract new wind power projects and the businesses that support the wind power industry.

Last month, Parkinson also was able to help barter a deal to move forward a major electricity transmission line. As Parkinson and Pickens both know, it does no good to erect wind generators to produce electricity if you have no way to move that electricity to the customers who will use it. Published reports indicated that the 687 wind generators Pickens has ordered will be delivered starting in 2011, but the transmission lines are unlikely to reach his Panhandle site until 2013.

That's roughly the same time a 200-mile ultra-high-voltage line is expected to be completed from near Dodge City to Wichita. Perhaps that schedule can be stepped up to help accommodate one of Pickens' smaller wind farms, or maybe some other Kansas location would be prepared to host a Pickens project even sooner.

The fact that Kansas is on Pickens' radar screen as a potential wind farm site is an indication that Kansas is "in the game" when it comes to wind power projects and the manufacturers that support those projects. That's a major positive step for the state.

PRINT COVERAGE

Beyond Oil – *The Economist* – 7/11/09

The Texan economy is becoming ever more diversified, but energy remains a favourite

HIGHWAY 84, as it descends from Lubbock through Snyder to the small town of Sweetwater, is a road worth taking. Spread across the vast plain are thousands of windmills, gently turning in a favourable wind; not too slow, not too fast and, above all, fairly consistent.

Only as you draw near to one do you realise that these towers are the height of 40-storey buildings; their blades are the length of a jumbo jet's wing. They are clever too. Without human intervention, they can turn their heads and alter the pitch of their blades to make the most of the wind. They cost about \$5m apiece.

Sweetwater calls itself the windpower capital of America, and with roughly 3,300MW of installed capacity within a 50-mile (80km) radius the claim is not extravagant. Already endowed with oil and gas, Texas is blessed with a fair wind as well. Even stronger and more consistent winds are to be found further north along the "wind corridor" that stretches from the west Texas plains up through the panhandle and into Oklahoma and beyond. But for now these areas are too remote to be connected to any of America's three main grids: the eastern, the western and Texas's very own ERCOT grid.

Another five transmission lines to ERCOT are therefore being built. Texas has already exceeded threefold a target it set itself in 1999 for the amount of power to be generated from renewables, almost wholly thanks to wind. And much more is planned: T. Boone Pickens, a famous local corporate buccaneer, plans eventually to install 4,000MW-worth of windmills in the panhandle, and to build his own transmission line to the main grid.

Wind is inherently variable, so it can never compete with the cheap and dirty coal that generates half of America's electricity. But powering up a coal station takes half a day, so electricity companies get their baseload from coal or nuclear sources and rely on something else to handle variations in demand. Most use natural gas; the latest gas generators can power up or down in five minutes. Wind makes an excellent substitute for some of that gas, and some of the most interesting "power plays" in Texas involve a mix of the two. John Crew, manager of Republic Power Holdings in Dallas, says he is aiming to provide 6,000MW through a mixture of gas, wind and clean coal up in the panhandle.

Lucky Texas has abundant natural gas, too. Though it has seen no significant onshore oil finds for decades, it has done well with gas in the past few years. This is a matter of technology as much as geology. Since the turn of the millennium engineers have perfected the art of drilling horizontally through hard shale. One main vertical shaft can now branch out into as many as a dozen "legs", each perhaps 5,000 feet (about 1,500 metres) long; all this at depths of 8,000-13,000 feet.

As well as saving money, this makes it possible to extract gas from below urban areas—and, as with the lucrative Barnett shale, from under the Dallas-Fort Worth airport. East Texas also saw extensive provings in 2008. The Haynesville shale, which extends into Louisiana, is a huge find.

The search is now on for alternative uses for the fuel. The obvious one is to power vehicles with compressed natural gas (CNG). That would mean creating a network of filling stations for private users, but public transport and some other commercial users could operate their own, and since CNG is much cheaper than petrol they could save money.

The environmentalists' holy grail is "clean coal" which does not produce greenhouse gases. That means capturing and sequestering the carbon dioxide released when the stuff is burned. With present technologies that is uneconomic. But what if there is a market for the CO₂?

The easily available oil from West Texas's Permian Basin, the richest oilfield in America, is mostly gone now. The best way to extract the remainder is to pump gas down to force the oil out. Oil companies use CO₂; once pumped down, it is trapped there. It may be economic to establish a clean-coal plant in or near the Permian Basin, trucking in the coal from Wyoming and selling the CO₂ to nearby oil operators. Several firms are now pursuing this idea in and around the oil town of Odessa.

Multi-trick pony

But hydrocarbons these days are only a small part of what drives Texas's resilient economy. Work by the Dallas Federal Reserve suggests that the economy's sensitivity to changes in the oil price has diminished to only one-sixth its level in the 1970s and 1980s. That helps to explain the relatively muted impact on the state of the oil-price crash at the end of last year.

A 2004 paper by Robert Gilmer, an economist with the Dallas Fed, has an interesting take on some of the forces that have helped Texas diversify. He argues that the four main cities of the Texas triangle should be seen as a vast single economic entity, separated only for geographical and historical reasons and complementing rather than competing with each other.

Thus, San Antonio handles trade with Mexico, which has been a huge boon to Texas since the creation of the North American Free-Trade Agreement in 1994: Texas has been America's biggest exporting state every year since 2002. Toyota's decision in 2003 to put a huge new factory and supplier park there had a lot to do with the Latin American market.

The Dallas metroplex is strong in telecoms, aerospace, distribution (four interstate highways converge there) and banking. Houston has oil and gas, but also NASA and the Texas Medical Centre, an agglomeration of 47 not-for-profit hospitals, medical schools and other institutions. Austin, as well as housing the machinery of state government, has developed into a thriving high-tech cluster. Inevitably there is overlap, and conflict; San Antonio has not forgiven Dallas for luring AT&T away last year. But Mr Gilmer argues that the cities are not so much rivals as partners.

A few conclusions can be drawn from all this. First, the role of government, at all levels from federal to local, has been surprisingly strong for a state that likes to think it typifies rugged individualism. The decision to put Mission Control in Houston back in 1961 kick-started that city's non-oil economy. San Antonio has boomed thanks to the presence of three large military bases, and the well-managed closure of a fourth in 2001 has created a vast new air- and rail-distribution port, mainly serving Mexico. Much of Dallas's electronics industry began with defence contracts.

The University of Texas at Austin, one of America's largest single campuses, has helped that city become a leading high-tech centre. Dell, one of America's 40 biggest companies, started life at the university in 1984, and smart industrial policy brought Sematech, a consortium involving the government as well as 14 big chip firms, to Austin in 1988. Scores of other tech firms have followed.

Second, Texas has benefited from transplants. Cheap property and low taxes have attracted corporate headquarters and start-ups alike. At a round-table organised for The Economist in Austin by Angelou Economics, a consultancy that specialises in matching "new economy" businesses with cities that want them, only two of the 12 entrepreneurs taking part were native Texans. Most of them cited non-economic as well as commercial reasons for being in Austin. "Quality of place" is a phrase you hear a lot in Texas.

The Greater Houston Partnership, an alliance of hard-nosed businessmen that looms large locally, has worked well with Bill White, Houston's business-minded but green mayor, to support his clean-up of the city's air and water. Dallas, fearful of being outdone by Houston's top-notch Wortham arts centre, will soon have a spanking new opera house and a big theatre complex. The opera house was paid for by 300 families, each ponying up \$1m. A big part of Austin's draw is its music, and particularly its SXSW festival. Austin is a remarkably laid-back place, with all the advantages of being a blue city in a red state.

Third, geography counts for a lot. Texas's importance as America's leading trading state, and one of its main distribution centres, is bound to grow. Governor Perry's plans for a "Trans-Texas Corridor", a mighty new highway running north from Mexico across the state, was turned down as too expensive and disruptive, but large parts of it will be built anyway. Once the widening of the Panama Canal is completed in 2014, Houston will become an attractive port for Asian goods being shipped to the central and eastern states; it is already, in effect, the principal export port for prosperous northern Mexico.

Dallas-Fort Worth's enormous airport lies at the centre of a large number of logistics and distribution centres. Again, having oodles of space to expand into is crucial; Los Angeles, New York and Chicago, America's other big logistics centres, are all hemmed in.

Fourth, the memory of the 1980s banking crisis is still strong. Whereas banks in the rest of America have reeled, those in Texas remain in reasonable shape. Richard Fisher, the president of the Dallas Fed, puts it down to his state's particularly effective regulation. He is biased, no doubt; but Texas law does cap the loan-to-value ratio of mortgages at 80%. Without a big property boom this time around, prices did not have so far to fall.

And financial services in Texas, having been almost wiped out in the 1980s, are now expanding. Dimensional Fund Advisors, which has \$99 billion under management, moved from Santa Monica to Austin in 2006. Comerica, America's 23rd-largest bank, according to Fortune, moved its headquarters from Detroit to Dallas a year later. Texas is not about to become a big national banking centre, but these are further signs that an economy of cotton, cows and drills has become a lot more diverse.

Pickens Praises Markey for Stance on Natural Gas – *Greeley Tribune* – 7/10/09

U.S. Rep. Betsy Markey, D-Colo., was praised by energy billionaire T. Boone Pickens on Wednesday at the U.S. Capitol in Washington while celebrating the anniversary of the launch of the Pickens Plan and Energy Independence Day.

Markey, whose district includes Greeley, was a co-sponsor of HR 1835, the New Alternative Transportation to Give Americans Solutions Act. In a press release, Pickens called Markey an energy independence crusader because of her support for the NAT GAS Act.

"Colorado is blessed with abundant natural gas in addition to our vast wind, solar and agricultural energy resources," Markey said in the statement. "It's time to get serious about reducing our country's energy costs and we can get there by focusing on energy produced right here at home."

The NAT GAS Act is designed to reduce dependence on foreign energy while reducing greenhouse gas emissions.

According to the release, the Potential Gas Committee estimated last month that natural gas reserves have increased by 35 percent.

T. Boone Pickens Calls Harry Teague 'a True Energy Independence Crusader' – *The New Mexico Independent* – 7/9/09

By Matthew Reichbach

Legendary Texas oilman T. Boone Pickens isn't exactly known as a friend to Democrats. After all, Pickens is the guy who gave a hefty chunk of change — \$5 million — to fund the swiftboat campaign against John Kerry and donated to the campaigns of many Republicans — including \$1,000 to Steve Pearce in May of last year.

But Pickens today called freshman U.S. Rep. Harry Teague, a Hobbs Democrat, “a true energy independence crusader” for his support of a natural gas bill.

“As a supporter of the NAT GAS Act, Congressman Harry Teague is a true energy independence crusader, proving his commitment to enabling his constituents in southern New Mexico to choose a legitimately American fuel at the pump,” Pickens is quoted as saying in a statement. “Natural gas is the only available domestic resource that can replace foreign oil as a transportation fuel. It’s cleaner, it’s cheaper, it’s abundant, and it’s ours.”

