



T. Boone Pickens Media Coverage 6.4.11 / 6.6.11

Total of 10 Placements • Print: 2 • Blog/Online: 8

Coverage Summary

The Wichita Eagle ran an op-ed from Rep. Mike Pompeo on Sunday responding to Pickens' prior op-ed criticizing Pompeo's opposition to H.R. 1380.

Pickens is mentioned in a piece from Politico on Republican presidential hopefuls' stances on energy subsidies, particularly for ethanol. The end of the article states that Grover Norquist and other groups have pressured many Republicans to drop co-sponsorship of H.R. 1380, but that Ron Paul remains supportive because the bill provides a tax credit instead of a subsidy.

The National Review Online has an opinion column from Dr. Robert Zubrin urging support for the Open Fuel Standard bill instead of H.R. 1380.

The Oklahoman has a short piece briefly describing the Pickens-Koch debate in the context of many major energy firms' decision to refocus on oil.

The Center for American Progress has an op-ed from Daniel J. Weiss and Stewart Boss explaining the benefits of H.R. 1380 and strongly criticizing conservative groups opposing the bill – going so far as to describe many of the groups as hypocritical given their refusal to repeal subsidies for large oil companies.

GlobalWarming.org's Brian McGraw has a post responding to Pickens editorial for The National Review that made a constitutional argument for H.R. 1380. The piece argues that natural gas subsidies will further distort the use of resources in the transportation sector and lock in infrastructure

that shouldn't be built in the present.

Finally, Fox News has an opinion piece by Alex Epstein describing what he believes are "dirty secrets" of the clean energy movement. Pickens is mentioned amongst other prominent figures as believing that capping carbon emission will be an economic boon – a premise with which Epstein disagrees.

Highlighted Placements (Full Articles Below) • Rep. Mike Pompeo: Ending handouts no 'rookie mistake' – The Wichita Eagle – 6/5/11 <http://www.kansas.com/2011/06/05/1879228/rep-mike-pompeo-ending-handouts.html> • Energy subsidies hard to quit for GOP candidates – Politico – 6/4/11 o Seattle Post-Intelligencer http://www.politico.com/news/stories/0611/56198_Page2.html • Two Approaches to Fuel Choice – The National Review Online – 6/6/11 <http://www.nationalreview.com/articles/268621/two-approaches-fuel-choice-robert-zubrin?page=1> • Flexibility's important for major energy firms – The Oklahoman – 6/6/11 <http://newsok.com/flexibility-is-important-for-major-energy-firms/article/3574600> • Conservatives Power Big Oil, Stall Cleaner Natural Gas Vehicles – Center For American Progress – 6/6/11 http://www.americanprogress.org/issues/2011/06/nat_gas_statements.html • Pickens Doubles Down – [GlobalWarming.org](http://www.globalwarming.org) – 6/6/11 <http://www.globalwarming.org/2011/06/06/pickens-doubles-down/> • Four Dirty Secrets about Clean Energy – Fox News – 6/3/11 <http://www.foxnews.com/opinion/2011/06/03/four-dirty-secrets-about-clean-energy/>

Blog/Online Placements (Full Articles Below) • Golden age? Natural gas? – The Globe and Mail – 6/6/11 <http://www.theglobeandmail.com/globe-investor/markets/markets-blog/golden-age-natural-gas/article2049068/> • Huntsman: I'm Not Competing in Iowa – [RealClearPolitics.com](http://www.realclearpolitics.com) – 6/4/11 http://www.realclearpolitics.com/articles/2011/06/04/huntsman_im_not_competing_in_iowa_110095.html

HIGHLIGHTED COVERAGE

Rep. Mike Pompeo: Ending handouts no 'rookie mistake' – The Wichita Eagle – 6/5/11

By Rep. Mike Pompeo

Some of you may have noticed that my opposition to a \$5 billion-plus taxpayer handout for the natural-gas industry was characterized as a "rookie mistake" by T. Boone Pickens ("Natural gas better for economy, environment," May 20 Opinion). Opposing corporate welfare is a clear departure from business as usual in Washington, D.C., but ridding ourselves of such veteran "mistakes" is an

important step toward putting our nation's fiscal house in order.

Under the old regime, corporations routinely looked to Washington for capital to invest in their enterprises. And who could blame them? When Congress freely hands out taxpayer money to companies with the best lobbyists, businesses have no need to turn anywhere else to fund their growth.

Now that the new leadership in Congress has begun to turn off the spigot, we are seeing dramatic changes.

Just this year we have seen that when Congress refuses to give a company taxpayer money, the private sector steps up if it makes sense to do so. For example, by refusing to continue funding for the alternate engine to the F-35 Joint Strike Fighter, Congress spurred GE Aviation to offer to self-fund, to the tune of at least \$100 million over the next year, the continuing development costs for that engine.

Likewise, as the new Congress has signaled a growing disenchantment with ethanol subsidies, private ethanol companies have stepped forward offering to pay for the installation of blender pumps at service stations all by themselves.

The lesson is clear. If this kind of spending makes economic sense, it will continue without taxpayer sponsorship.

This emerging pattern will continue with the natural-gas industry.

The natural-gas industry in this country generates hundreds of billions of dollars in revenue. In addition to their own wallets, these companies have access to Wall Street capital markets to fund natural-gas refueling stations and other infrastructure. Fortune 500 companies already are integrating natural-gas vehicles into their fleets — not because of government handouts, but because they see real value in improving their bottom line.

None of this means that there is no role for Congress in promoting private enterprise. In fact we have a lot to do if we are going to get this economy moving again. It starts with getting the federal government out of the way.

We need to roll back unnecessary regulations, modernize the tax system, and foster a climate that promotes job growth. With the Environmental Protection Agency releasing numerous job-killing regulations, it is critical that Congress takes an active role in beating back the Obama administration's

anti-industry agenda.

President Obama seeks to unfairly punish oil companies through the tax code by taking away standard business deductions available to a wide array of industries. But instead of singling out particular industries for punitive tax treatment, we should lower the corporate tax rate for all businesses to encourage more investment and hiring.

Standing up to those who are bent on using the government as a corporate-welfare cash machine is not a "rookie mistake." It is why I and 86 other Republicans were sent to Washington last year. I look forward to continuing the fight.

Energy subsidies hard to quit for GOP candidates – Politico – 6/4/11 o Seattle Post-Intelligencer

By Darren Goode

Despite the libertarian, small-government rhetoric from conservative candidates and voters, Republican presidential hopefuls aren't ready to quit energy subsidies just yet.

