



## **T. Boone Pickens Media Coverage 4.16.11 to 4.18.11**

**Total of 5 Placements** • Print: 1 • Blog/Online: 4

**Coverage Summary** Today, Barron's covered Pickens' transition from a capitalist to a political activist. The piece covers his quest for subsidies for CNG vehicles, but speculates that the bill will have a tough time passing with all the anti-subsidy noise in the House.

**Highlighted Placements (Full Articles Below)** • Pickens Goes Capitolist – Barron's – 4/16/11 [http://online.barrons.com/article/SB50001424052970204702304576257133053518962.html?mcid=BOL\\_hpp\\_dc](http://online.barrons.com/article/SB50001424052970204702304576257133053518962.html?mcid=BOL_hpp_dc)

**Blog/Online Placements (Full Articles Below)** • NYT's Joe Nocera Touts Gas Drilling, Lives In Fantasy World – [DCBureau.org](http://dcbureau.org) – 4/18/11 <http://dcbureau.org/201104181325/Bulldog-Blog/nyts-joe-nocera-touts-gas-drilling-lives-in-fantasy-world.html> • Why Are We Letting Fossil-Fuel Billionaire Pickens Write Our Energy Policy And Push for More Dangerous Gas Drilling? – AlterNet – 4/18/11 [http://www.alternet.org/environment/150644/why\\_are\\_we\\_letting\\_fossil-fuel\\_billionaire\\_pickens\\_write\\_our\\_energy\\_policy\\_and\\_push\\_for\\_more\\_dangerous\\_gas\\_drilling?page=3](http://www.alternet.org/environment/150644/why_are_we_letting_fossil-fuel_billionaire_pickens_write_our_energy_policy_and_push_for_more_dangerous_gas_drilling?page=3) • Pickens' Clean Energy Fuel Faces Challenges (CLNE, CHK, DVN, EOG, HAL, NOV) – TickerSpy – 4/18/11 <http://www.tickerspy.com/newswire/?p=4337> • Will A Controversial Study Set Back An Emerging Climate Coalition? – ClimateCentral – 4/18/11 <http://www.climatecentral.org/blogs/will-a-controversial-study-set-back-an-emerging-climate-coalition/>

## **HIGHLIGHTED COVERAGE**

**Pickens Goes Capitolist – Barron's – 4/16/11**

By Jim McTague

The oil tycoon likes compressed natural gas for cars, and started Clean Energy Fuels to prove it. But where's the pumping-station infrastructure?

Attention, economics professors: The time has come to bring your lexicon into the 21st century.

Now, I appreciate that I'm more or less a messenger boy, not a Nobel laureate like every other one of you, and so my suggested adjustment is suitably humble—a spelling change for a single word. Said change is equally modest, involving just a single letter, "a." I wish to make it an "o."

The word in question? "Capitalist."

I think that from now on it ought to be spelled "capitolist," at least here in the good old U.S.A., where all of our capitalists have pretty much become capitolists.

T. Boone Pickens, the oil billionaire, helped me to realize this.

Pickens claims he has a brilliant idea for weaning the nation off expensive oil imports, which totaled 10.6 million barrels per day in February, with 14.1% of that from the Persian Gulf. He'd like us all to switch to vehicles that run on natural gas, which turns out to be plentiful here at home.

Indeed, in 2007, Pickens, the good capitalist, brought Clean Energy Fuels (ticker: CLNE) to the stock market. Clean Energy operates compressed-natural-gas (CNG) filling stations in multiple states, and owns two liquid-natural-gas plants. And since 2008, he's been preaching that the country could cut imports from OPEC by half, just by converting 6.5 million trucks to run on natural gas. There are about 112,000 natural-gas-fueled cars and trucks on U.S. roads today. Also, CNG is just \$2 to \$2.60 a gallon in the New York area, and \$1.92 to \$2.80 around Los Angeles, according to [CNGprices.com](http://CNGprices.com)—while gasoline averages \$3.80 nationwide and is higher in those cities. Honda plans to sell a natural-gas-powered Civic in all 50 states starting this fall.