Pickens has become an alternative energy evangelist, with his Pickens Plan which calls for more wind power and using natural gas instead of oil-based fuel for transportation.

“Natural gas is a clean, efficient, American source of power that will help us end our dangerous dependence on foreign oil and New Mexico has plenty of it,” Teague said in the same statement. “I’m proud to work with fellow oil man and leader in renewable energies, T. Boone Pickens and my Republican colleagues on this legislation that would help boost energy production in New Mexico.”

Timothy P. Carney on Congress Gives Your Money to T. Boone Pickens – *Washington Examiner* – 7/10/09

By Timothy P. Carney

T. Boone Pickens, like any good businessman, can read changing economic conditions. While he spent the 1980s as a “corporate raider” and oilman, in this age of Barack Obama and Henry Waxman, he has shifted his focus to lobbyists, feel-good green messages, and technology that depends on government subsidies.

The result: Taxpayers will now be subsidizing T. Boone Pickens, a billionaire—and Republicans and Democrats in Congress tell you it’s for your own good.

This week, three senators proposed special tax credits that will subsidize Pickens’ latest business venture, which he calls “the Pickens Plan.” Like his previous undertakings, Pickens has launched his plan as a way to get richer. Unlike his previous undertakings, the Pickens Plan is completely dependent on government subsidies—and this has ingratiated him to politicians and media.

The Pickens Plan, in short, in this: We should get more electricity from windmills and power our cars with natural gas. Pickens happens to be a major investor in windmills and natural-gas cars. Both of these energy sources are heavily subsidized, but not enough for Pickens to profit from them, apparently.

This week, Senators Robert Menendez, D-N.J., Orrin Hatch, R-Utah, and Harry Reid, D-Nev., at Pickens’ urging, sponsored a bill to double the huge subsidies natural gas cars already receive, and to provide a \$100,000 tax credit for the construction of a natural-gas filling station.

Menendez, Hatch, and Reid introduced this bill eight days after the largest natural gas truck fueling station in the world was opened. The builder: Clean Energy Fuels Corp., founded and partly owned by Pickens. Pickens’ company is the leading builder of natural gas fueling stations, and thus the leading beneficiary of this subsidy.

The House version of the bill included \$30 million per year to fund research into natural-gas cars—even more of your money that could line Pickens’ pockets.

So while our government is running a trillion-dollar deficit, which will lead to tax hikes and inflation that make us and our children poorer, Congress is thinking of creating subsidies and a private tax cut to a man on Forbes magazine's list of the world's richest people.

Pickens' Clean Energy Fuels is also a leader in transporting natural gas. Plus, he has invested in the V-Vehicle Company, building a natural-gas-powered car.

And it's not as if natural-gas powered cars aren't already subsidized. The 2005 energy bill created special tax credits for natural-gas powered cars. There is also already a \$30,000 tax credit for the construction of natural-gas fueling stations—a credit Menendez and Hatch would more than triple.

Why are natural-gas cars so subsidized? Because they are so unprofitable. Honda's methane-powered Civic costs nearly \$10,000 more than a regular Civic (unless you go to a dealer who's stuck with these cars after betting on gasoline prices to continue to rise), and doesn't come close to paying for itself in fuel savings.

If natural gas stays inexpensive, and oil climbs again, the market could drive business to natural gas cars. In fear that might not happen soon enough, though, Pickens was on Capitol Hill this week lobbying for subsidies.

Pickens has long nurtured ties with government (he began lobbying for natural gas subsidies back in 1992), but his Pickens Plan differs starkly from the way he did business back in the 1980s. He used to make money through commerce and the power of the market. Now he makes money through subsidy and the power of the government—and for this he was abused.

Perversely, his recent shift—from selling stuff (such as oil) that people want to buy, to selling stuff (like gas cars and wind power) that people buy only when it's subsidized or mandated—has elevated Pickens' reputation from greedy capitalist to world-saver.

Pickens was one of the bad guys in a 1992 book *Den of Thieves* where he was derided as a "corporate raider" and named by one reviewer as one of "the main players behind why the 1980's were characterized as the 'decade of greed.'" The offense back then—in addition to selling oil—was his penchant for "hostile takeovers."

"Hostile takeovers" is an inaccurate term for what Pickens used to do. The management didn't like them, sure, but the transactions in question consisted of shareholders voluntarily giving their stock to Pickens in exchange for Pickens' money.

Pickens' new bid actually is hostile. I don't want to fund his windmills or methane cars. But if I refuse, the IRS will come after me. But instead of "greed" it's dubbed as "green."

Timothy P. Carney is The Washington Examiner's Lobbying Editor. His K Street column appears on Wednesdays.

School Officials Hope Pickens Will Donate Wind Turbine – *Lincoln Courier (IL)* – 7/9/09

By Catharine Schaidle

METAMORA, Ill. -

Having read that Texas billionaire T. Boone Pickens has 667 giant wind turbines he can't store in his garage, School Superintendent Ken Maurer hopes he will consider donating one to Metamora.

On Tuesday, Pickens announced that he has halted plans for his 4,000-megawatt wind farm complex in the Texas Panhandle because he cannot get credit to finance the \$10 billion project in today's economy.

Now he's stuck with these giant wind turbines he has already ordered, although he says he has not abandoned the project altogether.

"The capital markets have dealt us all a setback," Pickens is reported to have said in a statement to the San Francisco Business Times: "I am committed to 667 wind turbines, and I am going to find projects for them."

Maurer and Metamora Village Trustee Doug Hawk want to make Metamora one of those projects. Both the village and the high school have an agreement to establish a turbine that would cut the cost of energy use for both the village and the school district.

"I spent all morning trying to find a way to reach T. Boone Pickens," Hawk said on Wednesday. "If we can buy one from him, then we can at least get the economies of scale price he got from 667 turbines, instead of paying full price for just one turbine."

Even if Pickens were to donate a turbine, Maurer said, the village and school district still would have to pay the costs associated with transporting the giant structure and setting it up.

The school district has been working on the plan for some time. Over the past year, the school has set up a temporary 50-meter-tall steel tower and conducted a feasibility study that would record the strength and direction of winds.

Now all the plans are in place, including a wind turbine ordinance. The turbine would be on village property near a wastewater treatment lagoon. All that's needed is the money.

"The cost will be about \$3.2 million, which means \$1.6 million each," Maurer said. "We are still trying to get grants through the renewable energy credits which could be tied up with the cap and trade bill."

The U.S. House of Representatives has already passed cap-and-trade legislation, but it has yet to clear the Senate. That system basically allows pollution permits to be bought and sold to meet emissions limits.

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Editorial: Oil's Up! Oil's Down! What's Going On? – Schenectady Daily Gazette – 7/10/09

The wildly gyrating oil prices of the last year are anything but good for the economy, and it's welcome news that Congress and President Obama have been looking at ways to limit speculation among investors that analysts believe is at least partially to blame for the huge fluctuations.

There was little rhyme or reason a year ago when global oil prices nearly doubled over the course of about six months to more than \$140 per barrel; then plummeted to roughly one-quarter of that six months later. Global demand simply wasn't strong enough to warrant the former price move, or weak enough to warrant the latter. Among the culprits were speculators — mostly hedge funds — on the futures markets. And they've been at it again this spring — pushing the price up from the mid-\$30s to the low \$70s since winter, then back to the \$60 level in recent days.

It's been a regular roller coaster ride, and not a very pleasant one for business people, governments and private citizens who have to plan their futures and craft budgets. Consider the plight of Texas oil magnate T. Boone Pickens, who a year ago was promoting a nationwide scheme to convert a large chunk of the motor vehicle fleet to natural gas, using wind energy (instead of natural gas) to generate electricity and reducing demand for oil in the process.

Well, this week, he announced that he can't make his plan work in the current economic climate, and wants to unload the \$2 billion worth of GE wind turbines he ordered last summer, when natural gas prices were 70 percent higher.

That sort of decision speaks volumes about the prospects for existing green energy products — solar panels and hybrid cars in addition to wind turbines — and the development of future ones.

But even if the speculators are reined in, cheap oil won't be around for long. As the global economy recovers, demand will drive the price right back up again. Until it does, the government should augment subsidies for renewable energy development or tax oil significantly enough to make renewables more viable — or both. Motorists may gripe now, but they'll be grateful later.

BLOG/ONLINE COVERAGE

Natural Gas Vehicles Could Get a Boost – *Washington Energy Services* – 7/9/09

Consumers already have plenty of incentives to invest in natural gas heating and cooling products for their homes, and now some members of Congress are trying to encourage them to buy cleaner-burning vehicles as well.

This week, Senators Harry Reid, Orrin Hatch and Robert Menendez unveiled legislation that would extend tax credits to encourage more investment in natural gas vehicles, as well as the infrastructure that is needed to help power them.

"Natural gas is an important alternative fuel to help pave the way to energy independence, which will not only help keep us safer, but will also help reduce the high cost of fuel and, thus, high utility bills across the board. In our current economic downturn, it's crucial to provide appropriate incentives that lead to lower prices for all Americans," said Hatch, a Utah Republican.

The lawmakers were joined at their press conference by T. Boone Pickens, the Texas oil billionaire who has embarked on a high-profile crusade to wean the nation off of foreign oil.

Under the plan, tax incentives for natural gas vehicles would be expanded for 10 years and cities and states would also have the ability to issue tax-exempt bonds to finance related infrastructure projects.

Bipartisan Bill Boosts Tax Credits For Natural-Gas Vehicles – *Green Car Reports* – 7/9/09

By John Voelcker

We've written a couple of times about natural gas, "the other alternative fuel" (besides diesel). It's easy to ignore, since most of the 100,000 natural-gas vehicles in the States are commercial, including roughly one fifth of the country's transit buses.

Now, a bipartisan bill has been introduced to speed the development of both engines that run on natural gas and the infrastructure to fuel them. It would also provide healthy tax credits for buyers of those natural-gas vehicles, or NGVs.

The legislation--called S.1408, or NAT-GAS for short--was unveiled yesterday by Senate Majority Leader Harry Reid (D-NV). He was joined by Senators Orrin Hatch (R-UT) and Robert Menendez (D-NJ).

For consumers, the bill's most notable provision raises the tax credit for purchasing NGVs to \$12,500 from the present \$5,000. That's even higher than the maximum credit of \$7,500 that will be available to early buyers of such electric vehicles as the 2011 Chevrolet Volt or the 2010 Coda Sedan.

The bill also includes a provision to deploy more filling stations for natural gas-powered vehicles.

But natural-gas vehicles will need far more of a kickstart to have an impact in the market than will plug-in cars. Already, General Motors, Nissan, Ford, Mitsubishi, and several other carmakers are planning to launch electric vehicles in the US by 2012.

