

T. Boone Pickens Media Coverage 4.10.09

Total of 15 Placements

- Print: 4
- Blog/Online: 7
- Broadcast: 4

Coverage Summary:

The Huffington Post featured Pickens' latest blog posting on the March oil import numbers and the virtual march.

Several San Diego outlets reported on Pickens' appearance at the Rotary Club, including *The Daily Transcript*, *San Diego News Network* and *KUSI*. The coverage includes an overview of the Pickens Plan and lists organizations and political leaders who have signed up to show their support.

A *Scientific America* blog points out that the bankruptcy of FuelMaker does not mean the end of natural gas powered vehicles. The piece cites AT&T's plans to convert vans and trucks to CNG calling it "the single largest commitment ever by a U.S. corporation toward using alternative fueled vehicles."

Highlighted Placements (Full Articles Below)

- **The Pickens Plan Marches on Washington** – *Huffington Post* – 4/9/09
 - *The Exception*
- **Billionaire Pickens Talks Clean Energy; Promotes Plan** – *The Daily Transcript* – 4/9/09
- **T. Boone Pickens Preaches Wind Energy, Natural Gas** – *San Diego News Network* – 4/9/09
- **Natural Gas Powered Vehicles on the Rise, Even as Refueling Device Maker Goes Bust** – *Scientific America Blog* – 4/9/09

Print Placements (Full Articles Below)

- **Look at Pickens' Plan on Alternative Fuels** – *Hickory Record* – 4/10/09
- **Fuel Volatility Remakes South Florida's Public Companies** – *South Florida Business Journal* – 4/10/09

Blog/Online Placements (Full Articles Below)

- **T. Boone Pickens Loves America, Hates Taxes and Trusts Sam Brownback** – *The Pitch Blog* – 4/9/09
- **Peak Oil: China vs. USA** – *Seeking Alpha* – 4/9/09
- **Pickens to Discuss Energy Plan** – *The University Daily Kansan* – 4/8/09
- **Pickens Promotes Energy Plan in Kansas** – *WIBW* – 4/8/09

HIGHLIGHTED COVERAGE

The Pickens Plan Marches on Washington – *Huffington Post* – 4/9/09

By T. Boone Pickens

\$18 billion. Sound like a lot of money? It sure does to me. The worst part is that's how much Americans shelled out last month to import 386 million barrels of oil. Think about the impact those dollars could have made right here right now as our country works its way out of this recession. In less than six months we could have wired every American home and every American business for broadband. Talk about a way to help our country set the pace in the Information Age. But, instead of building our own infrastructure and creating much needed new jobs, we lined the pockets of state-owned oil companies run by Hugo Chavez and others. Doesn't make much sense, does it?

Now I'm going to up the ante to \$475 billion. That's how much the Department of Energy estimates we spent in 2008 feeding our addiction to foreign oil. We could have funded every single highway repair in all 50 states for the next seven years with that amount of money. Or we could have maintained and repaired every one of our nation's bridges for the next 25 years. Take your pick. Yet instead of investing in America, we wrote off almost half a trillion dollars so that other countries could invest in theirs.

I've got one last number I want to throw out, and it's the most important one of all: 4,558,010. That's how many people joined me last week in our Virtual March on Washington, D.C. Millions of Pickens Plan supporters teamed up with millions more from our 32 partner organizations in the private and public sectors. All of us had the same goal in mind: to get Congress to write, to debate, and to vote on the many components of an energy plan that will reduce our dependence on foreign oil once and for all.

Boy, did we get a lot done. That's what happens when almost five million people email, phone, fax, and visit their elected officials non-stop for three days. I did my part, too: meeting with sponsors, attending bill introductions, and keeping the news media focused on the importance of getting us off foreign oil.

I joined Rep. Dan Boren (D-OK), Rep. John Larson (D-CT), and Rep. John Sullivan (R-OK) as they announced the New Alternative Transportation to Give Americans Solutions Act of 2009. The idea behind their bipartisan NAT GAS Act is to develop domestically produced natural gas as a replacement fuel for the imported diesel oil that most heavy-duty vehicles and fleet trucks are using right now. It's good for the environment. It's good for the economy. And it's good for America.

I also offered my support to Sen. Jeff Bingaman (D-NM), who is promoting policies to create a National Renewable Electricity Standard. Right now 28 states have a Renewable Electricity Standard, which directs utilities to produce a set percentage of their electric power using alternative sources. California already requires utilities doing business there to produce 20 percent of their power from alternatives by 2010, and the rest of the country needs to follow their example. Sen. Bingaman wants us to get 20 percent from alternative sources by the end of 2020. Why? Because it's good for the environment. It's good for the economy. And it's good for America.

There's legislation to begin the process of building a 21st century transmission grid as well as to extend Production Tax Credits for wind and solar. In addition, proposed tax credits for energy efficiency in homes and buildings are already in the works. Senators Dorgan and Voinovich introduced a bill that would address many of the issues that have impeded development of transmission lines needed for renewable energy. That's the second bill to address developing a smart grid. The other of course is Majority Leader Harry Reid's. Both bills are good for the environment. They're good for the economy. And they're good for America.

I'm going to wrap this up with a personal observation. I've been going to Washington for a long time. Back in 1960s when I first went to Capitol Hill, there was always a good long wait before a Congressman or a Senator took the time to see me. But as the years went by and I enjoyed more success, that wait grew shorter and shorter. But that's nothing compared to what I saw last week when our Virtual March came to

town. With three or four million people on my side, I'm a hell of a lot more important in Washington than I am as a rich guy from Texas. And you know what that means? America is finally going to get an energy plan.

