



T. Boone Pickens Media Coverage 8.29.09-8.31.09

Total of 14 Placements

- Print: 7
- Blog/Online: 2
- Broadcast: 5

Coverage Summary:

Barron's has a piece on the NAT GAS Act and how this provides incentives to use natural gas as an alternative fuel. Andrew Littlefair, chief executive of Clean Energy Fuels, is included in the article and he predicts that large commercial shippers like Wal-Mart and PepsiCo will be driving factors in the increased use of natural gas on the road. Pickens' attendance at the National Clean Energy Summit is mentioned along with his support of natural gas. The piece provides links for more information on CNG vehicles.

An op-ed in the *Denver Post* discusses the failure to implement an energy plan featuring solar and conservation that was discussed during Jimmy Carter's presidency. The writer wondered if the recent NCES was a déjà vu experience or the culmination of the efforts from years ago. Pickens is mentioned in the piece as seeing the energy issue as a national security crisis.

Daily Finance has a piece on Pickens' plan to convert fleet vehicles to run on natural gas. The piece summarizes several of the points Pickens made during an interview with NewsMax TV and discusses the abundance of natural gas in this country.

Highlighted Placements (Full Articles Below)

- **Time for Natural-Gas Autos?** – *Barron's* – 8/31/09
- **Deja Vu on Nation's Energy Policy** – *Denver Post* – 8/30/09
- **T. Boone Pickens Sees Future in Natural Gas-Powered Trucking Fleet** – *Daily Finance* – 8/31/09

Print Placements (Full Articles Below)

- **T. Boone Pickens Expects Return on Oklahoma State Investment** – *Dallas Morning News* – 8/30/09
 - *WFAA*
- **High School Senior Looking Forward to a Green Future** – *Associated Press* – 8/31/09
 - *Stillwater NewsPress*
 - *Indianapolis Star*
- **Nfld. Project Fuels Hopes for East-West Power Grid** – *Toronto Star* – 8/31/09

HIGHLIGHTED COVERAGE

Time for Natural-Gas Autos? – *Barron's* – 8/31/09

By Mike Hogan

AS "CASH FOR CLUNKERS" DEMONSTRATED, AMERICANS love a deal. And Congress may have yet another for you when it returns from summer recess.

The plan is to offer tax credits worth up to \$12,500 on the purchase of new cars and trucks. The catch is that your new vehicle must run on natural gas -- compressed natural gas, or CNG, to be precise. A Senate bill, the counterpart to the House's NAT GAS Act, also would offer up to \$64,000 in tax credits on fleet vehicles, and up to \$100,000 to anyone opening a CNG filling station.

Washington is beginning to wake up to the value of using this plentiful, homegrown fuel for transportation -- and that in turn could open up some intriguing investment opportunities.

Right now, only one CNG car -- Honda's Civic GX -- is available to U.S. buyers. But a dozen auto makers sell some two dozen CNG models overseas, and the Web can help you track their development. For an overview of the current cars, go to www.cngnow.com and click CNG Vehicles Around the World.

AOL Autos also is packed with good information (<http://autos.aol.com/gallery/hybrid-cars-15k-25k>). Likewise, CNG Chat (www.cngchat.com) lets natural-gas vehicle owners share operating tips and parts sources, and the Environmental Protection Agency offers a searchable database of hybrids (www.fueleconomy.gov/feg/byfueltype.htm).

NATURAL-GAS ENGINES -- found in some American buses and fleet vehicles -- have clear appeal. Boosters say a "gallon equivalent" of natural gas is about half the price of gasoline or diesel and produces about a third the harmful emissions. And America is swimming in the stuff.

Although a shortage of natural gas was forecast a couple years ago, supply has surged 50% since then -- primarily as a result of record gas discoveries in the strategically located Barnett, Haynesville, Marcellus and Bakken shale fields. These so-called unconventional sources are tapped using methods pioneered by outfits like Chesapeake Energy (ticker: CHK) and Denbury Resources (DNR) and can be quickly disseminated through the nearby pipelines of El Paso Corp. (EP) and Kinder Morgan Energy Partners (KMP).

Still, CNG vehicles in America face the same chicken-and-egg dilemma other hybrids do: building a refueling network. Refueling stations are scarce because only about 150,000 of America's 250 million automobiles are CNG-powered.

