

PickensPlan

T. Boone Pickens Media Coverage 8.11.10

Total of 6 Placements

- Print: 3
- Blog/Online: 3

Coverage Summary:

The EPA has delayed a hearing in New York to discuss natural gas drilling due to expected crowds of as many as 8,000 people, which the site was not prepared to handle.

Notable Natural Gas Coverage (Full Articles Below)

- **EPA Delays NY Drilling Hearing Amid Crowd Concerns** – *Associated Press* – 8/11/10
- **8,000 People? E.P.A. Defers Hearing on Fracking** – *NY Times Blog* – 8/10/10

Print Placements (Full Articles Below)

- **Pledged For Good** – *Toledo Blade* – 8/11/10
- **Texas Oil Interests Line Up For Proposition 23** – *San Jose Mercury News* – 8/10/10

Blog/Online Placements (Full Articles Below)

- **Top 10 Most Big-Hearted Billionaires** – *The Street* – 8/11/10
- **Pickens' Picks In Focus After Q2 Energy Slide** – *TickerSpy* – 8/11/10

NOTABLE NATURAL GAS COVERAGE

EPA Delays NY Drilling Hearing Amid Crowd Concerns – *Associated Press* – 8/11/10

ALBANY, N.Y. — Concerns about crowds and security have forced the Environmental Protection Agency to postpone a public hearing in New York on natural gas drilling two days before the event, the agency announced Tuesday.

The decision came less than 24 hours after the agency announced it was moving Thursday's hearing from Binghamton University 65 miles north to a Syracuse convention center.

The EPA says the university wanted to raise the amount it was charging from \$6,000 to \$40,000. In a statement, the university said it anticipated as many as 8,000 people and rallies by bused-in drilling opponents.

The EPA announced Monday evening that the event would be moved to the Oncenter in Syracuse. But Tuesday morning, Oncenter management met with the Onondaga County Executive's office, Syracuse city officials and police, and concluded that two days wasn't enough time to prepare, Oncenter spokeswoman Sandy Baker said.

A new date and location haven't been set.

The hearing is the fourth and last by the EPA around the country as it studies hydraulic fracturing of natural gas wells. Previous hearings were held in Fort Worth, Texas; Denver; and Cannonsburg, Pa. The Pennsylvania hearing drew more than 1,200 participants.

Critics say hydraulic fracturing, which blasts chemical-laced water into the earth to free natural gas, could poison water supplies. The industry says it's been used safely for decades.

Congress directed the EPA to study the potential impact of hydraulic fracturing on drinking water, human health and the environment. With public input submitted in writing or at the four public meetings, the EPA had planned to complete the study's design by September, initiate it in January and have initial study results available by late 2012.

8,000 People? E.P.A. Defers Hearing on Fracking – *NY Times Blog* – 8/10/10

By Mireya Navarro

After successfully holding hearings around the country on the impact of the natural gas drilling method known as hydraulic fracturing, officials with the federal Environmental Protection Agency ran into a hurdle this week in New York State: finding an acceptable site for a hearing and for the passionate crowds expected to show up for it.

The agency announced on Tuesday that it was canceling an all-day hearing that had been scheduled for Thursday at the OnCenter Complex Convention Center in Syracuse after Onondaga County officials expressed concern that they had not been given enough time to prepare security in anticipation of rallies and protests at the event.

The hearing had just been moved to Syracuse after the original venue, Binghamton University, set conditions that E.P.A. officials found unacceptable and sent the agency looking for an alternate site in a hurry.

Judith Enck, the E.P.A.'s regional administrator in New York, said that Binghamton University had been squared away as a site last month but suddenly decided to change the meeting's

location to a room with no air conditioning. When the E.P.A. “pushed back” on this change, she said, the university relented but raised its fee for the event — to \$32,000 from \$6,000.

“It is regretful that Binghamton University has put E.P.A., and more importantly, thousands of people on both sides of the issue who had planned to attend this meeting, in this inconvenient and difficult position,” Ms. Enck said in a statement. “Universities are places where civic participation should flourish, especially on a major environmental topic like hydraulic fracturing’s potential impact on drinking water.”

