



T. Boone Pickens Media Coverage 4.12.11

Total of 8 Placements • Print: 4 • Blog/Online: 4

Coverage Summary Today, The New York Times featured an op-ed column from Joe Nocera in support of both Pickens' push for natural gas along with the NAT GAS Act.

The Connecticut Mirror highlighted Congressman Larson's involvement with the NAT GAS Act and recognized Pickens' support of the legislation.

Highlighted Placements (Full Articles Below) • Pass the Boone Pickens Bill – The New York Times – 4/12/11 <http://www.nytimes.com/2011/04/12/opinion/12nocera.html?partner=rss&emc=rss> • Larson allies with T. Boone Pickens on natural gas tax incentives – The CT Mirror – 4/12/11 <http://www.ctmirror.org/story/12191/larsonnatgas>

Print Placements (Full Articles Below) • Pickens touts bill, natural gas cars – The Dallas Business Journal – 4/12/11 <http://www.bizjournals.com/dallas/news/2011/04/12/pickens-touts-new-bill-natural-gas-cars.html#> • Lawmakers tout natural gas bill as way to curb foreign oil consumption – Land Line Magazine – 4/12/11 http://www.landlinemag.com/todays_news/Daily/2011/Apr11/041111/041111-02.shtml

Blog/Online Placements (Full Articles Below) • Cornell Study: Shale Gas Has More GHG Emissions Than Coal and Oil – The Energy Collective – 4/12/11 <http://theenergycollective.com/nathanaelbaker/55517/cornell-study-shows-shale-gas-has-much-larger-greenhouse-gas-emissions-coal-and> • Bill backs natural gas vehicles in U.S. – [UPI.com](http://www.upi.com) – 4/12/11 http://www.upi.com/Science_News/Resource-Wars/2011/04/12/Bill-backs-natural-gas-vehicles-in-US/UPI-70691302616736/ o [Dalje.com](http://www.dalje.com) • Momentum Growing For Pickens' Nat Gas Bill – [TickerSpy.com](http://www.tickerspy.com) – 4/12/11 <http://www.tickerspy.com/newswire/?p=4308>

HIGHLIGHTED COVERAGE

Pass the Boone Pickens Bill – The New York Times – 4/12/11

By Joe Nocera

On Wednesday, amid all the hullabaloo over the budget battles, a simple, discrete and largely overlooked bill was dropped into the Congressional hopper. Sponsored by two Democrats and two Republicans — that's right: an actual bipartisan piece of legislation — its official title is the New Alternative Transportation to Give Americans Solutions Act, or the Nat Gas Act, for short. People in the know, however, call it the Boone Pickens bill.

Boone Pickens and I go way back; he was the subject of my first-ever business story, for Texas Monthly, nearly 30 years ago. Though we've had our ups and downs since then, and though our politics are very different, I like and respect him. In recent years, we've become friends.

Which is to say: I've got a bias here. Then again, so does Boone. Although he is usually described as a Texas oilman, that's a bit of a misnomer. Boone has spent most of his career drilling not for oil but for natural gas, which he knows more about than just about anyone. His late-life occupation has been running a natural gas-oriented hedge fund, which has made him, at the age of 82, a billionaire several times over.

Out of that deep knowledge has come a powerful belief: that the country's energy salvation depends on moving away from the fuel we don't have — namely, oil, where imports, some of which come "from our enemies" (to quote Boone), account for two-thirds of our oil needs. Instead, we should move to a fuel we have in abundance: natural gas. Most experts say there is enough natural gas in the ground to last a century; Boone's convinced that modern drilling techniques will allow us to find enough for several centuries.

His critics like to point out that anything that boosts natural gas will put money in his pocket. But so what? He's already plenty rich, and, he says, "I'm sure not doing this for the money." Besides, he's right.

The bill introduced last week is an offshoot of the Pickens plan, his *cri de coeur* for energy independence, which he put together in 2008 and has spent more than \$80 million promoting. Although Boone believes that our continued reliance on OPEC oil is dangerous, he also knows that even if you drill, baby, drill, as many Republicans want, it won't make much difference. Quite simply, America is running out of oil. The Pickens plan calls for increased use of wind, solar, nuclear, even coal. "I'm for

anything that's American," he said.