So near-term, it will be large commercial shippers like Wal-Mart (WMT) and PepsiCo (PEP) that drive increased use of natural gas on the road, predicts Andrew Littlefair, chief executive of natural-gas filling-station operator Clean Energy Fuels (CLNE).

Operators of America's long-haul trucks can afford natural-gas pumps in their shipping yards, and utilize Clean Energy's growing network of 184 North America truck stops. The economic incentives are fairly obvious for these big energy users, less so for consumers paying a premium for CNG vehicles.

ALL THIS ADDS UP TO AN INVESTING outlook that, while cloudy for the moment, seems likely to brighten.

Institutional investors see many good long-term values among the sector's 40 or so exploration-and-production and field-service companies, says Jon Najarian, co-founder of Chicago-based optionMONSTER (www.optionmonster.com). But depressed commodity prices and potentially punitive regulations directed at energy trades have kept many on the sidelines. Najarian is seeing lower-than-warranted volumes in the U.S. Natural Gas Fund (UNG), the main proxy for the volatile commodity, and other energy ETFs like the levered ProShares Ultra Oil & Gas (DIG) and its inverse, UltraShort Oil & Gas (DUG).

On the other hand, commodity volatility provides plenty of trading opportunities. Najarian recommends a covered-call strategy -- going long on a natural-gas stock or fund while selling a call on the same issue, to profit from both up and down price movements. OptionMONSTER's Covered Call Investor newsletter will walk you through this complicated swing-trading strategy for \$149 monthly. At optionmonster.com, click Options Products, then Covered Call Investor.

Auto makers are another possible way to play the trend. But even a marked increase in CNG car sales won't provide much earnings catalyst for giants like Honda (HMC) and Toyota (TM), which plans to bring some of its CNG-powered vehicles here in the future.

Clean Energy is among potential winners. It just opened the world's largest natural-gas fueling facility at the Port of Los Angeles, and completed an \$8.30-a-share offering that brought in \$73 million. Shares recently closed at \$12.78, bouncing off a 52-week low of \$3.23 last November and a wider-than-expected second-quarter loss in August.

Likewise, Fuel Systems Solutions (FSYS), which supplies electronic gas-flow systems to car makers, picked up the technology for a home-refueling appliance when Honda liquidated its FuelMaker subsidiary in May. FSYS shares recently closed around \$30 after the company handily beat second-quarter earnings estimates in a 52-week range of \$10-to-\$61. With a forward price/earnings ratio of 16, FSYS may appear fully priced, but not in view of a quarterly earnings-growth rate of 56% compared with the prior year.

THE QUESTION FOR ALL CNG-RELATED stock is: Will there be a legislative catalyst? Congress will have a lot on its plate when it returns to Washington -- bigger fish to fry, as it were. On the other hand, Senate Majority Leader Harry Reid of Nevada and White House Chief of Staff Rahm Emanuel head the bill's glittering list of supporters.

Among the politically influential fans cheering the Senate bill at the recent Clean Energy Summit were Bill Clinton, his former chief of staff John Podesta, Al Gore and BP Capital Management Chairman T. Boone Pickens. Populating American roads with CNG cars is Pickens' Plan B to cut our foreign-oil bill by a third. The renowned energy investor has pulled the plug (temporarily) on Pickens' Plan A: building the world's largest wind farm.

Sums up Najarian: "There are all kinds of reasons to be bearish on this sector in the short term -- and just as many reasons to be bullish in the long term."

Deja Vu on Nation's Energy Policy – *Denver Post* – 8/30/09

By Tom Hayden

I sat in the White House Cabinet room as the president and his advisers formulated their official plan to garner half of America's energy from solar and conservation by 2020. At the table were union officials pleased at a White House report that showed an enormous number of jobs would be created for welders, plumbers, sheet metal workers, electrical engineers, carpenters and architects.

That meeting took place 40 years ago.

The president was Jimmy Carter. His 1978 Council on Environmental Quality had concluded that "it is now possible to speak realistically of the United States becoming a solar society."

I chaired California's SolarCal Council, part of a federal consortium charged with implementing the solar transition. Very rapidly, 1,700 solar and conservation companies had formed in California, employing 23,000 people. The Livermore Laboratories issued a study concluding that it was feasible for California to operate on renewable, decentralized energy systems by 2025 even assuming that the population would double and economic activity triple.