But the company has lost money. The problem: not enough filling stations. That's key, since CNG vehicles, with a smaller fuel capacity than gasoline and diesel vehicles, need lots of pumps for long-haul driving. (You can fill up at home, however, if you're hooked up to a gas line.)

Now if Pickens has such a great idea, you would think that other capitalists, cash in hand, would rally to his cause and invest in an infrastructure, anticipating a big payday down the road. But they haven't. So Pickens gave up being a capitalist to become a capitolist.

Beginning in 2008, he launched a campaign—which has cost \$62 million-plus—to enlist Congress and the U.S. taxpayer to help him obtain a payoff for his CNG investment. And well over 100 members of Congress, Republican and Democrat, have rallied to his cause. Each year, they co-sponsor a natural-gas act loaded with generous subsidies for the builders and buyers of CNG vehicles, and for the purchase of CNG pumps by service stations and homeowners.

Unfortunately for Pickens, he's not the sole capitolist in Washington. In 2010, Pickens' supporter Harry Reid of Nevada, the Democratic Senate majority leader, suggested paying for CNG subsidies by raising the tax on a barrel of oil from 8 cents to 21 cents. The petroleum boys went crying to their congressional buddies, and the bill died—which was a blessing in disguise for Reid, given the current pump price of gasoline.

Supporters haven't come up with a new way to pay for subsidies. And with all the antisubsidy noise from Tea Party types in the House, it's unlikely the bill would pass this year, anyway. To misquote Honest Abe, "You can fuel some of the people some of the time, but not all of the people all of the time."

## **BLOG/ONLINE COVERAGE**

**NYT's Joe Nocera Touts Gas Drilling, Lives In Fantasy World – [DCBureau.org](http://DCBureau.org) – 4/18/11**

By Susan Trento

New York Times writer Joe Nocera got such a strong negative reaction to his first column supporting natural gas drilling that he wrote another one last weekend defending his position. In this second attempt he uses ProPublica's Abrahm Lustgarten, a reporter covering these issues, to bolster his position. He said Lustgarten wrote that environmental issues associated with Marcellus Shale gas extraction "can be readily addressed by the employment of best drilling practices, technological investments, and rigorous regulatory oversight."

Perhaps they are right: In a dream world. In the real world, the three actions that need to be taken to make natural gas environmentally "safe" are nowhere in sight. "Best drilling practices" might include revealing what chemicals the industry uses in both its drilling fluid and its fracking techniques. It won't. No energy company makes technological investments unless they are required to do so by either government regulators or the marketplace. Natural gas is selling at very low prices. And government regulators demanding new investment leads right to regulatory oversight.

One of the most divisive debates in the country today is budget cuts, especially to the U.S. Environmental Protection Agency and state and local environmental authorities. [DCBureau.org](http://DCBureau.org) reporter, Peter Mantius, writes that in New York, “the size of the DEC’s Department of Water staff has been declining steadily for 20 years, falling from 340 people in 1990 to less than 250 last year.”

So if you live in the real world, all of Mr. Lustgarten’s environmental safety requirements are not only not being addressed, but they are also, in fact, heading in a less stringent oversight and investment direction.

In his first column, Nocera discloses his friendship with T. Boone Pickens and defers to his knowledge of natural gas when advocating for passage of the New Alternative Transportation to Give Americans Solutions Act. Pickens and Ted Turner are touring the country advocating for alternative “cleaner” fuels like natural gas and nuclear power. Both of these energy sources have bipartisan support, both holding out energy independence as the overriding concern. That seems to be a position that Nocera embraces.

But when it comes to energy policy in this country, the fight is over who gets the most taxpayer dollars. Bipartisan political support in Washington, D.C. simply means members of Congress from both parties are getting paid by the same lobbyists.