But, of course, you can't use solar or wind to power a vehicle, which is what most imported oil is used for. You can, however, use natural gas. Nor is this some pie-in-the-sky technology; there are already 12 million vehicles around the world that use either liquefied or compressed natural gas, though only 140,000 in the U.S. (They're mostly buses and trash haulers.)

The Pickens bill creates tax incentives — \$1 billion a year for five years — to encourage manufacturers to begin building heavy-duty trucks that will be powered by natural gas instead of diesel. It also gives some tax incentives to truck-stop owners who install natural gas filling stations to help create the infrastructure.

On the face of it, this seems like a pretty small goal for a guy who's got such big ideas about energy independence. Partly, Boone is being realistic. It would be politically impossible to convert cars to natural gas or to ask for gigantic tax breaks in this time of austerity.

Even so, this one small step could make a big difference. Of the 20 million barrels of oil we use each day, 70 percent goes for transportation fuel. The 8 million heavy-duty trucks on the road today account for 23 percent of that fuel. Although the tax incentives in the Pickens bill would be enough to cover only about 140,000 new trucks, he hopes that it will catapult the industry toward natural gas even without the subsidies. Just moving the country's big trucks to natural gas, he says, could cut our OPEC imports in half.

Every president since Jimmy Carter has called for the country to become more energy independent. Yet none of them have ever done anything to accomplish that. The result is that our reliance on foreign oil has inexorably increased. With the current turmoil in the Mideast, the price of gasoline breaking the \$4-a-gallon barrier and the Chinese becoming voracious competitors for imported oil, this would seem an ideal time to pass a law that could lessen our dependence on foreign crude.

Oilmen are incorrigible optimists, and Boone is no exception; he thinks the bill will pass quickly. Not long ago, President Obama spoke out in favor of it, in a speech that included a shout-out for Boone. Already, the bill has attracted 157 co-sponsors. "I think the House can pass it in 30 days," Boone says.

I hope he's right. Natural gas is cheaper than oil. It's cleaner. And it's ours. If Congress can't pass this thing, there's really no hope.

Larson allies with T. Boone Pickens on natural gas tax incentives – The CT Mirror – 4/12/11 By Deirdre Shesgreen

Rep. John Larson has revved up his alliance with oil tycoon T. Boone Pickens and House Republicans in a push to make natural gas a more dominate fuel--replacing traditional gasoline--in America's transportation sector.

This week, Larson will join Pickens--an Oklahoma native who made his fortune in the oil and gas industry--to promote legislation that would provide billions of dollars in tax incentives to spur the development and purchase of natural gas vehicles, particular heavy-duty trucks that now run on diesel.

Larson, D-1st District, said greater use of natural gas will help solve a range of critical problems now facing the country, from the sour economy to our over-reliance on imported oil. "It's abundant, it's accessible, it's American," Larson said of natural gas, during a call with reporters previewing his proposal last week.

But some skeptics say the push to bolster natural gas ignores the environmental risks that come with drilling for it. And they worry that Larson's proposal is a piecemeal approach that uses the tax code to choose winners and losers in the energy industry.

"People tend to latch on to the latest silver bullet and throw billions of dollars at it, and when it doesn't solve our nation's problems in five years, they move on to the next silver bullet," said David Friedman, deputy director of the Clean Vehicles Program at the Union of Concerned Scientists. "A few years ago, the silver bullet was ethanol. Now it's natural gas. And in a couple years, it's going to be something else."

Larson is hardly the only one touting natural gas as the silver-bullet solution to America's energy and climate conundrum. Several House Republicans are also strongly backing the bill, and they hope to fast-track it in the House.

And for Pickens, natural gas has become a crusade. This week, he's even planning to bring some natural gas vehicles to Washington and park them at the U.S. Capitol for a news conference with Larson touting the bill.

There's little question that natural gas is preferable to other fossil fuels. when burned, it produces fewer polluting carbon emissions than coal or oil. And as Larson noted, there's lots of it in the U.S.-enough,

experts say, to fuel American cars and generate electricity for 100 years.