So what happened?

Under Republican presidents, the plans were simply shelved. The Reagan administration tore down the solar collectors that Carter had installed on the roof. Even in the Clinton-Gore years, the administration retreated from the fuel efficiency standards that Gore had advocated in his best-selling book, "Earth in the Balance." Status quo forces led by the oil industry succeeded in blocking change, even winning millions of dollars for prototypes of electric cars and effectively delaying their production for decades.

California Gov. Jerry Brown was labeled "Governor Moonbeam," despite efficiency reforms that kept California energy use level for decades while national consumption rose 60 percent. Gore later received the same lampooning, being dubbed "the Goracle" and "Captain Planet" despite his Nobel Prize.

Fast forward to the present. With these sobering memories in mind, I attended the recent national clean energy conference in Las Vegas sponsored by Senate leader Harry Reid, with participants that included Bill Clinton, Gore, Secretary of Energy Steven Chu, Secretary of Labor Hilda Solis, the administration's "green jobs" advocate Van Jones, natural gas billionaire T. Boone Pickens, and key labor and environmental representatives.

Would this be a *deja vu* experience? Or could it be the culmination of those efforts long ago?

My feeling of *deja vu* first came with the recital of the persistent failure under both parties to capture energy savings from what Chu called the "low hanging fruit": half of all energy waste, for example, is in existing buildings and the materials used for those buildings. Thirty-six million American homes currently qualify for weatherization subsidies, while another 100 million homes need similar retrofits. But only 36,000 units are being weatherized per year.

Optimistic projections also mimicked those heard in 1979. Current House legislation by Reps. Henry Waxman, D-Calif., and Ed Markey, D-Mass., initially required utilities to draw 25 percent of their electricity from renewables like solar and wind by 2025, then was weakened to 15 percent by 2020 to get congressional votes. That number now floats around 17 percent, with the Senate almost certain to weaken the standards further.

Global pressure is building on the U.S. as negotiations proceed toward a December Copenhagen deadline to follow up on the Kyoto climate treaty. Many scientists are urging President Barack Obama to reach the European target of 20 percent below 1990 emissions levels by 2020, or face the probability of the seas flooding many coastal cities.

But why should congressmen representing mining, agriculture and swing states care about coastlines? Why should Republicans and Blue Dogs bow to the demands of foreign powers in Copenhagen? Already the oil companies are generating opposition to tougher standards. British Petroleum and Exxon Mobil are "studiously ignoring the new messages coming from Washington," according to a New York Times story. Industry lobbies are paying for 20 anti-climate bill rallies this month. If you think health care is a war, wait until the energy clash just ahead.

What worried me as I sat in Las Vegas conference meetings was the prediction of Gore's 1992 book: "The maximum that is politically feasible still falls short of the minimum that is truly effective." Clinton reminded the gathering how far we had traveled since the day the U.S. Senate voted 95-0 against the Kyoto Treaty while Gore, as vice president, was in Japan still negotiating. Clinton was hopeful that Gore will see progress in Copenhagen three months from now.

The Obama stimulus legislation and Waxman-Markey bill, despite being watered down, still would invest \$24.4 billion in real money for energy efficiency, \$25.3 billion for renewables, and \$23 billion for transit improvements. Greenhouse gas emissions would be based on California's regulation of new vehicles. The measure puts off setting standards for renewable electricity, industrial efficiency and carbon capture and storage, setting the stage for fights ahead. According to Clinton and Obama adviser John Podesta, the package means \$150 billion in clean energy investments yearly for 10 years, creating 1.7 million net new jobs.

How to possibly evolve from our current fossil-fuel economy to one based on renewables and efficiency while fighting long wars over oil and pipelines in Iraq, Afghanistan, Pakistan and Iran was a contradiction too large for the specialized brains at the table. Pickens, the 81-year-old businessman who sees the energy issue as a national security crisis, declared at one point that Obama "should not leave Iraq without a call on their oil." He also argued for energy efficiency so no oil need be bought from Venezuela's Hugo Chavez.

After giving a well-reasoned speech on changing our economic incentive structures, Clinton pulled out a brown pellet the size of a hockey puck in a plastic bag. The pellet was from Haiti, made from crushed paper, sawdust and garbage, selling for one penny. Clinton extolled the little object as an alternative to cutting down trees to make charcoal for cooking.