Billionaire Pickens Talks Clean Energy; Promotes Plan – *The Daily Transcript* – 4/9/09

By Rebecca Go

Texas oilman and billionaire T. Boone Pickens stopped in San Diego on Thursday to sound off on his favorite topic these days: his plan to reduce U.S. dependence on foreign oil.

The United States currently relies on international imports for approximately 70 percent of its oil -- an addiction with both economic and national security consequences, Pickens said.

"We are paying for both sides of this war," Pickens told more than 200 people at a San Diego Rotary Club luncheon. "How could this happen to us, as smart as we are? It happened because of cheap oil."

Oil prices have abated since the 2008 summer highs -- Pickens had predicted the price would rise to \$150 a barrel -- but without any change, prices could go up to \$300 a barrel in 10 years, Pickens said.

By then, the United States would be importing 75 percent of its oil, he added.

The afternoon talk was part of the marketing campaign for his "Pickens Plan," which pushes reducing oil usage in the short-term with wind and natural gas resources while other alternative energy solutions gain traction.

Pickens launched the "Pickens Plan" in July, investing \$60 million of his own funds and taking his message to the airwaves, to Congress, to President Barack Obama and anyone else who would listen.

"It had come time for me to serve," Pickens said. "I waited a long time for someone else to do this."

The last several months have seen some progress, he said. People are responding and signing up for the Pickens Plan online. AT&T (NYSE: T) and the American Lung Association have also joined the effort.

Pickens is also encouraged by what he has seen from Washington, such as provisions in the stimulus bill and energy bill currently going through Congress that target clean energy.

He noted that past presidents have promised to wean America off foreign oil but failed.

Pickens is also investing almost \$2 billion in building a large wind farm in the Midwest wind corridor, in which landowners who elect to house wind turbines will receive royalties.

In Pickens' plan, wind power will replace natural gas in generating up to 22 percent of the electricity, allowing natural gas to be used as a fuel source.

Natural gas is the second most abundant resource in the United States, second only to coal, Pickens said. He notes it is a finite source, but it will buy the United States maybe 20 to 25 years. "It's cheaper, it's cleaner, it's abundant, and it's ours," Pickens said.

He praised Southern California for its widespread use of natural gas in its trash pickup trucks: One diesel vehicle off the road is equivalent to 325 cars.

Pickens' company is heavily invested in both wind and natural gas, but Pickens maintains that his campaign is not for his pocketbook but for posterity.

"It's a war without guns," he said. "If we don't get it solved we're going to pay a horrible price for it."

T. Boone Pickens Preaches Wind Energy, Natural Gas – *San Diego News Network* – 4/9/09

By Helen Chang

T. Boone Pickens, the Texas oilman turned clean-energy maven, sounded the clarion call of U.S. energy independence on Thursday in San Diego, while speaking before a group of business leaders.

"We have to get off foreign oil," he said. "We have got to get our own resources."

Pickens spoke before 477 members of the San Diego Rotary Club 33, at the Sheraton Hotel Harbor Island. He was here to promote The Pickens Plan [1], his multi-faceted effort to develop wind, solar and natural gas sources in the U.S., as well as his New York Times best-seller, "The First Billion is the Hardest."

The billionaire has invested \$150 million in clean energy industries, an amount that will reach \$2 billion by 2011, he said. His companies include BP Capital Management, a fund group; Clean Energy, a publicly-listed natural gas company; and other companies, which use groundwater and wind energy.

A staunch Republican, Pickens spoke of how he has spent time in recent months discussing clean energy with President Obama, Al Gore, and even Sierra Club leader Carl Pope. "It has nothing to do with politics," he said. "I just want to solve this problem."

The billionaire noted that several points of his plan were included in Obama's stimulus package - including funding a smart grid, wind and solar energy. Speaking of Obama, "I think his plan is our plan," said Pickens.

Pickens also met with Democrats House Speaker Nancy Pelosi , Senate Majority Leader Harry Reid and Rep. Henry Waxman. "Twenty minutes with that crowd is a long time," he said, to laughter. Then Pickens explained that it was hard to nail down so much time with them, but they ended speaking for one-and-one-half hours. Pickens offered advice about the pending Climate Bill and Energy Bill, which he hopes will be passed by August.

Pickens' San Diego connection

Pickens is married to Madeleine, a San Diego businesswoman and former widow of Allen Paulson, an aerospace multimillionaire and founder of the Del Mar Country Club. Pickens and Madeleine married in 2005.

The oil magnate publicly launched his plan in July 2008, months after it fell on deaf ears with former President Bush. Pickens spent \$60 million of his own funds on the widespread television and Internet campaign, and met with both John McCain and Obama during that time. He wanted it to be at the forefront of public attention during the elections, he said, because by buying oil from Middle Eastern countries, "we are paying for both sides of the war."

The maverick has garnered serious support for The Pickens Plan. Some 1.5 million people have signed up as members, including 47,000 from California, he said. Member organizations include the Sierra Club and AT&T, which committed to converting 84,000, or 10 percent, of its vehicles to natural gas after hearing him speak.