Nocera is a good reporter and was trained by one of Washington’s best, Charlie Peters. But, like many New York Times reporters, I am afraid Nocera is relying too much on old friendships, phone calls and emails to write stories and formulate opinions. If he had actually gone to areas being impacted by Marcellus Shale drilling and had met with landowners, politicians and energy company officials, he would have realized how ridiculous his final supporting argument is.

Citizens opposing natural gas drilling in the Marcellus Shale are not Not-In-My-Backyard environmental scare tacticians. Many real people who have supported natural gas drilling on their property have lived to regret it. Once slick landmen get property owners to sign leases, the owners have little control over where the wells and pipelines are located. If there is an environmental accident, they have little recourse. Crooked politicians and lawyers self-deal by representing the drilling and energy companies and not disclosing conflicts of interests to local landowners and voters.

No one – from President Obama to Governor Cuomo to especially the state legislators – is immune to the money and influence of the energy sector. Nocera saying that people should embrace gas drilling and “insist that it be done properly” would be laughable if it were not so sad. He is back to his dream world where people live in a democracy with a functioning government that can hold people accountable

who do wrong. Say, “Goodnight,” Joe Nocera and keep dreaming.

## **Why Are We Letting Fossil-Fuel Billionaire Pickens Write Our Energy Policy And Push for More Dangerous Gas Drilling? – AlterNet – 4/18/11**

By Maura Stephens

Pickens has essentially written a bill to require 'natural' gas in some vehicles, even as communities across the country are protesting the environmental impacts of drilling.

This weekend, as 10,000 energetic, bright young people converged on Washington, DC, for PowerShift 2011, 82-year-old Texas fossil-fuel-pushing megabillionaire T. Boone Pickens continued his all-out assault on these youths' future.

Pickens has essentially written a bill called the NAT GAS Act (“New Alternative Transportation to Give Americans Solutions,” H.R. 1380), to switch fleet vehicles such as buses and interstate trucks to “natural” gas.

Pickens has been working the Hill, White House, airwaves, and editorial boardrooms for some time. He's got buddies like MSNBC's Dylan Ratigan gushing over him and Joe Nocera writing oily op-ed odes to nat gas in the New York Times. And Pickens has somehow managed to sell President Obama and an astonishing number of Congress members on the myth that nat-gas is a homegrown wonder fuel “bridge” from dirty foreign oil to a clean energy future.

Pickens wrote about his “Pickens Plan”: “We have to create American jobs, not OPEC jobs, and not jobs which can be 'off-shored' ... The Pickens Plan will enhance the economy, improve the environment and resolve the national security threat caused by our dependence on foreign oil, much of it from OPEC and many other nations who don't have our best interests at heart. I'm for any fuel, as long as it's American ... including wind and solar, nuclear, natural gas, and coal.”

Pickens is not the only billionaire pushing this crude on the unsuspecting public. Advertising, sports, media, and bison-burger mogul Ted Turner, 72, who like Pickens is often called an environmentalist by incurious journalists, is driving the nat-gas bulldozer as well.

Picking apart the hype

But “natural” gas is not clean, it's actually quite filthy when extracted via high-volume hydraulic fracturing, or fracking - a relatively new Halliburton-developed process now ravaging many states, most recently the Marcellus shale states of Pennsylvania, Ohio, and West Virginia, and threatening New York

A new non-industry-funded, peer-reviewed study released last week by Cornell University scientist Robert Howarth, coauthored by Anthony Ingraffea and Renee Santoro, shows that the entire process of Marcellus fracking from exploration to delivery is as bad as or worse than coal in its greenhouse gas emissions. (It's no surprise the industry is attacking the study with all its might.)

And fracking is not going to supply us with domestic fuel to replace that scary OPEC (read: Mideast) oil. First of all, much of our oil now comes from our neighbors Canada and Mexico; Saudi Arabia is the third biggest supplier, followed by Venezuela and Nigeria.