It was Clinton's Jerry Brown moment, but no one was making fun of it. Decades before, Brown, prompted by California environmentalists, was promoting woodchips-for-energy as an example of what in those days we called "appropriate technology." Clinton had defeated Brown in the 1992 primaries. After his speech, Clinton walked over, smiled, and told me with a shrug, "That's all I do these days, little things that make a difference."

Will those little things, backed by money and regulations, finally make a difference this time? At least the transition is beginning.

Tom Hayden is a retired California state senator, author, and political and social activist.

T. Boone Pickens Sees Future in Natural Gas-Powered Trucking Fleet – *Daily Finance* – 8/31/09

By Alex Salkever

T. Boone Pickens, the Texas investor and oil billionaire who has become a staunch advocate for green energy, is at it again with a wild new plan to make the U.S. more energy independent. The iconoclastic Pickens is now advocating a wholesale shift in the U.S. big-rig trucking fleet from imported diesel fuel to domestically produced natural gas.

By his math, the U.S. could cut its oil imports in half by creating a trucking fleet with 6.5 million 18-wheelers running on natural gas, Pickens said in an interview on NewsMax TV. Pickens believes this could be done within seven years.

Of course, there is a catch -- the price tag. Pickens thinks the government will need to offer a \$65,000 tax credit to truckers to entice them to purchase new natural gas-powered rigs and eschew the traditional diesel ones. The subsidy will also be useful, Boone says, as a carrot to convince infrastructure builders to create a network of natural gas distribution and filling stations that would be needed to make his plan work.

Add that up and it comes to a budget well into the tens of billions of dollars. Then again, the bailout of troubled insurance giant AIG dwarfs Pickens' plan, which boasts other benefits aside from energy independence.

Natural gas engines have significantly lower emissions than diesel engines, although newer clean diesel engines are much more eco-friendly. Secondly, creating a natural gas pumping and filling station infrastructure for big trucks would make it much easier to replicate such a system for passenger cars and light trucks, which in turn could lead to even further reductions in dependence on foreign oil.

Pickens logic makes a lot of sense. America does have abundant reserves of natural gas. Recent major natural gas finds in several different locations around the country have dramatically increased the possible total accessible supply of this fuel source. After a long period of decline and stagnation, natural gas production in the U.S. has risen by 8 percent in 2009.

A significant chunk of that increase has come courtesy of the Barnett Shale, a geological formation underlying 5,000 square miles in Texas in the vicinity of Dallas and Fort Worth. This formation is believed to hold the largest producible reserves of any onshore natural gas field in the U.S., holding up to 30 trillion cubic feet of natural gas.

New drilling technologies, such as horizontal drilling and hydraulic fracturing, have only recently made it economically viable to access the natural gas in this field. Several other shale fields around the U.S hold equal or greater production process. The confluence of new technologies and promising new discoveries has lead many energy experts to conclude that even as Peak Oil looms, America is on the cusp of a new and nearly unimaginable abundance of natural gas that could reshape energy policy and global energy politics for decades to come.

Natural gas has kept a low profile in the vehicle space but it's not a no-show. The engine technology for natural gas vehicles is actually old hat. General Motors has over a dozen models of vehicles that run on compressed natural gas. Honda and other major carmakers already build natural gas-powered models, primarily for corporate and government vehicle fleets.

Pickens must realize, as well, that any move to shift the U.S. away from standard gasoline and diesel-powered vehicles would likely incur wrath of the ethanol lobby, a powerful pack of farmland Congressmen that also happens to include President Barack Obama himself.

Pickens' past forays into cleantech have had mixed results. His big push for a massive Texas wind farm on his own land has foundered, in part due to the need to construct a huge power transmission corridor from rural, windy West Texas to the more populous eastern part of the Lone Star State. Building new transmission capacity has been a huge bugaboo for green energy developers due to the complicated negotiations required involving city, county, and state governments, as well as local landholders and environmental groups.

For this specific reason, IdeaLab CEO Bill Gross avoided building new transmission lines for eSolar, a thermal energy company he heads. eSolar relies on concentrated solar power collection to harvest heat that turns generators and builds its power plants next to existing transmission towers. Naturally, Boone will profit from a natural gas bonanza and new government subsidies to truckers. Pickens is heavily invested in natural gas exploration and production. Call the man a tree hugger but he's still from Texas, folks.