Of the world's 10 million natural-gas vehicles, a mere 142,000 are found in the US. And you can only buy one NGV direct from any car dealer: the 2009 Honda Civic GX, of which roughly 2,000 are sold each year (more than half to fleets).

Oil magnate-turned-clean tech tycoon T. Boone Pickens has advocated converting and manufacturing up to 1 million big rigs to compressed natural gas, of a total of 6.5 million on the roads. No battery pack is even imagined that can run long-haul heavy trucks, so natural gas may be one of the few fuels that could give the trucking industry a path to move away from petroleum.

GreenCarReports.com will keep you posted on this bill as it makes its way through the legislative process

New US NAT GAS Act of 2009 Introduced on 'Energy Independence Day' – NGV Global News – 7/8/09

Credit 80% of Incremental Increase for Dedicated Natural Gas Vehicles Proposed
Fueling America Act 2009 also introduced

T. Boone Pickens has declared the 8th July "Energy Independence Day" on the one year anniversary of the launch of the Pickens Plan. Further, he is encouraging the event to be registered on future calendars, signalling intent to continue his ongoing commitment to end US dependence on foreign oil. The recent plethora of US legislation activity around alternative fuels confirms natural gas for vehicles is clearly on the US agenda.

On the same day, U.S. Senate Majority Leader Harry Reid, Republic Senator Orrin Hatch and Democrat Senator Robert Menendez were joined by Pickens to tout new legislation that would boost natural gas vehicles (NGVs). The NAT GAS Act of 2009, introduced by Menendez and co-sponsored by Reid and Hatch, aims to extend and increase tax credits for NGVs and refueling. The bill joins its House of Representatives companion (H.R. 1835) that was introduced April 1 and already has 70 bi-partisan co-sponsors.

Like the House version, the Senate version of the NAT GAS Act will provide incentives for consumers, commercial truckers, and state and local governments to aggressively move from using vehicles burning polluting, imported gasoline and diesel to vehicles running on clean, domestic natural gas.

A Pickens Press Release states the legislation, in its existing format -

- Expands and modifies the alternative fueled vehicle and refueling property tax credits as follows:
- Makes all dedicated natural gas-fueled vehicles eligible for a credit equal to 80% of the vehicle's incremental cost. Only some dedicated natural gas vehicles currently can qualify for an 80% federal tax credit
- Makes all bi-fuel natural gas-fueled vehicles eligible for a credit equal to 50% of the vehicle's incremental cost. This is the first time bi-fuel vehicles would be eligible for a federal tax credit
- Increase the allowable incremental cost limits to more accurately reflect the cost of producing or converting natural gas vehicles:

- For light-duty vehicle, the purchase tax credit cap would be increased to \$12,500 (currently \$5,000)
- For all other vehicle weight classes, the purchase tax credit cap would be doubled
- Increases the refueling property tax credit from \$50,000 to \$100,000 per station
- Allows the natural gas vehicle and natural gas fueling infrastructure credits to be transferred by the taxpayer back to the seller or to the lessor
- Allows state and local governmental entities to issue tax exempt bonds in order to finance natural gas vehicle projects
- Allows 100% of the cost of a natural gas vehicle manufacturing facility that is placed in service before January 1, 2015 to be expensed and to be treated as a deduction in the taxable year in which the facility was placed in service. This decreases to 50% after December 31, 2014 and is phased out by January 1, 2020
- Requires that when complying with mandatory federal fleet alternative fuel vehicle purchase requirements, federal agencies shall purchase dedicated alternative fuel vehicles unless the agency can show that alternative fuel is unavailable or that purchasing such vehicles would be impractical
- Provides for grants for light- and heavy-duty natural gas engine development

Fueling America Act

Another bi-partisan action, this time by Senators Mark Pryor and Jim Inhofe, has seen the introduction last week of the Fueling America Act of 2009 (S. 1350) to the US Senate. The bill seeks "to encourage increased production of natural gas and liquefied petroleum gas vehicles and to provide tax incentives for natural gas and liquefied petroleum gas vehicle infrastructure, and for other purposes.

In his introductory remarks, Sen. Pryor said the Fueling America Act would make it easier and more practical for people to buy these clean, green vehicles, creating a cleaner environment and lessening dependence on foreign oil through utilization of ample domestic natural gas resources.

The legislation includes several important initiatives to promote the use of natural gas as a transportation fuel. Specifically, the bill would:

- Extend for five years the tax credit for the purchase of NGVs and the tax credit for the installation of natural gas refueling stations
- Establish an NGV research and development program within the Department of Energy (this provision is identical to HR 1622, which earlier was reported out by the House Science Committee)
- Require the General Services Administration to study increasing natural gas used by the federal fleet
- Extend and expand the funding program for CNG-powered school buses (this provision is similar to legislation introduced last year by then Senator Obama)

NGVAmerica says the legislation does not extend the CNG fuel excise tax credit, and also provides all the above incentives to propane.

MNN vs. Slate, Round Two: Selling Cars in 2015 – *Mother Nature Network* – 7/10/09

MNN's Jim Motavalli and Slate's Matt DeBord toss around the auto industry's future. I think today's entry-level companies are tomorrow's big players. Matt sees a modified version of business as usual. And we both think Chinese carmakers will emerge as global contenders.

This is round two of an ongoing debate between me as the car blogger at MNN and Matt DeBord, who does the honors at Slate's "The Big Money." Our topic this time is what the industry will look like in 2015:

Which players will be on top in a worldwide market likely to be dramatically changed from the confused, rapidly shifting mess of today? I see bigger changes, and more players on the field, than Matt does. His version of this back-and-forth is posted here. Read on for some insights into the cars of tomorrow:

Matthew DeBord: Let's start with some math. No one seems certain of what the size of the North American auto market, much less the global market, will be in the future. Will North America support 14 million new cars annually? Or 16 million? Or will it be smaller than that? This is important for our 2015 projections because there may not be enough demand to keep Ford, Chrysler-Fiat, and New GM in business. Here's what the new Chrysler CEO, Sergio Marchionne, said last year: "We're going to end up with one American house, one German of size; one French-Japanese, maybe with an extension in the U.S.; one in Japan; one in China and one other potential European player." According to Marchionne, each of these survivors will need to produce 5.5 million cars per year in order to survive. That would suggest that by 2015 we might have fewer players, or that no one will ever recover to the levels of market-share domination that GM enjoyed in its heyday. So who's going to make it, and in what form? The automaker I'm most concerned about is GM. I think it needs to radically re-invent, not simply try to come back as a smaller version of its old self.

Jim Motavalli: I think the car market may take a decade to recover, or it may never get back to 16 million. But I'm not sure I agree with Marchionne that bigger will be better in the new auto industry. GM's size was one of its problems. It could, for example, spend \$300 million developing the EV-1 electric car and then more millions trying (successfully) to kill the market for the car in California. I like the model of smart and mobile auto startups hawking EVs from Silicon Valley. They're headed by some of the same entrepreneurs whose previous venture ended in ".com." I predict that in 2015 we will still have much-reduced versions of the Big Three, but they will be joined by the Small 20. I think companies like Tesla, Bright Automotive, Brammo, Coda, Think Global and Fisker will be players, along with new names we haven't heard yet.

DeBord: The Small 20! I love it. However, I don't think small is going to be the new big in the auto industry. I think medium will be the new big. Market share along the lines of what Toyota has in the U.S.—under 20 percent—will make more sense, as new players enter the game. I look for Hyundai, some of the Chinese manufacturers, and even Tata to join the fray. I'm far more skeptical about the prospects of the Silicon Valley-oriented startups, although Tesla continues to surprise me. I don't think the innovation will necessarily go away, but I think it will be absorbed by...what should I call them? The Medium 10? And of the survivors of the recent meltdown, I'm most optimistic about Chrysler-Fiat. Of the newbies, I have the least confidence in Better Place, the company that wants to transform the filling station into a battery-swapping station.

Motavalli: Maybe the Medium 15 is a better name. There won't be hundreds of players, but definitely a lot more than there are now. The smart companies are the ones that find and exploit a niche—that's why I'm betting on Bright Automotive, which will build fleets of plug-in hybrid panel vans and sell lots of them to cost-conscious customers like Coca-Cola. I agree that China (and, to a lesser extent, India) loom large—the Chinese already has electric cars on the market, and they're likely to have a charging grid before North America does, too. A new report by Pike Research, "Electric Vehicles on the Grid," says that by 2015 the global EV charging network market will be at \$1.9 billion annually, and China will account for almost half (47.8 percent) of total sales. Shai Agassi of the aforementioned Better Place (I also have a problem with the company's battery-swapping model) told Wired Autopia that China is on the verge of green-lighting electric cars in a big way.

DeBord: I'm glad I'm not alone on Better Place! But to your points, that \$1.9 billion figure actually makes even more skeptical about the pace of electrification. In the grand scheme of things, it's a small number. I like to remember that, by comparison, the global market for car seats is \$52 billion. (The battery market is also relatively tiny.) I also think that the vast majority of new car buyers aren't going to be able to afford EVs, although China in particular may decide to commit to widespread electrification as a strategic move. But back to the more conventional automakers. If GM has to become much smaller and more focused on, say, plug-in hybrids like the Volt and its international business, while Toyota, Honda, Nissan et al. duke it

out to absorb GM's lost share, where does that leave Ford? Has it cracked the code by having a good U.S. truck business, a forward-looking plan for hybrids, and a sort of lab in Europe for cars that can thrive in a world with \$10-\$12 per gallon gas?

Motavalli: While you were writing that I was on the phone with T. Boone Pickens, who says we have only one option to get off foreign oil: Natural gas, first in large trucks and then in passenger cars. The 13 million barrels of oil we import daily from the Middle East is "a huge security problem for America," he said, and who can argue with him. But, of course, we need a network of stations for natural gas cars. There appears to be bipartisan support for major natural gas vehicle tax breaks, so that may help get them off the ground. But from what I see right now, we're going to wire America instead for battery cars and create a nationwide plug-in network. Yes, \$1.9 billion is a small number. I think the EV charging market could be bigger by then. I wish the big carmakers were moving faster: Their slow pace is why they might lose out to the faster-moving startups.

And I'm betting that Ford is better positioned than GM or Chrysler: It has a smart new vehicle in the Taurus, good small cars in the Focus and Fiesta, and plans for a credible small battery car and a plug-in hybrid. If you don't think tomorrow's automakers will plug in, go talk to Bill Ford. He's a believer. He told me so.