Having delved deeply into U.S. energy issues, Pickens strongly urged moving away from foreign dependence of any kind. He said that both John McCain and Obama had thought during last year's

campaign the key issue for alternative energy was battery efficiency. But since the Chinese are market leaders in batteries, this would only shift the dependence to another country, he said. "We (don't want to) get off Saudi oil and get on Chinese batteries."

Energy facts

The U.S. imports 70 percent of its oil, most of it from countries hostile to the U.S.

Wind energy has the capacity to supply 30 percent of the country's energy needs by 2030.

Natural gas vehicles could cut foreign gasoline use by one-third, or more than \$230 billion annually.

Instead, wind, solar, natural gas and shale would allow America to achieve energy independence, he said. Pickens plans to build the largest wind farm in the U.S., based in Texas, as part of a wind corridor running down the midwest and southern states. He is also tapping natural gas, which he said is cheap, clean and abundant.

The hale 80-year-old rattled off numbers that painted a picture of unsustainable oil dependence for the U.S. If present consumption levels continue, the U.S. will import \$10 trillion of foreign oil in ten years, he noted. Oil barrel prices of \$147 a barrel would cost the world \$3.2 trillion dollars, lower prices of \$75 a barrel will increase global demand that would push prices back up. Since the U.S. uses 25 percent of the world's oil, the prices will be exorbitant, he said.

"If we don't get it solved, we're going to pay a horrible price for it," he said.

Helen Kaiao Chang is SDNN's business editor.

Natural Gas Powered Vehicles on the Rise, Even as Refueling Device Maker Goes Bust – *Scientific America Blog* – 4/9/09

By Adam Hadhazy

FuelMaker, the Honda-owned, Canada-based manufacturer of natural gas fueling systems for vehicles, went belly-up last week. The company made the only residential natural gas refueling product (called Phill) in the world.

Fortunately for vehicle owners, Honda plans to sell the company's assets and intellectual property, meaning FuelMaker products, albeit under a different name, are likely to remain available, says Alicia Milner, president of the Canadian Natural Gas Vehicle Alliance.

FuelMaker was born of automakers' desire to address the public's urge to break or at least lessen its addiction to fossil fuels. Car companies have increasingly turned to batteries, hydrogen, and solar power to energize new generations of vehicles. Less conspicuous in this shift to cleaner fuels has been natural gas, far cleaner burning than gasoline, and already the leading alternative fuel source for U.S. commercial fleets, powering about 10 percent of the mass transit buses in the U.S. and 5 percent of those in Canada, Milner says. The monthly consumption of natural gas by domestic vehicles has quadrupled the last decade as more vehicles have taken to the streets, according to the Energy Information Administration.

But despite their inroads and popularity overseas, natural gas-powered vehicles haven't caught on in the U.S. consumer market, with the Honda Civic GX standing as the only natural gas-powered car currently available. First introduced for government sector work in 1998, Honda later made the Civic GX available for retail sales in California and New York. The American Council for an Energy Efficient Economy

(ACEEE) has named the Civic GX the "greenest vehicle" sold in the U.S. for six years running, though Honda only makes around 1,000 of them annually.

The classic chicken-or-the-egg problem of too few fueling stations has hindered the Civic GX and other alternative energy-powered vehicles. A paucity of places to fuel up makes a purchase less attractive to a potential buyer, meaning fewer cars sold, lessening need for more fueling stations, and so on. The Civic GX gets about 33 miles (53 kilometers) per gallon of compressed natural gas (CNG), giving it about a 170 mile- (275 kilometer-) range on a full tank, and it is cheaper to refill than a gas tank. But having to carefully plan an outing based on CNG refueling locations presents a hassle for drivers.

The at-home fueling option introduced via the Phill was meant to break that cycle by tapping into a home's natural gas line. However, the unit's price tag including installation of about \$5,000 and the 12 hours it takes to refill the CNG tank gave eco-conscious auto shoppers all the more reason to plunk down on a gas-electric hybrid instead.

The price of the Phill may come down in price as another entity picks up FuelMaker's pieces and continues with production, Milner says. Clean Energy Fuels – T. Boone Pickens' natural gas distributing company – had been in talks with Honda about buying FuelMaker, but couldn't reach a deal, reports the New York Times.

Milner predicts that companies looking to green their commercial fleets will increasingly turn to natural gas. Just last month, AT&T announced plans to spend \$350 million to buy 8,000 Ford Motor Company vans and trucks and convert them to CNG-fueled vehicles, and to build 40 new CNG stations. The company's move is "the single largest commitment ever by a U.S. corporation toward using alternative fueled vehicles," TG Daily, a technology Web site, writes.

PRINT COVERAGE

Look at Pickens' Plan on Alternative Fuels – *Hickory Record* – 4/10/09

Hickory needs alternative fuels now. There is new legislation in Congress calling for subsidy of alternative fuel exploration and application.

T. Boone Pickens, a businessman and environmentalist, is organizing a "Virtual March on Washington," in which citizens are invited to join more than 4 million others calling for serious action.

Those tired of hearing the complaint of ending dependency on foreign oil may finally get some real satisfaction, from compressed natural gas-powered 18-wheelers to subsidies for wind power exploration.

I urge HDR readers to check out Mr. Pickens' plan online and at the same time let our representatives know that they should stand with the distinguished senators and representatives, Republican and Democrat, who back legislation to get moving on alternative energy now.

See www.pickensplan.com.

