

PickensPlan

T. Boone Pickens Media Coverage 6.19.09

Total of 148 Placements

- Print/Wire: 80
- Blog/Online: 45
- Broadcast: 23

Coverage Summary:

The Associated Press reported on the study by the Potential Gas Committee, which found the country's natural gas reserves to be bigger than previously thought. The piece describes Pickens as a promoter of natural gas and quotes yesterday's statement highlighting his plan to use natural gas as a transition fuel for fleet vehicles. This piece was picked up by more than 90 outlets.

A *Greenwire* article on this study was also posted on *NYTimes.com*. The piece looks at legislation being debated by Congress, including the Waxman-Markey bill. Jay Rosser is quoted in the piece giving Pickens' reaction to the study, saying this gives further credibility to using natural gas as a transportation fuel.

Highlighted Placements (Full Articles Below)

- **Report: US Natural Gas Reserves Surge 35 Percent** – *Associated Press* – 6/18/09
 - *Allentown Morning Call*
 - *Anchorage Daily News*
 - *Arkansas Democrat Gazette*
 - *Baltimore Sun*
 - *Bellevue News Democrat*
 - *Bellingham Herald*
 - *Bismarck Tribune*
 - *Brandon Sun*
 - *BusinessWeek*
 - *Canada East*
 - *Canadian Business*
 - *Canton Repository*
 - *CBS 4 Denver*
 - *CFTKTV*
 - *Charleston Daily Mail*
 - *Charlotte Observer*
 - *Cherry Hill Courier Post*
 - *Chicago Tribune*
 - *CJBK*
 - *CKRF*
 - *CKTB*
 - *Cleveland Plain Dealer*
 - *Columbus Ledger-Enquirer*
 - *Contra Costa Times*
 - *Daily Breeze*
 - *Daily Press*
 - *Forbes*
 - *Fort Worth Star Telegram*
 - *Greenville Daily Reflector*

- *Hartford Courant*
- *Hilton Head Island Packet*
- *Houston Chronicle*
- *Idaho Statesman*
- *iStockAnalyst*
- *Jackson Clarian Ledger*
- *KAAL*
- *KBS Radio*
- *KFSM*
- *KSL*
- *KTAR*
- *KTVI*
- *Lethbridge Herald*
- *Lexington Herald-Leader*
- *Lincoln Journal Star*
- *Long Beach Press Telegram*
- *Los Angeles Times*
- *Macon Telegraph*
- *Manufacturing.net*
- *Marin Independent-Journal*
- *Miami Herald*
- *Mid Columbia Tri City Herald*
- *Minneapolis Star Tribune*
- *Modesto Bee*
- *Monterey County Herald*
- *Myrtle Beach Sun News*
- *New Brunswick Business Journal*
- *News Chief*
- *Newsday*
- *Oilweek Magazine*
- *OneNewsNow*
- *Orlando Sentinel*
- *Philadelphia Inquirer*
- *PhillyBurbs.com*
- *Press & Sun Bulletin*
- *Richmond Times Dispatch*
- *Sacramento Bee*
- *San Diego Union Tribune*
- *San Francisco Chronicle*
- *San Jose Mercury News*
- *San Luis Obispo Tribune*
- *Seattle Post-Intelligencer*
- *South Bend Tribune*
- *Stockhouse*
- *Sun Herald*
- *Sun-Sentinel*
- *The Daily Advance*
- *The Daily Advertiser*
- *The Kingston Whig-Standard*
- *The News Tribune*
- *The Oklahoman*
- *The Olympian*
- *The State*
- *The Wichita Eagle*
- *Toledo Blade*
- *Town Hall*

- *Tulsa World*
- *Washington Observer Reporter*
- *Washington Post*
- *WDAF*
- *WHEC*
- *Winnipeg Free Press*
- *WPMT*
- *WTOP*
- **Report of Abundant U.S. Natural Gas Supplies Rattles Energy Debate** – *Greenwire*– 6/18/09
 - *NY Times*

Print Placements (Full Articles Below)

- **Startup Auto Company Given Positive Marks** – *Associated Press* – 6/18/09
 - *MSN Money*
 - *Forbes*
 - *Houma Courier*
 - *Daily Comet*
 - *Washington Examiner*
- **Think Pickens is Right? Here's Three Gas Picks** – *The Globe and Mail* – 6/19/09
 - *Report on Business*
- **V Car to Use Gasoline, To Start** – *Monroe News Star* – 6/19/09
- **Officials Say Deal Shields Taxpayer** – *The Advocate* – 6/19/09
- **Old Guide Plant Revolutionized** – *The Ruston Daily Leader* – 6/18/09
- **The Security Vulnerabilities of Smart Grid** – *Journal of Energy Security* – 6/18/09
- **Study Warns Of Cost Overruns At Proposed Reactors** – *Dow Jones* – 6/19/09
 - *NASDAQ*
 - *CNN Money*
 - *EasyBourse.com*

Blog/Online Placements (Full Articles Below)

- **Pickens: Oil Could Go to \$300 a Barrel** – *Moneynews.com* – 6/19/09
- **U.S. Ramping Up Wind Power Programs Even As Concerns Surface About Possible Declines In U.S. Wind Strength** – *Money Morning* – 6/19/09
- **V-Vehicle: An Auto Start-Up From T. Boone Pickens and Kleiner Perkins** – *Fast Company Blog* – 6/19/09
- **V-Vehicle, Kleiner-Backed Efficient Car Maker, to Build Louisiana Factory** – *Greentech Media* – 6/18/09
- **Dash for Cash: Startup V-Vehicle Says \$500M Needed to Build Auto Plant** – *Earth2Tech* – 6/18/09
- **V-Vehicle, The Mysterious New Car Company** – *Automotive Marketing Examiner* – 6/18/09
- **T. Boone Pickens-Backed Automaker Will Use Abandoned GM Plant** – *Auto Loan Daily* – 6/18/09
 - *Price Wheels Blog*
- **Mystery Car Could Sweep the Efficient-Vehicle Market** – *Green Beat* – 6/18/09
 - *The Industry Standard*
- **Industry News: V-Vehicle Company to Build New Cars in Louisiana** – *Chicago Autos Examiner* – 6/18/09
- **V-Vehicle To Set Up Shop In Louisiana** – *Clean Tech* – 6/19/09
- **V-Vehicle Company Aims for 2010 Launch for Mystery Green Car** – *Business Green* – 6/19/09

HIGHLIGHTED COVERAGE

Report: US Natural Gas Reserves Surge 35 Percent – *Associated Press* – 6/18/09

By Mark Williams

COLUMBUS, Ohio -- The country's natural gas reserves are much bigger than previously thought, according to a report released Thursday.

Thanks to new technology that has allowed producers to drill for gas in shale rock, the Potential Gas Committee in Golden, Colo., said that the country's estimated reserves are 35 percent higher than just two years ago and have reached the highest level since the group started tracking the information 44 years ago.

The report comes as natural gas is being touted as a way to help reduce U.S. dependence on foreign oil and cut emissions that lead to global warming.

"We knew it was there. It was a matter of how productive it possibly could be," said John Curtis, professor of geology and geological engineering at the Colorado School of Mines and the committee director.

The committee, a volunteer group backed by natural gas producers and utilities, estimated the country's total natural gas resources at 2,074 trillion cubic feet, an increase of 542 trillion cubic feet from its last report.

The figure includes 238 trillion cubic feet of proven gas reserves as established by the Department of Energy and 1,836 trillion cubic feet of reserves it labeled as probable, possible, and speculative.

The report is similar to a study prepared last summer for the natural gas-backed American Clean Skies Foundation that found the country had 2,247 trillion cubic feet of natural gas reserves - a 118-year supply at 2007 production levels. The U.S. consumes about 22 trillion cubic feet of gas per year, almost all of it produced in the U.S.

Natural gas is used to generate about a fifth of the nation's electricity as well as to heat homes. It emits about half of the heat-trapping greenhouse gas that coal does. Those who are pushing natural gas the hardest, like Texas oilman T. Boone Pickens, have promoted natural gas as a transportation fuel that could be used to reduce dependence on foreign oil.

"I launched the Pickens Plan a year ago to help reduce our dangerous dependence on foreign oil, and using our abundant supply of natural gas as a transition fuel for fleet vehicles and heavy-duty trucks is a key element of that plan," Pickens said Thursday. "On the same day this report is going out, diesel prices are again on the rise, squeezing the trucking industry. Now more than ever we need to take action to enact energy reform that will immediately reduce oil imports."

Thursday's report said shale now makes up one-third of the 1,836 trillion cubic feet of potential resources, much of it from a re-evaluation of shale gas in the Appalachian basin and the Mid-Continent region, Gulf coast and Rocky Mountain areas. Reserves jumped 16 percent overall from the group's last report two years ago, and Curtis said estimates could even go higher because not all areas where there is shale have been tested and explored.

Even with the jump, producers still will need to be able to access the areas where gas has been found and then drill and develop the sites, said Chris McGill of the American Gas Association.

Shale is a kind of layered, sedimentary rock that exists in formations throughout the world. In the U.S., gas production from shale dates back to the 1800s.

But the gas, tightly locked in rock formations, had been extraordinarily expensive to extract. That began to change about 15 years ago as producers developed new techniques such as horizontal drilling, where the drill is turned in a right angle to bore into a gas reservoir horizontally.

Gas from shale now amounts to about 5 percent of total U.S. production, according to the Gas Technology Institute.

The report Thursday comes as producers have slashed production of natural gas as demand along with prices have crashed nearly 70 percent since last summer from \$13.69 per 1,000 cubic feet to about \$4.30 per 1,000 cubic feet.

The Energy Information Administration said this month that demand is expected to decline 2.2 percent this year, led by an 8 percent drop in industrial consumption as the nation's auto and steel companies have shut down plants and slashed production in what has become the longest recession since World War II.

The number of rigs exploring for gas and oil have been cut in half since last summer.

On Thursday, the government reported that U.S. reserves of natural gas surged again, sending prices on the New York Mercantile Exchange tumbling 4 percent.

Report of Abundant U.S. Natural Gas Supplies Rattles Energy Debate – *Greenwire (NY Times)* – 6/18/09

By Ben Geman and Katherine Ling

The release of a major new study today that boosts estimates of U.S. natural gas resources is shaking debates over the use and regulation of a fuel that could help slow global warming but could create other environmental concerns.

The report by the Potential Gas Committee, a nonprofit group that provides closely watched analyses of U.S. resources, shows a 35 percent jump in domestic gas estimates.

