

PickensPlan

T. Boone Pickens Media Coverage 8.10.10

Total of 7 Placements

- Print: 3
- Blog/Online: 4

Coverage Summary:

Pickens is quoted in a *Bloomberg* article that looks at the life of Matthew Simmons, a leading proponent of the “peak oil” theory.

Highlighted Placements (Full Articles Below)

- **Matthew Simmons, Who Said Global Crude Production Has Peaked, Dies at 67** – *Bloomberg* – 8/9/10

Print Placements (Full Articles Below)

- **Clean Energy Fuels Swings To 2Q Profit On Derivative Gains** – *Dow Jones* – 8/9/10
 - *WSJ.com*
- **‘Peak Oil’ Theorist And Investor Simmons Dies** – *The National* – 8/10/10

Blog/Online Placements (Full Articles Below)

- **Without Matt Simmons: Has Peak Oil, Well, Peaked?** – *WSJ Blog* – 8/9/10

- **Areday: Luminaries To Convene in Aspen for Global Energy Summit** – *Triple Pundit* – 8/10/10
- **The LNG Challenge** – *Connect Savannah* – 8/10/10

HIGHLIGHTED COVERAGE

Matthew Simmons, Who Said Global Crude Production Has Peaked, Dies at 67 –
Bloomberg – 8/9/10

Matthew R. Simmons, an energy investment banker and a leading proponent of the “peak oil” theory that claims the Earth is running out of crude, died yesterday.

Simmons, 67, died in an accidental drowning at his home in Maine, local officials said.

Simmons started Houston-based Simmons & Co. in May 1974 with a focus on the oil-services industry, according to the company’s website. The firm expanded to offer research, institutional sales and investment banking in the energy industry. Simmons promoted the idea that world oil reserves are peaking, and he explored the implications in a 2005 book called “Twilight in the Desert.”

“In the history of the petroleum era, Matt Simmons will be remembered for calling attention to ‘peak oil,’” T. Boone Pickens, chairman of BP Capital LLC, said in an e-mailed statement. “You had to admire his advocacy and his ability to focus on the need to better prepare for a new energy future.”

Emergency medical workers responded to Simmons’s home a little before 10 p.m. local time yesterday, said John Dietter, a crew chief in North Haven, Maine. The official cause of death is drowning, and he was found in a hot tub, said Tara Harrington, medical associate at Maine’s Office of Chief Medical Examiner.

“It was an accident,” Harrington said today in a telephone interview. She said “heart disease” was listed for the category of “other significant conditions” on the death certificate.

‘Very Good Analyst’

“He was somebody that was very comfortable challenging conventional wisdom, someone that thought beyond the near term and was a very good analyst in terms of identifying big trends,” said Dan Pickering, who worked at Simmons & Co. from 1996 to 2004 and is now co-president of the Tudor Pickering Holt & Co. investment bank in Houston.

On a tour of Saudi Arabia’s oil industry in 2003, Simmons was inspired to estimate the world’s largest oil reserves, and from research that included poring through neglected engineering data, determined that the country was close to or nearing peak output, Peter Maass wrote in his book, “Crude World: The Violent Twilight of Oil.”

“He built his own energy firm and, having done that successfully, used his knowledge of the industry to challenge one of its biggest accepted truths -- that there are nearly unlimited quantities of oil in the world,” Maass said today in an e-mail.

Demand Concerns

Demand for energy has become a “runaway train that cannot be easily slowed or reversed,” Simmons said in a slide presentation in May at the Offshore Technology Conference in Houston.

“We are in early stages of a global train wreck when demand outstrips supply and shortages begin,” according to the slides on the website for the Ocean Energy Institute, which Simmons founded in 2007 to explore opportunities for harvesting energy from the seas. He is survived by his wife Ellen and their five daughters.

In May 2008, Goldman Sachs Group Inc. analysts said crude might rise to between \$150 and \$200 a barrel on increased demand from developing countries that supply could fail to match. Simmons said July 16 of that year that oil was more likely to hit \$200 per barrel than drop to \$50 over the next six months.

Record Oil Price

Oil did touch a record, hitting \$147.27 a barrel in July 2008 in New York futures trading. Crude fell to \$44.60 at the close of 2008 and hasn't returned to triple digits following a global recession that cut demand.