DeBord: By 2015, I expect to see widespread hybridization of all the remaining automakers' fleets, as well as a growing plug-in hybrid market. That's a game that everyone is going to have play to survive. I like the new version of the Pickens plan, with its focus on freight transport, far more than the old plan, which aimed to use natural gas to run the whole transportation grid. Still, I'm not in favor of "freeing us from a dependence on foreign oil"—I think we should continue to be engaged in the global oil economy, not least because oil is still by far the best energy source to fuel mobility. If the U.S. opts out, other economies will quickly obtain the competitive advantage that oil provides. So where does this leave us? Well, Ford's fortunes look good, although it does have a lot of debt to manage. Toyota will come back strong, although Honda and Nissan could struggle. Chrysler-Fiat will be very interesting and potentially agile enough to do some damage in a variety of segments (small cars, trucks, luxury sedans, and yes, minivans!). But the real breakout story for 2015 will be Tata Motors. They'll be the Volkswagen of the developing world. And once again, Jim, thanks for engaging in a spirited discussion.

Motavalli: And wide-ranging, too! In conclusion, I see the market of 2015 as being much more diverse than it is today, with the biggest change the addition of Chinese players, including BYD and Chery. Keep in mind that BYD has the advantage of being vertically integrated—a battery maker first and a carmaker second. It's ideally placed for the heavily electrified auto future—access to battery supply will rule. Chrysler will be a branch of a foreign automaker—like Volvo today. Ford will be smaller, but still independent and proud. GM, stripped to maybe just Chevrolet, Cadillac and GMC Trucks, will be a shadow of its onetime self. I hold in my hands a 1947 GM Annual Report to Employees, The company had \$3.8 billion in revenue that year, and \$288 million in profit. Four out of 10 cars sold in the U.S. in 1947 were made by GM. "You and I can be proud of the fact that we work for a company that can earn a profit," the report said, atop a graphic of smiling workers waving their fat paychecks. It's enough to make you weep. The company's adjusted net loss in 2008 was \$16.8 billion. Giants once walked the earth. In 2015, we'll look at their remains—shuttered factories with names like Detroit Engine Plant #9—as if they were dinosaur bones.

Natural Gas ETFs: Down But Not Out – Seeking Alpha – 7/10/09

Among the strongest trends to emerge in the first half of 2009 is the sharp increase in commodity prices, driving up prices of direct commodity ETFs, ETFs that focus on specific commodity-related sectors (such as KOL and GDX), and emerging markets ETFs that focus on resource-rich nations (such as Peru and Indonesia). What's remarkable is that commodity prices have risen across-the-board...almost. Natural gas ETFs are down sharply over the first half of the year, with GAZ down nearly 50% year-to-date and UNG down 47%. On top of the disappointing returns, regulators are now looking into expanding

regulation of speculative trading in commodities, targeting USO and UNG in particular. Despite the sustained downward pressure and thorny regulatory issues, don't count out natural gas just yet.

Long Way Down

Unlike crude oil, which can be and frequently is transported from resource rich parts of the world (the Middle East, South America, etc.) to oil-thirsty countries, natural gas is largely a local commodity. Because of its low density, natural gas is difficult to store and transport, requiring networks of pipelines to move from one location to another. Iran's proven natural gas reserves are second in the world to only Russia, but geopolitical tensions in Middle East will never have a major impact on natural gas prices in the U.S. In fact, a significant amount of natural gas in Iran is simply burnt off, or flared, each year due to the lack of sufficient infrastructure. This notion is frequently lost on investors, including those who hold themselves out to be experts.

So if the political situations in Russia and the Middle East aren't pushing down natural gas prices, what is? The simple answer is that domestic supply is through the roof. According to the Energy Information Association, natural gas in underground storage was recently at about 2,800 billion cubic feet (bcf), an increase of more than 25% from year-ago levels. In addition, the Potential Gas Committee of the American Gas Association published a report that U.S. natural reserves have jumped by 35% to more than 1,800 trillion cubic feet (due primarily to the discoveries of new shale fields over the past several years). The recently-discovered Haynesville Shale in northern Louisiana alone could hold 200 trillion cf of natural gas.

The demand side of the equation has also slumped, exacerbating the downward spiral for natural gas prices. As the U.S. economy has contracted, domestic production cutbacks have pinched demand, leading natural gas producers such as Chesapeake Energy and Devon Energy to dramatically reduce their activities. According to data from Baker Hughes, the number of active oil and natural gas rigs was just under 900 in June 2009, down from more than 1,600 in September.

Heating and cooling demand can also be a driver of natural gas prices, but unless temperatures depart drastically from their traditional ranges, prices aren't likely to experience any major jumps. Moreover, betting on weather is obviously inherently unpredictable, perhaps even more so than the stock market.

Due For A Comeback?

Despite the deep declines in prices already and the countless pitfalls that could send them plummeting further, there are some reasons to be bullish on natural gas ETFs. The Obama administration has slowly turned its attention from the economic crisis, and is now focusing intently on climate change legislation, as evidenced by the central role that this topic played at this week's G-8 Summit in Italy. Brian McMorris proposes that one of two scenarios is likely to play out, with either alternative potentially providing a boost to natural gas prices. If a carbon tax is enacted, McMorris theorizes that natural gas will become more competitive, since it is much cleaner than fossil fuel alternatives such as oil and coal. A "cap and trade" policy could have similar benefits for natural gas demand.

Another industry expert sees the supply side of the equation pushing prices back up. "Today's gas prices are clearly not strong enough to support a North American rig count that is high enough to prevent a very severe and unprecedented decline in North American gas production," noted Chesapeake Energy CEO Aubrey McClendon recently. "This will set the stage for a dramatic reversal of natural gas prices sometime this fall or winter."

The long term outlook for natural gas holds some promise as well. Billionaire T. Boone Pickens continues to relentlessly promote compressed natural gas as an alternative automotive fuel, recently campaigning in Washington for legislation that would extend tax breaks to the purchase of natural gas vehicles. Adding fuel to the fire recently was Freightliner Trucks, a division of Daimler that introduced its first natural gas-powered truck. The company claims each truck can save \$6,000 per year in fuel costs. Despite Pickens' relentless efforts, natural gas cars have largely been seen as a pipe dream to this point. Although many cities are utilizing the technology in buses, refilling stations are few and far between, with only 1,100

nationwide. As such, there is huge potential for expansion of the industry if effective tax incentives are established in the coming months.

I feel obligated to note that UNG and GAZ don't invest in natural gas directly (the aforementioned storage issues are but one of the limitations) but rather in futures contracts. As such, these ETFs may not move exactly in line with spot prices, and may experience price movements as the issuer rolls forward expiring contracts.

The Pickens Plan: Where Are We One Year Later? – Seeking Alpha – 7/10/09

By David Fessler

Earlier this week, T. Boone Pickens, the 81-year-old Chairman of BP Capital, appeared on CNBC's Squawk Box to discuss the progress of the "Pickens Plan."

Readers might remember it was during the heat of the Presidential campaign last summer, on July 8, that Pickens began his own campaign to wean the nation off of foreign oil.

Spending his own money, he bought time on the major networks and mobilized an "army" of believers in order to get the word out about the dangers of continued dependence on foreign oil.

Essentially, the Pickens Plan seeks to reduce the nation's dependence on foreign oil with a combination of wind-generated power and natural gas powered vehicles. In the process, the need for foreign oil is drastically reduced or eliminated in as little as 10 years.

His timing - with oil prices hovering around \$150 a barrel - got him a lot of attention. He spent time last August meeting with both McCain and Obama in hopes that - regardless of the election's outcome - the victor would understand the magnitude of the problem and get behind an energy plan for the United States.

In the last 12 months, to his credit no other plan has been articulated as clearly and succinctly as Pickens' has.

Now it's one year later: Obama is President, oil prices are less than half of what they were a year ago, and the country is sliding deeper into recession. Is shutting off foreign oil still a concern? Have we made any progress in doing so? Are we any closer to a national energy plan?

The short answers are definitely yes, yes and almost. Let me explain:

Still at the Mercy and Whims of Whackos...

While the price of oil has come down dramatically in the last year, our dependency on foreign oil is as great as it ever was. We still get over 70% of our oil from other countries, and it's a huge security issue.

While the transfer of wealth - dollars out for oil in - is less, it's still a huge net outflow of nearly \$400 billion annually.

There's no question that keeping that money here will not only have a positive effect on our trade balance, it'll make a huge difference in the U.S. economy... a "free" \$400 billion annual stimulus package, if you will.

Alternatively, according to Boone, "If we go 10 more years with no plan, we'll be importing 75% of our oil and it will cost us \$300 a barrel."

Even if he's wrong by 50% - which is unlikely given increasing world demand - it's still a big problem. So how do we get rid of the rogues?

Closing the Door on OPEC: Light at the End of the Tunnel

In terms of our progress in displacing foreign oil, there's only one quick way to do it: replace it with natural gas. Just a few weeks ago, the Potential Gas Committee - the nation's authority on natural gas supplies - issued a report that shows a substantial increase in natural gas reserves here in the United States.

The report indicated that the nation's gas reserves increased 25% to 2,074 trillion cubic feet (tcf) from 1,532 tcf in 2006 - the last time the report was issued.

This was the largest increase in the 44-year history of the committee, and its language was reflective of that fact: "[The report] shows an exceptionally strong and optimistic gas supply picture for the nation."

That's an understatement: At 2030 projected U.S. consumption rates of about 25 tcf, that's nearly a 100-year supply, and it pegs the U.S. reserves as the largest in the world.

John B. Curtis, a geology professor at the Colorado School of Mines and the report's principal author, said, "New and advanced exploration, well drilling and completion technologies are allowing us increasingly better access to domestic gas resources - especially unconventional gas - which, not that long ago, were considered impractical or uneconomical to pursue."

The findings have shifted the focus onto natural gas as a possible transition fuel as we move from coal and oil to solar, wind, geothermal and other non-carbon sources of power. It couldn't have come at a more opportune time.

Moving Towards a National Energy Plan: Slowly

As I've often said in previous articles, the best thing the government can do to move us away from fossil fuels is to provide funding and tax incentives to develop and use something else (and then get the hell out of the way). It appears as though Congress is trying to do just that with natural gas.

H.R. 1835, known as the "New Alternative Transportation to Give Americans Solutions Act of 2009," amends the Internal Revenue Code of 1986 to create jobs and encourage alternative energy investments.

Here are the highlights from www.gotrac.us on what this act does:

- An excise tax credit through 2027 for alternative fuels and motor vehicles involving compressed or liquefied natural gas (LNG).
- An income tax credit through 2027 for vehicles powered by compressed or LNG.
- A new tax credit for the production of vehicles fueled by natural gas or LNG.
- A tax credit for alternative fuel vehicle refueling property expenditures for refueling property relating to compressed or LNG 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 LNG.
- 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.

Now before I get a dozen e-mails pointing out that natural gas is just a different fossil fuel, let me head them off. There's no argument there.

However, it's much cleaner burning, produces less carbon emissions and, most importantly, it's found here in abundance. It's a walk in the park to produce new cars and trucks that run on it, and convert older ones as well.

And if it helps free of the grip of rogue nations around the world in 10 years or less, then I'm all for it. We'll all be better off economically, and we'll all have greater piece of mind.