Second, you can bet that much of the frack-gas will be shipped overseas, where industry can get a higher price. Corporations' mission is to make money, not to help their country or do the right thing - despite their multimillion-dollar PR and lobbying campaigns' often successful efforts to hoodwink us. So that's just their honchos' idea of good business practice.

Third, there's already a glut of gas here now. By pushing vehicle conversion, Pickens creates a “need” for more drilling.

Which brings us to what I think is the real goal of oil baron and former wildcatter Pickens. He's bought up huge tracts of land that sit on aquifers; in fact he owns more water than just about anyone. He isn't hiding this; it's part of his business plan.

When fracking pollutes your water supply, he'll sell you bottled water.

And his buddy Turner, the second-biggest landowner in the United States and biggest landholder in Patagonia, gains big-time from fracking, too. He has huge ranches in New Mexico. The biggest, nearly 600,000 acres, is being mined for nat-gas, which contributes to his bank vaults. And a 2007 land purchase in Nebraska gives Turner access to the one of the great aquifers of the world, the Ogallala, which underlies eight states. Its primarily fossil water, left from the last glaciation, is being rapidly depleted, but that might not stop a water privatization company from receiving permission to draw from it.

Neither man needs the money, but accumulating wealth appears to be addictive. Pickens and Turner claim their motives to be concern for the environment and patriotism. That's a joke. Fracking has turned

vast swaths of Colorado, Texas, Oklahoma, Wyoming, Louisiana, and other states into industrial wastelands. Arkansas had to suspend fracking last month when it was suspected of setting off a series of small earthquakes.

Now the drillers are falling over themselves to poison the fresh water, air, and food supply of Michigan and the Marcellus shale states of Pennsylvania, Ohio, and West Virginia ... and they're desperate to get at New York, which so far has been holding them off. (A fragile moratorium is soon to expire, and it is not clear where new governor Andrew Cuomo stands.)

The beautiful hills, farms, streams, and woods of those states are being replaced by drill pads, rigs, truck depots, compressor stations, and pipelines.

And once the gas runs out - and it will, because it's finite - the frackers will vanish, leaving wasteland behind. Tourism, agriculture, wineries, orchards, hunting, fishing, and outdoor recreation will have bit the dust in favor of fossil-fuel extraction, noise pollution, light pollution, ruined roads and infrastructures, failed farms, and collapsed communities. Economists Jannette Barth in New York State and Deborah Rogers in Texas have both concluded that after a possible initial boom, fracked communities generally fare worse than communities without fracking.

Although some big players will do incredibly well in this speculative industry, most domestic and foreign (of whom there are many) investors will be losing billions as large and small companies go belly up. The Oil Drum conducted a detailed evaluation of investment in shale-gas fracking last autumn and concluded, "Shale gas plays in the United States are commercial failures and shareholders in public exploration and production (E&P) companies are the losers. ... U.S. shale plays have been over-sold and are unlikely to deliver the results that investors now expect. In fact, shareholders have already lost most of their investment."

Another claim the gas geezers\* make is that they'll be creating hundreds of thousands of jobs for U.S. workers. Anyone who believes this has not been paying attention as U.S. corporations spent the past few decades shipping manufacturing jobs overseas. There are few factory jobs left.

Yet the energetic, environmentally conscious young people at PowerShift will have nothing but hazardous industry jobs available if the gas geezers get their way. And those jobs will last only as long as the finite gas does.

On the other hand, jobs in energy conservation, infrastructure rebuilding, and solar, wind, hydro, biogas (methane recycling), and other renewable energy production methods will last as long as the sun shines

breezes blow, waters flow, and animals and people keep making waste and passing gas (methane).

Maybe the gasbag geezers would serve a more patriotic and environmentally responsible duty if they would just recycle their own wind. Germany can do it, why can't we?