It sure sounds like GOP contenders are talking tough: Tim Pawlenty has turned on his old buddy, ethanol, and Sarah Palin called this week for cutting all energy subsidies, setting a tea-party-like marker that others may feel pressured to emulate.

But in fact, the declared and potential presidential candidates are all over the map — and by no means fleeing en masse from their traditional support for subsidies.

Mitt Romney still supports ethanol subsidies. So do Newt Gingrich and Rick Santorum, sort of. And the Republicans still oppose President Barack Obama's idea of getting rid of subsidies for the oil industry.

The focus on the campaign trail thus far has been on continued federal help for corn-based ethanol — understandable as it remains an important commodity in Iowa, home to the first caucus and official test at the ballot box in the Republican primary.

"It becomes kind of a marker for a broader assessment of somebody's view of the type of role governments should play," said Michael Franc, vice president for government studies at the Heritage Foundation. "Every state has its version of ethanol."

Several of the Republican candidates have told crowds in the Hawkeye State that they want federal help for ethanol to continue — at least to a certain degree — although ex-Utah Gov. Jon Huntsman has said he won't compete in Iowa as he doesn't believe in "subsidies that prop up corn, soybeans and ethanol."

Former Massachusetts Gov. Romney — who finished a disappointing second to Arkansas Gov. Mike Huckabee in Iowa in 2008 — last week reiterated the support he showed for ethanol in that earlier campaign. "I support the subsidy of ethanol. I believe ethanol is an important part of our energy solution in this country," Romney said.

Pawlenty garnered much attention calling for a gradual scaling back of federal help for ethanol at the official kick off of his campaign for the White House last month.

"We need to phase out subsidies across all sources of energy and all industries, including ethanol," the former Minnesota governor said. "We simply can't afford them anymore." He added: "We need to do it gradually. We need to do it fairly. But we need to do it."

Some conservatives praised Pawlenty for boldly shifting from policies he implemented to help the ethanol industry as a farm-state governor.

But Pawlenty's new position isn't that radical a shift — it's lockstep with that of an industry that recognizes it needs to stay ahead of more aggressive attempts to repeal federal incentives. Ethanol backers are trying to piece together their own proposal to wean off of a 45-cent per-barrel blender tax credit for ethanol and move on to get federal help for setting up flex-fuel gas pumps and other infrastructure to increase market availability.

Former House Speaker Gingrich has said he supported ethanol subsidies as early as 1984 and says he would rather have money going to farmers and others in the United States that produce biofuels than to unstable regimes in the Middle East.

Gingrich — who earlier this year reportedly chided "big city" critics of ethanol — said a federal mandate allowing all cars to be flex-fueled vehicles could supplant the per-barrel blender tax credit.

Santorum, the former senator from Pennsylvania, wants to phase-down the blender tax credit over five years and then help provide infrastructure for flex- fueling stations.

Huntsman nebulously noted in a Wall Street Journal op-ed Wednesday about the "opportunity to

reduce, reform and in some cases end government programs — including some popular but unaffordable subsidies for agriculture and energy — in order to save the trillions, not billions, necessary to make possible a future as bright as our past.”

Huntsman's refusal to compete in Iowa, which he confirmed to ABC News, is reminiscent of 2008 GOP presidential nominee Sen. John McCain, who is a strong critic of ethanol subsidies and essentially ignored the Iowa caucus in 2008. McCain finished fourth in the caucus that year.

GOP energy strategist Mike McKenna — a vocal opponent of energy subsidies — said some of the leading candidates are “kind of playing footsie with the issue.”

But former Alaska Gov. Sarah Palin — who has not announced plans to make a White House run in 2012 — may have more closely laid out the tea party marker. Responding to a question about ethanol, she told reporters Tuesday that “all of our energy subsidies need to be relooked at today and eliminated.”

There are doubts that Palin will actually mount a campaign. But her role as a potential kingmaker for the tea party movement may drive other Republican candidates further to the right.

That question affects a host of other historical and prospective energy sector beneficiaries, including nuclear power, natural gas vehicles and oil companies.

“Once you get beyond ethanol, there’s definitely an issue about ‘what do you talk about when you talk about a subsidy,’” said Steve Ellis, vice president at Taxpayers for Common Sense.

At the same time, it’s early in the campaign, and the lack of detail from candidates isn’t a surprise. “Nobody really expects them to have some sort of very narrow, specific energy plan other than ‘drill, baby, drill’ and eliminate subsidies,” Ellis said.

President Barack Obama has gone after billions of dollars in annual tax incentives for oil companies — which Democrats say are subsidies to Big Oil and cutting them is a better way to reduce federal spending than going after Medicare and other programs.

Americans for Tax Reform President Grover Norquist said Democrats are unfairly targeting some oil industry incentives — like a section 199 domestic manufacturing tax deduction — that are available to others.

"It's one thing if you said it's a special tax deduction credit only for this industry because they lobbied well," Norquist recently told POLITICO.

Norquist's group is against credits for ethanol and natural gas vehicles, such as in a plan pushed by T. Boone Pickens that has earned some broad bipartisan backing in the House.

About a handful of initial GOP co-sponsors to the bill have dropped off the Pickens bill amid conservative ire that it is an expensive and targeted tax subsidy.

But one of the co-sponsors remains Rep. Ron Paul (R-Texas) — a representative of the libertarian wing of the Republican presidential contender crop.

Paul told POLITICO that doesn't believe in energy subsidies. But, "I have to know your definition of subsidies because it's a careless term and it's misused," he said.

Tax credits for example are fine, Paul said, because "if I give you back your money, I'm not giving you my money or somebody else's money. If you get a tax credit, I'm just letting you keep more of your money. If somebody gets a check from the government or gets a mandate that's different."

Two Approaches to Fuel Choice – The National Review – 6/6/11

Dr. Robert Zubrin

Open Fuel Standards is the right choice.

Americans are currently being heavily taxed by the governments of the OPEC cartel, who are using a policy of restricting oil production to drive up prices. Indeed, with prices inflated to the \$100-per-barrel range, America's 5 billion barrels per year of petroleum imports will cost our economy \$500 billion, an amount equal to 25 percent of the federal government's tax receipts or, alternatively, the nation's whole balance-of-trade deficit.

The only way to break the power of the oil cartel to set global liquid-fuel prices is to open the market to competition from non-petroleum-based fuels. With this in mind, two bipartisan bills have recently been introduced in the U.S. House of Representatives. One is H.R. 1380, known as the "New Alternative Transportation to Give Americans Solutions Act," or "NAT GAS Act" for short. The other is H.R. 1687, the Open Fuel Standards Act. The approaches adopted in these two pieces of legislation are very

different.