How do you play it? Take a look at Clean Energy Fuels Corporation (Nasdaq: CLNE), a provider of natural gas as a vehicle fuel, primarily for fleet use in the United States and Canada. It designs, builds and operates natural gas fueling stations, and provides financing for natural gas vehicles. It and others in the sector will undoubtedly benefit from this legislation when it's passed.

Next week, I'm going to take a look at the state of the wind power industry, and why it's currently in stall mode.

Hedge Funds Update: Soros, Anderson, Meriwether, Rosenberg and More – Seeking Alpha – 7/10/09

We're going to try out our hedge fund news summary style post again as readers seemed to like it last time. Except this time around, we'll focus not only on hedge funds but on prominent market strategists and gurus as well. In our previous shotgun hedge fund update, we touched on the latest from George Soros, Och Ziff, Taleb, and a few others. And now here's your daily double shot of hedge fund & market tequila:

Hedge Funds in general saw returns of 9.73% for the year as of around the end of June. This is on track to their best annual start since way back in 1999.

George Soros (Soros Fund Management): Legendary investor and former Quantum Fund manager George Soros was recently out saying that he thinks the US will see a "stop-go" economy for some time. Eventually, he feels fears of inflation will hike interest rates up and as a result, economic growth will suffer. He went on to say that, "The idea of self-correcting markets is a misconception. You cannot prevent bubbles from forming but prevent them from self-reinforcement." Apparently (unbeknownst to us at least), Soros went back into retirement earlier this year after the whirlwind of 2008. If he really is 'retired' again, then we wonder why he is gracing us with his typical dose of (realistic) cynicism. We'll have to find out more in this regard, as this is the first we've heard of it. We have previously covered Soros' holdings in our hedge fund portfolio tracking series.

Bill Gross (PIMCO): 'Mr. Bonds' over at PIMCO is out with his July 2009 outlook and in it he touches on a fact that many seem to have brushed off the market action as their eyes glaze over with 'hope' (whatever that word means). Gross says,

I was impressed this weekend by an article in the Op-Ed section of The New York Times by staff writer Bob Herbert. "No Recovery in Sight" was the heading and his opening sentence asked, 'How do you put together a consumer economy that works when the consumers are out of work?' That is really all one needs to ask when divining our economy's future fortune. Unless an optimist can prescribe how to put Humpty Dumpty back together again and shuffle him/her back to work then there can be no return to an 'old normal.' As unemployment approaches 10%, what is less well publicized is that the number of 'underutilized' workers in the U.S. has increased dramatically from 15 to 30 million. Those without jobs, as well as those individuals who only work part-time and have become discouraged and stopped looking, total 30 MILLION people. The number is staggering. Commonsensically, one has to know that many or most of these are untrained for the demands of a green-oriented, goods-producing future economy. Imagine a welding rod in the hands of an investment banker or mortgage broker and you'll understand the implications quicker than any economist using an econometric model.

He also touched on a phrase we found a bit amusing. Instead of investors typically feasting on asset appreciations and going "Bon Appétit," they are now starving and are going "Non Appétit." You gotta love silly old Bill with his crazy phrases. We read his outlooks because it makes for good reading, but we kind

of gave up on ole Bill a long while ago. Simply put, he thinks that while greed is gone for now, it will certainly be back. You can read his full July outlook here.

Dwight Anderson (Ospraie Funds): This name should ring a bell for Market Folly readers for two reasons. Firstly, because his Ospraie fund blew up and we covered that back in September of 2008. Secondly, you will recall that Anderson was coming back in May and starting two new hedge funds. Well, we're back merely to report that Anderson's new funds went live last month with around \$100 million. His new equity fund is focused on companies that are related to commodities and resources while his new commodity fund will invest in the various derivatives related to that asset class. Watch out, the 'bird of prey' is back in the game and they are in-it-to-win-it.

John Meriwether (LTCM, now JWM): Sticking with the hedge fund opening/closure meme, we're happy (?) to report that John Meriwether is shutting down yet another hedge fund. This is really starting to get ridiculous. For those of you unaware, John Meriwether was the founder of Long-Term Capital Management which imploded back in the 1990's and caused a huge ordeal. It was somewhat shocking to see him able to start another fund after such a blowup, but it happened. Yet, we have come full circle again and see that Meriwether's main fund at JWM Partners will be shutting down after it lost 44% between September 2007 and February 2009. Ouch. Oh, and double ouch for the fact that he's shutting down yet another firm. Will this guy ever learn? And, more importantly... will investors ever learn?!

David Rosenberg (Gluskin Sheff & Associates): The notorious market strategist was out with his usual market talk at his new outfit, Gluskin Sheff & Associates. However, he specifically focused on corporate bonds versus equities which intrigued us. He writes, "The comparable yield in the equity market, depending on whether one uses reported or operating P/E multiples on forward or trailing earnings, is little better than 6½%. So corporate debt still trumps stocks. And what this 200 basis point 'yield gap' is telling you is that either corporate bond prices will need to rally more down the road or we need to start seeing corporate earnings growth recover sharply enough to pull those multiples down to more attractive levels."

Overall, he thinks that stocks already have a ton of good news priced-in and sees a pullback to 800 on the S&P500. However, he would see that as a buying opportunity and thinks the March lows will hold. The trick here is dealing with an already massive rally in equities from the lows.

Morris Sachs, E.G. Fisher, and Rob Wahl: While these three names might not ring any bells right now, we're here to report that the three gentlemen above will be opening a new hedge fund focused on government bonds named 5:15 Capital Management. The traders have a background at Brevan Howard and RBS Greenwich so they definitely have the credentials. They are starting with around \$60 million, with plans to grow it to around \$100 million. This hedge fund is intriguing in that its name is derived from a song from the band The Who. The track "5:15" was featured on the album "Quadrophenia" and the founders say they chose the name because they all love the song and band in general.

And, in mocking the hedge fund names typically selected by managers, Sachs said "What are we going to do, try to find another name for the Greek god of money?" Personally, we think someone else out there should create a fund with a name that flat out mocks another hedge fund, to get a little rivalry going. Suggestion: maybe Tontine, due to the irony there. (Confused? See this post).

Fair play to the trio at 5:15 for this random, yet refreshing development. We can't wait to see other new names that pop up now... perhaps 'Enter Sandman Partners'? Or, maybe, in tribute to the king of pop, 'Beat It Capital.' Hmm... we won't hold our breath.

Assan Din: Sticking with the "new-hedge-funds-by-people-you've-probably-never-heard-of" theme, we see that Assan Din is also set to start his own hedge fund after trading for Lehman Brothers. His SaKa Capital will be seeded with \$25-50 million and will start trading corporate bonds and derivatives in Singapore in September.

Byron Wien: Just a few days ago, we posted up Pequot Capital strategist Byron Wien's latest commentary. However, this time around he did not deliver his usual dialect regarding the markets. Instead, he took the time to reflect on the closing of the hedge fund firm he was a part of: Pequot Capital. If you haven't read it, we posted up Byron's thoughts here.

Boone Pickens: Although we usually just cover Pickens' hedge fund movements, this news is still market related in a sense. Remember the "Pickens Plan" and his quest for alternative energy change in the United States? Yea, most people probably don't remember after all this time. To give you a quick refresher, Pickens was seeking the use of various alternatives to replace our dependency on oil and was in the process of building a massive Wind Turbine Farm across Texas.

Well, times are tough because he is suspending plans to build such a farm. While he will still spend \$2-3 billion on smaller farms, the grand-daddy plan will have to wait. The delays (per Pickens) were cited to be the drop in natural gas prices and a lack of transmission lines... not to mention the vast slowdown alternative energy companies have seen and the financial turmoil that has affected Pickens as well. After all, when his hedge funds started tanking, he lost a lot of money. So, it looks like we'll have to wait even longer before we see the massive plot of propellers sprawled throughout Texas. This just goes to show how a nice drop in the price of oil (From \$140 down to \$60) can start to cripple the alternative energy sector. For those interested in Pickens' hedge fund, we recently covered his portfolio here.

Cliff Asness (AQR Capital Management): Yet again, we repeat ourselves: this is starting to get ridiculous. AQR is going to introduce even more "hedge-fund-style mutual funds" starting next month. This is all in a move to continue their expansion into mutual funds in addition to the hedge funds they run. Their AQR Diversified Arbitrage fund launched back in January and this time around they apparently have an arsenal of funds to unleash at the retail investing crowd.

But, then again, this is nothing new as we have seen literally a slew of similar investment vehicles already released. Thus far, we've seen: mutual funds imitating hedge funds, ETFs imitating hedge funds, and even more mutual funds pursuing hedge-like strategies, and then even more ETFs pursuing 'hedgefundesque' strategies. We've covered them all in detail before and we sincerely wonder if this fad will ever cease.

Instead of trying to match hedge fund performances by buying and shorting various index ETFs like those new vehicles do, why not just clone the hedge fund equity portfolios directly like we here at Market Folly have done? After all, with the help of Alphaclone, we've cloned our custom hedge fund portfolio that is seeing 27.9% annualized returns. And no, we're not even joking; check it out.

T. Boone Pickens' Epic Wind Fail – Seeking Alpha – 7/9/09

By Julian Murdoch

It's all over the headlines: T. Boone Pickens' huge wind farm has been scrapped - or at least postponed. After warning last year that he was having difficulty securing financing for the project, and was terminating land leases in March, this week's announcement isn't a huge shock, but it does bring up some things to think about, and for Pickens' detractors, an opportunity for schadenfreude. After all, Pickens reportedly spent nearly \$60 million last fall just advertising how awesome his plan was.

Why It Didn't Work: A Perfect Storm

Between the credit crisis, falling oil and natural gas prices, and a general decrease in energy demand due to the state of the economy, it frankly would have been more surprising if the large wind farm in Texas got up and running as scheduled.

Wind farms are expensive to build. The 667 wind turbines that Pickens' company purchased from GE came to a grand total of \$2 billion. The total cost for the project was to be \$10 billion. With credit tight everywhere and energy prices down, lining up financing just for the turbines was a bit more difficult than expected, but Mr. Pickens said he did it, and will in fact be looking for homes for those 667 turbines. Anyone want a small backyard wind farm? Pickens may be calling.

The next challenge was transmission lines.

Wind farms tend to be out in the middle of nowhere. To get the electricity from the middle of nowhere to the middle of somewhere, transmission lines have to be strung. Without those lines, the power is like a tree falling in the woods - it may make a sound, but who cares?

This has long been brought up as a roadblock to increasing green energy usage - the electrical grid in the U.S. is old and in need of repair and upgrading. New high-capacity transmission lines cost between \$2-4 million per mile, according to a recent report by the Pew Center on Global Climate Change. If the goal is to increase wind's percentage of energy production to 20%, the amount of new transmission lines needed to handle the electrical load is estimated to be between 12,650 and 19,000 miles - over \$60 billion worth. When I wrote about the stimulus plan in February (Is Alternative Energy Dead?), I mentioned that the U.S. had only \$11 billion earmarked for investment in transmission projects.