Rising prices raised awareness of peak oil, said Ted Harper, who helps manage about \$6.8 billion in assets at Frost Investment Advisors in Houston. Harper said he thinks the industry is at or near peak output capacity, though he didn't fully endorse peak oil, which has seen its prominence fade.

Interest in whether global oil production has plateaued or peaked has waned as prices have remained well below their 2008 high, Harper said.

Arthur Berman, a geologist who lives near Houston and writes for the Oil Drum energy website, said he shared Simmons's views on peak oil. Simmons did have "some peculiar ideas" on the BP Plc spill such as the size of the disaster, Berman said, and he'd hoped to talk with Simmons about the reasons for some of his thoughts.

Simmons was a frequent critic of BP's efforts to stanch its oil spill in the Gulf of Mexico, suggesting at one point that the best option would be to detonate a small nuclear bomb undersea to kill the well.

On June 16, Simmons announced his retirement as chairman emeritus from Simmons & Co. so he could focus on the Ocean Energy Institute.

PRINT COVERAGE

Clean Energy Fuels Swings To 2Q Profit On Derivative Gains – Dow Jones – 8/9/10

By Joan E. Solsman

Clean Energy Fuels Corp. (CLNE) swung to surprise second-quarter profit on a jump in revenue and big mark-to-market gains on warrants.

Chief Executive Andrew J. Littlefair said the provider of natural gas to fuel transportation vehicles was encouraged by the direction of the industry, saying it has "reached meaningful scale" at the ports of Los Angeles and Long Beach. In June, the company signed a 10-year contract with Los Angeles County Metropolitan Transit Authority.

The company, controlled by billionaire energy investor and gas-advocate T. Boone Pickens, stands to benefit as the U.S. explores alternatives to petroleum-based power, especially those resources with large domestic supplies.

Clean Energy posted a profit of \$9.9 million, or 14 cents a share, compared with a year-earlier loss of \$6.4 million, or 13 cents a share. Both periods included stock-based compensation, and the most recent quarter included large market-to-market gains on warrants versus losses on them the previous year. Excluding the items, loss widened to 6 cents from a penny.

Revenue jumped 58% to \$44 million.

Analysts surveyed by Thomson Reuters, who appear to include items in their estimates, predicted a 7-cent loss on revenue of \$41 million.

Gasoline gallon equivalents delivered rose 31%.

Gross margin slumped to 30.5% from 41.9% as product costs soared 89%.

Last month, the company agreed to buy IMW Industries Ltd. for \$125 million in cash and stock, which would expand its reach in emerging markets. The company makes and services natural-gas fueling compressors.

Clean Energy shares were down 0.6% at \$17 after hours. The stock has risen 11% so far this year, outperforming the broader market.

‘Peak Oil’ Theorist And Investor Simmons Dies – *The National* – 8/10/10

By Tamsin Carlisle

Matthew Simmons, the outspoken investment banker and author best known for championing the concept of peak oil, has died at the age of 67.

Considered a maverick in the close-knit world of energy finance but admired by the redoubtable T Boone Pickens, Simmons did more than anyone else to bring to widespread public attention the obscure theory proposed more than half a century earlier by the geophysicist M King Hubbert.

Simmons’s 2005 book, *Twilight in the Desert: The Coming Saudi Oil Shock and the World Economy*, still enjoys brisk sales.

After its publication brought him cult-hero status among a motley following of environmentalists, green-energy enthusiasts and conspiracy theorists, he vigorously strode the interview and conference circuit, seizing any opportunity to expound his controversial view that world oil supply was already in decline.

In 2008, as crude surged towards a record US\$147 per barrel and consumers feared inundation by a tide of rising fuel prices and surcharges, he gained mainstream fame as a prophet of world economic catastrophe.

“I find it ironic that here we have the biggest industry on earth and I’m one of the few people to figure out that we have a major problem,” he told Fortune magazine in September 2008, when crude was still above \$100 per barrel. “And I did it all in my spare time. How stupid and tragic is that?”