John A. Cheek
Conover

Fuel Volatility Remakes South Florida's Public Companies – *South Florida Business Journal* – 4/10/09

By Paul Brinkman

Fuel price volatility in 2008 remade the business landscape of South Florida, according to the Business Journal's list of the region's top public companies.

Miami-based World Fuel Services, the world's largest marine fuel marketer, has displaced AutoNation, the nation's largest auto retailer, as the biggest company in South Florida according to annual revenue.

The very thing that caused turmoil for AutoNation – \$4-a-gallon gasoline, followed by frozen credit markets – is exactly what drove more demand for World Fuel's business model.

World Fuel CEO Paul Stebbins said his company is doing well, but its \$18.5 billion in revenue last year was also heavily influenced by the sheer cost of fuel. AutoNation fell to fifth on the Business Journal's list, with \$14.1 billion in revenue for 2008.

In 2007, World Fuel had \$13.7 billion in revenue, while AutoNation reported \$17.7 billion.

Others in the top five were Juno Beach-based energy company FPL Group, with \$16.4 billion in revenue; Miami-based cruise company Carnival Corp. and PLC, with \$14.6 billion; and Delray Beach-based Office Depot, with \$14.5 billion.

Another big mover on the list was Miami-based homebuilder Lennar Corp., which dropped to eighth place after its revenue slipped to \$4.6 billion from \$10.2 billion.

"The revenue number can be somewhat misleading," World Fuel's Stebbins said. "Like a grocery store, we have huge amounts of revenue going through our operations, but gross profit line is more our sales line than is revenue."

World Fuel is not as well known as AutoNation or South Florida's other large companies. It is basically a fuel middleman, handling the details and logistics of fuel purchasing for marine and aviation companies around the world. The company handles some alternative fuels like biodiesel, but only in small quantities.

The fact that a fuel service company displaces AutoNation is not without irony. AutoNation CEO Mike Jackson has made a second career out of lobbying and speaking about the need for fuel alternatives, possibly funded by an additional tax on the price of gasoline.

Jackson has formed a friendship and informal alliance with energy tycoon T. Boone Pickens, author of the self-publicized Pickens Plan for energy independence.

Crude oil was generally under \$25 a barrel from the mid-1980s to 2003. The price rose to \$30 in 2003 and to \$60 by 2005, peaking at \$147 in July 2008. The economic crash of late 2008 sent the price tumbling again.

"May of 2008 was a catastrophic event for the auto industry," Jackson told the Business Journal late last year. "It did bring about the largest change in consumer sentiment in the history of the industry. That's what I was trying to stave off – unsuccessfully."

Doral-based World Fuel has 44 offices in 23 countries. It has about 1,200 employees worldwide, including 400 in South Florida, but Stebbins said that number has been growing steadily.

"Strategic procurement of fuel It used to be just calling suppliers and placing an order, but now it's this huge cost center and highly volatile," Stebbins said. "It can really ruin your day if you don't get it right."

Rising prominence

Others have noticed World Fuel's rising prominence.

Analyst Tanjila Shafi of Standard & Poor's recently told Investor's Business Daily that customers believe World Fuel has the expertise in getting the right type of oil at the right price. Stephens Inc. analyst Alexander Brand said World Fuel also gets good credit terms from the major oil companies.

World Fuel recently reported its fourth quarter net income was up 56 percent from the prior-year period. Fourth quarter earnings rose, even as revenue dropped sharply, to \$2.9 billion from \$4.1 billion in the fourth quarter of 2007. Fuel prices skyrocketed throughout much of 2008 before plummeting in the fall.

Stebbins describes World Fuel as "not really an oil company, just a pass-through company. I don't have tank farms and barges and refineries, I just have a bunch of people."

The company is focused on a particular area of knowledge, or "domain expertise." Stebbins said people turn to World Fuel because he has acquired experts on fuel procurement in many markets.

At the same time, the world's oil giants are focusing more on finding oil and less on management customer relationships, he said.

"If I'm Exxon and I have direct marketing, why would I need World Fuel? Well a whole lot has changed in the world They don't really want to be managing these discrete, fragmented relationships all over the world."

Stebbins insists he is not all about fossil fuel. He also sits on the board at FirstSolar (NASDAQ: FSLR), one of the biggest solar panel manufacturers.

Stebbins and World Fuel CEO Mike Kasbar started Trans-Tec Services in New York. In 1994, they sold it to Miami-based International Recovery Corp., which later became World Fuel Services. Kasbar and Stebbins bought stock in the new company, went to work for it and moved to their current positions in 2002, Stebbins said.

"World Fuel is active in the whole emissions area, too," he said. "Low-sulfur content is important in fuel, so fuel quality control is something we're also deeply involved in."

BLOG/ONLINE COVERAGE

T. Boone Pickens Loves America, Hates Taxes and Trusts Sam Brownback – *The Pitch Blog* – 4/9/09

By Carolyn Szczepanski

If the hundreds of people sardined into the lobby of the Dole Institute were hoping to be inspired by a determined visionary, they might have been disappointed.

Texas oil billionaire T. Boone Pickens has spent millions of dollars amassing an army of Americans to back his plan for replacing foreign oil with homegrown power sources, like wind and natural gas. Yesterday he stumped at the University of Kansas, preaching about his "mission" in the raspy voice of an over-extended 80-year-old and the attention span of someone with one ear open for his next boarding call.