The United States has a total resource base of 1,836 trillion cubic feet (tcf) worth of likely and potential resources, the report says, a sharp jump from the last estimate two years ago of 1,321 tcf, and the highest in the group's 44-year history.

With the addition of Energy Department estimates of proved reserves, the total U.S. future supply is 2,074 tcf, a rise of more than 35 percent from the committee's last biennial estimate.

The increase is largely due to the viability of tapping gas from shale formations, such as the Barnett in Texas, the Marcellus in Appalachia, the Haynesville in Louisiana and the Rocky Mountains.

"New and advanced exploration, well drilling and completion technologies are allowing us increasingly better access to domestic gas resources -- especially 'unconventional' gas -- which, not all that long ago, were considered impractical or uneconomical to pursue," said John Curtis, professor of geology and geological engineering at the Colorado School of Mines, which supports the committee's work.

But the increasing use of a technique called hydraulic fracturing to access these shale plays has sparked a Capitol Hill battle over regulating the extraction method. Several Democrats have introduced legislation that would bring the technique under Safe Drinking Water Act regulation -- reversing an exemption in a 2005 energy law -- and require disclosure of chemicals used in the process.

The industry and allied groups are fighting the effort. They say it would slow access to what the new report demonstrates is an abundant domestic energy source.

"Hydraulic fracturing is the Rosetta Stone of natural gas development. With it, otherworldly amounts of shale and tight-pocket gas can be found, produced and delivered to Americans who need it. Without it, those resources remain trapped underground," said Chris Tucker, a spokesman for Energy In Depth, an industry-backed group that recently launched an effort to fight the legislation.

A spokesman for Rep. Diana DeGette (D-Colo.), the sponsor of the fracturing legislation, said her bill is not about preventing gas production, which she supports, but that the extraction technique must have more oversight and disclosure.

"I would definitely say that she believes it is a necessary technology for the energy market. She also believes we need to ensure the health of the public as these processes are taking place," said DeGette spokesman Kristofer Eisenla.

Report sparks climate debate

Meanwhile, the report is also significant in light of pending congressional efforts to enact a sweeping bill to place mandatory limits on U.S. greenhouse gas emissions.

House Democratic leaders plan to bring a sweeping climate bill to the floor in the coming weeks that is sponsored by Energy and Commerce Chairman Henry Waxman (D-Calif.) and Rep. Ed Markey (D-Mass.). The greenhouse gas caps in the Waxman-Markey bill would curb U.S. emissions by 17 percent by 2020 from 2005 levels, with an 83 percent cut by 2050.

Burning natural gas currently provides about a fifth of U.S. electric power, and gas produces half the greenhouse gas emissions of coal. However, switching to gas creates concerns about the costs that could accompany increased demand if supplies were tight.

Joe Romm of the Center for American Progress, a liberal think tank, has called attention in recent weeks to the higher U.S. supply estimates driven by shale gas plays. He calls increased estimates a "game changer" and very good news.

Romm said the new report underscores that the 2020 emissions reduction targets in the Waxman-Markey bill are certainly achievable and may even be too weak. That is because with ample supply, gas will remain at a moderate price -- around \$5 to \$6 per million British thermal units -- and will keep compliance costs down, he said.

He noted that a key factor behind the cost of capping carbon is the cost to replace existing coal plants. With cheaper natural gas, that can more easily be done with idle natural gas plants built during a overbuild in the 1990s that are connected to the grid system, but the fuel has been too costly to use until now, said Romm, a former DOE official.

"I think this is a big deal," Romm said of the higher estimates. Additional gas will also encourage more utilities to build wind generation, as natural gas is currently the best backup power for the intermittent energy, he said.

Pickens plan

But others have their eye on these U.S. supplies as a way to power vehicles.

Famed Texas oilman T. Boone Pickens is spending aggressively to promote his plan to transition vehicles such as heavy-duty trucks and city fleets to natural gas in order to curb demands for oil imports. Pickens also supports a major build-out of wind for electricity, which would help free up natural gas for vehicles.

He quickly seized on the new report.

"Obviously, this underscores what Boone has spoken about for well over a year and gives further credibility to a key aspect of the Pickens plan, and that is using natural gas as a transportation fuel alternative to foreign oil, diesel and gasoline," said Jay Rosser, a spokesman for Pickens.

"This should quiet any skeptic who is concerned about using our abundant supplies of natural gas as an important transitional fuel," he added.

PRINT COVERAGE

Startup Auto Company Given Positive Marks – *Associated Press* – 6/18/09

By Alan Sayre

A startup automobile company planning to build an all-new vehicle in Louisiana has a strong management team with experience in automotives and appears to have an affordable product with fuel economy above some current competitors, according to an independent study.

At the same time, San Diego-based V-Vehicle Co. needs \$320 million in federal loans or other investment to get to production, while facing a potentially tight schedule with the state to develop its Monroe assembly plant. The company said the loans would come from a \$25 billion pool of money approved by Congress in 2007 to spur automotive technology.

Documents released Thursday by the state economic development also show that, as proposed, VVC would get \$67 million in state funding and \$15 million from Monroe-area local governments in increments as the plant renovation proceeds — and would face paying the money back if the project collapsed.

A proposed company-state contract also says the company is expected to have at least \$161 million of its own money when the project gets officially under way.

State and company officials announced Wednesday that the now-vacant Guide Corp. plant in Monroe — which once made vehicle headlights — would be transformed over the next 18 months into an assembly plant for a next-generation, fuel-efficient car. The construction phase of the plant would include 1,900 workers. The plant would have a payroll of 1,400 at an average salary of \$40,000, officials said.

The company would not discuss details about the car, including a projected price, citing competitive concerns.

But a review of V-Vehicle's business plan, commissioned by the state and performed by the business consulting firm A.T. Kearney, gives a few clues about the car that may emerge.

The vehicle's projected fuel efficiency "represents an advantage over some of its present-day competitors, although planned developments may reduce this advantage over time," the report said. A.T. Kearney also said that the proposed price tag — undisclosed by the report — "represents a strong advantage over that of the competition and includes a reasonable cushion should the other automotive companies respond with strong price incentives."

The fuel efficiency and the price tag "should be sufficient to achieve the volume requirements projected," the report said while adding that A.T. Kearney believes the company "can achieve sales volumes in excess of their break-even requirements and certainly at a level that will support production."

Company officials said Wednesday that they are working on dealer arrangements.

Investors in VVC include former Oracle Corp. executive Frank Varasano, the venture capital fund of Kleiner, Perkins Caufield & Byers, which is heavily invested in "green" projects and companies, energy investor T. Boone Pickens, who has been pushing for increased use of wind-generated and other alternative power, and Louisiana trucking magnate James Davison, who bought the vacant plant in 2007.

But A.T. Kearney said the company's day-to-day leadership has "experts from some of the most successful automotive companies across North America," including expertise in design and engineering, manufacturing and assembly, sales and service.

The study said the 18-month time frame to begin production was tight and some delays in launching and increasing vehicle assembly could be anticipated — but with those adjustments, the break-even point

would only be delayed. A.T. Kearney also said planned costs for the project appeared reasonable, even with factoring in costs that typically rise over time.

The proposed state-company contract, which must be approved and is subject to changes by the state's Joint Legislative Budget Committee, shows a tight schedule, one which includes deadlines for plant site preparation and renovation must be completed and incremental payments of the \$67 million in state money. The schedule calls for the renovation to begin by Aug. 1, with a completion date of Oct. 1, 2010.

According to the proposed contract, the state would not put up \$52.5 million of the planned \$67 million until the plant's final completion phase is started. Before that phase begins, VVC will have to show that it has a minimum of \$350 million available — without state and local government money — unless the state agrees to a lower amount.

If the plant is not completed, the company would have to repay whatever state money had been granted. Local government money would not be kicked in before March 1, 2010, after the completion phase of the plant begins.

And, according to the proposal, if the company fails or is sold to a company not approved by the state, both the state and local governments would be entitled to refunds, though the amount would go from a total refund early in the project to nothing in the 15th year.

Think Pickens is Right? Here's Three Gas Picks – *The Globe and Mail* – 6/19/09

By Steve Ladurantaye

Charismatic Texas oilman T. Boone Pickens talked up natural gas (NG-FT4.110.020.44%) in a visit to Calgary this week, saying any new energy policy from the United States would inevitably be a boon to investors in Canada's vast gas deposits.

"It's going to be good for America, it's going to be good for Canada, it's going to be good for the producers, it's going to be good for everybody," he said to about 770 executives. "I can only see that the only loser in this deal is foreign oil. And I don't call you foreign. You don't look foreign."

What he didn't say is which companies investors may want to consider adding to their portfolio if they agree with his assessment – he expects natural gas to average around \$7 (U.S.) for 1,000 cubic feet next year, about double where it stands right now – companies such as Celtic Exploration (CLT-T15.640.523.44%) , Storm Exploration (SEO-T13.680.433.25%) and Iteration Energy (ITX-T1.320.075.60%).

Be warned, however, not everyone believes prices are heading higher. Gas prices have been weak despite increasing crude prices, largely because of a glut of cheap new gas supply coming from unconventional gas sources.

"The ratio of gas to oil seems to argue for an upswing in gas prices," said David Baskin, president of Baskin Financial Services Inc., an investment counselling firm that manages about \$300-million. "But there seems to be enough pent-up supply to meet demand without seeing a lot of movement in prices."

Celtic Exploration

Fifteen analysts follow Celtic (CLT-T15.640.523.44%) , according to Bloomberg – and every one of them rates the company a "buy." They have an average price target of \$21.14.

"Over the past several years, Celtic has shown that it is an efficient operator and that it can execute in deploying new fracturing techniques to ramp up production," said Ken Lin, an oil and gas analyst at

Research Capital Corp. "With its management team and board of directors, we are of the opinion that Celtic can successfully implement its acquire, exploit, and exploration strategy to grow the company."

The company operates in the Montney shale natural gas field, which is located near Dawson Creek, B.C., and extends into Alberta. Celtic has tripled its production since 2005, and in 2008 produced about 11,000 barrels of oil equivalent (boed).

"The company's 2009 capital expenditure budget is \$150-million and is expected to be financed mostly through cash flow," Mr. Lin says. "If there is a budgetary shortfall, we expect that Celtic will be able to fund it through debt or equity."

It posted a first-quarter loss of \$5-million, compared to a loss of \$7.4-million a year earlier.

Mr. Lin said anyone who finds Celtic intriguing should also turn their attention to Orleans Energy (OEX-T2.10----%), which he calls "a junior version of Celtic operating in the same Montney area."