PRINT COVERAGE

T. Boone Pickens Expects Return on Oklahoma State Investment – *Dallas Morning News* – 8/30/09

By Chuck Carlton

As T. Boone Pickens sat in his Dallas office recently, an oversized, widescreen computer monitor behind him was deep into cyber overdrive, providing four columns of market data.

Each month, Pickens tallies the results for his stock and commodity funds, the market providing its own verdict on wins and losses.

Pickens will get the verdict on another possible dividend this Saturday. The result will be delivered via the scoreboard of the stadium that bears his name in Stillwater, Okla. It's a stadium Pickens said is now the nation's best 60,000-seat facility after a \$286 million renovation he largely bankrolled.

Oklahoma State, the school where Pickens received a degree in geology, has cracked the AP preseason Top 10 for the first time ever and will host No.13 Georgia in its opener.

"They've done everything they've needed to do for me," Pickens said, noting that he's received pretty much every award OSU gives. "They can't do anything else. Just win."

Funding the dream

He's hopeful for an 11-0 start for his Cowboys going into a season-closing Bedlam showdown with Oklahoma, which would mean regular-season wins over Georgia and Texas. A BCS bid might be a reality for the first time, given Oklahoma State's high-powered offense and the hiring of veteran defensive coordinator Bill Young.

"It would be big," Pickens said of the BCS. "I haven't been there. It would probably make me pee in my pants."

He's wary, remembering a disastrous visit Between the Hedges in 2007. The first thing Pickens spied as he exited his private plane was a replica of OSU's mascot hanging from a flagpole. Things only got worse in a 35-14 Georgia win.

Oklahoma State athletic director Mike Holder says it's impossible to value Pickens' impact.

"We were mired in mediocrity until Boone decided to get serious about improving our football facilities," Holder wrote in an e-mail. "OSU has great tradition in the Olympic sports, but only individual success in the sport of football.

"Boone has gradually eliminated the excuses, and now we have an opportunity to recruit the type athlete that will allow us to compete for championships in football."

With a net worth estimated at \$3.1 billion by Forbes last year, Pickens may be as big as gets when it comes to college fans of influence. He acknowledges being "in the top three." Maybe only Nike honcho Phil Knight, a major Oregon booster, has a similar impact.

Pickens earned nationwide attention when he donated \$165 million to the athletic department in December 2005. Now, at 81, he's as enthusiastic and involved as ever.

When Pickens appeared on CNBC's Squawk Box, he gave the various hosts Oklahoma State orange ties.

Pickens loves recounting Holder's visit to South Carolina in 2005. Holder was introduced to football coach Steve Spurrier. The greeting, as Pickens tells it: "Where the hell did you find T. Boone Pickens?" Spurrier asked.

Not everything has gone well. In 2008, Pickens and Oklahoma State officials were within days of cashing in more than \$400 million from a Pickens-managed fund that was earmarked for an athletic village. They waited too long, and saw the investment lose \$280 million during a four-month market meltdown.

Pickens said the project has been postponed, not cancelled.

Focus on opener

Pickens' association with Oklahoma State encompasses a fairly small section of his office, despite his oversized profile as the ultimate college booster.

Pickens' life has been too rich – literally and metaphorically – to be contained by just one interest, even the passionate support of his alma mater.

One wall holds magazine covers featuring Pickens – from petroleum journals to a memorable '80s Time magazine cover. Pictures with various U.S. presidents abound. One eye-catching image features a sculpture of a small fish about to devour a much larger rival, a gift from a happy investor after Pickens' attempt to take over Gulf Oil. A framed scorecard commemorates an eagle at the par-4 No. 11 at Augusta National.

Oklahoma State isn't forgotten, with footballs and pictures and a special spot noting the 2001 win over Oklahoma in Norman and a stadium mock-up.

Still, as preseason practice began, Pickens was receiving more calls about his self-named plan to end U.S. dependency on foreign oil than football.

Pickens is taking the opener pretty seriously, as Georgia legend Herschel Walker discovered this summer.

The two found themselves north of Vancouver at a weekend shindig thrown by a mutual friend.