Sure, Pickens had his charming moments and his ideas have certainly shot energy issues to the top of the national agenda. But Pickens was clear that he isn't an environmentalist. He doesn't really give a damn about global warming. He doesn't like taxes, so he dismisses any talk about a cap-and-trade system. And, if he gets a question from the audience he doesn't like, well, he just brushes it off.

"Don't tell me you don't like my plan, unless you have a plan," he told the crowd somewhat derisively.

In concept, Pickens ideas sound inspiring. In person, the oil man came off as the arrogant, overbearing, obsessively patriotic grandfather that nobody likes to sit next to at the dinner table. And the disinterested environmentalist who loves America and hates taxes had the perfect partner at his side: Kansas U.S. Sen. Sam Brownback.

Before a rambling introduction from former U.S. Sen. Bob Dole, Brownback took the podium, working the crowd with basketball talk and holding up some T-shirt made out of soybeans that he promises doesn't smell like wet dog when it gets damp. Then he launched into familiar rhetoric about how Kansas could be the Saudi Arabia of renewable power and play a critical role in America's energy future. "At the root of all this is our need to get off foreign oil," Brownback said in his introduction. "Harvesting the wind in Kansas and getting it to markets where it's needed is critical."

But the Senator's voting record on critical energy issues is mixed, at best.

For instance, in 2005 the Senator voted against a bill to "to improve the energy security of the United States and reduce dependence on foreign oil imports by 40 percent by 2025."

He did score some points that year, though, breaking with his party to vote for a "renewable portfolio standard," requiring utilities to get 10 percent of their generation from green energy sources by 2030.

Of course, when a bill on Renewable Energy Subsidies that set out billions for clean energy projects was on the table in 2007, Brownback was off campaigning for the presidential nomination and didn't show up for the vote. (He did stick around long enough to support a bill authorizing offshore drilling in Virginia the week before, though.)

Last year Brownback showed his support for renewable energy by opposing a bill that would have capped carbon emissions and curbed global warming pollution 70 percent by 2050.

On the most important energy vote of 2009, Brownback was on the wrong side of the roll call, again. At a press conference after the town hall meeting, Pickens told reporters the most tangible progress toward energy independence was the passage of the economic stimulus package earlier this year, which contained billions in funds for renewable energy.

Brownback voted against it.

Another reporter asked Brownback if he thought his voting record reflected support for renewable energy. "Yes, yes," Brownback said without blinking.

Both men emphasized the need for a national energy plan and support for a bill that avoids tough issues, like global warming or carbon emissions.

"Sen. Brownback is big in this deal," Pickens said. "I believe we'll have a very clean bill, not connected to climate or cap-and-trade to take it through there, so we can get on our own resources as fast as we can."

"We'll have an energy bill this year," Brownback added. "We're in discussions right now."

During his public address, Pickens promised the crowd he was ready to pounce on any legislator not on board with his plan and paint that politician as a lover of foreign oil. "We're tracking everybody in Congress," he said. "We're watching very closely."

Hopefully, Pickens will have an eye on his buddy Brownback, too.

Peak Oil: China vs. USA – Seeking Alpha – 4/9/09

By Michael Fitzsimmons

Anyone catch Steven Kopits' article in Barron's this weekend titled "A Global Portrait of Peak Oil"? In it, Kopits echoes thoughts I have written recently on how badly the US is being outmaneuvered by China with respect to energy policy. While US politicians and policymakers continue to hold meetings in Washington, DC in an attempt to solve a commodity problem (oil) with financial tom-foolery (it simply will not work), let's look at what China has been up to:

China lent Petrobras (PBR) \$10 billion to fund the company's offshore exploration in Brazil's pre-salt oil fields. In return, China locks up long term oil deliveries from Petrobras amounting to 160,000 barrels per day.

China lent money to Russian oil companies Rosneft (\$15 billion) and Transneft (\$10 billion) in return for oil supplies and a new pipeline spur to China. For China, the agreement locks up 15 million tons of oil (300,000 bpd) every year for the next 20 years.

China and Venezuela have signed agreements and invested in a \$12 billion fund to finance and develop oil projects, infrastructure and agriculture with a goal to boost Venezuelan oil exports to China from 330,000 bpd to 1 million bpd by 2015.

In each case, Chinese President Jintao met in person with the leaders of Russia, Brazil, and Venezuela to underscore the strategic significance of these deals.

What a contrast to the United States' "strategy". Brazil's President Lula is often vilified on CNBC as being a "socialist and former lathe operator" (the tools on CNBC apparently dislike anyone who actually produces something tangible). With respect to Russia, the US supports a puppet on Russia's Georgian underbelly and threatens to place a "missile shield" on Russia's border. No foreign leader in the world has been as vilified in the US press like Venezuelan President Hugo Chavez.

Now, one could argue the reasons and merits behind these US foreign policy initiatives and US media reporting. That said, it cannot be argued which policy has been more successful in locking up future oil supplies: China is winning. For a country that imports 65% of its oil, this is certainly bad news for the future of the United States. The US government uses money it doesn't have to reward financial fraudsters with huge bonuses while China uses money it does have to buy oil. You tell me – which country is thinking logically and strategically about the future?

Despite US oil inventories at near 20-year highs and an economic contraction that can at best be described as “serious”, oil was recently trading over \$50/barrel. Why?