Storm Exploration Inc.

Also operating in Montney, Storm Exploration's (SEO-T13.680.433.25%) Parkland property is seen as one of the most efficient in the business.

"In our view, the Parkland play remains one of the top-tier developments in the basin," RBC Dominion Securities analyst Michael Harvey said. "While it trades at a rich valuation relative to peers, we expect that the company will be one of the few juniors to grow production through 2009 and should perform well through the current period of weak natural gas prices."

He has a \$15 price target, which he said reflects a 1.9x multiple to the company's net asset value. Other companies in the space are trading closer to 1.1x, he said.

The company made \$1.25-million in its last quarter, compared to \$6.4-million in the year-ago quarter. Funds from operations were \$13.7-million compared to \$19.52-million in the year ago quarter.

Sixteen analysts follow the company, with 14 "buy" ratings and two "holds."

Iteration Energy Ltd.

Iteration Energy (ITX-T1.320.075.60%) owns approximately 913,000 acres of undeveloped land in Western Canada, and in the last year produced about 18,300-boed.

"They've got a good land package," said Andrew Cook, a portfolio manager at Marquest Asset Management. "With the growing rise in price of the commodity, they'll be able to bring more production on-stream in a fairly timely fashion without worrying about acquiring properties."

The company slipped to a \$14.28-million loss in the first quarter on lower gas prices from a \$1.6-million profit in the same quarter a year ago, while funds from operations slipped to \$14.90 million from \$28.51 million. Thirteen analysts follow the company, according to Bloomberg, with eight "buy" ratings and five "holds." Their average price target is \$2.04.

V Car to Use Gasoline, To Start – *Monroe News Star* – 6/19/09

By Greg Hilburn

T. Boone Pickens, a key investor in V Vehicle Co., made comments this week creating speculation that the company's mystery car will be powered by natural gas, but other investors said VVS's first vehicles will be fueled by gasoline.

"He would like for that to happen later on, but that's not what we're planning with initial production," said Ruston's James Davison, who is also an investor in VVC and owns the former Guide Corp. plant in which the vehicles will be assembled.

"I don't think it's been ruled out that in a few years that could be made one of the options with the car, but not now," Davison said.

Pickens spoke to reporters during an event in Calgary, Canada, on Wednesday, the day VVC officials and Gov. Bobby Jindal announced the new company will create 1,400 jobs at its first plant in Ouachita Parish.

"The reason I invested is to make money," Pickens said, according to Canwest News Service in a story published online at www.canada.com. "When I got in ... they were going to use gasoline (to power the new cars). We're looking at it now. If it works out, which I think it will, we'll go to natural gas at some point."

VVC chief executive Frank Varasano and Chairman Ray Lane both called the company's concept and business model "revolutionary" during the Wednesday news conference, but they revealed almost no details about the car or its distribution plan, citing competitive concerns.

But The News-Star has learned the car is a high-mileage gasoline powered vehicle that will sell for about \$10,000. Jindal saw a prototype of the car, which was parked at the Governor's Mansion earlier this spring.

Morris Mintz of Monroe, another VVC investor, also said the business model is to produce a gasoline-powered vehicle.

"(Pickens) fully understands that this won't be a natural-gas-powered vehicle when production begins," Mintz said. "If natural gas becomes the fuel of the future, the company will certainly have the ability to switch once a mass delivery system is in place.

"This company has a revolutionary concept, but it doesn't intend to be on the cutting edge in terms of changing the way Americans fuel their cars."

Pickens, the famed Texas oil and gas man, has advocated tapping the United States' vast natural gas reserves to help the country wean itself from foreign oil.

He was in Chatham last month, where his EXCO Resources Inc. unveiled a compressed natural gas pump station at its Vernon Field in Jackson Parish. There the company pledged to convert 95 percent of its 45-truck fleet from gasoline to natural gas-powered engines this year.

The News-Star couldn't reach Pickens on Thursday, but left an e-mail message with his public affairs director.

Joseph Fisher, who handles public relations for V Victory Co., said the company's officers will not comment on details about the car.

Officials Say Deal Shields Taxpayer – *The Advocate* – 6/19/09

By Gary Perilloux

In committing \$69 million to a fledgling automaker in Monroe, state officials said contingency clauses in the deal announced Wednesday with San Diego-based V-Vehicle Co. will protect the Louisiana taxpayer investment.

Among the protections, Louisiana won't release \$55 million of its commitment until VVC raises \$350 million in private capital and financing. Much of that money could come by the fall from a Department of Energy advanced technology vehicles manufacturing loan.

"The company has raised about \$100 million to date in private equity capital," said Stephen Moret, the state's economic development secretary, who said the federal low-interest loan amount targeted by VVC is about \$250 million.

The investors — who include Silicon Valley venture capitalists Ray Lane and John Doerr, oil and gas billionaire T. Boone Pickens and Ruston trucking and oil transport executive James Davison — could raise more private equity and debt, "but the ATVM (federal loan) would be the fastest and most straightforward path forward," Moret said.

VVC expects to break ground later this year, expand the former Guide Corp. headlamp plant in Monroe by 76 percent to 750,000 square feet and begin hiring the first of a projected 1,400 workers in mid-2010. The plant could open in late 2010, with commercial production of a yet-to-be-disclosed, fuel-efficient car in early 2011.

Davison bought the Guide Corp. plant after it closed in 2007 and will lease the property at a rate to be negotiated, according to a cooperative endeavor agreement released Thursday by the state Department of Economic Development. In a worst-case scenario of VVC failure, Louisiana could buy back the facility for roughly \$6 million and benefit from the \$87 million in improvements by marketing it to other manufacturers, Moret said.

In a brief interview Thursday, Davison said his holding company originally envisioned other plans for the Guide plant, but he quickly became impressed by the principals in VVC.

"I think this is the best thing for our state — I'm real impressed with the deal," he said, shortly before breaking off the interview to address a shipping business matter. "They're good, good people. I've liked them from day one."

Though details about the product remain proprietary, Davison said the business model focuses squarely on a less expensive, more efficient way to build cars. And a state-commissioned study by a Dallas analyst concurred that VVC has a "compelling business model, and targets economics that are reasonable and achievable."

That opinion came in a June 12 summary of VVC's potential by automotive management consultant Brian Irwin. His firm, A.T. Kearney, began a \$635,000 study last year of the potential for drawing automotive prospects to Louisiana and for retaining General Motors operations in Shreveport — before the nature of the VVC project was known, Moret said.

Later, Irwin and Kearney had "carte blanche" access to all business plans and strategies of the VVC venture and their conclusions represent the best judgment about the Monroe plant's potential, Moret said. The VVC project then was known as Project Liberty.

"Project Liberty's distribution strategy is compelling," Irwin wrote in a letter distributed to members of the Joint Legislative Committee on the Budget, who'll likely meet next week to sign off on releasing the state's \$69 million — over time — from a state megafund for projects that create 500 jobs or invest \$500 million. "All things considered, we believe Liberty can achieve sales volumes in excess of their break-even requirements and certainly at a level that will support production at the contemplated facility."

How many models VVC would produce annually hasn't been disclosed by the company. But Moret said an early version of the car already has been in state and that more details will become known in the next six to nine months as the project evolves.

Old Guide Plant Revolutionized – *The Ruston Daily Leader* – 6/18/09

By T. Scott Boatright

State leaders hope Wednesday will become known in the future as "VL Day" — as in victory in Louisiana day.

Gov. Bobby Jindal was in Monroe to help announce the new tenant of the former Guide Corp. facility, owned by Ruston's James Davison. That new tenant says it plans on revolutionizing the American automobile industry.

Community Trust Bank President Drake Mills is involved with helping Davison manage the Guide Plant and said Lincoln Parish will feel future benefits from the start-up company.

"This is big," Mills said. "Big for northeast Louisiana, big for the state as a whole and big for the entire country. For Louisiana, it gives the state the opportunity to be involved in fundamentally recreating the American automobile industry. The impact this is going to have on north Louisiana will be amazing."

Jindal echoed Mills' sentiments.

"We're joined by some of the most revered names in American business to build the next great American car in northeast Louisiana," Jindal said. "We're here to announce an opportunity to transform the entire American auto industry and the economy of northeastern Louisiana. The concept is amazing, and the team behind the company is first class."

San Diego-based V-Vehicle Co. will take over the vacant plant. The state put up an incentive package of \$67 million from its megafund to fund improvements and expansion of the plant, while Monroe-area local governments put up another \$15 million. The state also will add work force training from the state's FastStart program valued at more than \$12 million.

Former Oracle Corp. executive Frank Varasano, who founded VVC in 2006, said the company has applied for \$340 million in loans from the federal government. The loans would come from a \$25 billion pool of money approved by Congress in 2007 to spur automotive technology.

VVC Vice President Horst Metz said investors were proceeding with the plan, but the loans are key to the deal.

"If we don't get them, we have to get the money somewhere else," Metz said.

Metz said production will begin in about 18 months. Company and state officials said the plant will employ 1,400 people and will create another 1,800 nearby jobs indirectly.

Besides Davison and Varasano, investors in the project include the venture capital fund of Kleiner, Perkins Caufield & Byers and energy investor T. Boone Pickens, who has been pushing for increased use of wind-generated and other alternative power.

The car's designer is Tom Matano, who designed the Mazda Miata and now works as VVC's design director. Matano and other officials declined to discuss the style of or specifics about the car other than the company name. But Matano did say he believes it will be an iconic vehicle 25 years from now. VVC

was founded in 2006 to produce a high-quality, environmentally friendly and fuel-efficient car for the U.S. market.

"The current business model is broken," Varasano said. "It's not working for manufacturers, suppliers, dealers or the American people. The industry has to change."

Varasano said that 750 construction jobs will be available soon because the plant has to be expanded in size from 425,000 square feet to about 750,000.

He said support positions will be filled later this year, but most of the hiring for the permanent jobs won't be made until fall 2010. Jindal said the average annual salary for positions at the plant would be around \$40,000 plus benefits.