But university officials countered that they had raised the price to cover security and logistical costs after consulting local law enforcement officials, special interest groups and others that indicated that as many as 8,000 people could show up for the hearing, far more than the 1,200 participants that the E.P.A. had pre-registered for the event.

“Because we are a public university and responsible to the taxpayer, and as we do for all contracted events, a price was developed to ensure that the campus would remain cost-neutral,” the university’s interim president, C. Peter Magrath, and its vice president for administration, James Van Voorst, said in a joint statement.

The E.P.A. is now hunting for a new site and hopes to hold the hearing in September.

Hydraulic is a type of natural gas exploration that involves injecting millions of gallons of chemically treated water deep into the ground.

The cancellation disappointed many of the people whose planned attendance had stirred some concern for the host venues. Roger Downs, the Sierra Club’s senior staff member in New York, said that environmental and grass-roots groups had planned to bus people from around the state to the hearing to hold a rally.

He said the rally was intended to signal concern over drilling but also support for the E.P.A., which is soliciting testimony for a study on the potential impact of hydraulic fracturing on drinking water.

“I really doubt it would have been that big a deal in either site,” he said.

PRINT COVERAGE

Pledged For Good – *Toledo Blade* – 8/11/10

THE decision by more than three dozen U.S. billionaires to give at least half their fortunes to charity is admirable. Called the Giving Pledge, the new program is the response to a challenge by tycoons Bill Gates and Warren Buffett.

The wealth of private American citizens is a subject that is, if not concealed, closely held. It is typically not discussed even with family and close friends. What the public hears about great fortunes might come only once a year in a Forbes magazine report.

Americans are increasingly aware that more wealth is concentrated in a few hands. Even so, the United States is eons from a 1789-type French revolution, in which the less-fortunate revolt against the status quo and redistribute wealth.

The Gates-Buffett program estimates it can draw \$600 billion to philanthropy, about what all Americans gave last year, the New York Times reports. Participants include Paul Allen, Michael Bloomberg, Diane Von Furstenberg, Barron Hilton, George Lucas, Boone Pickens, David Rockefeller, and Ted Turner.

Absent anything other than pressure that might come from an awareness by the very rich of inequities in American society, it is laudable that the billionaires have taken the pledge. It's to be hoped that other wealthy Americans will follow their lead.

Everyone will be watching to see what they do with the money they give away. They need to do things that will benefit Americans over the long haul. That agenda is lengthy.

Texas Oil Interests Line Up For Proposition 23 – *San Jose Mercury News* – 8/10/10

By Thomas D. Elias

Money has always been crucial in California politics. As far back as the mid-1960s, the legendary Assembly Speaker Jesse Unruh called it "the mother's milk" of his profession.

He was talking about campaign donations from both individuals and businesses. But this year, the role of money has acquired entirely new dimensions.

Yes, self-funded candidates have run in California before, but no primary election race ever saw anything near the \$120 million in personal cash spent by former eBay executive Meg Whitman and outgoing state Insurance Commissioner Steve Poizner in their contest for the Republican nomination to be governor.

And no down-the-ticket race ever saw anything like the \$12.5 million former Facebook executive Chris Kelly spent in losing the Democratic nomination for attorney general.

Those private expenditures were different in scale from past ones, but not in type. Putting it crassly, rich people have tried to buy public offices since the early days of this republic.

But it was initiative politics that may have been changed the most by the way money poured into the primary, and who funded it.

Yes, special interests have often tried to run initiatives here. The tobacco industry in 1996 tried to overturn all local laws governing smoking. The insurance industry tried in 1988 to install a no-fault system for car insurance. In 1984, Scientific Games Corp., the Georgia company that still prints and sells instant-winner scratch-off tickets to the California Lottery, funded the initiative

that set up the Lottery and instituted rules that almost guaranteed it would always be the main supplier of games and tickets.

But never before last spring's campaigns for Propositions 16 and 17 had single companies piled tens of millions into campaigns that didn't even try to disguise their self-serving nature. The blatant quality of the effort to buy themselves new laws set apart the campaigns run by Pacific Gas & Electric Co. and Mercury Insurance Co. and may even have backfired on the two firms.