Well, unlike the American people and US politicians and policymakers, oil traders have not forgotten the supply/demand fundamentals that led to \$145/barrel oil prices last year. Total US crude oil inventories in March (excluding the SPR) amounted to 359,427,000 barrels (EIA). US consumption is currently running a little less than 20,000,000 bpd. So, as impressive as these large inventories are oil traders are well aware that they amount to a mere 20 days of US supply. At the same time, geopolitical risks have not disappeared and even a whisper of positive economic data causes oil prices to rise rapidly.

The onset of a summer driving season in which economically stressed Americans will be trading in their European vacations and world travel plans for trips in the family car could rapidly eat into US gasoline stocks. Does any rational person actually believe that low oil prices are anything but a temporary short term reaction to the extreme energy demand destruction caused by the current economic turmoil?

I have written so often about peak oil realities and my support for the natural gas transportation solution most of my SeekingAlpha followers must surely be convinced I am OCD. Guilty as charged. In my defense, I simply can't find anything more important to write about! Until American policymakers address peak oil and our foreign oil addiction with rational policy initiatives, I probably won't stop. Peak oil is the biggest threat to the American economy, our democracy, and ultimately the freedom of its citizens.

Rather than list all the facts and statistics of peak oil (again), this time I will refer the reader to an excellent peak oil summary sent to me by an old middle school acquaintance (whom I had a big crush on) who recently rediscovered me on Seeking Alpha.

This is a pretty comprehensive summary of the crisis we find ourselves in today. It also clearly shows why current cheap oil and gasoline prices are so dangerous for the United States. Cheap gasoline prevents good energy policy from being enacted.

I was reading an article by Seeking Alpha contributor John Peterson wherein he unveiled his “family reunion test” to evaluate cleantech investments. He boils his analysis down to a simple question: “How many of the people who attended our last family reunion is likely to buy this product or service at today's price”? I grinned when reading this - it is very similar to my stress test with respect to proposed energy policy solutions to solve America's peak oil crisis: “Will this policy allow me to pull my small Teardrop trailer to Colorado every summer for the rest of my life so that I can travel up and down the mountains and fly fish for trout in my favorite wilderness area waters”?

While America's energy crisis cannot rely on any single solution, natural gas transportation consistently passes my stress test while most other proposals fail to do so. Does this indicate a bad stress test or a bad policy? You decide.

Rather than regurgitate the facts and statistics of peak oil, today I want to discuss the lack of an American energy policy. I was extremely critical of the Bush administration's lack of a comprehensive energy policy and strongly supported Obama for President. To his credit, Obama has made some important changes in both tone and action by increasing support and funding for wind, solar and electric grid infrastructures. However, with respect to the vital issue of reducing foreign oil imports, Obama has been an extreme disappointment. He seldom misses an opportunity to mention “clean coal”. This is an oxymoron. Simply mining the coal degrades the environment. Burning coal emits twice the CO₂ of natural gas. More importantly, coal's particulate emissions are very toxic whereas natural gas has 0 (zero) particulate emissions (natural gas, or methane, is simply CH₄). Anyone who doubts the hazards of burning coal for electricity simply needs to Google “Kingston coal spill” and read about one of the worst environmental

disasters in the history of the US. This didn't happen in the 1960's or 70s, this happened in December of last year. "Clean coal"?

Pah-leeeeeze. I thought Obama would be a bigger man than to support something like coal simply because his home state of Illinois is a major producer of coal. Apparently this is not the case. At the same time, has anyone heard Obama even utter the words "natural gas transportation"? How can one explain such behavior and policy?

I still cannot fathom why oil company executives have not come out in strong support for natural gas transportation. Not one executive of a major oil company has publicly and strongly supported Boone Pickens' efforts for robust natural gas transportation policies. However, it's not because they aren't aware or don't acknowledge peak oil. At last year's World Economic Forum in Davos, ConocoPhillips CEO Jim Mulva said that worldwide oil demand will quite likely outstrip worldwide oil supply by 2015. Executives at Royal Dutch Shell and Amerada Hess have made similar statements. ConocoPhillips is one of the top 3 producers of US natural gas, so why hasn't Mulva come out and fully embraced US natural gas transportation policies? Following COP's purchase of Burlington Resources and its huge US natural gas reserves, and considering that huge shale supplies combined with an economic contraction have pushed natural gas prices below \$4 on the NYMEX, how can one explain Mulva's silence on natural gas transportation policies?

Meanwhile, Conoco and BP are apparently going full steam ahead with the Denali natural gas pipeline to bring Alaskan natural gas to the lower-48. Wouldn't it seem logical that COP and BP executives would be pounding the table to support natural gas transportation in the US in order to insure demand and price support for their investments and their product? Yes, of course these companies have large investments in oil exploration and gasoline refining, however, if they really believe worldwide oil supply won't keep up with worldwide oil demand by 2015, they surely must understand the dire economic and social implications for the US, a country which uses 25% of world's oil supply and imports 65% of it.

I mean, seriously, these men may well put profits ahead of country, but don't these oil executives have children and friends living in the US? Do they have enough money to protect themselves in fortress behind barbed wire and security systems? What if they just want to go out and buy a pizza? Or, do they simply have an "escape plan" when the peak oil crisis sinks the US into chaos? If so, someone please tell me - where do they plan to move? Is it rational to think that the US with its huge military machine will go quietly into the night as we run out of oil to fuel our economy and our social institutions?