The Security Vulnerabilities of Smart Grid – *Journal of Energy Security* – 6/18/09

By Jude Clemente

"The electric grid is highly dependent on computer-based control systems. These systems are increasingly connected to open networks such as the internet, exposing them to cyber risks. Any failure of our electric grid, whether intentional or unintentional, would have a significant and potentially devastating impact on our nation" – Bennie G. Thompson (D-MS), Chair of the US House Committee on Homeland Security, with the introduction of the "Critical Electric Infrastructure Protection Act" (April 30, 2009)

There is widespread agreement among energy security analysts, utilities, and policy-makers that the next evolution of the US electricity grid depends upon the reduction of transmission congestion and bottlenecks. Proposals to modernize the country's increasingly fragile electricity system have largely revolved around the potential deployment of "Smart Grid." This integrated electric network will incorporate advanced digital functions into the nation's electrical infrastructure to enhance reliability, efficiency, flexibility, and security. The Electric Power Research Institute (EPRI) considers Smart Grid one of the four infrastructures necessary to meeting climate change goals. In fact, EPRI has been selected by the National Institute of Standards and Technology to be the facilitator of Smart Grid's roadmap.

The current electricity system includes a series of independently operating regional grids that would greatly benefit from the optimization that comes with national interconnection. Smart Grid has strong support. President Obama's 2009 economic stimulus package allocates \$4.5 billion to modernize the nation's electricity system and put Smart Grid technologies on the fast track. The development of Smart Grid, however, takes the US into uncharted territory regarding the organization and operation of the transmission system. The transformation will require both quantitative and qualitative changes in the way electricity is moved around the country. The current state of knowledge is not sufficient to fully grasp the implications of Smart Grid. The analysis presented here focuses on a concept that will be central to Smart Grid: security of the system.

With increased interconnection, security concerns arise. Indeed, The Wall Street Journal recently reported cyber spies from China, Russia, and other countries may have penetrated the US electrical grid and implanted software programs that could be used to disrupt the system. Thus far, the focus to better secure the grid has understandably focused on the existing network, but Smart Grid's unique infrastructure must now become the spotlight to secure the system. Going forward, the US Department of Energy (DoE) confirms the ability to resist attack – by identifying and responding to disruptions caused by sabotage – is one of Smart Grid's seven crucial functions.

Objective 3.1 of the US Department of Homeland Security's (DHS) Strategic Plan Fiscal Years 2008-2013 aims to "Protect and Strengthen the Resilience of the Nation's Critical Infrastructure and Key Resources." Al-Qaida and other terrorist networks specifically target power grids because electricity has no substitute and virtually every other key infrastructure depends upon access to power. In their 2005 book, Messages

To The World: The Statements Of Osama Bin Laden, Lawrence and Howarth report the Al-Qaeda leader warns that Americans “will not come to their senses unless the attacks fall on their heads and ... until the battle has moved inside America.” The asymmetrical warfare paradigm which terrorists explicitly adhere to must be taken into account by each Homeland Security policy enacted. Security vulnerabilities exist on three main fronts – physical, cyber, and open-source information. Smart Grid must become a hardened target.

Physical Security

Smart Grid will derive its electricity from a combination of renewable and conventional energy sources. Physically, fortifying Smart Grid’s critical infrastructure is a new and daunting challenge because renewable energy facilities in particular spread out over vast distances. Wind is generally viewed as the most likely renewable incremental electricity source over the next several decades. The American Wind Energy Association reports utility-scale turbines for land-based wind installations come with rotor diameters ranging up to 300 feet. DOE indicates typical turbine spacing is five to ten rotor diameters apart, leading to well over a half mile between turbines. DOE concludes generating 20% of electricity with land-based wind installations would demand at least 20,000 square miles. By comparison, all US nuclear power plants, which produce roughly 20% of power, occupy only 115 square miles.

Smart Grid will require a “backbone” of extra-high-voltage transmission lines, which carry between 345 and 765 kilovolts (kV) of electricity. These power lines will increase the capacity, efficiency, and reliability of the grid. To the extent wind is the source of new generation, tens of thousands of miles of new transmission lines and their support structures will need to be built. Most potential sites for large-scale wind (and solar) farms are removed from population centers. As Dan Reicher, Director of Climate Change and Energy Initiatives at Google, has pointed out on GreenBiz, Smart Grid “is going to require literally thousands and thousands of miles of new transmission.”

In his well-marketed wind energy plan, oil tycoon T. Boone Pickens calls for 100,000 wind turbines and 40,000 miles of new high-voltage (>230kV) transmission lines to be built in the Great Plains Region. The physical exposure of this infrastructure could compromise system security, however, as the bulk of new lines will need to be overhead transmission. Hendricks (2009) has suggested burying lines underground will improve Smart Grid’s security. Unfortunately, burying power lines is generally not feasible, as it makes them more susceptible to weather damage and slows repair time. Further, a 2006 study by the Edison Electric Institute (EEI) indicated putting power lines underground would cost about \$1 million a mile compared with \$100,000 to install overhead lines. EEI’s report, *Out of Sight, Out of Mind?*, estimated statewide initiatives to bury power lines could prompt electricity rate increases of 80 to 125%.

There are at least four layers of physical security that must work to complement each other in Smart Grid: 1) environmental design 2) mechanical and electronic access control 3) intrusion detection and 4) video monitoring. EPRI and a number of US utilities are now discussing the possibility of monitoring transmission lines by satellite. Currently, this security measure is not practical because satellites with high-resolution imagery do not pass overhead often enough to pick up sabotage attempts, and those satellites passing more frequently lack the necessary imaging capability. An extended (and exposed) transmission system is a major Homeland Security concern because it is a preferred terrorist target. In the 2005 report, *Diagnostic Tools to Estimate Consequences of Terrorism Attacks Against Critical Infrastructure*, New York University’s Zimmerman et al examined international databases, maintained by the National Memorial Institute for the Prevention of Terrorism, tracking terrorist attacks on the world’s electricity sector from 1994-2004. Figure 1 illustrates, in terms of the total number of physical attacks, transmission systems are easily the most common target. Generation includes power stations and dams; Substations includes substations and transformers; Transmission includes power grids, pylons, and utility towers; All Others includes distribution, electric relays, human resources, and junction boxes.

Cyber Security

Known as cyber-physical systems (CPS), G. Zonghua says the emergence of “physical and engineered systems whose operations are integrated, monitored, and controlled by a computational core” is creating new security complexities (Second International Workshop on Cyber-Physical Systems,

<https://lists.cs.columbia.edu/pipermail/tccc/2009-January/010092.html>). As opposed to embedded systems that typically use standalone devices, CPS infrastructure optimizes interacting components. The internet powers the man-machine interaction and their “smart” communication. Unfortunately, the US power grid could become an easier target for hackers as more elements of it are connected to each other or to the internet. Smart Grid utilizes intelligent electricity transmission-and-distribution networks that use two-way consumption data to make power delivery more efficient, reliable, and safe. The installation of advanced metering infrastructure solutions, such as smart meters, help consumers monitor energy usage in real-time by measuring, collecting, and analyzing data.

Smart Grid features are intended to enhance the security of the national electrical infrastructure, but the extension of two-way digital communications could make protecting the power grid from a cyber attack a far more complicated mission – extra nodes on a network can become new openings for intruders. IOActive, a computer security services firm, reports an attacker with \$500 in equipment and a basic electrical background could seize command of Smart Grid’s bilateral communication system to manipulate services to homes and businesses. Once the system has been penetrated, the saboteur could cause a blackout by: 1) gaining control of possibly millions of meters on the grid and simultaneously shutting them down or 2) disrupting the load balance of the local system by suddenly decreasing or increasing the demand for power.

In a recent brief to DHS, IOActive researchers announced they had “created a computer worm that could quickly spread among Smart Grid devices, many of which use wireless technology to communicate.” Hackers could cut power to those Smart Grid devices that use “remote disconnect,” a feature that allows utilities to stop power flow to customers. Industrial leaders articulated concerns to Congress earlier this year that a rush to establish Smart Grid without substantial security precautions could result in wasted resources if new technologies require replacement shortly after deployment. GridLAB-D and other power distribution simulation and analysis systems are using the most advanced modeling techniques to ensure that those technologies expected to play a long-term role are interoperable and secure. DOE’s National Energy Technology Laboratory groups Smart Grid technologies into five categories:

1. Integrated Communications – connect components to an open architecture for real-time information and control, to allow every part of the grid to both “talk” and “listen”
2. Sensing and Measurement – technologies support faster and more accurate response, such as remote monitoring, time-of-use pricing, and demand-side management
3. Advanced Components – apply the latest research in superconductivity, fault tolerance, storage, power electronics, and diagnostics
4. Advanced Control Methods – monitor essential components, enabling rapid diagnosis and precise solutions appropriate to any event
5. Improved Interfaces and Decision Support – amplify human decision-making, transforming grid operators and managers into knowledge workers

The deployment of these technologies should be a judicious process, as US success or failure, in all likelihood, determines the probability other nations will upgrade their own electrical infrastructure. “The more you push communications, intelligence [across the grid] ... you are adding some level of risk,” Brian Seal, a senior project manager involved in power delivery at EPRI, recently told the Associated Press. William Sanders, principal investigator for the National Science Foundation Cyber Trust Center, says, “I do not think we should stop deployment until we have it all worked out. But we have to be vigilant and address security issues in Smart Grid early on.” The North American Electric Reliability Corporation has created a number of cyber security standards, but recent Senate legislation, namely the Critical Electric Infrastructure Protection Act, makes it clear federal leadership needs consolidated. The authority of DHS and the Federal Energy Regulatory Commission (FERC) to secure the electric grid is expected to increase.

Open-Source Information

In the ever-expanding world of open-source information, Smart Grid's greatest strength could also be its greatest weakness: modern technology. The growing ability of terrorists to readily collect intelligence and identify infrastructural weak spots makes electrical grids more susceptible to sabotage. For example, according to the US Department of Defense (DoD), a captured Al-Qaida training manual claims, "Using public sources openly and without resorting to illegal means, it is possible to gather at least 80% of information about the enemy." Public sources, terrorism experts conclude, can be used to gain at least 80% of the information required to plot an attack on Smart Grid. When it comes to targeting the US electrical grid, however, it could be possible to collect all the information needed, as publicly available trade journals disclose where new electrical facilities are being constructed. These journals document the transmission capacity of switching stations and the geographic areas for which they are responsible.