Congress is buying into this . . . why?

It's not just the NAT GAS bill. Many other energy plants and facilities and related industries are jumping on the nat-gas bandwagon. It's an all-out corporate campaign, and the multimillion-dollar PR juggernaut is swaying minds and votes faster than alarmed scientists, medical professionals, and activists can alert legislators and the public.

"I think the House can pass it in 30 days," Nocera quotes Pickens as saying about his bill.

How has Pickens managed to get 178 (at last count; up from 129 a few days ago) cosponsors, including many members of the Progressive Caucus and Sustainable Energy and Environmental Committee? (Don't they remember who funded the anti-Kerry "swiftboat" campaign in the 2004 presidential race?)

What's especially puzzling is that there is a vast body of information readily available about the perils of fracking to fresh water and other things necessary for healthy people, communities, and countries. Congress members should see Pickens's pitch for what it is: pure spin.

By now they should have watched the Academy Award-nominated documentary film *Gasland* by Josh Fox and heard testimony from Sandra Steingraber, Conrad "Dan" Volz, and other scientists calling for a slowdown if not an outright ban on fracking. And they must have read Ian Urbina's three-part series in the *New York Times* that shares never-reported studies by the Environmental Protection Agency revealing lax regulations and numerous cases of water contamination, as well as a confidential study by the drilling industry that concluded that radioactivity in drilling waste cannot be fully diluted in waterways. Or Urbina's latest piece in the *Times*, "Millions of Gallons of Hazardous Chemicals Injected into Wells."

Perhaps the legislators just don't have time to watch a 107-minute film about a subject that affects the whole country? Or read front-page *New York Times* coverage. Perhaps they don't have environmental or health advisers on their staff to debunk the lousy science being foisted on them by the gasbags and explain the unacceptable tradeoffs of fracking? Perhaps they just believe the propaganda. Perhaps, uh ... ?

Surely Pickens isn't handing out campaign contribution checks or promising them lifetime water

supplies. Surely not that.

So, then, what's going on in Congress?

Those Congress members have to answer to the next generation of voters. Because it's certain that if Pickens and his corporate cronies get their way, the young people at PowerShift don't stand a chance. They'll be fracked. And they will remember who fracked their future.

Let's hope the PowerShift youth, unlike their elders, have the smarts and vision to shift the balance of power from the megacorporations to the people. And to shift the power supply from the fossil fuels of greedy geezers to the environmentally sound fuels of the future.

\*Note: I am using the word "geezer" here as a pejorative, although I have nothing against elders, have loved and still love quite a few of them, and am well on the way to becoming one myself. I hope to get there, and to remain such for a long time.

## **Pickens' Clean Energy Fuel Faces Challenges (CLNE, CHK, DVN, EOG, HAL, NOV) – TickerSpy – 4/18/11**

By Todd Shriber

T. Boone Pickens has a well-documented goal of increasing natural gas use in the U.S. and the legendary energy investor has put his money where his mouth on this front, in part by acquiring Clean Energy Fuels (CLNE) in 2007, but the unprofitable operator of natural gas service stations has a problem: There aren't enough of those service stations.

CNG vehicles have a smaller fuel capacity than traditional diesel or unleaded gasoline-powered vehicles and that means there need to be more filling stations to serve CNG vehicles, Barron's notes. While Pickens' BP Capital Management held stakes in plenty of oil-related stocks at the end of 2010, Pickens himself has been touting the benefits of moving to increased natural gas consumption over OPEC oil, often citing the cost savings offered by natural gas.

CNG is just \$2 to \$2.60 a gallon in the New York area, and \$1.92 to \$2.80 around Los Angeles, Barron's reports, citing [CNGprices.com](http://CNGprices.com). Legislation that Pickens has pushed for on Capitol Hill would give subsidies to buyers of CNG vehicles and perhaps boost the number of CNG service stations across the U.S., but the legislation has had difficulty seeing the light of day, though Pickens has recently said he

expects it will be passed later this year. Barron's says it is unlikely the bill would pass this year and that could present further problems for Clean Energy's profitability and its shares, which are down 11.5% in the past year.