The NAT GAS Act, which is strongly supported by oil and gas tycoon T. Boone Pickens, would provide a \$7,500 tax-credit subsidy for the purchase of natural-gas cars, as well as a further subsidy to their manufacturers of \$4,000 each, for a total of \$11,500 per car. Natural-gas-truck subsidies would be at least double this, with the amount of the subsidy increased to as much as \$64,000 per truck, depending on size. Further subsidies of up to \$100,000 each would be available to filling stations to install natural-gas pumps.

The budgetary impact of this bill could be quite significant. For example, if we assume a sales rate of 1 million cars per year subsidized at \$11,500 each, plus 100,000 small trucks subsidized at \$23,000 each, and forget about the larger trucks and filling stations, the total tab would come to \$13.8 billion per year. This would be triple the \$4.5 billion per year (\$0.45 per gallon times 10 billion gallons) currently being spent on the controversial corn-ethanol program, which has replaced 8 percent of our gasoline use. In contrast, it would take 18 years of such subsidies, with no vehicle losses, for the NAT GAS Act to replace 8 percent of the American automobile fleet, at a total cost to the treasury of \$248 billion. Thus, at the end of 18 years, assuming a 2 percent compound rate of growth, the U.S. vehicle fleet will expand from 180 million to 257 million, of which 237 million will still be gasoline-powered, leaving us more dependent on foreign oil than at the program's start. But since the average life of a car is only 17 years, it is unlikely that even this very modest degree of accomplishment will be achieved.

Another remarkable feature of the NAT GAS Act is the degree to which it has been championed by an openly self-interested party who would profit from increased sales of the sole alternative fuel chosen for support by the bill. However, it should be noted that the total amount of natural gas sold per car is unlikely to exceed \$1,000 annually, of which perhaps 20 percent might be profit. Thus, even after several hundred billion dollars are spent to create a 20-million-car natural-gas fleet, the resulting profits to the entire natural-gas industry would be only about \$4 billion per year. So, if helping the natural-gas industry were the objective, this could be accomplished at much lower cost to the treasury just by giving them their cut.

In contrast, the Open Fuel Standard bill does not choose a single winner, and would not cost the treasury anything. Instead, it stipulates that within several years the majority of new cars sold in the U.S. must give the consumer fuel choice by being any one of the following: full flex fuel (i.e., capable of using methanol, ethanol, and gasoline), natural gas, plug-in hybrid, or biodiesel compatible. Of these, the cheapest to produce will be flex fuel (zero to at most \$100 additional cost per car), as many gasoline-powered vehicles now sold in the U.S. are already built with flex-fuel capability in mind, and

need only a software upgrade to realize it. However, should consumers wish to spend their own money for the other alternatives, they will have every right to do so.

That said, it is the flex-fuel car's methanol capability that will truly open up the source market for liquid fuels, as methanol can be made cheaply from coal, natural gas, or biomass. In fact, if the goal is to open up the vehicle-fuel market to natural gas, that can be much more readily accomplished, in a much bigger way, by the Open Fuel Standard legislation than by the NAT GAS Act, without any cost to the taxpayers at all — provided, of course, that natural-gas-sourced methanol continues to beat coal- or biomass-sourced methanol on price. This is as it should be.

Furthermore, unlike the NAT GAS Act, which will have near-zero impact on global oil prices, the worldwide effects of the Open Fuel Standard bill would be profound. This is because foreign carmakers will not wish to walk away from the American automobile market. If flex fuel becomes the standard for U.S. auto sales, foreign carmakers will switch their lines over, and their products worldwide will be predominantly flex fuel as well. This will subject gasoline to competition from methanol, and in some places ethanol, made from the cheapest local sources everywhere, thereby creating a permanent global competitive constraint on future oil prices.

The NAT GAS Act would cost the treasury a fortune, while accomplishing next to nothing. The Open Fuel Standard bill would cost the treasury nothing, while protecting both the U.S. and world economies from continued taxation by the oil cartel.

One can only hope that Congress makes the right choice.

Dr. Robert Zubrin is president of the aerospace-engineering firm Pioneer Astronautics, a fellow with the Center for Security Policy, and the author of *Energy Victory: Winning the War on Terror by Breaking Free of Oil*.

Flexibility's important for major energy firms – The Oklahoman – 6/6/11

Despite an ongoing feud between Charles Koch and T. Boone Pickens, the oilman and the gasman can be friends. In fact, they're often the very same person.

Oklahoma City-based gas giants Chesapeake Energy and Devon Energy have been refocusing on oil exploration. The reason is the price of oil versus the price of gas. Companies that have made their fortunes on gas are turning to oil because oil prices are going up and gas prices have been going

down.

To boost the price of gas by boosting consumption, Pickens touts a national energy policy focused on running more vehicles on compressed natural gas. Federal incentives could help make this happen. This has incensed Koch, a spokesman for whom told The Wall Street Journal that, “We just think it’s a fundamental mistake for the government to be picking winners and losers in this way. While we respect Boone, we disagree with him on a very fundamental level.”

Is Pickens a gas fundamentalist? His original vision went beyond natural gas and included vast wind-power investments. And critics of the oil industry might counter the Koch spokesman’s remarks by saying the government is already picking winners and losers with tax breaks for energy firms as well as generous incentives for alternative energy production, such as the subsidies for ethanol blenders.

Government always picks winners and losers in some way. Only a fundamentalist libertarian approach would let all energy alternatives compete in a market free of artificial price supports. But that’s not the world we live in.

The market, not government policy, is mainly responsible for price trends involving oil and gas. In terms of the futures market, the trend lines have crossed several times since 2008. The percentage change in prices for oil is now well ahead of gas. As for onshore drilling rigs engaged in exploration, the trend line crossed earlier this year when the number of rigs seeking oil pulled ahead of the number seeking gas.

A supply glut has lowered prices to where gas costs about the same as its energy equivalent in coal and a quarter of its energy equivalent in oil, the Journal’s Daniel Gilbert reported recently.

Devon is spending 90 percent of exploration budget on oil. “All of our drilling ideas compete with each other,” Devon Executive Chairman Larry Nichols told the Journal. “You look at the ones where you can make money at current prices, and that’s where the money gets allocated.”

In two years — or 10 — the trend could be reversed. Vehicles that can run on gasoline and on CNG are considered ideal. Major energy firms must be similarly flexible. Otherwise they could run out of steam.