As I wrote in my last SeekingAlpha article, HR 1835 – The NAT GAS Act of 2009, was introduced on the floor of the House last week. It is exactly what the US needs in order to strategically counter Chinese moves to lock up worldwide oil supplies. This is a bipartisan bill and no, its not just Oklahomans and Texans! There are representatives from Colorado, Georgia, California, New York, Idaho, Hawaii and Florida (among other states) supporting and co-sponsoring this bill. Don't wait for energy executives, Obama, auto manufacturers, or natural gas utility executives to place ads on TV supporting this bill – although they should be! Write a letter to Obama - demand that he not only support HR 1835, but accelerate its passage through committee to his signing it into law. You might also advise Obama to stop his idiotic support for "clean coal".

The US's 2.1 million mile natural gas pipeline grid is our country's most strategic weapon in the war on peak oil and foreign oil imports. The grid is connected to every major metropolitan area and to 63,000,000 homes where over 100,000,000 cars and trucks could be refueled every night while their owners sleep. It can easily be supplied with America's most abundant, clean, and cheap fuel: natural gas.

The US is bankrupt, so we can't go around the world purchasing oil reserves like China is doing. So, we have a choice – we can either:

- a) sink into to economic ruin or
- b) solve our energy crisis using the only US fuel that is abundant, cheap and clean: natural gas

If energy executives are correct that worldwide oil supply won't meet worldwide oil demand by 2015, we have no time to waste.

I have worked very hard over the past 5 years or so on developing my own energy policy. I tried (in vain) to get mainstream US financial media to publish it.

Despite the fact that I started this years ago when oil was about the same price it is today before moving to \$145/barrel, and despite the wealth destruction of Americans invested in US equities, and despite the economic turmoil we find ourselves in today, not one financial media outlet (WSJ, Barron's, Business Week, etc) published this energy policy. Sometimes I get the feeling there is a concerted effort by American policymakers, politicians, and media to bring the US middle class to its knees. They are succeeding.

From an investment perspective, it is clear reduced oil company E&P budgets combined with oil and gas reservoir depletion rates, are setting the stage for yet another peak oil price spike. It is quite likely the next spike will make 2008's look like child's play. There are a plethora of investment opportunities which will benefit from this peak oil scenario (in no particular order): ExxonMobil (XOM), ConocoPhillips (COP), Chevron (CVX), Schlumberger (SLB), Petrobras (PBR), StatOil (STO), Sasol (SSL), Occidental Petroleum (OXY), British Petroleum (BP), Transocean (RIG), and Diamond Offshore (DO). The largest price appreciation could well be seen by the producers off-shore deep-drilling equipment. Any or all of these stocks should be placed on your "watchlist" and bought on price weakness. There have been several opportunities over the past few months, and sure to be more in the near future, when each of these stocks have fallen to extremely low valuations.

Be ready at the next opportunity to jump in.

Pickens to Discuss Energy Plan – *The University Daily Kansan* – 4/8/09

By Amanda Thompson

T. Boone Pickens will speak about the Pickens Plan at a town hall-style meeting today at 4:30 p.m. in the Robert J. Dole Institute of Politics.

According to the Pickens Plan Web site, www.pickensplan.com, the plan aims to end foreign oil dependence by increasing wind, solar and natural gas production in the U.S. Pickens said that since the plan kicked off in July of 2008, he had visited more than 20 city halls. About half of those visits involved college campuses.

"We haven't had a real energy plan in 40 years, and I want to get everybody on board," Pickens said.

In addition to visiting town halls to gather support, Pickens instituted a virtual march on Washington through his Web site from April 1 to April 3. Nearly 5 million people submitted online requests to Congress to take note of the Pickens Plan.

"We're applying grassroots pressure and I think that's somewhat unusual," Pickens said. "If we're going to do it, it's going to happen for all the right reasons."

In a video blog on the Web site, Pickens said that in the month of March, the U.S. imported 386 million barrels of oil. The oil cost the U.S. \$18 billion and accounted for 65 percent of the oil used in the U.S. that month.

Pickens said his plan came in two parts and outlined the need for drastic change in the way the U.S. was fueled in the next 10 to 20 years. He said the first part of his plan addressed the need for renewable forms of energy.

"This is what we took to the Obama transition team, that we would have wind, solar and a 21st-century grid to go along with it, what we call a smart grid," Pickens said. "And now that's pretty much in place."

Pickens said the next installment of his plan was to have natural gas and domestic fuel reduce the consumption of foreign oil. On April 1, Pickens presented the Natural Gas Act of 2009, which emphasized the importance of using natural gas as transportation fuel.

"We're progressing right on track," Pickens said. "The plan is holding together."

Ryan Wing, San Jose, Calif., junior, said he researched the Pickens Plan but wanted to learn more from Pickens in person.

"I'm interested to see how he presents it with the current economic climate and if he has any adaptations to it because of that," Wing said. "I know he's having trouble finding funding for the wind project given the climate, so it will be interesting to hear that."

Wing said he thought the proposal was interesting because Pickens was a successful oil business man.

"Clearly it benefits him, but I think he has an interest in making renewable and sustainable energy economically viable," Wing said.

Chelsea Mertz, Topeka junior, organized a discussion panel that will meet at the Dole Institute after the conclusion of Pickens' speech. Like Wing, she said she looked forward to hearing how the economy played a part in Pickens' plan.

"So often the criticism for sustainable or environmentally friendly things is the economic aspect of it, if it's feasible," Mertz said. "But with Pickens, he's creating something to show that this is the wave of the future and this is the way we need to go. He sets an important example."