A global economic crisis followed. But instead of blaming the crash on oil shortages, economists instead fingered the greed of a poorly regulated banking industry, which triggered a worldwide credit crunch.

OPEC noted that world oil demand had been falling for months before crude reached its all-time price peak and it blamed the rise on market speculation. In many European and American living rooms, however, it had become politically incorrect to question the veracity of “peak oil” forecasts – a testament to Simmons’s powers of persuasion.

In recent months, he levered his standing with the public and as a credible oil-industry insider to excoriate BP over its huge Gulf of Mexico oil spill.

In June, he predicted the spill would bankrupt BP within a month. He also argued that the company’s efforts to plug the gusher were doomed. The US military should take over because a nuclear explosion was needed to seal the well, he said.

“There’s a lake at the bottom of the Gulf of Mexico that’s over 100 miles wide and at least 400 to 500 feet deep of black oil. It’s just staying there,” Simmons said in June. “If a hurricane comes and blows this to shore, it could paint the Gulf Coast black.”

Those dire predictions were not borne out. Last week, BP capped the leak and unveiled a new corporate strategy. Independent scientists said environmental damage from the spill was not as bad as they had originally feared.

With the Gulf of Mexico and world markets awash with oil, Simmons’s motto could have been “never say die”.

“What are the lessons learned from this environmental disaster?” Fortune asked.

“That oil peaked. The easy stuff is over,” he responded. “We probably need to take a deep breath and step back. Until we develop a new generation of equipment that can respond to these accidents, just don’t go into the ultra-deep water and deep formations because it’s just too risky.”

Sadly for his followers and critics alike, Mr Peak Oil proved only too mortal.

Simmons died on Sunday after apparently accidentally drowning in a hot tub at his home in North Haven, Maine. He is survived by his wife and five daughters and his latest project, the Ocean Energy Institute, which he founded in 2007 to explore opportunities for tapping clean energy from deep-sea currents.

BLOG/ONLINE COVERAGE

Without Matt Simmons: Has Peak Oil, Well, Peaked? – *WSJ Blog* – 8/9/10

By Michael Corkery

Matt Simmons, the maverick investment banker who championed the concept of peak oil, died of a heart attack in a hot tub in Maine. He was 67.

Simmons is best known for raising the alarm, in books, in lectures, television interviews and to anyone who would listen, that the world's oil reserves had peaked.

The concept of "peak oil" wasn't new when Simmons wrote *Twilight in the Desert: The Coming Saudi Oil Shock and the World Economy*, in 2005. In fact, peak oil was first posited by a geophysicist named M. King Hubbert in the 1950s who predicted that world oil supply would peak in 1995.

But Simmons helped to bring the theory to the mass media, after traveling to Saudi Arabia in 2003 to research that nation's secretive data on oil reserves, or the amount of oil able to be pumped out of the ground. His book became an instant classic among conspiracy theorists. It gained mainstream exposure when, in the summer of 2008, crude-oil prices began spiking to \$147 a barrel and American drivers were getting crushed at the gas pump.

"I find it ironic that here we have the biggest industry on earth, and I'm one of the few people to figure out that we have a major problem," Simmons told *Fortune* in September 2008. "And I did it all in my spare time. How stupid and tragic is that? I shouldn't be one of the only folks that actually has a handful of ideas of how we can keep from blowing each other up and get through this."

Simmons' stood out because of his street credibility, not with environmentalists, but in the oil industry, where he worked for decades as an investment banker. He started his own firm Simmons & Co in 1974. He espoused maverick views, but he was still of the industry establishment (admired by T. Boone Pickens and an energy adviser to George W. Bush)

It was against the backdrop of peak-oil concerns that the industry underwent a consolidation wave, as companies clamored for greater share of a finite resource, and oil giants made plays for natural gas, such as Exxon Mobil's acquisition of XTO late last year.

Simmons was back in the limelight this spring when BP oil's rig in the Gulf of Mexico exploded. He went out on a limb (his critics say too far out) by predicting in June that the spill would cause BP to go bankrupt and that "if a hurricane comes and blows this to shore, it could paint the Gulf Coast black."