Pickens and others have called it a "bridge" fuel--an energy source that can help wean the U.S. off foreign oil during a transition period, until policymakers put in place a more comprehensive energy policy that addresses global warming and taps into wind, solar and other sources to meet America's insatiable energy needs.

Larson said his bill would give natural gas a boost "that provides a foundation from which to build an energy policy."

The legislation would offer tax credits for the use of natural gas as a vehicle fuel, the purchase of natural-gas vehicles, and the installation of natural gas refueling stations. For example, consumers and businesses would get a tax break of between \$7,500 to \$64,000, depending on the weight of the vehicle, for buying a natural gas truck or car. The Congressional Budget Office has not calculated an official cost of the bill yet, but Pickens, during a recent forum at Yale University, said it could cost the Treasury \$3 billion to \$4 billion.

Larson introduced the bill last week along with another Democrat, Rep. Dan Boren of Oklahoma, and two Republicans, Reps. John Sullivan and Kevin Brady, from Oklahoma and Texas respectively. The bill already has 129 additional co-sponsors, and Sullivan said House Speaker John Boehner backs the proposal.

"The events in the Middle East and the events that have happened tragically in Japan only further underscore the urgency behind this," Larson said, referring to the political upheaval in Libya, Yemen and other Middle Eastern countries, as well as the still-unfolding nuclear disaster in Japan.

But environmentalists say Congress shouldn't necessarily rush into a new legislative framework that boosts natural gas.

"Natural gas may have an environmental role to play in heavy duty vehicles, but increased natural gas production also comes with environmental liabilities and those need to be evaluated," said Brian Siu, a policy analyst with the Natural Resources Defense Council.

"There are air quality concerns, there are water quality concerns," Siu said. And when it comes to drilling for natural gas, he added, "there are chemical disclosure concerns."

The method for extracting natural gas is called hydraulic fracturing, or hydrofracking, and the process

requires injecting water, sand and chemicals to break up the rock that holds the natural gas. The New York Times and other outlets have recently reported on concerns about water contamination, including high levels of radioactivity, caused by hydrofracking.

There are no natural gas wells currently in Connecticut, although there are about 14 natural gas pumping stations in the state. There are also about 250 or so vehicles in Connecticut that run on natural gas, according to Larson's office.

There are nearly 500,000 wells in other parts of the country, a significant jump in recent years as companies seek to exploit this newly popular energy source. In Pennsylvania, in particular, the scramble to drill for natural gas has led to serious environmental concerns, including seepage of the gas into underground water supplies.

Environmentalists say these issues need to be addressed with strict new federal regulatory oversight, before lawmakers push to create a broad new market for natural gas vehicles. "There are a lot of harms that are being generated from natural gas production, and they really need to be addressed and mitigated before we can look into creating new markets for this," said Amy Mall, also a policy analyst at the NRDC.

Friedman, of the Union of Concerned Scientists, said the better route is a "technology-neutral" tax incentive program that doesn't favor one industry over another.

"Why natural gas?" he asked. It may make sense, he said, but so might other energy sources, like hybrid and electric vehicles. Friedman said that rather than gumming up the tax code with another new tax provision, Congress should embrace a performance-based credit that rewards outcomes rather than specific industries.

That, along with strong global warming controls and strong fuel-efficiency standards, is the best way forward. "That's what is going to drive the technology. Let's not necessarily pick natural gas as the winner," he said.

Larson and other supporters dismissed the environmental concerns, saying there was a lot of "misinformation" about the risks of natural gas. And they noted that President Barack Obama seemed to endorse their bill in his energy speech on March 30th.

"The potential for natural gas is enormous, and this is an area where there's actually been some broad bipartisan agreement," Obama said, noting that a version of the tax-incentives legislation garnered 150

sponsors in the House last year, even though it did not win final passage.

"Getting 150 members of Congress to agree on anything is a big deal," Obama said. "And they were even joined by T. Boone Pickens, a businessman who made his fortune on oil, but who is out there making the simple point that we can't simply drill our way out of our energy problems."

But Obama also made reference to the environmental concerns. "We've got to make sure that we're extracting natural gas safely, without polluting our water supply," he said, adding that he'd asked his Energy Secretary to work with the natural gas industry and environmental experts to examine the safety of drilling.