Pickens asked Walker how Georgia viewed the opener. His response: Not very seriously. In Walker's defense, he might not have been well-versed on the Bulldogs' schedule.

The next day, Pickens thanked Walker for his honesty and said his observation had been relayed to Stillwater.

"What do you mean?" the 1982 Heisman winner asked.

"That's now on the wall in the locker room," Pickens said.

Big 12 South openers

The openers for Big 12 South teams on Saturday:

Georgia at Oklahoma State, 2:30 p.m.: Oklahoma State's status as a BCS contender gets make-or-break test.

Oklahoma vs. BYU, 6 p.m.: What's on the minds of the punters as they head to the first college game at Cowboys Stadium?

Baylor at Wake Forest, 2:30 p.m.: The Bears have improved a great deal since a 41-13 loss to Wake Forest a year ago.

New Mexico at Texas A&M, 6 p.m.: Aggies and coach Mike Sherman can't afford an Arkansas State repeat.

La.-Monroe at Texas, 6 p.m.: The Longhorns are 2-0 with 112 points scored against hyphenated teams in the Mack Brown era.

North Dakota at Texas Tech, 6 p.m.: So what's the over-under on Taylor Potts' yardage in his first start?

High School Senior Looking Forward to a Green Future – Associated Press – 8/31/09

By Laura Wilson

STILLWATER, Okla. (AP) - Stillwater High School senior Michael Solomon is doing his part to save money for his family.

At the same time, he's helping the environment, and he has dreams of someday helping other people do the same thing.

Solomon has built two wind generators and four solar panels to provide energy for his family's home in southwest Stillwater. All together, the system can supply about one kilowatt of power, he said.

"It's completely renewable," he added. "The fuel is the wind and the sun."

His system supplies about half the power for the Solomons' home, both he and his mother said.

"My husband and I were traveling to California and called back and (Michael) said, 'I took the house off the grid,'" Brenda Solomon said, explaining that her son was supplying all the home's power. "I didn't think at the time it was a really big deal."

That still happens sometimes, Solomon said, mostly in the spring and fall when the area has more wind and sun. Some days, he said, the house's electric meter runs backward.

"If it produces more than what the house uses at that point, it turns the meter backward," he said. The extra power goes into the grid for others to use the power.

Brenda Solomon estimated that their electric bills are between \$70 and \$100 a month, although she said her son also conducted an energy audit on the home and sealed up cracks and they keep the temperature between 78 and 80 degrees.

Solomon has been interested in wind power for a long time, his mother said, ever since seeing a large wind farm north of Palm Springs, Calif., where the family has a home. Several years ago, he became what his mother called "obsessed," so she started calling Stillwater High School and Oklahoma State University to see if someone could help.

"I had an engineering professor come out," she said. "He said, 'I can help him do a science project, but he already knows what to do.'"

Solomon said he's built seven wind generators; three were prototypes, and he sold two on eBay. Currently, he uses a 500-watt generator and a 200-watt generator, along with four solar panels, a 170-watt panel and three 20-watt panels.

He built all of them himself with parts salvaged from other things. For example, the 500-watt generator's alternator, he said, is a car alternator that he modified to use for the generator.

He even has a plan to create a wind farm for Oklahoma State University or Stillwater and has sent his idea to Boone Pickens. Solomon would like to see the university or the city build a wind farm on a large, mostly barren hill at the junction of state Highway 51 and I-35.

"I believe it would be a prime spot to put a wind generator to help power OSU or Stillwater," he said.

He has written to Pickens, he added, but would like to discuss his ideas in person.

Solomon is taking college classes now while he's still in high school, his mother said, and he plans to attend Oklahoma State next year. After that, he'd like to own his own wind farm and expand his company to make and sell wind generators.

"I want to help people eliminate their electrical bills and help the environment at the same time," he said.

His mother explained, "that's his passion: to make a difference."

Nfld. Project Fuels Hopes for East-West Power Grid – *Toronto Star* – 8/31/09

By Tyler Hamilton

A consortium of major power-industry companies announced a \$500 billion (U.S.) project in Munich last month to build large solar-thermal power plants in the Sahara Desert and high-voltage transmission lines to carry the clean electricity to energy-hungry Europe.

The so-called Desertec Initiative is hugely ambitious, and while it will no doubt be a tough sell, there's serious talk of moving ahead.