Terrorists have long realized disrupting the US information infrastructure is a far less risky strategy than traditional military combat. The internet, for example, gives terrorists a readily available, mostly unguarded corridor where they can hide their location, select their entryway, and mask their identity. Indeed, a recent intelligence report by the US Army confirmed popular micro-blogging services, such as Twitter and MySpace, Global Positioning System maps, and voice-changing software are all possible terrorist tools. The internet is an ideal arena for fundraising, recruitment, and data mining. The US Institute of Peace points out the variety of reasons terrorist networks use the internet to gather intelligence for planning and coordinating attacks. It offers:

- easy access
- little or no regulation, censorship, or other forms of government control
- potentially huge audiences spread throughout the world
- anonymity of communication
- fast flow of information
- inexpensive development and maintenance of a web presence
- a multimedia environment – the ability to combine text, graphics, audio, and video
- the ability to shape coverage in the traditional mass media, which increasingly use the internet as a source for stories

DoD has banned the virtual globe, map, and geographic information program, Google Earth, from making detailed street-level video maps of American military bases. In January, 2007, clearly visible Google Earth images of British military bases were discovered in the homes of Iraqi insurgents. The terrorists that attacked numerous locations in India last November used Google Earth's satellite photographs of the city to locate their targets and coordinate their attacks. A petition entered at the Mumbai High Court alleges Google Earth "aids terrorists in plotting attacks." Google Earth routinely offers up digital satellite images of critical installations that, in previous times, would only have been available to government agencies. The real-time status of images depends upon the feature, but because Google Earth is viewed as an effective program to help identify the parts of the US electricity transmission system most vulnerable to extreme weather, terrorists realize an opportunity to exploit.

Conclusion

Smart Grid will simultaneously expand the infrastructure for transporting electricity and present a more physically challenging infrastructure to protect. Smart Grid's use of internet technologies makes its full protection prior to deployment a matter of national security, as America's enemies work to exploit all channels of information. Unfortunately, the National Cyber Security Division of DHS has been under fire since its inception and received letter grades of "F" from congressional overseers. Smart Grid risk management involves three crucial steps: 1) assess threats 2) detect vulnerabilities and 3) gauge the risk and identify countermeasures. Locking off potential access points with two-factor authentication systems, for example, includes human factors ("something you are"), personal factors ("something you know"), and technical factors ("something you have").

The Chair of FERC, Jon Wellinghoff has called for "standards to ensure the reliability and security, both physical and cyber, of the electric system". The fact many of the aforementioned intrusions were detected

by US intelligence agencies and not by the companies in charge of the infrastructure indicates federal programs to protect computer networks must expand out to the private level. For Smart Grid to be successfully deployed, physical security and cyber security must succeed together, or both will fail.

Jude Clemente is an Energy Security Analyst with the Homeland Security Department at San Diego State University

Study Warns Of Cost Overruns At Proposed Reactors – Dow Jones – 6/19/09

By Steve Gelsi

A new academic study warns the cost of building nuclear power plants will likely come in at the high end of current industry estimates of \$5 billion to \$8 billion each. It also warned it would be cheaper for the U.S. to instead focus on energy efficiency and alternative sources such as wind and solar.

The study by the Vermont Law School's Institute for Energy and the Environment comes as the nuclear power industry moves forward with plans to build at least two dozen new reactors backed by federal loan guarantees and other subsidies, including one project officially launched on Thursday in Ohio by Duke Energy (DUK).

The projected costs for nuclear plans amounts to 12 cents to 20 cents per kilowatt hour, more expensive than the average cost of increased use of energy efficiency and renewable energies at 6 cents per kilowatt hour, according to the study.

"There are a host of alternatives that are superior to nuclear reactors," said Mark Cooper, one of the study's authors. "Building nuclear reactors would be the worst choice you could have for reducing carbon emissions."

Cooper sifted through 36 cost estimates for proposed new reactors and concluded that the projected price tags have already quadrupled since the start of the industry's so-called "nuclear renaissance" nearly a decade ago.

The costs have risen even before any approvals for new plants by the Nuclear Regulatory Commission, a process expected to take another two years or so.

In a conference call with reporters, Cooper pointed out that the last surge of plant construction in the U.S. from the early 1960s and 1970s saw a sevenfold increase in plant costs. Half of planned reactors had to be abandoned or cancelled due to massive cost overruns, he said.

A new set of loan guarantees and other subsidies will help shift the risk and potential costs of the new generation of plants onto rate payers and taxpayers, he said.

"The nuclear industry is hiding costs and risks are shifting to the taxpayer," said Peter Bradford, a former member of the U.S. Nuclear Regulatory Commission. "The subsidies don't show up in cost estimates to rate payers."

Steve Kerekes of the Nuclear Energy Institute, an industry group, argued that comparisons to nuclear power plant costs 30 years ago are moot because the underlying economic conditions have changed.

"Back then you had much higher inflation," he said. "Newer reactors have more interchangeable parts with modular designs. They've been built in less than five years in Europe already."

Kerekes also pointed out that the cost of alternative energy has risen as well, and noted that a wind farm proposed by Boone Pickens will likely cost \$10 billion to \$12 billion according to press reports.

While the wind farm could generate the equivalent power of one nuclear reactor, it's already expected to cost more than the \$5 billion to \$8 billion projected cost of a new reactors.

Meanwhile, Ohio Governor Ted Strickland, Duke Energy, Areva, USEC Inc. (USU) and UniStar Nuclear Energy formed an alliance to build a nuclear power plant at a U.S. Department of Energy site in Piketon, Ohio.

Dubbed the Southern Ohio Clean Energy Park Alliance, the partnership will evaluate the site as a potential location for a new nuclear power plant, including preparing a plant site study and licensing documents for the Nuclear Regulatory Commission.

UniStar is a joint alliance between France's EDF and Constellation Energy (CEG).

The clean energy park comes after an Energy Department effort to convert former weapons sites for energy production. Duke will manage the project, provide project oversight and serve as the applicant for any NRC licensing.

Of the 27 new reactors now proposed for the United States, the Duke-UniStar project marks the third to be proposed at a site that doesn't include an existing plant, according to Mitchell Singer of the Nuclear Energy Institute.

The other two are the Duke Energy project in Cherokee County, S.C. and a Progress Energy (PGN) plant on the books for Levy County, Fla.

BLOG/ONLINE COVERAGE

Pickens: Oil Could Go to \$300 a Barrel – *Moneynews.com* – 6/19/09

By Dan Weil

Legendary oil man T. Boone Pickens says that if the U.S. doesn't take major steps to curb its reliance on foreign oil, the consequences will be drastic.

"Let's say in 10 years, you do nothing," Pickens tells Fortune.

"You will be importing 75 percent of your oil (up from 68 percent now), and you'll be paying \$300 a barrel."

"That's \$2 trillion a year going out of this country."

The problem today is that we're importing 13 million barrels of oil a day, Pickens says.

"Over half of that comes from areas that are unstable, unfriendly in a lot of cases — Venezuela, the Middle East, Africa. ... If we can cut down on oil from those areas, it would make me feel a lot better about security for this country."

U.S. consumption is simply too high, Pickens maintains.

"There are 85 million barrels of oil produced every day in the world. We're using 21 million of the 85 million," he says.

"At some point, as prices get higher and higher ... the countries that have the oil will say ... you need to pay a higher price to kill your demand, or we need to cut you off on part of that."

Other experts agree that oil prices are headed higher.

"In my estimate, oil prices will reach \$100 a barrel next year," economist

U.S. Ramping Up Wind Power Programs Even As Concerns Surface About Possible Declines In U.S. Wind Strength – *Money Morning* – 6/19/09

By William Patalon III

Just as the United States is boosting its reliance on wind power, a new academic study set for release in August says that U.S. wind forces may be getting weaker.

Eugene S. Takle, a professor of atmospheric science at Iowa State University, and the director of the school's "climate science initiative," says the research study concluded that U.S. wind strength has potentially declined by 15% to 30% during the past 30 years - an average decline of as much as 1% a year.

While conducting the study - which will appear in the *Journal of Geophysical Research* - researchers reviewed wind data taken at airports around the United States, and then based their findings on two sets of figures: One set from 1973-2000, and the other from 1973-2005.

The study concluded that three factors could be contributing to the declines in U.S. wind strength: Land-use changes, a changing climate and changes in the kind of instruments used to measure the wind, Takle told MarketWatch.com.

"If there have been trees growing or new buildings constructed near airports, it could impact the speed of winds on airports," Takle said. However, it is also "[basic] meteorology that the wind is driven by differences in temperature between the poles and the equator, and those differences have been narrowed by climate change."

Tough Timing

The findings come at time when the United States is making a serious push to increase the amount of electricity that's generated by wind turbines grouped into so-called wind-power "farms." Attempts to harness the wind are part of a broader national - or even global - commitment to "green" energy sources as a way of reducing dependence on oil and other fossil fuels for power generation.

Other power sources include solar, geothermal, hydroelectric and nuclear for commercial electricity production, while automakers are looking at new types of batteries and such innovations as power-storing "fuel cells" as alternatives to the conventional internal combustion engines that power most of the world's cars and trucks.

The objectives are twofold. By decreasing the U.S. reliance on foreign oil, the country is hedging against the time when global supplies of the "black gold" begin to dry up, an eventuality that will propel the prices of crude and gasoline skyward. Diversifying away from oil and, perhaps, even coal is also a way of reversing - or at least slowing - environmentally ruinous (and politically controversial) global warming.

President Barack Obama is attempting to use the ongoing financial crisis to create a sense of urgency about America's energy future, a challenge that no prior administration has yet been able to meet.

About one-third of President Obama's \$800 billion-plus stimulus package will go to infrastructure, with \$30 billion allocated for U.S. roads and highways and another \$10 billion earmarked for railways and mass-transit systems.

President Obama has also proposed spending \$150 billion "over the next 10 years to catalyze private efforts to build a clean energy future." The administration also proposes to increase the amount of electricity that comes from renewable resources from 10% in 2012 to 25% by 2025, Wall Street 24/7 reported in early January.

Creating the power is only part of the problem. Delivering it will be a challenge, too, especially given the country's aging power grid. Upgrading that aging equipment is expected to cost more than \$880 billion, according to a November 2008 report from the Brattle Group.

An Energy Boon For Entrepreneur T. Boone?

In many cases, those federal outlays will serve only as seed capital. It will likely fall to innovators in the U.S. private sector to really energize the alternative-power market.

One key player is legendary oilman and venture capitalist T. Boone Pickens, who has unveiled a plan to cut U.S. dependence on foreign oil through the power of alternatives such as wind and natural gas, Money Morning reported last July.

"We're paying \$700 billion a year for foreign oil. It's breaking us as a nation," Pickens said at the time. Former U.S. President Richard M. Nixon "said in 1970 that we were importing 20% of our oil and that by 1980 it would be 0%. That didn't happen. It went to 42% in 1991 with the Gulf War. It's just under 70% now. Where do you think we're going to be in 10 years when our economy is busted and we're importing 80% of our oil?"

