



# Pickens clears air with trip to China

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T. Boone Pickens can check off visiting the Great Wall of China from his to-do list. And he's seen firsthand the high-rises going up in Beijing, Dalian and Shanghai.

The 79-year-old Dallas billionaire oil investor has just returned from a weeklong whirlwind tour of China, where he schmoozed with government officials and scoped out the country's growing private enterprise sector.

"I'd read and heard so much about the development and activity in China, I thought I needed to go look at it. So I did," he says. "There's a tremendous amount of construction activity in all three of the big cities we went to."

A friend with connections in high Chinese places set up the grueling itinerary that started at breakfast each day and concluded after lengthy formal dinners.

"It was one meeting right after another," Mr. Pickens says. "You did waste a lot of time in traffic, especially Beijing. You were an hour from every meeting."

And it was sweltering most days, making it a bit of a hardship tour. Even the finest hotels where he and his five-person entourage stayed kept their thermostats set at a toasty 82 degrees to conserve energy. Extra dehumidifiers sent to his room in Beijing didn't cool it down to comfortable.

Mr. Pickens went thinking this land of 1.3 billion-plus might be a land of opportunity – specifically for Clean Energy Fuels Corp., which he co-founded with his longtime business associate, Andrew Littlefair. The Seal Beach, Calif., company, which went public in May, supplies natural gas to fuel fleets of buses and taxis.

But when it comes to Business Boone-style, there's still no place like home.

"That's a long way to go when you've got plenty of deals in your own back yard to hunt for," says Mr. Pickens, now back on terra Texas.

"I'm always looking for ideas for myself, too," Mr. Pickens says, stating the obvious. "It's a communist country – although it's kind of a communist-slash-capitalistic operation, looks like to me."

Energy desperation

There is one hurdle that significantly curbs his enthusiasm.

"They are very desperate for energy," he says. "If I'm going to do anything over there, I'm probably going to have to arrange for the natural gas to come in by tanker from the Mideast."

That makes doing deals there much less attractive than doing deals here, he says. "One of the beauties of the United States' energy situations is that 98 percent of the gas is domestically produced."

Despite those reservations, he and Mr. Littlefair are still playing footsie with a Chinese private company that wants Clean Energy to set up a chain of retail natural-gas stations – a key reason for the trip.

Mr. Pickens missed the meeting but says it might be something worth pursuing. "The company Andrew talked to says that they have the gas contracted," Mr. Pickens says, sounding skeptical.

Mr. Littlefair seems less guarded.

"We're at the early stages of it," says the 46-year-old chief executive. "Boone is approaching 80, so he doesn't see himself starting up and learning China. What Boone is saying is, 'Hey, OK, I get it. But it's going to be this other guy doing it, not me.'

"That doesn't mean Boone's company won't be doing it. But is he going to take up residence in Beijing? The answer is no."

Signs of determination

And North America will remain Clean Energy's primary focus, Mr. Littlefair says from his office in California. "Obviously, if this market continues to grow as it has been growing, you've got plenty to say grace over here."

Mr. Pickens and his entourage drew crowds wherever they went in China, including on his one-hour excursion to the Great Wall.

That was more than enough time there, he says, given the 97-degree heat. "We walked out to the first tower, and it looked to me like it was very repetitious from there on."

Nonetheless, Mr. Pickens was struck by what this Wonder of the World says about the Chinese mind-set. "Anybody who spends more than a century or whatever it was building on a wall, I'd say was pretty determined."

He also spoke to a packed house at the American Chamber of Commerce and met with the chief executive of China National Offshore Oil Corp. and ranking officials of China Power Petrochemical Corp. He had lunch with U.S. Ambassador Clark Randt and sit-downs with dignitaries in Dalian (a northern harbor city of 6.2 million) and Shanghai.

He was interviewed by foreign journalists from *The Wall Street Journal*, Bloomberg, Reuters and Dow Jones news services, several Chinese media outlets and the *Financial Times* of London.

CNBC, which tagged along during the three-day Beijing leg, called it "Boone's Excellent Adventure," and Squawk Box's Becky Quick issued daily communiqués about his comings and goings.

So how does it feel to be treated like a rock star?

"I've had that experience before," Mr. Pickens says.

(Gee, I can remember when he thought sitting in *somebody else's box* for a Cowboys game at Texas Stadium was a big deal.)

And how good was his Chinese?

"I tell you what; I speak Chinese as well as a lot of those people spoke English. We had interpreters all over the place."

Antiquated display

Mr. Pickens also visited Beijing Public Transit, which has more than 3,000 buses running on natural gas. Most of the engines are antiquated by U.S. standards, including one showed off to Mr. Pickens.

"My wife was there, so I yelled at her, 'Madeleine, Madeleine! Come here! You wanted to know about the Cummings Westport 195-horsepower [engine] and whether they still had them in operation? Well, right

here is the one you were asking about.'

"She played along with the gag and hurried right up to look at it. But after we walked away she said, 'Have you lost your mind?' "

Mr. Pickens' most lasting impression of China, though, was the smog. "Air quality is horrible. It was worse than I've ever seen in Los Angeles, even on its worst days 40 years ago."

The government admits the country has a huge environmental problem – not just air, but water and ground pollution too, he says.

"They're going to take a third of the 3 million autos off the road next month to see how it affects their air quality," Mr. Pickens says. "But I think they're still going to have to do something about cutting back on industry during the Olympics.

"If they'd had the Olympics when I was there, that 100-yard dash would have been a relay."