Larson said that remark was just to provide public assurance about the safety of natural gas. His bill, he said, is an important--albeit targeted and narrow--policy change. He and others argued that it will create the political wiggle room necessary for lawmakers to come together on a more comprehensive energy policy, he and others argued.

"For 40 years our country has had no energy plan," Pickens said in the call with Larson and other lawmakers last week. "This is the first step to change." **PRINT COVERAGE Pickens touts bill, natural gas cars – The Dallas Business Journal – 4/12/11**

By Matt Joyce

Dallas businessman T. Boone Pickens is keeping high pressure on the federal government to convert the nation's freight trucks to natural gas engines, including attending a rally promoting natural-gas vehicles on Wednesday in Washington, D.C.

Pickens is behind a bill introduced last week that would provide tax credits and regulatory changes for production and purchase of natural gas vehicles. Provisions include \$1 billion in tax incentives over five years for truck makers to build natural gas fleets and for gas station owners to add natural gas pumps.

The four original sponsors of H.R. 1380 include U.S. Rep. Kevin Brady from the Houston area.

NGV America, a national trade association, is organizing Wednesday's rally, during which Pickens and others will tout the benefits of natural gas as an energy source and natural gas vehicles.

Lawmakers tout natural gas bill as way to curb foreign oil consumption – Land Line Magazine –

4/12/11

A bill designed to give tax credits and incentives to those who purchase natural gas-powered trucks already has 133 cosponsors since its introduction in the U.S. House on Wednesday, April 6.

Texas billionaire T. Boone Pickens is urging support for HR1380, designed to wean the U.S. from its dependence on foreign oil and instead promote the purchase and production of natural gas-powered vehicles. The bill also provides incentives for natural gas fueling pumps.

The bill, the “New Alternative Transportation to Give Americans Solutions – NAT GAS Act – was introduced by Reps. John Sullivan, R-OK; Dan Boren, D-OK; John Larson, D-CT, and Kevin Brady, R-TX.

“Natural gas is a cleaner, cheaper, more abundant alternative to foreign oil, and it is in both our economic and national security interest to use the vast reserves we have right here in our own backyard as the bridge fuel toward energy security,” Sullivan stated in a release about HR1380. He is the vice chair of the House Energy and Power subcommittee.

HR1380 has been referred to the House Ways and Means Committee; the Science, Space and Technology Committee; and the Energy and Commerce Committee.

“This bill will be the legislative vehicle to replace millions of barrels of imported oil with domestic natural gas, especially for fleet vehicles,” according to the Pickens Plan.

BLOG/ONLINE COVERAGE

Cornell Study: Shale Gas Has More GHG Emissions Than Coal and Oil – The Energy Collective – 4/12/11

A forthcoming study from Cornell University may dash the growing reputation natural gas has acquired as the "clean" burning fossil fuel.

According to research conducted by Robert Howarth, Renee Santoro, and Anthony Ingraffea, greenhouse gas emissions produced by natural gas derived from unconventional sources, primarily hydraulic fracturing, are significantly higher than that of conventional gas, coal, and oil.

Methane, a powerful greenhouse gas, is a significant component of natural gas. The authors estimate

that between 30% and 200% more methane is emitted from shale gas produced from hydraulic fracturing, or fracking, wells. Hydraulic fracturing requires injecting pressurized water into rock formations to crack them open and harvest the gas encased within them. The majority of the methane escapes in the water as it flows back out, and then later, when the rock is further drilled open to extract the gas reserves.

Howarth and his team state the greenhouse gas footprint of shale gas is substantially greater than conventional gas and oil, and coal, especially when viewed over a 20-year time period. "Compared to coal, the footprint of shale gas is at least 20% greater and perhaps more than twice as great on the 20-year horizon and is comparable when compared over 100 years."

With the United States sitting on the largest known reserve of shale gas, the energy source has quickly won a host of powerful supporters. Oil tycoon T. Boone Pickens has called natural gas the only energy source which can reduce emissions while supplying an answer to the country's quest for energy independence.