Pickens wants to create what he calls a "bridge to the future" that will help cut slash the U.S. reliance on imported foreign oil by focusing on two specific alternatives:

Cars that burn natural gas instead of gasoline.

And electricity generated by wind power.

There's a smooth and elegant logic to his strategy: By constructing electric-generating wind-power farms, the United States can free up natural gas supplies that currently generate 22% of the nation's electricity. That natural gas can then be used to power cleaner-burning cars and trucks, thereby reducing our dependence on imported oil while also reducing the damage to the environment. This will also buy time for the development of other, even-greener, alternative sources of energy.

Pickens' Wind Power Project

According to Pickens, wind power could eventually fulfill as much as 20% of the United States' energy needs. Calling the Great Plains region of the United States the "Saudi Arabia of wind," Pickens last summer launched plans for a \$10 billion alternative energy project in the Texas panhandle that has the potential to one day become the world's largest wind-power farm.

Pickens' Mesa Power LLP plans to purchase 667 wind turbines from U.S. industrial giant General Electric Co. (NYSE: GE). Each turbine can produce 1.5 megawatts of electricity - enough to provide the ongoing power needs of 360 to 600 U.S. homes, according to Money Morning calculations based on statistics provided by Oregon Power Solutions Inc., a Baker City, OR consulting firm.

The first phase of the Pickens project, already under construction, will produce 1,000 megawatts of electricity, enough energy to power 300,000 homes. GE will begin delivering the turbines in 2010, and current plans call for the project to start producing power in 2011.

Ultimately, Mesa Power plans to have enough turbines to produce 4,000 megawatts of energy. Overall, the "Pampa Wind Mill" project is expected to cost \$10 billion and be completed in 2014.

Pickens has launched a "Pickens Plan" Web site, which urges the country's "energy army" to lobby Congress for funding and a commitment to green-energy projects.

Other Players Showing Interest

An Irish company - its interest in the U.S. alternative energy market piqued by the green-technology money included in the Obama administration's stimulus package - on Monday acquired three Illinois wind farms located within 100 miles of Chicago, The Chicago Tribune reported.

Plans call for the Dublin-based Mainstream Renewable Power to invest \$1.69 billion over four years to develop the wind farms. The purchase price was not disclosed.

"The U.S. market is of strategic importance to Mainstream, and the scale of the opportunity is strongly reflected in President Obama's economic stimulus package, which includes \$56 billion in grants and tax breaks for U.S. clean energy projects over the next 10 years and a budget of \$15 billion a year to fund renewable energy programs," Mainstream co-founder and Chief Executive Officer Eddie O'Connor said in a statement. "The administration's goal of generating 25% of the nation's electricity from renewable energy sources by 2025 will help revitalize the U.S. economy and protect consumers."

The farms have the potential to generate 787 megawatts of electricity by 2013, The Tribune said. The most advanced is the 120-megawatt Shady Oaks project in Lee County. When finished next year, it should be able to generate enough electricity to power about 30,000 homes, Mainstream said.

The other two wind-power farms are the 467-megawatt Green River project, also in Lee County, and a 200-megawatt project set for Boone County. Construction on the Green River project will begin next year, while the Boone County project is still in its development stages.

This is Mainstream's second North American deal in three months; it earlier announced a Canadian wind farm project. It has also announced plans to build a wind farm in Chile.

Founded a year ago, Mainstream was created to build and operate wind-energy, solar-thermal and ocean-current power plants in partnerships with government agencies, electric utilities, developers and investors in North and South America, Europe, and South Africa. Barclays Capital (NYSE ADR: BCS) has a 14.6% stake in Mainstream.

Going Global

As Mainstream's proposed forays into South America, Europe and Africa demonstrate, the push to harness the wind isn't limited to the United States.

As of the end of last year, worldwide wind-powered generators were capable of generating 121.2 gigawatts (GW) of electricity. Wind power produces about 1.5% of the world's electricity and its use is surging: The amount of electricity generated by wind power doubled between 2005 and 2008 alone.

Several countries have already embraced wind power in a major way: As of last year, it accounted for 19% of electricity production in Denmark, 11% in both Spain and Portugal and an estimated 7% in both Germany and Ireland. As of this May, 80 nations around the world were using wind power on a commercial basis.

Not surprisingly, China is making a big push to commercialize wind power and by last year was already the world's sixth-largest user of wind-generated electricity. The country's largest manufacturer of wind turbines - Xinjiang Goldwind Science & Technology Co. Ltd. - went public last year, raising nearly \$250 million. It has about 33% of China's wind-power-equipment market, according to KGI Securities Co. Ltd., a Taiwan investment-banking and brokerage firm.

"As China's wind power sector takes off, we think Goldwind is well positioned to become a major beneficiary, thanks to its strong brand and first mover advantage," KGI wrote in a research report.

Not a Complete Answer

Although wind power has substantial promise, it's not an infallible energy solution, and has some serious limitations - as the U.S. wind-power study shows. For one thing, although an estimated 72 terawatts of wind power on Earth can be potentially commercially viable - an amount that's six times the estimated 15 terawatts of total power usage on earth - not all the wind energy flowing past any given point can be recovered.

According to a science axiom known as Betz's Law - named for the German physicist, Albert Betz, who discovered the rule in 1919 - no turbine can capture more than 59.3% of the potential energy in wind.

And there are other challenges, some of which are caused by the natural lay of the land in a given location. In the United States, for instance, where there are now concerns about diminishing wind strength, some coastal areas may retain wind strength because of the greater temperature differences between the land and the ocean.

Given the growing importance of wind power, more study will be required.

Concludes the study: "Given the importance of the wind-energy industry to meeting federal and state mandates for increased use of renewable energy supplies and the impact of changing wind regimes on a variety of other industries and physical processes, further research on wind climate variability and evolution is required."

V-Vehicle: An Auto Start-Up From T. Boone Pickens and Kleiner Perkins – *Fast Company Blog* – 6/19/09

By Ariel Schwartz

What do you get when you create a company backed by green venture capitalists Kleiner Perkins and former Texas oil magnate T. Boone Pickens? V-Vehicle Co., a mysterious new auto company that just emerged from stealth mode after four years in existence. Former Oracle Corp. executive Frank Varasano founded VVC and is its CEO.

The start-up plans to produce high-volume, low-cost, environmentally-sound cars, but beyond that, V-Vehicle is giving few hints as to what those cars may look like or what type of fuel they will run on. The company will say, however, that its vehicle design is being led by former Mazda designer Tom Motano, who's credited with designing the RX-7 sports car and the MX-5 Miata.

In the past, wind energy enthusiast T. Boone Pickens has pushed for natural gas-powered cars. It's a contentious idea, as natural gas isn't a renewable resource. And judging by the glut of plug-in electric vehicle (PHEV) designs coming out monthly, it isn't on the radar of most auto companies, large or small. Kleiner Perkins principals John Doerr and Ray Lane are already in the electric car business, having backed Fisker Automotive, maker of the all-electric Fisker Karma sports car. KPCB is also funding another vehicle venture, Oslo-based Think Global, the electric-car company once owned by Ford.

Regardless, backing from investment powerhouse Kleiner Perkins Caufield and Byers proves that the San Diego, California-based V-Vehicle has something up its sleeve. Funding from KP and Pickens is estimated at \$100 million, and while that's a large investment, it's still not enough to fulfill VVC's ambitions. In total, VVC is expected to have \$161 million of its own money once the project gets underway.

Overall, the company says it needs \$340 million in federal loans or other investment to begin production. Today, documents were released by the state economic development showing that VVC would get \$67 million in state funding and \$15 million from Monroe-area local governments. Those funds are contingent on timelines being met in the retooling of a former Guide headlamp factory in Monroe, Louisiana, where 1,400 workers will be employed that the state will help pay to retrain. VVC will also create 1,800 opportunities for employment outside the plant.

"The thing that excites me the most about V-Vehicle Company is that it is a holistic change," KP's Lane said. "We're thinking about, from beginning to end, how to reconstruct a car company." A privately-owned American car company making smart, fuel-efficient vehicles that consumers might actually be inclined to buy; it's a refreshing thought.

We'll find out exactly what V-Vehicle's car of the future looks like soon enough--the company plans to have full production capabilities ready by 2011.

V-Vehicle, Kleiner-Backed Efficient Car Maker, to Build Louisiana Factory – *Greentech Media* – 6/18/09

By Jeff St. John

The stealthy San Diego-based startup promises to "change the automotive business in the United States" but isn't saying much about what makes its cars so special, beyond saying they will be fuel-efficient.

V-Vehicle Co., a mysterious automaking startup being backed by venture capital powerhouse Kleiner Perkins Caufield and Byers, has unveiled its plans to build a factory in Louisiana to make what it calls a "high quality, environmentally friendly and fuel-efficient" car that it promises will take the U.S. automotive market by storm.

Just how V-Vehicle plans to do that isn't quite clear, however, given the scant details on the technology behind it. Kleiner, which revealed last month that it had invested in an unnamed carmaker, said only that it would aim at providing high-volume, low-cost vehicles (see Green Light post).

The San Diego-based startup is also getting backing from Texas oil billionaire T. Boone Pickens, who has evangelized for switching the country's vehicles to run on natural gas (see Pickens Wants Natural Gas-Fueled Big Rigs).

But V-Vehicle and its backers didn't say what fuel the new car will use in their announcement. Instead, they focused on their manufacturing plans, which will involve an investment of "at least \$248 million" to build a factory in Monroe, La. that will employ about 1,400 people when up and running.

Neither Kleiner nor Pickens revealed the amount of their investment in V-Vehicle, but a report from the News Star in Louisiana said the two have invested about \$100 million in the company.

The News Star also reported that the company is seeking to raise \$400 million to \$500 million in equity and debt financing.

The company, founded by Frank Varasano, a former Oracle Corp. executive and engineering and manufacturing practice leader at Booz Allen Hamilton, will also lean heavily on government subsidies.

It will receive about \$67 million in state incentives, and is applying for loans from the \$25 billion Advanced Technology Vehicle Manufacturing Loan Program. That's the same Department of Energy program that has seen applicants ranging from startups Tesla Motors and Bright Automotive to the now-bankrupt Chrysler and General Motors, as well as a host of battery companies seeking to supply the automotive industry (see Green Light post).

Given the comments made by Ray Lane, a Kleiner managing partner and V-Vehicle board member, it sounds like V-Vehicle's innovations may lie largely in its design and manufacturing processes.

"The thing that excites me the most about V-Vehicle Company is that it is a holistic change," Lane said in a prepared statement. "We're thinking about, from beginning to end, how to reconstruct a car company."