Feeling threatened by city and special district efforts to set up their own electric sales systems, PG&E spent more than \$40 million putting its pet measure on the ballot and then trying to pass it. The company aimed to require a two-thirds vote of local residents before any public power system could start. PG&E outspent consumerist opponents by a factor of 1,000 to 1 while trying to overcome the common tendency to vote against any proposition that seems confusing. The aim was to prevent future dilution of PG&E's regional power monopoly, since two-thirds votes are so difficult to attain. And PG&E almost won.

At the same time, Mercury Insurance was seeking to increase its market share via Proposition 17, spending more than \$1 million to qualify its pet measure for the ballot and another \$20 million trying unsuccessfully to pass it. That meant two companies spent more than \$60 million on narrow measures that figured to help almost no one else.

Companies have spent far more than that to defeat initiatives they believed would hurt them, the prime example being the \$93 million spent by utility companies in 1998, when they crushed a bid to cancel the state's electric deregulation plan, which later proved disastrous in the energy crisis of 2001 and 2002.

But the \$10 million Texas oilman T. Boone Pickens spent on the abortive 2008 Proposition 10, an alternative energy plan that would have lined the coffers of one of his companies, was the previous record for spending by just one company aiming to feather its nest.

All these figures may be surpassed this fall by two more Texas oil interests, the Valero and Tesoro refining companies, which joined to pay for qualifying Proposition 23, a measure to cancel or greatly delay the state's pioneering anti-greenhouse gas law, passed in 2006 as AB 32. What's in this for them? Neither company wants to invest in the upgrades to refining operations

that would be needed to comply with AB 32's requirement for reducing emissions of carbon dioxide to 1990 levels by the end of this decade.

While PG&E and Mercury had the TV commercial field pretty much to themselves last spring, Valero and Tesoro and their in-state political mouthpieces will have considerable opposition from green power developers and other environmental outfits. Plus, they must deal with confusion stemming from the fact it will take a yes vote on the measure to nix AB 32.

This combination of factors may push the oil companies to outspend even PG&E and Mercury.

If that happens, it will once again be up to voters to see through the companies' self-serving slogans. If they don't, this year might see a reversal of the longtime and very healthy tendency by California voters to turn thumbs down on measures that chiefly benefit just one company or one industry.

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BLOG/ONLINE COVERAGE

Top 10 Most Big-Hearted Billionaires – *The Street* – 8/11/10

By Eric Rosenbaum

NEW YORK (TheStreet) -- Berkshire Hathaway(BRK.B) CEO Warren Buffett and Microsoft(MSFT) founder Bill Gates are staples of the Forbes annual ranking of the world's billionaires.

In the latest Forbes ranking, the two icons of American capitalism finished No. 2 and No 3. Notably, both men fell behind Mexico's telecom titan, Carlos Slim, mostly because of the Oracle's hefty charitable pledges. Slim, on the other hand, has been criticized in the past for his relative lack of giving. Last week, Buffett and Gates created their own billionaires list, ranked according to those who confer a majority of their fortunes to charity.

Buffett and Gates -- whose fortunes were linked when Buffett agreed to donate a majority of his wealth to the Bill and Melinda Gates Foundation -- have been on a campaign called the Giving Pledge this year. The two men hope to "soft sell" their way to as much as \$600 billion in pledges, to use the Oracle's phrase. Still, only two of the top ten wealthiest on the Forbes roll were among the 38 big-money donors chosen by Buffett and Gates for their big-hearted list. Who were they? You guessed it: Buffett and Gates.

And while it's good to line up the hedge fund donors, they may need to spend some more time dialing Bentonville, Arkansas: The biggest problem for Buffett and Gates in lining up the Top 10 Richest Americans is Wal-Mart(WMT). Four members of the Walton clan are among the Top 10 Richest Americans, according to Forbes -- spots four through eight on the list, with assets ranging from \$19 billion to \$23 billion -- but not one of them is on the Giving Pledge list.