Conservatives Power Big Oil, Stall Cleaner Natural Gas Vehicles – Center For American

Progress – 6/6/11

By Daniel J. Weiss, Stewart Boss

T. Boone Pickens developed his “Pickens Plan” in 2008 to dramatically reduce U.S. oil use by fueling vehicles with natural gas. The plan, however, has recently come under fire from a number of conservative and right-wing organizations and legislators.

A number of conservative and right-wing organizations and legislators have recently launched public opposition to oilman T. Boone Pickens’s proposal to increase the number of natural-gas-fueled vehicles in the United States. They cloak their opposition to this proposal in economic theory, opposing the program because such subsidies would “distort the competitive process that so capably yields affordable and viable products,” in the Heritage Foundation’s words. At the same time, however, these same institutions and individuals fervently support outdated or unnecessary tax breaks for Big Oil companies even though these subsidies distort the same marketplace. Not surprisingly, these same entities receive significant funding from Big Oil companies.

Every president since 1974 put a premium on reducing America’s dependence on oil, particularly from other nations. Former oilman and President George W. Bush went so far as to proclaim that “America is addicted to oil” in his 2006 State of the Union address.

Responding to this patriotic call to reduce our oil dependence, longtime Republican donor Pickens developed his “Pickens Plan” in 2008 to dramatically reduce U.S. oil use by fueling vehicles with natural gas. The heart of the plan would create tax incentives for companies to purchase natural-gas-powered medium and heavy trucks, and buses. In addition, it would encourage the construction of refueling infrastructure to provide natural gas to centrally fueled fleet vehicles.

Pickens noted that this bill is about U.S. energy security, plain and simple:

The legislation is designed to help jump-start a natural-gas vehicle industry in the United States, which would provide new jobs ranging from design engineers to toolmakers to manufacturers to those who maintain the vehicles. Transportation uses two-thirds of our nation's oil. About one-third of all oil is consumed by the 8 million heavy-use trucks on our highways. If our nation can switch to a fleet powered by natural gas, of which we have a century's worth here at home, our dependence on OPEC can be cut significantly.

The essential elements of the Pickens Plan were incorporated into the New Alternative Transportation

to Give Americans Solutions Act, or the NAT GAS Act, which was introduced by bipartisan groups of senators and representatives in the previous two Congresses. The legislation would jump-start the use of natural-gas-powered heavy-duty trucks by giving tax incentives to purchasers and manufacturers of natural-gas-powered vehicles.

The NAT GAS Act is an oil-dependence reduction plan with support from both sides of the aisle. Its politically diverse sponsors are Congressmen John Sullivan (R-OK), Dan Boren (D-OK), John Larson (D-CT), and Kevin Brady (R-TX). The bill, H.R. 1380, was introduced in April with 185 House cosponsors.

“For American’s energy independence, establishing a viable second transportation fuel is a game changer,” said Rep. Brady. He added that “targeting business fleets and cargo trucks that offer the greatest promise, this bill creates a strong five-year window to build, buy and refuel natural gas vehicles here at home.”

This bill would provide significant benefits if the vehicles use cleanly produced natural gas. A Center for American Progress analysis determined that a transition to natural gas trucks and buses could reduce oil use by at least 1.2 million barrels per day by 2035 or sooner if the NAT GAS Act were adopted and implemented. The Senate Democratic Policy Committee notes that “the natural gas industry ... estimated that this program will create more than 100,000 direct manufacturing and labor jobs and more than 450,000 indirect jobs.”

President Barack Obama publicly endorsed the Pickens plan for natural gas vehicles on March 30. Noting earlier bipartisan efforts to pass a similar bill, President Obama said that the “potential for natural gas is enormous. ... last year, more than 150 members of Congress from both sides of the aisle produced legislation providing incentives to use clean-burning natural gas in our vehicles instead of oil. And that's a big deal.”

A bill promoting natural gas vehicles was first introduced in 2008 by archconservative Sen. James Inhofe (R-OK). The first NAT GAS Act was soon introduced by bipartisan coalition including Senate Majority Leader Harry Reid (D-NV) and conservative champion Tom Coburn (R-OK). There was little conservative opposition to this bipartisan proposal until very recently. Interestingly, most of the conservative opposition to the NAT GAS Act has surfaced only after President Obama publicly supported the Pickens plan.

Chief among those who are pushing conservatives in Congress to drop their support for the NAT GAS Act are—not surprisingly—the Koch brothers. Charles Koch has been loudly vocalizing his opposition

to the “misguided suggestion that the natural-gas industry should receive enormous new subsidies.” Pickens’ spokesman Jay Rosser noted that the Kochs “have to bet against the plan. They import and refine \$2 billion of OPEC oil every year” at Koch Industries' refinery in Corpus Christi, TX.

Despite the obvious contradictions with the company’s public opposition to big government handouts, Koch Industries has lobbied for and received a vast array of subsidies from the federal government over the years.

Rep. Mike Pompeo (R-KS), a freshman in Congress who was the top recipient of Koch-related money in the 2010 elections, has been leading the conservative attacks against the NAT GAS Act. Rep. Pompeo maintains that he is opposed to “using taxpayer dollars to support targeted interests within the energy sector” despite his vote to protect billions in federal subsidies for Big Oil. The connection between the \$79,500 in campaign funds he collected from the Kochs in the last election cycle and his outspoken opposition to natural gas vehicles seems like more than just a coincidence.

The new efforts of right-wing organizations to oppose the NAT GAS Act are paying off, convincing co-sponsors to take the unusual step of publicly withdrawing their support for a bill that they previously cosponsored. Reps. Tim Griffin (R-AR) and Glenn Thompson (R-PA) withdrew their names as sponsors on May 26, joining Reps. Todd Akin (R-MO) and Steve Pearce (R-NM), who dropped their backing earlier in the month. Rep. Thompson had also been a co-sponsor of the 2009 version of the bill.

Pickens’ spokesman Rosser argues against this emerging conservative theme that investments in natural gas vehicles pick energy winners. He said that “this isn't about picking transportation fuel winners. It's about picking national security over terrorism and OPEC (Organization of Petroleum Exporting Countries).”

Despite their new opposition to incentives for natural gas vehicles, the conservative organizations and legislators still defend tax loopholes for Big Oil companies that 74 percent of Americans oppose. Could it be that the organizations that receive millions in Big Oil money are going after support for natural gas vehicles to appease their oil company financiers? And that legislators dependent on Big Oil campaign cash are doing the same?

There is evidence that legislators who receive more campaign contributions from the oil industry are more likely to support retaining oil tax loopholes. In the House’s May 5 vote to reject a measure to debate legislation to end some oil company subsidies, analysis by the Public Campaign Action Fund showed that “House members who voted to continue the subsidies received, on average, five times

more money in 2010 from oil and gas interests.”