The company also has brought on Mazda Miata designer Tom Matano as design director.

Kleiner has previously backed luxury hybrid-electric startup Fisker Automotive and has taken a stake in Think North America, the U.S. subsidiary of Norwegian electric automaker Think established in March (see Fisker Raises \$85M).

Dash for Cash: Startup V-Vehicle Says \$500M Needed to Build Auto Plant – *Earth2Tech* – 6/18/09

By Josie Garthwaite

In some sectors, \$100 million in venture capital would be enough for a startup to make some serious progress. Twitter's funding at this point reaches only into the double-digit millions. But for V-Vehicle — a startup that just came out of stealth mode yesterday with plans to retool a factory in Louisiana to build high-efficiency, gas-powered vehicles — the \$100 million invested so far by venture capital firm Kleiner Perkins, oil magnate T. Boone Pickens and others is only the beginning.

While the state of Louisiana has already committed \$67 million for the project, as well as “work force training” worth more than \$12 million, according to Louisiana's News Star, V-Vehicle ultimately aims to raise some \$400-\$500 million through both equity and loans, including at least \$263 million in federal loans.

That won't be easy. Raising funds for manufacturing and commercialization has been a sticking point for other auto startups. The highest-profile example may be Tesla Motors. Last fall, the San Carlos, Calif.-based electric car startup planned to raise \$250 million in new financing — including private financing and a loan guarantee from the Department of Energy – to build an assembly plant for its Model S sedan in San Jose, Calif. Private financing didn't pan out, and Tesla now hopes to retool an existing facility in Southern California, relying entirely on the DOE loan program (which favors projects on brownfields) for \$250 million in financing. At this point, Tesla is still waiting to get final word from the DOE before going ahead with the Model S plans.

Outside the U.S., Norway's Think, which aims to make electric two-seater cars, has also been delayed by financing troubles at the manufacturing stage. The company got low-volume production up and running last October, but had to shut it down before the end of the year as it teetered on the brink of bankruptcy. After securing a bridge loan from investors earlier this year, it has taken until this week for Think to come close to a deal with new and existing investors, as well as the suppliers to which it's indebted, in order to resume production.

It's too early to dig into the strengths and weaknesses of V-Vehicle's technology or business model — the startup is keeping mum on those details. But it's also early to bank on funding coming through anytime soon from the DOE's long-delayed Advanced Technology Vehicles Manufacturing program, which has dozens of applicants still waiting to find out if they'll be receiving funds.

V-Vehicle, The Mysterious New Car Company – *Automotive Marketing Examiner* – 6/18/09

By Garret Ohm

Automotive blogs everywhere are abuzz discussing the arrival of a new player in the high mileage vehicle scene, V Vehicle. The company made news today by announcing that it will be creating an environmentally friendly vehicle in an idle Louisiana plant with the help of some very powerful people, including Texas oil/wind tycoon T. Boone Pickens and former Mazda design chief Tom Matano.

You can read all about the announcement [HERE](#) on the Louisiana Economic Development's website and [HERE](#) on Autoblog.

While you might think the press the company is receiving is great, I still think this is a bit of a miss for the budding company. Their objective with the recent press release was to let the world to know that they're on their way to becoming a key player in the environmentally friendly automobile industry, and they did a nice job of catching our attention. But I feel like they left the public hanging in a sense.

While they had the world's attention and folks just like me were looking for more, they missed a golden opportunity to allow us to start forming a long-lasting and positive relationship with the brand. Instead, they gave no real details, no website, and even worse, no way to sign up to be notified when there's future news or developments. I did a little digging (and guessing) and was able to find their website, which you can see below, but other than a logo and a patriotic image, there's no content there.

Think of how much more effective this press release would have been if would have touted a simple website that still left some mystery about the car, but allowed users to input their email address to be notified when more information is released. All it would have had to say was "It's coming. Sign up to receive information in the future" and maybe provide a link to the Louisiana Economic Development website.

I'll be following this, and will post more when more information is out.

T. Boone Pickens-Backed Automaker Will Use Abandoned GM Plant – *Auto Loan Daily* – 6/18/09

By Ross Edwards

Automotive startup V-Vehicles is planning to take over a closed GM plant in Louisiana and build a car that it claims will change the automotive landscape in America. V-Vehicles executives and Louisiana state officials announced the plan on Wednesday, according to CNN Money.

V-Vehicles will renovate and expand the former Guide headlamp facility in Monroe, La., which made headlights for GM vehicles. The new manufacturing plant will create 1,400 jobs, according to the Louisiana Economic Development Web Site. Production is expected to start in 2011.

T. Boone Pickens is one of the major backers of the project. Pickens is famous for his TV ads calling for a shift toward wind energy for electricity and natural gas for cars as a solution to the United States' dependency on foreign oil.

V-Vehicles has not said if it will use natural gas instead of gasoline in its future vehicles. The company has not revealed any details of its future product lineup.

Tom Motano, a former designer for Mazda, will lead the design of V-Vehicles' cars. Motano designed the gorgeous RX-7 sports car and the iconic MX-5 Miata for Mazda.

Mystery Car Could Sweep the Efficient-Vehicle Market – *Green Beat* – 6/18/09

By Camille Ricketts

If you haven't heard of the V-Vehicle Co. before, you're in good company. The stealthy new car maker just unveiled plans to produce a fuel-efficient vehicle that could change the game for greener cars — before most of them even hit the market. The company already has a factory in the works in Louisiana,

thanks to John Doerr of Kleiner Perkins Caufield & Byers (a firm known for partner Al Gore and its green leanings) and modern-day oil baron T. Boone Pickens — an odd pairing to say the least.

Not much has been revealed about what makes the V-Vehicle so special, except for maybe its price point. Most electric vehicle makers are struggling to make models affordable for middle-class consumers. And even if they succeed, they plan to produce relatively few each year. But V-Vehicle appears to be geared up for high-volume, low-cost production. In fact, when Kleiner first announced that it would be investing in an unnamed car maker, it said it would be at “the other end of the spectrum” from high-end competitors like Fisker Automotive’s \$87,000 Karma and Tesla Motors’ \$109,000 roadster. So far, affordability has been the missing link in the burgeoning green car business. So if V-Vehicle can pull it off — on the 18-month timetable it’s suggested — it could feasibly motor by its hyped rivals slated to launch around the same time.

That said, it doesn’t sound like the V-Vehicle will necessarily be an electric or hybrid car. It could easily be a car with a highly-efficient combustion engine. In a promotional spot featuring founder and chief executive Frank Varasano (who made his name at Oracle), V-Vehicle calls itself “a new American car company” that will represent “a holistic change” from the rest of the country’s automotive industry. This is perhaps the perfect message for a generation of consumers souring on aging, ailing car makers like GM and Chrysler, yet still eager to see the industry revamped (the company’s factory is predicted to create 1,400 new jobs and infuse Louisiana with \$248 million). As Earth2Tech suggests, the company could probably run on brilliant marketing alone, even if it’s just producing a regular car.

But the involvement of Pickens is suspicious. An oilman by trade, he has recently and quite successfully rebranded himself as a proponent of renewable energy sources and natural gas-powered vehicles. He’s been very vocal about swapping out his company’s big rigs for this alternative, for instance. So the V-Vehicle could run on natural gas — that would, in fact, be different from what the vast majority of companies are doing. At the same time, natural gas cars have failed to capture the imagination of the public and investors, finding it difficult to attract enough dollars to compete. It seems unlikely that Kleiner would get involved if this were the big secret. It’s already knee deep in greener companies like Fisker and Think North America, the U.S. subsidiary of Norwegian EV maker Think Global.

On top of contributions from Pickens and the Kleiner contingent (which includes former Oracle president and COO Ray Lane), V-Vehicle says it will receive \$67 million in state incentives and has applied for additional financing from the Department of Energy’s \$25 billion Advanced Technology Vehicle Manufacturing Loan Program. Yet it seems to have enough money already to enlist some impressive talent: it’s brought Mazda Miata designer Tom Matano on board as chief designer.

Industry News: V-Vehicle Company to Build New Cars in Louisiana – *Chicago Autos Examiner* – 6/18/09

By Tim Healey

One interesting aspect of the crumbling automotive market is that there is unprecedented opportunity for new companies to enter the market.

One of these companies, San Diego-based V-Vehicle Company, is financially backed by billionaire T. Boone Pickens, and it has plans to take over a former General Motors plant in Louisiana.

According to Automotive News, V-Vehicle, which is employing Tom Matano, the former head of design at Mazda, plans to employ 1,400 workers at the plant in Monroe. CEO and founder Frank Varasano said production at the plant could start in about 15 months. The company plans to build fuel-efficient vehicles at the plant.

The Examiner's Take

The state of the auto industry has provided unprecedented opportunity for smaller players to enter to new-car market. Whether any of these companies will stick around for the long haul is anybody's guess, but V-Vehicle will have a good head start thanks to Pickens's financial backing, Matano's industry experience, and the presence of the pre-existing plant.

V-Vehicle To Set Up Shop In Louisiana – *Clean Tech* – 6/19/09

San Diego-based V-Vehicle Company announced this week that it would begin assembling “high quality, environmentally friendly and fuel-efficient” cars in Monroe, Louisiana.

The project will create over 1,400 direct jobs as well as a capital investment of at least \$248 million.

VVC's investors include the Silicon Valley venture capital firm Kleiner Perkins Caufield & Byers (KPCB), T. Boone Pickens and James Davison, among others.

VVC founder and CEO Frank Varasano promises a “new American car company,” but the until-recently stealth company has released few details about the actual vehicle. Speculation is rife as to whether VVC will produce an electric, a hybrid or a highly efficient combustion-engine powered vehicle. Investor T. Boone Picken's support of natural gas vehicles has led some to suggest the new VVC car will be powered by natural gas.

The car is expected to be more affordable than higher-profile electric vehicles like Fisker Auto's \$87,000 Karma and Tesla Motors' \$109,000 roadster. Announcing its initial investment in VVC, KPCB said the car would be “at the other end of the spectrum” from these vehicles.

KPCB managing partner and VVC board member John Doerr, comparing VVC to other companies in which KPCB has invested, said in a statement, “These companies that we've been privileged to work with and to help grow – the Genentechs, the Compaqs, the Sun Microsystems, the Amazons, the Googles, the Intuits with Quicken – they've all created tens of thousands, and in some cases hundreds of thousands, of jobs. I think that V-Vehicle Company has all the potential that any of those companies have.”