We've heard similar chatter in the United States, such as oil tycoon T. Boone Pickens' call to spend \$150 billion developing wind projects in the U.S. Midwest to supply power to other parts of the country. There's also rising interest in the creation of a solar power zone in California and other southwest states that could delivery electricity to the east.

In Canada, we've talked for years about creating an east-west grid that could tap clean hydroelectric resources in Manitoba, Newfoundland and Labrador, and Quebec, and carry it to jurisdictions in need. Ontario could certainly find itself needy, given that in about five years all our coal plants will be phased out and older nuclear plants will need to be retired or refurbished.

But we have made little progress on getting such a national infrastructure project going, let alone placed firmly on the federal agenda. Provincial and federal politicians occasionally mention the need, but the leadership required to push it forward is sadly lacking.

This hasn't dissuaded Nalcor Energy Corp. of Newfoundland and Labrador from preparing for a day of action.

The province-owned energy company has spent several years researching and refining a plan to develop its Lower Churchill project – a 3,000-megawatt, multibillion-dollar hydroelectric venture at Gull Island and Muskrat Falls in Labrador.

It has applied for access to the Quebec electricity grid so power from Lower Churchill can flow into Ontario and beyond, and it has developed alternative underwater transmission routes that would take the power to Nova Scotia and New Brunswick and further along to the U.S. Northeast.

The company has also inked a deal with the local Innu that could be finalized within the next year.

All the pieces are coming together, says Ed Martin, president and chief executive of Nalcor, who was in Toronto last week to meet with government and electricity-sector officials.

"Who else in the country is doing what we're doing?" he says during coffee at the downtown Marriott. "We're not standing back saying can this happen. We're finding out exactly how things work, what the realities are, and we're stepping up to the plate and paying for engineering studies in Quebec. We're finding answers for what other people are just talking about."

Martin describes Nalcor as being in a "good place." It has cash flow from three major oil and gas projects that can finance the large capital costs of Lower Churchill. The province wisely invested a portion of money from its non-renewable resources to develop renewable power for future generations.

In addition to hydroelectric resources, Nalcor figures it can also develop 5,000 megawatts of wind projects in the largely uninhabited area surrounding Lower Churchill.

Lower Churchill, as far as Martin is concerned, is a project that should have been developed 40 years ago and remains today the most economical energy project in North America.

"Nothing is going to beat it," he says, predicting that over the next few months Nalcor will be ready to sit down and – after years of preparation – finally have serious discussions with potential customers.

"At that point I'd expect Ontario to say, 'Let's talk,'" he says.

Ontario would be foolish not to. Nalcor figures it could get the Lower Churchill facility pumping out its first electrons as early as 2016, and that power would be available for more than 100 years. We're talking highly flexible clean power, that can be dispatched quickly when needed.

The added bonus, of course, is that it's emission-free.

"We're exploring it," says Ben Chin, a spokesman for the Ontario Power Authority.

Chin said the attractiveness of doing a deal with Nalcor comes down to the cost of the electricity from Lower Churchill and the ability of the company to transmit it across Quebec.

Martin doesn't see the Quebec issue as a major stumbling block, as regulation requires the province to allow access to its grid in return for a set tariff. Hydro Quebec and Nalcor are just working out the details.

Any costs to Ontario would build in the price of that tariff, but what's most important is how that final cost would compare to the next-best alternative.

Ontario will need to spend billions of dollars to expand Hydro One's transmission system in order to tap its own northern hydroelectric resources.

To import hydroelectricity from Manitoba would require an even more costly and aggressive project requiring many years to complete and dozens of separate agreements with aboriginal groups.

There's always nuclear, but that's proving increasingly expensive, risky and inflexible for the type of power Ontario needs. It also takes 10 years to build and comes with waste-management problems that are not yet resolved. Ontario could do a deal to import more power from Quebec, but that needn't preclude a separate deal with Nalcor.

What's clear is that Nalcor is ready to sit down and do business, and it's being open about how any potential deals could be structured.

"We're not closing our eyes to anything," says Martin, acknowledging that Ontario has many options under consideration. "We understand that we have to beat the next-best alternatives. If it costs you X amount to build here, here or here, just let us know what that is and we can probably do a little better."

Martin adds that Ontario doesn't need to worry much about lost job opportunities.