And after the Senate’s recent 52-48 vote failed (60 votes needed for passage) to pass S. 940 to cut oil subsidies and reduce the deficit, a Center for American Progress Action Fund analysis found that the 48 senators who sided with Big Oil took in more than \$21 million in career oil contributions, while the 52 senators who sided with the American people received just \$5.4 million in contributions. That means pro-oil senators received, on average, more than four times as much oil cash as those who voted to end the subsidies.

High oil and gasoline prices in 2011 continue to exact a high toll on American families and the economy. They are another reminder—as if one was necessary—that it is imperative to reduce our dependence on this single fuel that powers our transportation system. The NAT GAS Act would make a small investment to reduce the oil burned in trucks and buses, and replace it with domestic natural gas when produced with protection for air, water, and climate.

Unfortunately, many conservative organizations and politicians would prefer to keep us hooked on oil, ostensibly to avoid subsidizing one particular fuel. Still, they keep singing Big Oil’s song with their defense of \$40 billion in tax subsidies, thereby subsidizing one particular fuel.

Even worse than this hypocrisy is that these organizations and legislators would continue handouts to a 20th century dirty technology rather than shifting to a 21st century emerging fuel that the rest of the world is rushing to adopt. There are only 112,000 natural gas vehicles on our roads but 12 million worldwide. This will grow to 50 million in a decade. If conservatives’ efforts to protect Big Oil are successful, it will harm our economy, our competitiveness, our security, and our environment.

The chart below lists the organizations and legislators who support Big Oil tax subsidies but oppose investments in natural gas vehicles, their contributions from the oil industry, and their statements in support of Big Oil and against natural gas.

Pickens Doubles Down – GlobalWarming.org – 6/611

By Brian McGraw

Get with the Plan

In The National Review, T. Boone Pickens again makes the case for The NAT Gas Act of 2011. I slept

through the first few paragraphs (the piece began with a constitutional argument).

There isn't a whole lot of new information in here, its more of a response to the ongoing attacks on the legislation. He reminds us that Americans get all antsy when gas prices go up, but when prices drop again we are lulled back into indifference.

Near the end:

Congress is considering a bill named the NAT GAS Act (H.R. 1380). It provides targeted tax credits ("lay and collect Taxes") for companies to replace their current fleets burning imported diesel with vehicles running on domestic natural gas. Keep in mind, a tax credit means someone gets to keep more of the money he's earned, rather than give it to the government to spend on who knows what. It is not a government grant. And this tax credit, unlike many others, has a sunset provision of five years.

Why do we need a tax credit at all? Because there is almost no manufacturing capability for natural-gas vehicles in the United States. Rather than support manufacturers in China and India, this credit would help jump-start that industry here, adding jobs up and down the supply chain.

There are people and companies — and think tanks they fund — that oppose the NAT GAS Act for a variety of reasons, most of them self-serving. There is no greater believer in free markets than I, but if you think OPEC is a free market, I have a bridge in Brooklyn to sell you. Absent a plan of their own, critics of my plan are for the status quo, which is to continue sending billions of dollars to OPEC nations, many of which, in return, are helping to fund terrorism.

As a member of a think tank opposed to the Pickens Plan (though its unclear how our reasons are self-serving), I think that a couple of points should be made. It is true that this is a tax credit, allowing people to keep more of their hard earned money. However, we can only get that tax credit back if we purchase a natural gas vehicle. This is right-wing economic engineering. Perhaps we should ask Newt Gingrich's opinion on it.

Second, while OPEC's control over the international oil market does not constitute a completely free-market, this doesn't strengthen the argument for the Pickens Plan. On the contrary, it weakens it.

Assume that OPEC is currently capable of (or engaged in) restricting petroleum production such that the price is artificially higher than it would be. This creates an even larger incentive for vehicle manufacturers to consider the feasibility of using natural gas as a fuel rather than petroleum, to capture some of the profit headed towards OPEC. That they haven't done this likely indicates that they

don't believe consumers will switch over at this point in time, given the costs of converting vehicles on the road, building infrastructure, etc. This market could assuredly start up on its own. Being that it hasn't, aside from certain niches like city buses, it seems as if the Picken's Plan has failed the market test.

It's true, the status quo isn't perfect, though nothing is. But two wrong's don't make a right. Doubling down on natural gas subsidies will further distort the use of resources in our transportation sector, and lock in infrastructure that likely shouldn't be built in the present. As far as a 5 year sunset, look at some of our other energy subsidies. Did they sunset after 5 years? Have we even been able to get rid of any of them? No.

Four Dirty Secrets about Clean Energy – Fox News – 6/3/11

By Alex Epstein

For years, the International Panel on Climate Change (IPCC) has demanded that the U.S. and other industrialized countries cut carbon emissions to 20% of 1990 levels by 2050.

While most countries claim to support huge carbon caps, in practice they have resisted implementing them. The reason is simple: fossil fuels provide nearly 90% of the energy we use--the cheap, abundant fuel that powers modern farming, manufacturing, construction, transportation, and hospitals. The use of fossil fuels is directly correlated to quality and quantity of life, particularly through the generation of electricity ; in the past two decades, hundreds of millions of people have risen out of poverty because energy production has tripled in India and quadrupled in China, almost exclusively from carbon-based fuels. To drastically restrict carbon-based fuels, countries have conceded in practice, would be an economic disaster.

Now, the IPCC claims that the economics are on the side of drastic CO2 reductions. It recently announced that “Close to 80 percent of the world’s energy supply could be met by renewables by mid-century if backed by the right enabling public policies...”

This announcement is the latest claim by a growing coalition of environmentalists, businessmen, politicians, journalists, and academics that we can ban our fossil fuels and have cheap energy, too--through the panacea of “clean energy”--energy with minimal carbon emissions or other impacts. Clean energy advocates claim that a “clean energy economy” will be far more prosperous than our current “dirty energy” economy. Coal, oil, and natural gas supplies are finite and therefore bound to get more

and more expensive as they run out, they argue. By contrast, we have an essentially unlimited, free, never-ending supply of sun and wind available to use--“free forever,” as Al Gore puts it.

What if we could use fuels that are not expensive, don't cause pollution and are abundantly available right here at home? We have such fuels. Scientists have confirmed that enough solar energy falls on the surface of the earth every 40 minutes to meet 100 percent of the entire world's energy needs for a full year. Tapping just a small portion of this solar energy could provide all of the electricity America uses. And enough wind power blows through the Midwest corridor every day to also meet 100 percent of U.S. electricity demand.