The panel will consist of City Commissioner Dennis "Boog" Highberger, Sen. Marci Francisco (D-Lawrence), Rep. Tom Sloan (R-Lawrence) and Susan Kang, assistant secretary for policy and external affairs with the Kansas Department of Health and Environment.

Wing said that whether the Pickens Plan worked in the long run or not, it was important that renewable and sustainable energy proposals continued to be presented to the public.

"If multiple people have multiple plans, we're likely to have a solution," Wing said.

Pickens Promotes Energy Plan in Kansas – WIBW – 4/8/09

By Amanda Lanum

LAWRENCE, Kan. - The Dole Institute of Politics, 2350 Petefish Drive, hosted Texas oilman T. Boone Pickens in a town hall meeting about the "Pickens Plan," a national sustainable energy plan that includes increased use of wind and solar power.

U.S. Senator Sam Brownback (R-Kan.) and former Senator Bob Dole joined Pickens at the meeting in Lawrence.

The Pickens Plan is based on several pillars:

- create millions of new jobs by building out the capacity to generate up to 22 percent of our electricity from wind and adding to that with additional solar capacity;
- building a 21st century backbone electrical grid;

-providing incentives for homeowners and the owners of commercial buildings to upgrade insulation and other energy saving options; and
-using America's natural gas to replace imported oil as a transportation fuel.

Pickens says to get it done, we must reduce foreign oil dependence- build new wind generation facilities. He's calling for supporters to join his "virtual march" to Congress by sending an e-mail. You can do so through the Pickens Plan website.

BROADCAST COVERAGE

1. CSPAN-3 Schedule

DMA: N/A

CSPAN 3 (---) National

04/09/2009 04:00 AM - 06:00 AM

00:04:21 (conference on energy efficiency and the economy). ...smart grid, it has to be done faster..being part of this grid process we will all move ahead faster..Fred Butler, .I am going to come back to **Boone Pickens** if I might ... thank you Senator . it reinforces in my mind that we are living in an extraordinary time ... reminds me of the opening lines from A Tale Of Two Cities' ..it was the best of times, the worst of times it was a time of reason , it was a time of insanity ... are we all know why it is the worst of times-- the economy and what we're dealing with but it's the best of times because we're focusing on some issues that we have not been able to focus on for a long long time ... and that's a good thing ... Now we isolated three components of this which are planning, citing ,cost allocation. Let me focus on the planning aspect ... and talk about the position of the states which I represent from the National Association of regulatory Utility Commissioners in addition to being a regulator in my own state of New Jersey ... 00:06:54

2. KUSI News At Ten

DMA: 28

KUSI-TV CH 51 (IND) San Diego

Spot Cost: \$671

04/09/2009 10:00 PM - 11:00 PM

Est. Audience: 40,175

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

[CC] 00:29:22 Billionaire **T. Boone Pickens** was in San Diego today, promoting his plan to end America's dependence on **oil**. You'll hear what he had to say. 00:30:57

[CC] 00:34:54 Texas billionaire **T. Boone Pickens** was in San Diego today, promoting his **energy** proposal. Last April, **Pickens** launched a plan to reduce America's dependence on foreign **oil** by one-third in ten years. His program includes about 100 thousand **wind** turbines to replace natural gas as the source of electricity. He would also convert millions of vehicles to run on the excess **energy**. **Pickens** says it's the right time for his plan. "Everybody wants to be green, they want to be clean, they want to get off of foreign **oil** and they're ready to tip in the direction of fixing it." **T. Boone Pickens** says he has many politicians and nearly two million citizens backing his plan. 00:37:26

3. KUSI News At Six

DMA: 28

KUSI-TV CH 51 (IND) San Diego

Spot Cost: \$391

04/09/2009 06:00 PM - 07:00 PM

Est. Audience: 24,154

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

00:32:26 TZ; Visit: Today **T Boone Pickens** was in San Diego as part of his nation wide tour to promote his plan to reduce the country's dependency on foreign **oil** by a third in the next 10 years using **wind** power to replace natural gas and then using the natural gas to power cars. **Pickens** is using 16 million dollars of his own money in the plan. V; **Wind** farms. SB: **Pickens**, saying everyone wants to be green

and off foreign **oil**, saying they wouldn't take the time to look at the problem, saying there will be tax credits on the house and senate bills for natural gas **fueling** and for **wind** and solar power. V: **Oil** refinery. 00:34:51

4. Fox 4 News Morning Show
WDAF-TV CH 4 (FOX) Kansas City
04/09/2009 07:00 AM - 08:00 AM

DMA: 31
Spot Cost: \$368
Est. Audience: 71,616

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

[CC] 00:26:52 Billionaire investor **T. Boone Pickens** was in Lawrence yesterday. 00:28:25

[CC] 00:34:44 Billionaire investor **T. Boone Pickens** visited K-U, to talk about how the **wind** and sun can help reduce our dependency on foreign **oil**. He spoke to a large crowd at the Dole Institute in Lawrence last night. **Pickens** pitched his plan, which includes America's natural gas to creating jobs and using replace imported **oil** as a transportation **fuel**. He says that would keep money spent buying foreign **oil** here in the US. He admits it won't happen overnight, but he says it will happen. "By the time we get out 10 years, I promise you we're going to be so proud of ourselves, because we are going to have our own resources." Hundreds of people showed up for the event. 00:38:53