As far as Pickens' Mesa project is concerned, the Public Utility Commission in Texas had a plan to invest \$5 billion in transmission lines, but the lines wouldn't have gone all the way out to the Mesa project. Whoops.

Energy Prices

Oil is sitting around \$60, and natural gas is a steal at \$3.35. In fact, natural gas is so cheap that coal - the down and dirty go-to fuel for cheap electricity - will likely see a downtick in consumption. The U.S. Energy Information Administration revised its coal demand outlook for 2009 downward, and is now forecasting U.S. power plants will burn 987 million tons of coal.

"The 5.2 percent decline in coal consumption in the electric power sector is the result of lower total electricity generation coupled with projected increases from other generating sources, including natural gas, nuclear, hydroelectric, and wind."

But just because the Mesa project is no more doesn't mean wind is done for, though even the American Wind Energy Association is expecting development to move slowly this year. 2008 saw 8,358 new megawatts come online, but 2009 is forecast to only see around 5,000 megawatts installed. All across the globe, companies are bringing wind farms online. From an offshore Welsh wind project that is scheduled to start this week, to China's push to grow from 12 GW to 20 GW by 2010 - more wattage is coming on line all the time.

But it is not all smooth sailing, and manufacturers are suffering. Guillermo Ulacia, chairman of Spanish turbine maker Gamesa, said, "... the industry will slow its deliveries to match supply with demand and avoid entering a dangerous spiral of price reductions," Reuters reported on Wednesday.

But even with the industry seeing a slowdown, two wind industry ETFs have shown gains since the beginning of the year. First Trust Global Wind Energy (FAN) and PowerShares Global Wind Energy (PWND) both invest in companies across the world that are involved in producing wind energy directly or providing machinery or services related to the generation of wind power. FAN holds 57 companies, including some companies like BP and Royal Dutch Shell that don't, at first glance, seem like wind plays. PWND has more targeted holdings, with 31 companies - most of which are also covered by FAN.

It looks like a more targeted, narrow-focus approach is paying off in the wind industry, with PWND doing about 10 percentage points better than FAN since the end of April. And both ETFs have had a much better time of it than the S&P 500 since mid-April as well.

So even though it doesn't look like Texas is going to get its huge wind farm at this point, as we get through the rest of 2009 and look toward 2010, expect to keep seeing windmills in the distance.

Senate Takes a Step Back on Energy – CBS News' Political Hotsheet – 7/9/09

By Stephanie Condon

Senate Majority Leader Harry Reid is relaxing the timeline for climate change and energy legislation, a reflection of the challenge Congress will have meeting its own deadlines.

Reid, a Nevada Democrat, pushed back the deadline for the measure to Sept. 28, giving 10 extra days to the six different committees working on climate change and energy policy, ClimateWire reported.

With health care legislation still in development and Supreme Court nominee Sonia Sotomayor's confirmation hearings about to begin next week, the Senate will likely have little time for energy policy this summer.

The House of Representatives last month passed a comprehensive bill that creates a cap and trade system for polluting emissions, but the Senate is very unlikely to accept the legislation as the House prepared it. The Senate is likely to change a provision that imposes a tariff on certain goods from countries that are not also limiting their own global warming emissions. President Obama has said he opposes the tariff as well.

Furthermore, even though the House made a number of concessions to polluting industries -- agreeing to give away as much as 85 percent of the cap and trade permits to companies, rather than putting them up for auction -- moderate Senate Democrats like Sen. Claire McCaskill (D-Mo.) say the price on carbon is still too extreme.

"I'm going to make people, my friends on the left, very unhappy and I'm going to make those who don't think global warming is real very unhappy because I'm probably going to be working with a group of moderates in the middle to try to come up with a bill that doesn't punish coal-dependent states like Missouri," McCaskill said Wednesday on a radio show. "We need to be a leader in the world, but we don't want to be a sucker. And if we go too far with this, all we're going to do is chase more jobs to China and India, where they've been putting up coal-fired plants every ten minutes."

Given the complexity of the issue (the House bill is more than 1,000 pages long), it is unclear what ultimate impact the congressional cap-and-trade could have on the effectiveness of the bill. Many on the left are already frustrated at the concessions that have been made -- Greenpeace, for instance, does not support the House bill.

Meanwhile, other outside mitigating factors could hang up Congress' plans as well. One complex issue Congress has considered is the funding of transmission line development across the United States to carry clean energy produced in the midwest and other sparsely-populated areas to locations in need of the energy. The lack of transmission lines -- along with the collapse of the capital markets -- prompted billionaire oilman and clean energy advocate T. Boone Pickens to scrap his plans to build the world's largest wind farm in Texas.

If progress is not made in Washington, however, it could significantly impact international efforts to combat global warming. The world will be watching the United States' moves ahead of the United Nations climate change conference to take place in Copenhagen in December.

"The idea was to put together a bill that gets 60 votes before the meeting in Copenhagen," Reid's spokesman Jim Manley told reporters Wednesday, according to ClimateWire.

Senate Climate Change Bill Delayed Until September – *Environment News Service* – 7/9/09

WASHINGTON, DC, July 9, 2009 (ENS) - Controversial climate change legislation will not move out of a key Senate committee until September, after lawmakers return from their summer recess, U.S. Senator Barbara Boxer told reporters today.

Just two days after the Senate Environment and Public Works Committee opened hearings aimed at quick passage of climate legislation, Senator Boxer, the California Democrat who chairs the committee, said she has changed the target date for mark up of the bill from August 7 to sometime in early September.

Boxer and the chairmen of other committees that share jurisdiction over the legislation met Wednesday evening with Senate Majority Leader Harry Reid, a Nevada Democrat, and Carol Browner, White House coordinator of energy and climate policy.

Reid agreed to extend by 10 days his original September 18 deadline for all six committees involved to complete their work on the bill, the "Congressional Quarterly" reported today.

"We don't have to rush it through," Boxer said. "We'll do it as soon as we get back, and we'll have it at the desk when Harry wants it, when the leader wants it."

Boxer's bill is expected to parallel legislation approved by the House June 26, which would place a cap on greenhouse gas emissions that contribute to global warming and create a system for trading in permits to emit the heat-trapping gases.

She still intends to finish the climate bill this year, she said. There is pressure to have a bill on President Barack Obama's desk by December, when world leaders will meet in Copenhagen to finalize a global deal curbing greenhouse gas emissions that will take effect after the Kyoto Protocol expires in 2012.

The Environment and Public Works Committee plans to hold a hearing next week on transportation and climate change.

Boxer attributed the delay to the Democratic push to enact national health care reform legislation. "A lot of our colleagues are on the health committee. It's been difficult," Boxer said.

On Wednesday, Senate Finance Committee Chairman Max Baucus, a Montana Democrat, had to skip a hearing in his committee on climate change so that he could meet with Reid on the health care bill, leaving Senator John Kerry of Massachusetts to oversee the testimony on the international trade implications of climate change legislation.

But Republican Senator James Inhofe of Oklahoma said the delay is due to "A firestorm of opposition" that "arose from across the country this week as Democrats kicked-off debate on global warming legislation."

The Ranking Member on the Environment and Public Works Committee, and a long-time climate skeptic, Inhofe said, "So with this delay, the public should expect more arm-twisting and backroom deals - or, in other words, more business as usual in Washington. The American public can rest assured that I will be here, as I have done over the past 10 years, to expose the details of this devastating bill every step of the way."

Meanwhile, Senator Reid said Monday he will host the National Clean Energy Summit 2.0 in Las Vegas. On August 10, experts will focus on the job potential associated with developing renewable energy.

Former Vice President and Nobel Laureate Al Gore and energy entrepreneur T. Boone Pickens are among those who will participate in the summit to be held at the University of Nevada Las Vegas.

The summit will include roundtable discussions with national industry leaders, renowned scientists and respected policy experts, and will be followed by a public town hall forum and keynote address.

T. Boone Pickens, Billionaire Booster of Wind Power, Cancels His Huge Windfarm – Discover Magazine Blog – 7/9/09

What a difference a year makes. In July 2008, Texas billionaire T. Boone Pickens offered up the “Pickens Plan” to end U.S. dependence on foreign oil by producing more electricity from huge wind farms, and running vehicles on natural gas instead of gasoline. To kick-start the transformation, Pickens announced that he would construct the biggest wind farm ever in Texas. Pickens announced that his company, Mesa Power LP, would order 687 wind turbines, or 1,000 megawatts of capacity, from GE for about \$2 billion. By 2014, he expected to expand the Panhandle wind farm to 4,000 megawatts. That’s a massive amount of wind power. One nuclear power reactor is typically about 1,000 megawatts of capacity. Most wind farms offer only a few hundred megawatts [Dallas Morning News].

Now, one year later, Pickens has declared that he’s canceling the enormous Texas wind farm for the foreseeable future, and is scrambling to figure out where to place the 687 wind turbines that he already ordered. (He may end up establishing five or six small wind farms in the Midwest, Pickens suggested.) The project was largely done in by major problems with electricity transmission. Wind farms and other forms of clean energy are usually located in remote locations and require huge new transmission lines to carry the electricity to cities. Mr. Pickens initially hoped to finance the construction of his own transmission lines but was unable to secure funding [The Wall Street Journal].

Pickens’s decision to pull the plug on his ambitious project highlights the troubles faced by the wind power industry in general of late. With credit costlier and harder to come by, and oil and natural gas prices down sharply over the past year, the nation’s nascent wind industry may begin to focus on smaller projects that are closer to major population centers rather than massive developments like 81-year-old Pickens envisioned, industry officials said. “You’ve got an industry that is kind of hanging on by its fingernails,” said Denise Bode, chief executive of the American Wind Energy Association [Reuters].

Does Pickens' Plan B include Wisconsin? – Milwaukee Journal Sentinel Blog – 7/9/09

By Thomas Content

Texas oil tycoon and clean-energy pitchman T. Boone Pickens may be looking to develop a wind farm in Wisconsin, now that his proposal for the largest wind farm in the world is on hold.

Pickens said this week he's backing off a plan to build a 657-turbine wind farm on the Texas Panhandle. Pickens later said the project isn't canceled, only delayed a few years. But with his turbines already on order, Pickens told the Dallas Morning News he's exploring the possibility of developing a series of smaller wind projects around the country.

Wisconsin is one of the state's he'll consider building a project, he said. The largest wind farm operating in Wisconsin, the Blue Sky Green Field wind farm built by We Energies, has 88 turbines.

Pickens Slows Construction of Pampa Wind Project Due to Financing – *Houston Economic Policy Examiner* – 7/9/09

By James Hamilton

When T. Boone Pickens states that he can't afford something, I know I'm in DEEP trouble. And sadly, Mr. Pickens can't afford to continue the pace of his clean renewable energy program.