At the end of 2010, BP Capital Management held stakes in Chesapeake Energy (CHK), the second-largest U.S. natural gas producer, along with Devon Energy (DVN) and EOG Resources (EOG), both of which have significant natural gas exposure. The firm also held investments in oil services providers Halliburton (HAL) and National Oilwell Varco (NOV).

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](http://tickerspy.com) for the firm's latest disclosed holdings and a chart of their combined performance.

### **Will A Controversial Study Set Back An Emerging Climate Coalition? – ClimateCentral – 4/18/11**

The loose coalition that unites around climate, energy and security concerns is in for a big test.

Before I explain why, here's some quick background. If "climate hawks" and national security hawks in the U.S. have common cause, it's supposedly over the issue of energy independence, or as it is popularly referred to today, energy security. Their fragile bond is partially forged by the support each group has pledged for natural gas. Many climate hawks view natural gas as a "bridge fuel to a low-carbon future." National security hawks want to wean the U.S. off of foreign oil and onto domestically-produced energy, including natural gas. The stars have aligned for these odd bedfellows to unite.

To understand why, let's rewind to President's Obama big energy speech three weeks ago (framed specifically around the energy security theme), when he noted that the "potential for natural gas is enormous," and that, "Recent innovations have given us the opportunity to tap large reserves — perhaps a century's worth of reserves, a hundred years worth of reserves — in the shale under our feet. But just as is true in terms of us extracting oil from the ground, we've got to make sure that we're extracting natural gas safely, without polluting our water supply."

The President's caveat was a reference to the well-chronicled issues with the drilling innovation (hydraulic fracturing) that has enabled access to formerly untapped gas deposits. The local environmental concerns associated with "fracking" are perceived as the industry's big achilles heel.

Until last week, that is, when a controversial Cornell study was released to much fanfare. The headlines

(such as this one from BBC, "Shale gas 'worse than coal' for climate") suggested that the peer-reviewed paper might land a deadly blow to the clean green image of natural gas. Charlie Petit in the Knight Science Journalism Tracker wrote up an overview of the immediate press coverage and spelled out the implications:

"What was green for go just turned red for stop. It says that natural gas, especially the sort extracted by hydrofracturing from shale, is just about as potent as a climate changer when one factors in the methane – its primary component – that leaks unburned into the air during extraction and processing prior to burning. And methane is considerably more potent as a solar forcing agent than is CO<sub>2</sub>."

Now I happen to think that many of the media stories uncritically parroted the study's findings and only included the obligatory industry response. But in fact, serious questions about the study's data and methodology were raised immediately by some scientists and energy experts.

What's interesting about the timing of all this is that it coincided with a newly introduced congressional bill called the "New Alternative Transportation to Give Americans Solutions Act " or "NAT GAS Act" — or as business columnist Joe Nocera wrote in The New York Times, otherwise known as the "Boone Pickens bill," informally named after the 82-year-old Texas oil tycoon, who has been promoting a variation of it for more than a year. As Nocera explained:

"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."

The idea has wide bipartisan support, was backed by President Obama in his recent energy speech, and has been endorsed by the Center for American Progress, a liberal think tank known for its close ties to the Obama Administration. While Nocera also gave his blessing in his Times column, Fen Montaigne of Yale Environment 360 asked last week if the Pickens plan "is good for the U.S. or just T. Boone?"

Does the Cornell study casting a critical light on the climate benefits of shale gas cripple the natural gas "bridge" that Congress is set to act on? Probably not in the short term, but as Bill Hewitt surmises, the study "could break the hearts" of environmentalists who had "embraced" natural gas.

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