Pickens has revamped his Pickens' Plan -- a blueprint to transition America from foreign fossil fuels to clean energy sources -- so that it almost exclusively focuses on natural gas development. Currently he is pressing American lawmakers to pass the NAT GAS Act which would provide federal incentives for natural gas, while failing to fund other alternative fuels. Last week the NAT GAS Act was introduced in Congress.

Pickens states the President is supportive of this bill, and he may very well be right. President Obama has insisted it is time for America to eliminate its dependence on foreign oil. Although the President concedes it will take a myriad of energy sources to provide the nation with energy independence, natural gas appears to be the most tantalizing at the moment.

When he recently unveiled his own blueprint for energy independence the President placed particular emphasis on natural gas: "Recent innovations have given us the opportunity to tap large reserves -- perhaps a century's worth -- in the shale under our feet. The potential here is enormous."

The energy potential may be enormous, but likewise so are the environmental liabilities. The Cornell study, which will be published this month in the peer-reviewed journal *Climatic Change*, asserts that life-cycle emissions produced by hydraulic fracturing have not thoroughly been examined. Even more, Congressmen as well as the Environmental Protection Agency (EPA) assert other environmental hazards such as dealing with the toxic flow-back water still need to be addressed. Multiple communities have reported drinking water contamination as a result of the toxic waste being injected into nearby

water streams.

A recent New York Times investigative report show the politics around regulating hydraulic fracturing have existed since the Reagan administration. The EPA is currently conducting a study of the environmental impacts posed by fracking, but nevertheless, this latest study will likely add more fuel to the controversy surrounding one of the most popular new energy sources in the world.

Bill backs natural gas vehicles in U.S. – [UPI.com](#) – 4/12/11

Now is the time for the U.S. consumer to take advantage of domestic resources and start using natural gas vehicles, two lawmakers urged.

Shale deposits are considered an emerging energy resource for the United States. T. Boone Pickens, a Texas oil magnate, said abundant gas reserves in the United States made the country the "Saudi Arabia of natural gas."

The U.S. Energy Information Agency said in its 2011 outlook that it projects technically recoverable unproven shale gas reserves sit at 827 trillion cubic feet, 474 trillion cf larger than the previous year's outlook.

U.S. Reps. John Larson, D-Conn., and John Sullivan, R-Okla., introduced a bill that would use tax credits to promote the use of natural gas-powered vehicles.

"The time is right," Larson told the Platts news service.

Sullivan, for his part, added that there is enough natural gas in the United States to meet all of the needs in the electricity and transportation sector.

Gasoline prices in many U.S. markets passed \$4 per gallon amid unrest in Libya and the onset of the summer driving season. Sullivan added that the United States spends at least \$1.5 billion every day to buy oil from foreign sources "and that needs to stop."

Momentum Growing For Pickens' Nat Gas Bill – [TickerSpy.com](#) – 4/12/11

By Todd Shriber

Pickens has been one of the most ardent supporters of the U.S. decreasing its dependence on foreign oil and boosting its of natural gas, which is far cheaper than oil and in abundant supply in the U.S. Pickens is the largest shareholder of Clean Energy Fuels (CLNE), which is a natural gas supplier for heavy vehicles and his BP Capital Management held stakes in several companies with significant natural gas exposure at the end of last year.

While BP Capital Management does invest in oil firms as well, Pickens has been quick to acknowledge that the U.S. is running out of oil, but with the proper drilling techniques, enough natural gas can be found here to last several centuries. As the Times notes, he is supportive of any fuel source that can be had within the U.S., be it wind, solar or even coal.

At the end of 2010, BP Capital Management held stakes in Chesapeake Energy (CHK), the second-largest U.S. natural gas producer, Devon Energy (DVN), EOG Resources (EOG) and BP (BP), Europe's second-largest oil company, all of which have significant natural gas exposure. Halliburton (HAL), the second-largest oilfield services provider, was also among the firm's top holdings at the end of last year. Halliburton is a major provider of services to companies operating in North American shale-gas deposits.

If you want to see how your performance stacks up against Pickens' or just view some of his top holdings, BP Capital Management visit tickerspy.com to view his latest disclosed holdings and a chart of their combined performance.

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