To those who say the costs are still too high: I ask them to consider whether the costs of oil and coal will ever stop increasing if we keep relying on quickly depleting energy sources to feed a rapidly growing demand all around the world.

By contrast, Gore says, there are “renewable sources that can give us the equivalent of \$1 per-gallon gasoline.”

To severely cap carbon emissions, then, won't be an economic disaster but an economic boon. And it's not just Al Gore saying this: myriad investors (such as venture capitalist Vinod Khosla), businessmen (such as oil-turned-wind magnate T. Boone Pickens), journalists (such as New York Times superstar Thomas L. Friedman), and politicians (including President Barack Obama), are on board.

The president of the Environmentalist Defense Fund sums up the sentiment: “The winners of the race to reinvent energy will not only save the planet, but will also make megafortunes... fixing global warming won't be a drain on the economy. On the contrary, it will unleash one of the greatest floods of new wealth in history.”

All that is required, he and others say, is for the government to enact the right “clean energy policy.” These policy proposals vary, but all agree on two things: the government must drastically cap carbon emissions (Al Gore wants a ban on carbon-generated electricity by 2018) and the government must extensively fund clean energy research and projects to “unleash one of the greatest floods of new wealth in history.”

But before you pull any levers at the voting booth, you should know that there are some dirty secrets about the campaign for “clean energy.”

Dirty Secret #1: If “clean energy” were actually cheaper than fossil fuels, it wouldn’t need a policy.

Al Gore claims that he knows of “renewable sources that can give us the equivalent of \$1 per gallon gasoline.” Then why doesn’t he go make a fortune on it by outcompeting gasoline-powered cars?

More broadly, if other sources of energy are so good, why must the government have a policy to support them and cripple their competitors? Wouldn’t the self-interest of utilities, of automakers, of factories make them more than eager to buy such fuels--and wouldn’t the self-interest of investors make them eager to put billions upon billions of dollars into these game-changing technologies? Energy is, after all, a multi-trillion dollar market in America alone. And if carbon-based fuels are as rapidly-depleting as we’re told, wouldn’t participants in the energy futures market be trying to make a killing by buying coal, oil, and gas contracts? And wouldn’t the rising prices of these fuels make it even easier for “clean energy” to compete?

Energy history is replete with examples of genuinely superior technologies outcompeting the status quo. Petroleum surpassed whale oil and several other now-forgotten products once it could provide the best light at the best price. Natural gas surpassed oil as a source of electricity generation for similar reasons. Can’t new sources of energy do the same?

“Clean energy” advocates often intimate that private investors and existing energy companies are too short-sighted to see the wondrous potential of their products. But this is far-fetched. Oil companies invest billions of dollars in research and development that will only pay off decades into the future. Can anyone doubt that with increasing worldwide demand for energy, they wouldn’t jump at the chance to add new sources of profitable energy to their portfolios? Or even if they are myopic, what about the enormous capital-allocating machine that is U.S. financial markets? Is Wall Street going to pass up on “one of the greatest new floods of wealth in history” by failing to make profitable investments?

But aren’t subsidies needed to correct some unfair advantage possessed by coal, oil, and natural gas? No. Solar and wind are the ones given an unfair advantage; per unit of energy produced, they already receive 90X more subsidies than oil and gas. And they have been subsidized for decades.

The one legitimate argument that energy investment in new technologies, including carbon-free ones, is too low is that heavy government taxation and environmental regulations drive many investors out of the energy sector. But “clean energy policies” such as cap-and-trade bills call for more taxes and regulations, not fewer.

The real reason why activists demand “clean energy policy” is simple: the “clean energy” sources they

favor--especially solar and wind--are at present too expensive and unreliable to replace carbon-based fuels on a large scale. The only way activists can hope to have them adopted is to shove them down our throats.

Dirty Secret #2: Clean energy advocates want to force us to use solar, wind, and biofuels, even though there is no evidence these can power modern civilization.

For more than three decades, environmentalists have overwhelmingly favored replacing carbon-based fuels with “natural,” “renewable” energy coming directly from the sun--whether through direct sunlight (solar panels or solar thermal), wind (a product of currents created by the sun’s heat) or biofuels (plants nourished by the sun through photosynthesis.) They have generally opposed carbon-free nuclear energy and hydroelectric energy as unnecessary and insufficiently “green.”

They have acquired billions in taxpayer subsidies for solar, wind, and biofuels, in America and in “progressive” European countries. After three decades, the score is in. 86% of the world’s energy--the energy we use to make food, clothing, shelter, medical care, and everything else our livelihoods depend on--is produced by carbon-based fuels (coal, oil, natural gas). 6% is produced by hydroelectric power. 6% is produced by nuclear power. Thus, 98% of the world’s power generation is regarded as unacceptable by environmentalists. All of 2%--an expensive 2%--is produced by solar, wind, and biofuels. And despite incessant claims that carbon-based fuels will run out, the amount of fossil fuel practically accessible to us has increased greatly as we have discovered new sources for fossil fuels (as well as non-fossil sources such as uranium and thorium)--and if businesses are free to keep exploring, there is no evidence this will stop anytime soon.

So why haven’t solar and wind triumphed? After all, isn’t Al Gore right that the sun gives us more energy than we could ever need, “free forever”?

No. The sun certainly gives off a lot of energy--but harnessing it is anything but free. To harness any form of energy requires land, labor, and equipment. And solar, wind, and biofuels require far, far more resources to harness than other methods of power generation.

One reason is energy density. Most practical energy sources pack a high concentration of energy into a small amount of space, meaning a smaller swath of resources is needed to harness it. Oil, for example, is so energy dense that a gallon of it can move a Hummer and a load of passengers over 10 miles. Uranium has one million times the energy density of oil (though it takes far more complex equipment to extract the energy).

By contrast, the sun's energy is highly diluted by the time it reaches earth, and therefore it requires massive quantities of land, equipment, materials, manpower, and energy (provided by fossil fuels, incidentally) to concentrate into electric power. A solar or wind farm takes on the order of 100 times the land, materials, and assembly energy to produce the same amount of kilowatt-hours as an equivalent nuclear or coal or natural gas plant --while a cornfield for ethanol requires 1,000 times the land to generate the same amount of energy, with so much energy required that the whole process loses energy by some estimates. The cost of such resources is why solar and wind have been expensive, marginal energy sources for so long.

Another major problem with solar and wind is that they produce energy only intermittently--wind is extremely variable, disappearing throughout the day; solar varies with the weather and disappears altogether at night. Our whole modern power system requires reliable energy, energy that can be counted on.