Nalcor estimates about two-thirds of the direct and indirect work will be done outside Newfoundland and Labrador, with much of it coming to Ontario's steel industry and manufacturing sector.

The devil is obviously in the details. Finance Minister Dwight Duncan, when he served as Ontario's energy minister, warned that such long-term agreements are always tricky to negotiate.

"I don't want my grandchildren to look back in 20 years and say `What were they thinking?'" he said in 2006.

Martin will have to convince Ontario that both sides can walk away happy. And, from what I could gather, he's quite determined to try.

Tyler Hamilton's Clean Break column appears Mondays. Email him at thamilton@thestar.ca.

BROADCAST COVERAGE

1. Squawk On The Street

CNBC (---) National

08/28/2009

10:00 AM - 11:00 AM

DMA: N/A

Spot Cost: \$2,784

Est. Audience: 334,140

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

00:05:59 Chesapeake **Energy**: CNBC discusses the rise in Chesapeake **Energy** stocks as the price of **natural gas** continues to fall. **T Boone Pickens** has been pushing the use of **natural gas** as form of transportation **fuel**. Washington is expected to make big announcements on such a plan in the coming weeks. GR; CHK. SI; Jason Gammel, Macquarie Research Equities, **Energy** Analyst, discusses his outlook for CHK stock, and NG1, says he feels the CHK has a chance to double, says XTO **Energy**, Southwestern and Petrohoc, are other names he likes. GR; Disclosure: courtesy Jason Gammel, NG1. 00:09:01

2. Street Signs

CNBC (---) National

08/28/2009

02:00 PM - 03:00 PM

DMA: N/A

Spot Cost: \$2,339

Est. Audience: 281,736

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

00:27:41 TZ; Biofuel: Biofuel investments backfired. SI; Dan Dicker, Independent **Oil** Trader and Street.com contributor; John Kilduff, CNBC contributor and Senior Vice President and **Energy** Analyst at MF Global, discuss biofuels. GR; Dicker Bio: NY Mercantile Exchange. GR; Kilduff Bio: ABN Amro, Metallgesellschaft, Lehman Brothers, Fimat USA. V; Ethanol operation. GR; Biofuel Bust: Global Third-Party Investments, source is New **Energy** Finance. GR; US Biodiesel Production, source is Dept. of **Energy**. **Boone Pickens** hawked **natural gas** as transportation **fuel**. GR; **Natural Gas**. V; **Natural gas** operation. Dicker says **National** Academy of Sciences study shows ethanol is a push if not a loser. GR; Biofuel Bust, details from New **Energy** Finance LTD. GR; Nymex Crude **Oil**. 00:33:03

3. The Truckin' Bozo
Road Dog Trucking (Sirius XM) National
08/28/2009 06:00 PM - 07:00 PM

DMA: N/A

00:58:00 (discussion about Who Wants to be a Millionaire) .. I laughed myself sick ... Somebody was on the show ... it was like for five to four thousand dollars ... and nobody ..Who he is ... What does **Boone Pickens** do? ... He is the gas guy. **Oil** tycoon ... Nobody could answer that... Nobody knew what **T. Boone Pickens** did including the guy in Washington ...Maybe he needs to run more commercials
00:59:59

4. Jerry Doyle
Syndicated Radio (---) National
08/28/2009 08:00 PM - 09:00 PM

DMA: N/A

00:22:00 ...the way they make their money is not so much the 165 thousand dollars that they are making here . The way to make their money is by getting inside information on what's going to happen ... it's called the front running . It's called insider trading ... and unfortunately in Congress ,it's perfectly legal We didn't have the opportunity to trade on that information like Dick Durbin and Warren Buffett did ... and so that's how they make their money. Then they find a way to wrangle themselves into deals with **T Boone Pickens** like Nancy Pelosi did .She is one of the early investors in **T Boone Pickens'** windfarm project.. 00:23:59

5. Fox 26 News 6:00 AM
KRIV-TV CH 26 (FOX) Houston
08/28/2009 06:00 AM - 07:00 AM

DMA: 10
Spot Cost: \$542
Est. Audience: 63,939

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

00:50:38 Water Rights: **T Boone Pickens** has filed briefs opposing a state supreme court review of a favorable lower court ruling on water rights. V; **T Boone Pickens** speaking, **Wind Farms**. 00:51:04