Texas oil billionaire T. Boone Pickens, chairman of BP Capital Management, said he has delayed his plan to build the world's largest wind farm blaming financing problems and transmission line limitations.

'I didn't cancel it,' Pickens said after a press conference. "Financing is tough right now and so it's going to be delayed a year or two.'

'I expect to continue development of the Pampa project, but not at the pace that I originally expected.'

The Pampa Wind Project, (4,000 megawatts of electricity in the next 4-5 years) located in the Texas Panhandle, could power 1.2 million average homes by 2014 at a cost of \$8 billion. The spending on wind turbines would have supported economic activity and provided a clean source of renewable energy at a time when the nation must continue to exploit all forms of energy.

For the huge wind farm he had planned in Texas, Mr. Pickens/Mesa Power LLP had already ordered 687 large wind turbines from General Electric, to be delivered starting in 2011. But transmission lines being built by the state were unlikely to reach the location he has leased until 2013, so he needed to put the turbines elsewhere. Mr. Pickens had once planned to build his own transmission lines, but difficulty in finding financing amid the credit crisis forced him to shelve that plan.

Pickens said he did not think the postponed project is a setback for the wind industry because all sectors are having trouble finding financial backers in this economic climate.

'I am fully committed to wind energy and to developing wind projects in the U.S. and perhaps Canada,' he said.

Mesa Power's huge order of wind turbines in May 2008 came after other developers, such as Florida's FPL Group, German-based E.ON, and others, were already operating more than 5,500 MW of emission-free wind power.

Installation was underway on another 3,000 MW of wind, an amount that strained the existing transmission network's ability to transfer power from windy west Texas to larger metropolis cities like Dallas, San Antonio and Houston.

The original plan to move electricity from the Texas Panhandle -- an area not connected to the state's primary grid serving major cities -- called for Pickens to build his own transmission line, a costly idea he soon dropped.

Late last year, Texas regulators finalized a \$4.9 billion plan to construct new power lines to accommodate more than 18,000 MW of wind generation in the next few years, including nearly 2,400 MW of wind in the Panhandle zone that includes Pampa.

Mesa Power was also looking at an option of shipping power from the Pampa wind farm through Oklahoma and Kansas to northern and eastern markets through the grid overseen by the Southwest Power Pool.

SPP, which currently has about 3,000 MW of installed wind capacity, also has significant transmission bottlenecks, and is working to create a 'superhighway' to take advantage of the huge amount of wind resource in the nation's midsection.

Some of my favorite T. Boone Pickens' "Booneisms":

"Be willing to make decisions. That's the most important quality in a good leader. Don't fall victim to what I call the "ready-aim-aim-aim-aim" syndrome. You must be willing to fire."

"Far too many executives have become more concerned with the "four P's" — pay, perks, power and prestige — rather than making profits for shareholders."

"Keep things informal. Talking is the natural way to do business. Writing is great for keeping records and putting down details, but talk generates ideas. Great things come from our luncheon meetings, which consist of a sandwich, a cup of soup, and a good idea or two. No martinis."

"I have always believed that it's important to show a new look periodically. Predictability can lead to failure."

"Work eight hours and sleep eight hours, and make sure that they are not the same eight hours."

"If you're on the right side of the issue, just keep driving until you hear glass breaking. Don't quit."

"Work hard. Come early, stay late. That's the way leadership has to approach it."

"Fight your way out of corners. I play pretty good off the wall."

Hang in there T. Boone ~ we're hoping you fight your way out of this corner.

Let me know if I can help: james@thejameshamilton.com

Finance, Transmission Take Wind Out of Pickens' Sails – *Environmental Finance* – 7/9/09

New York, 9 July: Texas oilman T Boone Pickens' has put on hold his grand plan to build the largest US wind farm – highlighting two significant problems for renewable energy development: tight financing and an inadequate transmission infrastructure.

Pickens has proposed a goal of generating up to 22% of US electricity from wind and building a modern electricity transmission goal. Pickens' Mesa Power began ordering turbines last year for a proposed 4,000MW, 400,000-acre wind farm called the Pampa Wind Project, designed to power 1.3 million Texas homes at a cost of about \$12 billion. The first phase of the project was scheduled to start generating electricity in 2011.

But while Pickens said he remains fully committed to developing wind projects in the US and Canada, his massive wind farm project is on hold for the time being.

"The capital markets have dealt us all a setback and I'm less aggressive with the Panhandle project than I have been," Pickens said on Tuesday. "I had hoped that Pampa would be the starting point, but transmission issues and the problem with the capital markets make that unfeasible at this point. I expect to continue development of the Pampa project, but not at the pace that I originally expected."

Pickens already purchased 667 wind turbines from GE Energy and plans to find projects to utilise the equipment.

Tight credit markets have been a major problem for the renewable energy sector since last year. Lenders have been focusing their limited investment capital on projects with long-term power purchase agreements from the top renewable energy developers or those with who they have previous relationships.

Transmission issues are the key hurdle for the US meeting a goal of generating 20% of electricity from wind power by 2030, according to a report by the American Wind Energy Association (AWEA). Very little progress has been made on reforming policies for planning, paying for and permitting transmission, according to the report. The federal government must take the lead in resolving these transmission issues and a federal electricity standard, currently being debated in the US Congress, would help drive transmission construction, the report says.

Wind development in Texas continues to be hobbled by the infrastructure problem, despite the state's position as the top US wind producer. Texas now has 7,907MW of wind capacity, nearly triple the amount in Iowa, the second-largest US wind-producing state, according to AWEA.

Government officials in Texas are taking steps to address the state's transmission issues. In July 2008, the Texas Public Utility Commission approved a plan to transmit a total of 18,456MW of wind power from West Texas and the Panhandle to metropolitan areas of the state such as Dallas-Fort Worth and Houston. The plan will place new transmission lines into service by the end of 2013 at a cost of \$4.93 billion.

Pickens Seeks New Home For Wind Farm – *Clean Tech Brief – 7/9/09*

Energy tycoon and wind advocate T. Boone Pickens told the Dallas Morning News he's looking for a new location for his massive wind project, originally planned for the Texas panhandle, because the state does not have the necessary transmission lines.

Pickens says his wind company, Mesa Power, is considering sites in the Midwest and possibly elsewhere in Texas.

"I don't think the first place we build, though, is where we thought we would because we don't have the transmission," Pickens told the paper.

The tycoon also said that the falling price of natural gas (now roughly \$4 per million BTUs) is making it harder for Mesa Power to get funding for a wind farm. In 2008, Mesa Power announced it would purchase GE wind turbines capable of generating 1,000MW.

"You had them standing in line to finance you when natural gas was \$9 [per million BTUs]...Natural gas at \$4 doesn't have many people trying to finance you," Pickens told the paper. "I'm going to start receiving those turbines in the first quarter of '11 and I don't have that big of a garage to put them in there so I got to start getting ready to use them."

Pickens announced his plans to invest \$58 million in wind and natural gas vehicles a year ago.

Lack of Capital Shelves Pickens Wind Plan – *Domestic Fuel – 7/9/09*

Plans to build the world's largest wind farm have been put on hold, as billionaire oil man T. Boone Pickens cites a lack of capital and infrastructure.

CNN reports that Pickens has announced that his 4,000 megawatt Pampa Wind Project planned for the Texas panhandle is on hold:

"I had hoped that Pampa would be the starting point, but transmission issues and the problem with the capital markets make that unfeasible at this point," Pickens told CNN's Ali Velshi. "I expect to continue development of the Pampa project, but not at the pace that I originally expected."

The Pickens Plan was an attempt to wean the United States off foreign oil and switch to wind and natural gas. The project was to be set in four Texas Panhandle counties.

Pickens said he faced hurdles in routing the power from Texas to a distribution system. His plans were also stymied by a plunge in natural gas prices and a tightening credit market.

"The capital markets have dealt us all a setback, and I'm less aggressive with the Panhandle project than I have been," Pickens said.

Pickens says he is still committed to 667 wind turbines that he has already ordered and would find homes for them.

BROADCAST COVERAGE

1. Fox Business

DMA: N/A

Fox Business Network (---) National
07/09/2009 12:00 PM - 01:00 PM

[CC] 00:36:40 President Obama is pushing the green. On the other side of the point, **Boone Pickens** came out and his **wind** farm in Texas he says he's going to put that on hold because of a financing issue. Gas; \$140 a barrel last year, that **wind** farm sounded great. It comes down to more of a long-term investment. The distribution of the **energy**, these **wind** farms and some of the solar companies, we're finding that you can produce the **energy** but it's distributing the **energy** that's that's where they're running the problem. Into problems. Sounds like **Boone Pickens** just found that out. It's the power grid play. Taking the **energy** and actually getting it into the homes. 00:39:27

2. Fox Business

DMA: N/A

Fox Business Network (---) National
07/09/2009 04:00 PM - 05:00 PM

[CC] 00:47:54 **Oil** man **Boone Pickens** teams up with senate leaders to produce **natural gas** powered cars. Molly joins us with the story from Washington D.C. They want to encourage Americans to buy **natural gas** powered vehicles to help the environment and reduce dependency on foreign **oil**. They are using tax credits to do it. This is a clear message to the market that the government is committed to **natural gas** powered cars. **Natural gas** is here, technology is here, and all that is needed is the policy to jump start the industry so it can flourish. 00:49:47

3. Special Report With Bret Baier (Rebroadcast)

DMA: N/A

Fox News Channel (---) National
07/10/2009 04:00 AM - 05:00 AM

Spot Cost: \$743
Est. Audience: 206,730

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:23:20 . Some in congress want to make it worth your while to buy a different kind of car. Molly Hennenberg tells us about the proposed incentives to switch to **natural gas**. Californian Chick Hood bought his **natural gas** powered car eight months ago and says it is a great investment and hedge even when **gas** prices were \$5 a gallon, the most I paid was \$2.80. Two senators, alongside Texas **energy** billionaire **T. Boone Pickens** who has been pushing **natural gas** as a transportation **fuel**, are introducing legislation to increase and extend tax credits for consumers to buy **natural-gas**-powered cars an companies that build and **fuel** them. There are 10 million **natural gas** vehicles on the world's roads but few of them are used in the United States. We need an extra push to spur on the greater use of **natural gas** and to get more **natural gas** vehicles on our roads.... 00:25:06