Consequently, any solar or wind installation attempting to generate reliable energy needs a backup source of energy. One hypothetical way to do this is to build additional solar/wind capacity and try to store it. But since this just adds much more cost, and since no compact, cost-effective storage option exists (large, water-pumping hydroelectric facilities are an option in some locations), the default option is to build additional fossil fuel plants to back up solar and wind power.

A typical case is Texas, where Governor Rick Perry has heralded his state as an archetype of renewable wind-power. But according to those managing the power grids, only "8.7% of the installed wind capability can be counted on as dependable capacity during the peak demand period for the next year." This means that the wind turbines are hardly doing anything constructive; the natural gas "backup" is doing all the work. Some studies say that the wind turbines only add to CO2 emissions, since natural gas plants are far less efficient and use more fuel when they must cycle to compensate for erratic wind power.

But, you might ask, aren't there other types of carbon-free energy that are more practical? The answer is yes and no--there are promising types of carbon-free energy, but "clean energy policy" and its environmentalist leaders will always stop or slow them for being insufficiently "green."

Dirty Secret #3: There are promising carbon-free energy sources--hydroelectric and nuclear--but "clean energy" policies oppose them as not "green" enough.

In 1975, a fledgling energy industry reported that its members were producing electricity at a total cost of less than half of what coal plants could. Better yet, this industry's technology generated virtually no

pollution and no CO2. Better yet still, this industry was in its relative infancy; thousands of scientists and engineers were brimming with ideas about how to make power-generation better, cheaper, more efficient.

If the environmentalist movement--the movement leading today's "clean energy" campaign--was truly interested in maximum human progress, including making our surroundings maximally conducive to human life, it would have celebrated this industry: nuclear power. Instead, environmentalists effectively destroyed it with lies and propaganda--a tactic they are repeating with the earthquake-and-tsunami-stricken nuclear reactors in Japan.

Environmentalists have always claimed that their concern is safety. But the most reliable indication of a technology's safety is how many deaths it has caused per unit of energy produced. In the capitalist world, nuclear power in its entire history has not led to a single death from meltdowns, radiation, or any of the allegedly intolerable dangers cited by nuclear critics. This does not mean that deaths are impossible, but as scientists have repeatedly shown, the worst-case scenario for a nuclear reactor is far better than, say, the ravages of a dam breaking or of a natural gas explosion.

In reality, all the "safety" objections come down to the Green premise that nuclear power is "unnatural" and therefore must be bad. Nuclear power is radioactive, they say--not mentioning that so is the sun, and that taking a walk, let alone an airplane ride, exposes you to far more radioactivity than does living next to a nuclear power plant. A nuclear plant could be bombed by terrorists, and bring about some sort of Hiroshima 2, they say--not mentioning that the type of uranium used in a nuclear plant and a nuclear bomb are completely different, and that the uranium in a plant can't explode.

Nuclear power generates waste, they say--not mentioning that the amount of waste is thousands of times smaller than for any other practical source of energy, that it can be safely stored, and that there are many technologies for utilizing the waste to generate even more energy. Still, Greenpeace proclaims: "Greenpeace has always fought -- and will continue to fight - vigorously against nuclear power because it is an unacceptable risk to the environment and to humanity. The only solution is to halt the expansion of all nuclear power, and for the shutdown of existing plants."

The practical result of all this hysteria was to make permission to build nuclear power plants nearly impossible to get, to impose an astronomical number of unnecessary "safety" requirements that served only to drive up price, and to make the whole process of building a plant a multi-decade affair.

Today, environmentalists say, with relish, that nuclear power can't compete on the market--"Nuclear is dying of an incurable attack of market forces," says solar-peddler Amory Lovins--even though before

their intervention, it did compete, and was winning. Who knows how spectacularly it could produce cheap, abundant, carbon-free energy today--were it not for the opposition of those who claim to be concerned about carbon emissions?

Nuclear power is not an isolated target. Environmentalists have spent the last three decades shutting down as many hydroelectric dams as possible, despite hydro's proven track record as a cheap, reliable source of carbon-free power (albeit one more limited than nuclear since there are only so many suitable river sites for hydropower).

The reason is this: environmentalism isn't just about minimizing our carbon "footprint"--it's about reducing any footprint on nature: on land, rivers, swamps, animals, bugs. Hydroelectric power, while it doesn't emit CO₂, dramatically changes the natural flow of the rivers where it is used. Nuclear power, in addition to requiring large industrial structures, deals in "unnatural" high-energy, radioactive materials and processes. Therefore, it is not, says Al Gore, "truly clean energy."

Dirty Secret #4: The environmentalists behind clean energy policy are anti-energy.

If you think that there might be some form of practical "clean energy" that could appease the environmentalists--say, geothermal--you're missing the point. The whole environmentalist idea of a minimal "footprint" is fundamentally anti-energy. Mass-energy production requires making a substantial impact on nature--in diverted land, in power lines, in any byproducts or waste--and therefore environmentalists can always find something to object to. And this includes solar and wind.

For all the talk of "being green," solar and wind require far greater amounts of land and materials-use than practical energy--their land "footprint" and resource usage is far larger. Huge, 400-foot tall wind-turbines with 150-foot blades and noise known to cause unbearable headaches a mile away do not exactly embody the environmentalist ideal of "living in harmony with nature." Nor are tens or hundreds or thousands of square miles of solar panels. Nor are the enormous transmission lines necessary to bring energy from, say, Nevada to California. And so while environmentalists are happy to wax about solar and wind in the abstract while opposing existing power sources, once the shovels start hitting the ground, in practice they often oppose it.

Environmentalist Robert F. Kennedy Jr. is the biggest opponent of Cape Wind , a windmill project off the coast of Nantucket. Environmentalists were the first to object to a giant solar project in the Middle of the Mojave Desert in California.

But where are we supposed to get our energy? "Conservation," environmentalists answer, which is

code for “deprivation.” When pushed, the leaders of the movement admit that they think that humans need to live far more modestly, with perhaps a few solar panels on top of our homes (Amory Lovins attempts this, and has acknowledged agonizing over whether he could accommodate a dog for his daughter), that we need to do with a lot less, and that we need to reduce the world’s population.

As climate-change star Paul Ehrlich says: “Whatever problem you’re interested in, you’re not going to solve it unless you also solve the population problem. Whatever your cause, it’s a lost cause without population control.”