Also absent are the ninth-richest Americans as ranked by Forbes -- the Brothers Koch, Charles and David, who run one of the largest private companies in the U.S., Koch Industries -- along

with the two executives who tied for No. 11. Go and Google the Buffett/Gates list you'll see that neither Sergey Brin nor Larry Page, Google's(GOOG) founders, with fortunes over \$15 billion each, are among the initial billionaire pledges lined up by Buffett and Gates.

Of course, some wealthy don't wish to turn charity into an occasion for personal publicity, while others might prefer to manage their own philanthropic affairs and on their own schedules, apart from a nudge provided by Gates and Buffett.

It should be noted that Google founders Larry Page and Sergey Brin have promised to make a social impact that will "eclipse Google itself" and in 2005, outlined plans for Google.org, a charitable foundation and social investing network.

David Koch has made the top of lists of the country's biggest givers, including placement on BusinessWeek's 50 Top American Givers, and it's a list in which the Walton family has also been featured.

In any event, the Buffet/Gates list of billionaires who have agreed to give away a majority of their wealth includes energy fund manager and former corporate raider T. Boone Pickens, IAC/Interactive Corp.(IACI) CEO Barry Diller, global power company AES(AES) co-founder Roger Sant, Domino's Pizza founder Thomas Monaghan, and Ted Turner.

What follows is a list of the 10 richest Americans -- excluding Buffett and Gates -- who have pledged a majority of their fortunes to charity.

No. 10 -- John Arnold, Centaurus Advisors

NET WORTH: \$3.4 billion

Arnold, who made his early fortune in Enron trading bonuses and turned those into one of the most successful hedge funds in the U.S., is one of five hedge fund managers on the list.

Arnold is not only among the richest Americans, but among the youngest billionaires on the annual Forbes ranking at the age of 36.

Sometimes referred to as the king of natural gas, Arnold's energy trading is arguably most famous for reportedly being on the other side of the trade that sank Amaranth Advisors. Arnold also bought 10% of National Coal in 2008.

Arnold's summary of his big-hearted plans reads as could only be written by a trader, particularly points 2 and 3: "We focus on areas where (1) philanthropic investments can lead to solutions that are self-sustaining in the long-term, (2) we can leverage a relatively small investment to create a large impact on total societal benefit and (3) the market does not presently yield optimal results, due to inefficiencies, lack of adequate information or other reasons."

No. 9 -- Patrick Soon-Shiong, Abraxis Biosciences Founder

NET WORTH: \$4 billion

Warren Buffett often speaks of the dumb luck of being a billionaire, and the "ovarian lottery" of being born in the right place at the right time. Soon-Shiong was born to Chinese immigrants who fled the country during World War II for South Africa. He is the only American citizen on the Buffett/Gates list born outside the country.

Soon-Shiong was one of the first non-white surgical residents at Johannesburg's General Hospital.

As Forbes said of the drug king in its review of the Richest Americans: "Dr. Patrick Soon-Shiong has been called ruthless and a headline-grabber. As a scientist he has been criticized for hyping his research results; as a drugmaker he has been accused of ripping off investors. Short-sellers have boldly bet against him, risking huge losses. Even his own brother, an early backer, sued him for fraud and fired him -- twice -- from the company they started. Their skirmishing lasted two years and destroyed their relationship."

In this case, Soon-Shiong has grabbed a good headline. In a letter explaining his decision to join the major donors, he wrote, "Growing up in South Africa during the time of apartheid, we had direct experience of inequality, including great disparities in health and access to good care. After thirty years living in the United States, we see similar disparities in health care on our doorstep in Los Angeles, and across the nation. What was unconscionable to us in South Africa in the twentieth century is just as unconscionable in the United States in the twenty-first."

No. 8 -- Eli Broad, SunAmerica Founder

NET WORTH: \$5.4 billion

Broad has been a front line name in the world of philanthropy well before Buffett and Gates began calling, like many of the GivingPledge donors.

The former insurance titan is as well known for his art collection as he is for his charitable giving and is currently involved in plans to build a museum in Southern California to house his huge collection.

Broad, who started out in real estate, founded SunAmerica and headed the company until 2000. Since leaving the business world, Broad has been busy buying art and giving money away, notably founding a business school at his alma mater, Michigan State University. There are so many Broad Institutes for this and that, as well as a \$100 million here and there given to institutions like Harvard and MIT, that Broad's inclusion on the Buffett/Gates list was a fait accompli long before the effort began.