4. Special Report With Bret Baier

DMA: N/A

Fox News Channel (---) National

07/09/2009 06:00 PM - 07:00 PM

Spot Cost: \$21,991
Est. Audience: 2,037,589

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

00:24:05 **Pickens** plan: The post-financial incentive to switch to a **natural gas** powered vehicle. V; Santa Monica, CA. I; Chuck Hood, **natural gas** car owner, talks about what he pays for **fuel**. V; **Pickens** ad, **Pickensplan.com**. SB; Robert Menendez, D-NJ senator, talks about how many **natural gas** vehicles there are on the road. SB; Orrin Hatch, R-Utah senator, talks about **natural gas** vehicles. SB; **T. Boone Pickens**, Alternative **Energy** entrepreneur, talks about **natural gas**. V; Honda Civic GS. I; Don Marion Honda dealer, talks about an infrastructure problem. V; Washington. I; Rick Smead, **natural gas** industry consultant, talks about this being technology worth exploring. Molly Hennenberg, Washington, reporting. 00:26:35

5. Land Line Now

DMA: N/A

Road Dog Trucking (Sirius XM) National

07/03/2009 07:00 PM - 08:00 PM

00:16:00 **Pickens** recently spoke at the Foreign National Clean **Energy** conference. 00:17:59

6. Fox News At 12 Noon

DMA: 3

WFLD-TV CH 32 (FOX) Chicago

07/09/2009 12:00 PM - 01:00 PM

Spot Cost: \$527
Est. Audience: 55,597

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

00:22:41 **Wind** Farm: **T Boone Pickens** is trying to build **wind** farms. V; footage of **wind** farms. 00:23:00

7. Fox 26 News 6:00 AM

DMA: 10

KRIV-TV CH 26 (FOX) Houston

07/10/2009 06:00 AM - 07:00 AM

Spot Cost: \$542
Est. Audience: 63,939

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:34:48 Managing America's **energy** is something the Texas billionaire says has not been done before but certainly needs to be done now. **T. Boone Pickens** spent \$60 million of his own money to convince the U.S. to develop renewable options and focus on the wealth of **natural gas** in our country. y. He joined lawmakers this week in proposing legislation to bump up tax credits for people who buy cars that run on **natural gas**. . 1835 **Natural gas** act. That is the one where you take **natural gas** and put it in as a transportation **fuel**. That's the one that reduces the dependency on foreign **oil**. **Pickens** estimates the U.S. imports 70% of foreign oil and a big percentage from what he calls unfriendly countries. 00:35:35

8. Fox 26 News 5:30 PM

DMA: 10

KRIV-TV CH 26 (FOX) Houston

07/09/2009 05:30 PM - 06:00 PM

Spot Cost: \$415
Est. Audience: 41,538

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:04:06 That's about the same before, but the number of families within the ranks grew managing America's **energy** is something a Texas billionaire says he hasn't done before but needs to do now. **T. Boone Pickens** spent \$60 billion of his own money to convince the government to provide more options. He's proposing cars run on **natural gas**. You put **natural gas** in as a transportation service. **Pickens** admits the U.S. imports 70% of foreign **oil** from unfriendly countries to the U.S. 00:06:22

9. Patrick Reusse

DMA: 15

KSTP-AM 1500 (---) Minneapolis/St. Paul

07/10/2009 05:30 AM - 06:00 AM

Spot Cost: \$40
Est. Audience: 5,000

00:16:00 Wisconsin company has permission to build a huge wind farm in the Albert Lee area. 120 turbines just to begin with How are those wind farms doing? great .in southwestern Minnesota. ...I see **T**

Boone Pickens has canceled his. He was going to have a huge one down in Texas sor Oklahoma areahe decided to hell with it 00:17:59

10. WRAL-TV News At Noon

WRAL-TV CH 5 (CBS) Raleigh/Durham
07/09/2009 12:00 PM - 12:30 PM

DMA: 27
Spot Cost: \$436
Est. Audience: 94,934

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:24:03 It seemed like a good idea at the time, but now, legendary **oilman T.Boone Pickens** is scrapping plans to build the world's largest **wind** farm. When **oil** was rising to a record high of one-hundred-forty-seven dollars a barrel, **Pickens** was everywhere pitching his **wind energy** plan. But with **oil** and **natural gas** prices much lower now and the country focused on an economic crisis, **Pickens** is shelving the idea for the huge Texas **wind** farm for now. 00:26:48

11. Channel 4 News At 10

WSMV-TV CH 4 (NBC) Nashville
07/09/2009 10:00 PM - 10:35 PM

DMA: 29
Spot Cost: \$781
Est. Audience: 131,437

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:26:00 Plans for the world's largest **wind** farm in the Texas panhandle have been scrapped and now **energy** baron **T Boone Pickens** needs a home for more than 650 of those giant **wind** turbines. **Pickens** leases about 200,000 acres in Texas, he might put some turbines there, but the problem lies in getting power from the proposed site to a distribution system. **Pickens** says he is looking for potential sites in the midwest and in Canada. 00:28:00

12. Fox 61 Morning News

WTIC-TV CH 61 (FOX) Hartford/New Haven
07/10/2009 05:00 AM - 06:00 AM

DMA: 30
Spot Cost: \$20
Est. Audience: 2,432

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:42:38 Going green could mean going **natural**. A group of powerful lawmakers joined billionaire **oilman T Boone Pickens** to propose legislation that would increase tax credits on **natural gas** powered cars. Fox's Molly Henneberg has the story. C alifornian Chuck Hood Bought his **natural-gas** powered car 8 months ago and says it's been a great investment, and hedge against high **gas** prices. Hood says: "even when **gas** prices were 5 bucks a gallon I think the most I ever paid at the **fuel** sites was probably 2.80." Two senators, alongside Texas **energy** billionaire **T Boone Pickens**, who has been pushing **natural gas** as a transportation **fuel** .are introducing legislation, to increase and extend tax credits for consumers who buy **natural gas** powered cars, And companies that build and **fuel** them. Menendez says: "there are approximately 10 million **natural gas** vehicles on the world's roads but few of them are used here in the United States."... 00:45:28

13. ABC 4 News

KTVX-TV CH 4 (ABC) Salt Lake City
07/09/2009 06:00 PM - 06:30 PM

DMA: 33
Spot Cost: \$300
Est. Audience: 35,150

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:15:19 Hoping to promote alternative **fuel** vehicles, automakers joined **T Boone Pickens**. 00:17:03

14. Oklahoma News Tonight

KSBI-TV CH 52 (IND) Oklahoma City
07/09/2009 05:30 PM - 06:30 PM

DMA: 45
Spot Cost: \$20
Est. Audience: 999

[CC] 00:09:29 Tonight billionaire **oilman .-Boone Pickens** is speaking out about the nation's dependence on foreign **oil**. Last year **Pickens** decided to invest heavily in building the world's biggest **wind** farm.

Those plans have now changed because of the economy. But **Pickens** says it's still imperative the US rids itself of foreign **oil**. 00:10:58

15. News 9 At 4:00 PM

KWTV-TV CH 9 (CBS) Oklahoma City
07/09/2009 04:00 PM - 05:00 PM

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

DMA: 45
Spot Cost: \$215
Est. Audience: 34,467

[CC] 00:11:50 Texas billionaire **T. Boone Pickens** wants Americans to rely on more green **energy** sources, not only to help the environment. Despite a financial bump in the road, **Pickens** is still pushing his plan that calls on the US to rely on **wind** power and **natural gas** to bring down dependence on foreign **oil**. 00:13:12

16. Fox 23 News

KOKI-TV CH 23 (FOX) Tulsa
07/09/2009 09:00 PM - 10:00 PM

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

DMA: 61
Spot Cost: \$497
Est. Audience: 58,351

[CC] 00:22:03 Billionaire **oilman T.Boone Pickens** makes a surprising announcement on the one year anniversary of his alternative **energy** plan. The project's been scaled down. **Pickens** says its been delayed due to a shortage in funds. Despite the setback **Pickens** says-- --"alternative **energy**" is still the key to **energy** independence. 00:23:12

17. Fox 43 News At 10

WFXB-TV CH 43 (FOX) Myrtle Beach/Florence
07/09/2009 10:00 PM - 10:35 PM

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

DMA: 104
Spot Cost: \$160
Est. Audience: 8,501

[CC] 00:24:09 **T. Boone Pickens** made billions of dollars investing in **oil**. Then last year he made an about-face and decided to invest heavily to build the world's biggest **wind** farm. His plans changed because of the economy. But, he says it's still imperative the US get rid of its dependence on foreign **oil**, one reason, security issues.... according to web site **Pickens-plan-dot-com**, the venture is aimed at using **wind** power and **natural gas** to replace the **nation's** use of foreign **oil**. 00:27:29

18. NTV News At Noon

KHGI-TV CH 13 (ABC) Lincoln/Hastings/Kearney
07/09/2009 12:00 PM - 01:00 PM

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

DMA: 106
Spot Cost: \$98
Est. Audience: 8,237

[CC] 00:04:47 According to **T.Boone Pickens**, the oil tycoon, made billions of dollars in the resource. Last year he decided to invest heavily in building in the world's largest wind farm. His plans changed now because of the economy. But says. It's still crucial to the United States. According to **Pickens** web site, his latest venture is aimed at using **wind** power and **natural gas** to replace the **nation's** use of foreign **oil**. 00:08:25

19. Fox News East Texas

KFXK-TV CH 51 (FOX) Tyler/Longview/Jacksonville
07/09/2009 09:00 PM - 09:30 PM

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

DMA: 110
Spot Cost: \$128
Est. Audience: 7,124

[CC] 00:13:43 **T. Boone Pickens** makes a surprising announcement on the one-year anniversary of his alternative **energy** plan. The Texas **oilman** says he's delaying his plan to build the world's largest **wind** farm. A lot has changed in Texas **oilman T. Boone Pickens'** last year. Oh, he's still a billionaire, but given the economy, he's a billionaire who's lost billions. Something's gotta give. The widely advertised **energy** plan **Pickens** announced a year ago today has been scaled down, especially his plan for a Texas **wind** farm that would have been the largest. 00:14:53

20. Eye At 5

DMA: 110

KYTX-TV CH 19 (CBS) Tyler/Longview/Jacksonville

07/09/2009 05:00 PM - 05:30 PM

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

Spot Cost: \$25

Est. Audience: 2,894

[CC] 00:08:14 Texan **T.Boone Pickens** made billions in the **oil** industry and then last year he had an about-face, but his change hasn't gone according to plan. According to web site **Pickens-plan-dot-com**, the venture is aimed at using **wind** power and **natural gas** to replace the **nation's** use of foreign **oil**.
00:11:18

21. Fox 14 News At 9

KCIT-TV CH 14 (FOX) Amarillo

07/09/2009 09:00 PM - 09:30 PM

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

DMA: 131

Spot Cost: \$138

Est. Audience: 8,479

[CC] 00:27:08 **T. Boone Pickens** made a surprising announcement on the one-year anniversary of his alternative **energy** plan. As we first reported Tuesday, the Texas **oilman** says he's delaying his plan to build the world's largest **wind** farm in Pampa. A lot has changed in Texas **oilman T. Boone Pickens'** last year. 00:28:28