The Sierra Club advocates “development of adequate national and global policies to curb energy over-use and unnecessary economic growth.” This was written in 1974, when the energy-hungry computer revolution was brand-new. Had we listened to them, it wouldn’t have had the power to get off the ground. And they are no exception to this anti-development mentality: “Giving society cheap, abundant energy at this point,” says climate change star Paul Ehrlich, “would be the moral equivalent of giving an idiot child a machine gun.” Or, Amory Lovins: “If you ask me, it’d be little short of disastrous for us to discover a source of clean, cheap, abundant energy because of what we would do with it. We ought to be looking for energy sources that are adequate for our needs, but that won’t give us the excesses of concentrated energy with which we could do mischief to the earth or to each other.”

This is the mentality wielding influence over our energy future. Can one imagine any sort of energy that it would find favorable? Consider the prospect of geothermal energy, which would use heat from the inside of the earth’s crust. Al Gore claims to support this. To be used en masse, such energy (as yet unproven) would require drilling tens of thousands of feet deep. Given environmentalists’ opposition to offshore drilling, can anyone imagine they will actually support geothermal energy in practice?

Anyone who genuinely desires even better energy in the future than we enjoy today must cut all ties with the anti-development environmentalist movement and embrace industrial development.

Instead, the entire “clean energy” movement embraces environmentalists as allies. The Sierra Club, Ehrlich, and Lovins are all regular advisors to government on energy policy. While President Obama isn’t as extreme as they are, we can see their anti-nuclear agenda in his energy plan--which is focused on solar and wind, and includes a couple billion in loan guarantees to a single nuclear plant (this is notable only because the 2008 Democratic platform contained zero references to nuclear energy).

The same is true for “clean energy” advocates such as Thomas L. Friedman and Bill Gates; they advocate nuclear, but only half-heartedly, with infinite regulation. So, in practice “clean energy policy” will mean preserving the draconian controls on nuclear power, stunting its growth, while subsidizing

the impractical fuels that environmentalists least object to.

The end result of this is pure destruction. This includes destruction of what “clean energy” is supposed to ensure: a livable climate. The number one precondition of a livable climate is industrial-scale energy. Loose talk of a “climate change catastrophe” evades the fact that industrial energy makes catastrophes non-catastrophic. In Africa, a drought can wipe out hundreds of thousands of lives thanks to that continent’s lack of capitalism and resultant lack of industrial energy. In America, we irrigate so well that deserts have become among the most desirable places to live (Southern California, Las Vegas).

Left free to discover and harness energy, human beings can adapt to changes in weather. Anyone who cares about the plight of the poor must recognize that what they desperately need is not a stagnant average global temperature but capitalism, including cheap, affordable fossil fuels now, and the freedom to find even better fuels later, unhampered by environmental hysteria.

If we want more, better, energy, we should be considering, not policies to control the energy economy, but policies to allow free markets and true competition (not government-rigged stuff). And let the best fuel win.

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BLOG/ONLINE COVERAGE

Golden age? Natural gas? – The Globe and Mail – 6/6/11

By David Berman

The words “natural gas” and “golden age” don’t usually go together. Gas prices are mired close to multi-year lows, and are at about half the level they were before the financial crisis and recession.

And while some business people – notably, U.S. energy baron T. Boone Pickens – hope to use natural gas to power the U.S. trucking fleet, the energy source for now suffers from a rare condition among commodities: There’s too much of it.

However, according to the International Energy Agency, natural gas could play a much larger role in the world's future energy mix as some countries veer away from the perceived dangers of nuclear energy after Japan's crisis, and see it as a cheaper alternative to renewable energy sources like wind and solar. The IEA has even come up with an acronym to describe the uptrend: GAS – as in, Golden Age of Gas Scenario (apparently, the G gets dropped).

“If the policy and market drivers of the GAS Scenario develop as projected, then gas would grow to more than a quarter of global energy demand by 2035,” said Nobuo Tanaka, executive director of IEA, in a release. “Surely that would qualify as a golden age.”

Bullish predictions on natural gas have been heard plenty of times before, of course. But their frequency has been falling recently, partly given that North America's shale gas boom has increased the resource base to the point where it can sustain current global consumption levels for the next 250 years (no shortages here), and partly because gas prices are close to where they were a decade ago.

Despite this bearish backdrop, the IEA sees a scenario in which global gas demand rises to 5.1 trillion cubic metres by 2035. At that level, the share of gas in the global energy mix would rise to 25 per cent from 21 per cent and overtake coal. Most of this increase in demand would come from developing economies.

In particular, China's natural gas demand – currently representing just 3 per cent of its total energy demand – would equal that of the entire European Union. India's demand would quadruple.

“Power generation remains the dominant sector for gas demand and, in the GAS Scenario, gas replaces some coal in power generation in China, India and the United States,” the IEA said in its report.

Conventional sources of natural gas will provide about 60 per cent of global production, while unconventional sources grow to about a 40 per cent share. Meanwhile, trade doubles, with the increase split between natural gas pipelines and liquefied natural gas.

Of course, a golden age for natural gas producers – and therefore investors – would likely have to involve higher prices. In New York, gas traded on Monday at just \$4.80 (U.S.) per million British thermal units, not far from the floor of \$4 per MBtu established over the past two years and well below \$15 in 2005.

As the IEA acknowledges, the current attractiveness of natural gas comes largely from its cheapness

relative to fuel alternatives like oil and coal, suggesting that prices will have to stay relatively low for the golden age to unfold.

Still, it is hard to imagine rising demand for natural gas hurting producers. And the IEA estimates that the current glut in natural gas supplies should dissipate before 2015, which should also help producers.

Huntsman: I'm Not Competing in Iowa – RealClearPolitics.com – 6/4/11

By Erin McPike

NORTH CONWAY, N.H. -- Jon Huntsman made a major appeal to New Hampshire voters this morning with these words: "I'm not competing in Iowa, for a reason."

Asked about his position on energy policy by a voter at a breakfast here, Huntsman said he wouldn't compete in Iowa because he doesn't believe in energy subsidies.

"I don't believe in subsidies that crop up for corn, soybeans," Huntsman said. "I think they destroy the global marketplace." The position is one that is supported heavily by Granite State voters.

"We will be competing vigorously here, and in South Carolina and in Florida, but we probably won't be spending a whole lot of time in Iowa," he said. "I guess I understand how the politics work there."

The near certain presidential candidate noted that he dined with T. Boone Pickens last week and launched into a long discussion about the need for energy independence.

"I'm not sure what the Department of Education does," Huntsman also said when asked which department he would abolish if he had to get rid of one in a Huntsman administration, though he didn't go so far as to say he would e

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