It's not the first time that Broad has worked with Gates, specifically, either. The Eli and Edythe Broad Foundation teamed with the Bill and Melinda Gates Foundation in pledging a joint \$60 million to create the Strong American Schools non-profit in 2007.

Broad has been as sought after for his collection of modern art as he has been for his charitable impulse. The insurance king has made his personal collection and Broad Art Foundation collection part of a permanent loan system for museums and universities around the world.

No. 7 -- Pierre Omidyar, eBay Founder

NET WORTH: \$5.5 billion

eBay founder Pierre Omidyar is one of three technology sector executives on the Buffett/Gates list.

Like many of the big-name donors, even before Buffett and Gates began their soft sell, Omidyar had committed \$900 million of his \$5.5 billion fortune to charity.

Omidyar was not the only eBay fortune to make the pledge to charity. Jeffrey Skoll, the founder and first president of eBay(EBAY), was also among the 40 donors on the list, and notably, is the only Canadian among the group.

Buffett and Gates have said they plan trips to India and China to bring their soft sell to the global elite, but they don't have plans for a dedicated global campaign. The Forbes list of the World's Richest has increasingly featured the capitalist titans of the emerging markets.

No. 6 -- James Simons, Renaissance Technologies

NET WORTH: \$8.5 billion

The financial whiz famous for hiring PhDs to help run hedge funds, Simons is the highest ranked hedge fund manager taking the Buffett/Gates pledge -- though one more hedge fund manager rounds out the charitable giving Top 10.

The other member of the hedge fund in the Buffett/Gates Top 10 is Arnold.

In all, there are five hedge fund managers taking the Buffett/Gates pledge, with assets worth more than \$15 billion -- though Simon alone represents more than half of the hedge fund pledges.

No. 5 -- George Kaiser, George Kaiser Family Foundation

NET WORTH: \$9.5 billion

Buffett and Gates' fifth-richest donor, Kaiser -- who is No. 24 on the Forbes list of the Richest Americans, and worth between \$9 billion and \$10 billion -- is from Nebraska, and expresses a philosophy in line with Warren Buffett's Midwestern wisdom.

Kaiser subscribes to the Warren Buffett view of dumb luck as the trigger for a moral calling among the wealthy to focus on charity, but he respectfully disagrees with Bill and Melinda Gates on the best way to spend the donated money. Kaiser is specifically focused on U.S. poverty, as opposed to the developing nation projects where dollar for dollar the largest charitable impact is possible.

A key provision of the Buffett/Gates pledge is that the charities to be selected for donations are at the discretion of the individual making the pledge.

No. 4 -- Ronald Perelman

NET WORTH: \$10 billion

For No. 4 on the Buffett/Gates list, the billionaire visionaries had to reach down to No. 23 on the Forbes list to buyout king Perelman, with an estimated net worth of \$10 billion.

Perelman has made his fortune in everything from cosmetics to television -- as long as the companies are distressed and ripe for a buyout specialist.

Never far from the headlines, Perelman has been as famous for his marriages (most recently to actress Ellen Barkin) and his support of Jewish causes, as he has been for his turnaround of underwater companies like Revlon.

Perelman is constantly on the list of the biggest donors among America's richest, even being profiled by Fox News talking head Bill O'Reilly for his charitable giving.

Perelman has made large gifts to hospitals, in particular, though he has cast a wide net in his giving -- estimated to have surpassed at least \$200 million in the past decade -- providing funding for arts institutions like Carnegie Hall and the Guggenheim Museum, medical research foundations like the Michael J. Fox Foundation for Parkinson's Research, and the World Trade Center Memorial Fund.

No. 3 -- Microsoft co-founder Paul Allen

NET WORTH: \$11 billion

Ahead of Perelman -- but still not cracking the list of the Richest 10 Americans -- Warren Buffett and Bill Gates had to reach down the Forbes list to No. 17 to land Paul Allen. (Philanthropic experts argue that casting a wide net and attracting pledges from eons of millionaires may ultimately raise more than targeting the select billionaire set.)