In recent weeks, BP has capped the leak and independent scientists have found that environment damage from the spill has been less than initially feared. (Simmons supported offshore oil drilling in 2008, but said Americans need to change their energy-consumption habits because even offshore sources wouldn't produce enough oil to sustain world demand.)

Peak oil remains hotly contested and the information about reserves from less than forthcoming from such oil-rich nations as Saudi Arabia and Nigeria is incomplete, to say the least. Regardless, peak oil has lost one of its most eloquent adherents.

Areday: Luminaries To Convene in Aspen for Global Energy Summit – *Triple Pundit* – 8/10/10

By Lee Barken

American Renewable Energy Day (AREDAY) may be the one of the most influential energy events that you've never heard of. Originally created in 2004 as a modest one-day showcase for renewable energy, AREDAY has blossomed into a 4-day summit meets energy-palooza with an environmental film festival twist.

“This is a summit of doers,” said Chip Comins, founder and director of AREDAY. “We’re going to focus on solutions. How do we implement and scale the clean energy economy with innovations in finance and disruptive technologies.”

Himself a film maker, Comins produced the 2003 documentary “Wind Powering Native America” for the National Renewable Energy Laboratory (NREL). The film chronicled the installation of the first Native American utility scale wind turbine, and inspired Comins to create AREDAY.

AREDAY Allstars

The 2010 AREDAY summit, to be held August 19th-22nd in Aspen, Colorado, will include panels, keynotes and armchair conversations with luminaries such as Ted Turner, T. Boone Pickens, Thomas Friedman, James Cameron, Governor Bill Ritter, Governor Bill Richardson, Senator Michael Bennet, General Wesley Clark (ret) and more.

Each summit day is focused on a specific theme. Thursday will be “Putting Carbon in Context”. Friday will explore “Oil, Water, Energy and Climate”. Saturday is titled “The New Clean Energy Economy”. Sunday will engage “Collaboration, Messaging, Solutions, and Climate Literacy”.

In addition, each night will feature an environmental film screening, including 2 Oscar winning movies, with director remarks and post-film discussions.

Conservation Meets Finance

“We need people to understand how to lower their footprint and make money doing it. Embrace the economics,” said Comins.

“We know the next worldwide economy will be built on clean tech. How do we implement it? How do we scale it? How do we get from here to there? How do we join hands with China, India and the developing world? We must take responsibility and lead the world in the application and implementation of the solutions. AREDAY is designed to have that conversation.”

Stay tuned as I report more from this unique summit later in the month.

Lee Barken, CPA, LEED-AP is the IT practice leader at Haskell & White, LLP and serves on the board of directors of CleanTECH San Diego and the US Green Building Council, San Diego chapter. Lee writes and speaks on the topics of carbon accounting, green building, renewable energy finance, IT audit compliance and wireless LAN technology. He was a delegate at the COP15 climate conference in Copenhagen. You can reach him at 858-350-4215 or lbarken@hwcpa.com.

The LNG Challenge – *Connect Savannah* – 8/10/10

By Patrick Rodgers

Public Service Commission member H. Doug Everett issued a challenge to Atlanta Gas Light (AGL) and the El Paso Corporation to make Georgia one of the country's leaders in Compressed Natural Gas (CNG) fueling stations.

"For the last twelve months I have been discussing various business models with AGL to construct the infrastructure for a network of CNG fueling stations to be operated by retailers here

in Georgia," says Everett. "I want to renew my challenge to Atlanta Gas Light to bring forth a proposal in the coming months to ensure that Georgia is well ahead of competing states when Congress announces grants and incentives."

At the end of July, AGL and El Paso announced a new joint venture called Southeastern LNG, which will focus on distribution of natural gas for use by the transportation and shipping vehicles as an alternative to diesel fuel.

Natural gas burning vehicles produce 30 percent lower emissions than diesel or gasoline-powered engines, however there will need to be significant increases in LNG infrastructure before it can significantly impact the domestic market, according to T. Boone Pickens' company Clean Energy.

"Our initial feasibility studies indicate these stations can be co-located at existing fueling stations and can be self-supporting through partnerships with commercial fleets," says AGL spokeswoman Tami Gerke. "By the end of the year we hope to respond to Commissioner Everett's challenge with an initial proposal and a collaborative stakeholder process."