With a fortune valued at over \$11 billion, Allen is the second-richest technology executive on the Buffett/Gates list. He also shares a distinction with Larry Ellison -- that of being a college dropout.

No. 2 -- New York City Mayor Michael Bloomberg

NET WORTH: \$17.5 billion The founder of Bloomberg LP and current Mayor of New York City, who is constantly rumored to be mulling a run for President (a rumor categorically denied by Bloomberg), he rose to prominence at Salomon Brothers as head of equity trading. After Bloomberg left Salomon, he poured his knowledge of trading into the creation of what were first known as Market Masters terminals. Bloomberg signed on Merrill Lynch as his first client. The financial information and trading system would ultimately become Bloomberg LP.

Bloomberg is as well known for his wealth as for his shunning of some of the usual accoutrements of the high life, riding the subway to work as Mayor of New York, working at a cubicle, and turning down the chance to live in New York's Gracie Mansion, the official Mayor's residence.

Bloomberg's move up the billionaire ranks has come lately, with Bloomberg making his greatest strides during the recession that took some other notable billionaires down in the rankings. Bloomberg moved from 142nd to 17th in the Forbes list of the world's billionaires in only two years, between 2007 and 2009.

Bloomberg's ranking among the Buffett/Gates pledges is no surprise, as he already ranks among the Top 10 philanthropists in the U.S., according to the Chronicle of Philanthropy giving away as much as \$250 million annually in recent years.

Bloomberg and Gates have worked together previously. In 2008, Bloomberg and Gates announced a combined donation of \$500 million to help governments in developing countries execute on anti-tobacco campaigns.

Bloomberg has famously remarked on his plans to give away his fortune, quipping, "I am a big believer in giving it all away and have always said that the best financial planning ends with bouncing the check to the undertaker."

Which leads us to the No. 1 richest American taking the Buffett/Gates pledge -- and along with Bloomberg one of only two members of the Forbes ranking of the 10 Richest Americans -- who is...

No. 1 -- Oracle founder Larry Ellison

NET WORTH: \$27 billion

The man who has kept the Waltons from ascending as high as No. 3 on the ranking of the Richest Americans is in line with Buffett and Gates on the way to give to charity.

Indeed, with a net worth of \$27 billion, Ellison is directly behind Warren Buffett and Bill Gates in the Forbes ranking of rich Americans, and right behind them on the donor pledge list.

Oracle, it's worth noting, has acquired more than 50 companies in the past five years. Apparently, it was time to match that acquisitive spirit with a commensurate urge to give.

Pickens' Picks In Focus After Q2 Energy Slide – *TickerSpy* – 8/11/10

By Owen Vater

Billionaire oilman turned natural gas proponent, T. Boone Pickens' BP Capital Management hedge fund has a major energy bias, and investors will be looking to see where the fund was buying amid the second-quarter pullback. The BP (BP) oil spill and European debt worries weighed heavily on energy shares last quarter, and while the decline likely cost Pickens substantially, the July rebound shows that some bargain hunting near the end of Q2 would have paid off well. With the deadline for end-of-Q2 regulatory filings drawing near, Wall Street will soon be privy to the most recent moves in Pickens' hedge fund portfolio.

A look at BP Capital Management's top-15 U.S.-listed equity holdings from the end of Q1 shows that Pickens was largely adding to existing positions while opening new bets in oil services firms Baker Hughes (BHI), Dawson Geophysical (DWSN), and Halliburton (HAL). Offshore driller Transocean (RIG), which owned the rig involved in the BP disaster, oilsands miner Suncor Energy (SU), and explorer McMoRan Exploration (MMR) were among the fund's top holdings for the period, and Pickens was adding to positions in all three heading into the second quarter.

Elsewhere, Pickens pared the fund's bets on Occidental Petroleum (OXY), Chesapeake Energy (CHK), and Hess (HES) during the first quarter. All three were still in the portfolio's top-15 U.S.-listed equity holdings as of the most recent regulatory filings, and it will be interesting to see whether Pickens continued to adjust the positions in the three months ended June 30.

Investors won't be sure where Pickens stands now until mid-month, when the deadline for end-of-Q2 filings hits.