The vehicle design team is led by Tom Matano, designer of the iconic Mazda Miata.

VVC will assemble the cars at the former Guide Corp. plant, owned by investor Davison. The 425,000-square-foot plant currently occupies 189 acres of land; this project will increase the size of the facility to approximately 750,000 square feet.

V-Vehicle Company Aims for 2010 Launch for Mystery Green Car – *Business Green* – 6/19/09

By James Murray

San Diego-based V-Vehicle Company has become the latest company to join the race to develop an affordable green car for the US market, emerging from stealth mode this week with the announcement it is to open a new \$248m (£151m) manufacturing plant in Louisiana.

The company said the new plant, which will be built on the site of an old GM facility, would employ about 1,400 people when production begins in about 18 months.

The firm has released few details about the new car, besides the fact that it will be designed by Tom Matano, the designer of the Mazda Miata, and will represent a “holistic change” in the US auto industry.

However, previous comments from one of the company's backers, venture capital firm Kleiner, Perkins Caufield & Byers, suggests that the aim is to develop a low-carbon vehicle aimed at a significantly lower price point than high-profile electric cars, such as Tesla Motor's \$109,000 sports car.

The precise technology has not been revealed, although there is some speculation that with energy investor T Boone Pickens having also provided funding for the company, it could be used to deliver his vision for cars powered by natural gas.

The company, which was founded by ex-Oracle executive Frank Varasano, said that in addition to backing from Kleiner and Pickens the company will receive \$67m in incentives from the Louisiana government and is also seeking an injection from the Federal Government as part of its loan scheme for the auto industry.

In related news, electric car firm Coda Automotive is reportedly poised to launch a third funding round as it seeks to beat arch rival Tesla in the race to develop an all-electric sedan. Tesla is aiming to launch its Model S in early 2011, while Coda has slated an autumn 2010 launch for its sedan.

According to reports on the VentureBeat blog, the company will formally open its third funding round next month, although a target amount is yet to be revealed. The company only emerged from stealth mode earlier this month, after raising \$35m and spinning out of engineering firm Miles Electric Vehicles.

BROADCAST COVERAGE

1. Closing Bell

CNBC (---) National

06/18/2009 03:00 PM - 04:00 PM

DMA: N/A

Spot Cost: \$2,985

Est. Audience: 333,873

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

00:06:36 NYMEX: R; The action on the NYMEX today is reported. White House press secretary said today that the Obama administration is interested in possibly regulating the **oil** market. GR; **Natural gas** chart. **Boone Pickens** is saying the country's **natural** resource of **natural gas** is why he created the **Pickens Plan**. GR; **Natural gas** curve. Sharon Epperson reporting. 00:08:01

2. Morning Express

CNN Headline News (---) National

06/18/2009 10:00 AM - 10:30 AM

DMA: N/A

Spot Cost: \$1,478

Est. Audience: 175,619

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

[CC] 00:14:27 ... By the way, we don't have to tell you, at least the folks that are watching this, that the auto industry is really struggling. GM and Chrysler have filed for bankruptcy, but there's some good news in a bad economy. Of course, it means that Jen Westhoven is here to tell us about that. What's going on? Richard, you would think all the bad news that's going on out there about the auto industry, have been Toyota is having a hard time selling cars. The entire industry is shrinking a bit. We're still hearing about a tiny start-up in Louisiana. This is a heck of a time to be wading in. And there's a little bit of a mystery about it too. At this point, we really don't even know what kind of cars this plant will create, but state officials are confident enough they say they think it's going to create thousands of new jobs. That would definitely be some good news in a bad economy. The company's called V Vehicles. They know it's got a plant. We know the plant formerly made headlights for cars. But the investors are keeping mum, and the investors include **T. Boone Pickens**. ... 00:17:27

[CC] 00:16:08 Gas prices up again, up another half penny overnight. AAA says the national average is \$2.69 a gallon. Some of you are telling us what you're paying. Tell what you're paying. **T. Boone** like Warren Buffett, when he speaks about **energy**, they listen to **T. Boone**. 00:19:08

3. Morning Express With Robin Meade

CNN Headline News (---) National

06/18/2009 09:00 AM - 09:30 AM

DMA: N/A

Spot Cost: \$2,025

Est. Audience: 251,249

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

[CC] 00:15:41 There is some good news in a bad economy. A new auto start-up company is opening in a small Louisiana town. Ms. Jennifer westhoven has that. There's mystery surrounding that, huh? Mystery, and there is so much bad news surrounding automakers. What company is going to start up making cars? That's the secret. We don't know. State officials are saying this is going to create thousands of new jobs. That would definitely be good news in a bad economy. These vehicles, we know they'll be working out of a plant that form he will made headlights, but the investors are not saying what kind of cars they're going to be making. The investors include **T. Boone Pickens**. 00:18:41

4. Morning Express With Robin Meade

CNN Headline News (---) National

06/18/2009 08:00 AM - 08:30 AM

DMA: N/A

Spot Cost: \$2,269

Est. Audience: 288,952

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

[CC] 00:16:09 I mean, I don't have to tell you that the auto industry is in shambles right now in the United States. There is some good news, though, in a bad economy. A new auto start-up company is opening in a Louisiana town. Jennifer is here. But there is mystery about this. Yeah. You know, they're promising thousands of jobs, but they're not saying what kind of cars they're going to be making. State officials, though, they seem confident, they're talking about the thousands of jobs. That would definitely be some

good news in a bad economy. V Vehicle is the name of the company. We know they're planning to work out of this plant. It formerly built headlights for cars, but the investors, including **T. Boone Pickens**, they are being very secretive, not saying if the cars are running on rular **gas, natural gas**. There is a lot of speculation about that. So we will be watching. Strange time, though, for a start-up to be saying, we think we can be doing something better when it comes to the car industry. 00:19:09

5. Fox Business Happy Hour

DMA: N/A

Fox Business Network (---) National

06/18/2009 05:00 PM - 06:00 PM

[CC] 00:07:31 GM and Chrysler are bankrupt. Auto sales down but that is not stopping a group powerful politicians and investors. We're talking about it. **Boone Pickens**, Louisiana mogul James Davidson, former vice president Al Gore, Louisiana Republican Bobby Jindal and others from announcing plans to start a brand new American car company, right here in this country. This is huge... to produce environmentally friendly, high-quality car that will be a competitive model in today's automotive industry. Let me tell you something, concept is amazing. Joining us is Rodney Alexander..... **T. Boone Pickens**. Al Gore is conservative, **T. Boone Pickens** in **wind** power. How does this group been in the works? We've known none about it since the first of the year. We've been engaged with the corps of engineers expansion of project. Takes corps of engineers approval. And been talking about what we can do at the congressional level to aid them in the future. Most. Thanks to James Davidson, the Louisiana businessman, that is giving a lot back to the community. For that we want to say thank you... 00:14:16

6. Fox Business

DMA: N/A

Fox Business Network (---) National

06/18/2009 03:00 PM - 04:00 PM

[CC] 00:22:51 More than 100%. Up 100% from the 2009 closing low. So will the trend continue as we head to summer months? It looks like it. Joining us from the Imex, Pete Donovan, vice president Advantage Trading. Hi, Pete. How are you? Good. How are you? Liz: very well. Thank you. It almost didn't sneak up on us but we talked to **Boone Pickens**, but you as the trader on the floor what jumps out about the move to the up side in the past several months? I say the move to the up side defied the front end fundamentals. We watched inventory above where we were last year and price is going up. It's confoded logic. The market is concerned with the issues that the stock market is concerned with as well. Potential, you know, recovery. In the overall economy and fes of inflation long-term a big impacting component.... 00:24:11

7. Fox Business

DMA: N/A

Fox Business Network (---) National

06/18/2009 02:00 PM - 03:00 PM

[CC] 00:04:12 **Natural gas** has the edge because crude is up. We talk about the peak **natural gas** production. A lot of concern the way we increase demand. Use more and more every year. We want to be able to produce enough to meet our demand needs. Well, that was old news. Because of rising technology and they've increased the **natural** reserve in this country from 2006 by over 33%. High prices and ingenuity the best way to meet **energy** demand. David: it's a mistake to bet on diminishing reserve of **natural** reserve as we begin to find new ways of inventing. The "wall street journal" had a piece saying we have 100 years worth of supply for **natural gas**. Who knows if in five years it might increase. You can't under estimate. People get angry about the prices going up. That's how we fix the problems and how we're inspired to look for technology, to reinvent. Go back and look at old wells we thought were depleted. Think of new ways. It never happens unless you let the market work, get prices high enough to make sense and it solves problems. **Boone Pickens** is driving a **natural gas** powered Honda, I believe. We need to get a ride in that. C'mon! Good to see you. 00:05:45

8. Marketplace Morning Report

DMA: N/A

NPR (---) National

06/18/2009 07:50 AM - 08:00 AM

00:03:28 V Vehicle Company: The V Vehicle Company is opening a plant in Monroe LA. The plant will make **fuel** efficient cars. The founder of the start up is former Oracle executive Frank Farazano. **Oil** turned **wind energy** businessman **T. Boone Pickens** is an investor. 00:04:02

9. Morning Edition

DMA: N/A

NPR (---) National

06/18/2009 05:00 AM - 06:00 AM

00:54:27 Auto: V-Vehicles will build a plant in Monroe LA. The founder of V-Vehicles is a former Oracle Executive Frank Verizano and **T Boone Pickens** is an investor. 00:55:06

10. Land Line Now

DMA: N/A

Road Dog Trucking (Sirius XM) National

06/18/2009 07:00 PM - 08:00 PM

00:08:00 At a time when almost all of the news from the American auto industry is bad, here's some surprisingly good news. A San Diego based company called V Vehicle says it will open a two hundred and forty eight million dollar plant in Monroe to Louisiana to build a new as yet unnamed high mileage car. Texas billionaire **T Boone Pickens** is one of the big investors 00:09:59

11. Big O And Dukes

DMA: 9

WJFK-FM 106.7 (IND) Washington, DC

Spot Cost: \$118

06/18/2009 01:00 PM - 02:00 PM

Est. Audience: 11,300

00:34:00 .. this was good news I thought Louisiana Governor Bobby Jindal has announced that San Diego based V Vehicle will create fourteen hundred new jobs and assemble an all new vehicle in the state. What they're going to do -it is going to be a new type of car ... vehicle that is completely and totally American --American parts, American service ,assembly, the plant is going to be in Louisiana ...I think your boy **T Boone Pickens** is involved....you love **T.Boone Pickens**.....I do not know all the details...they want it to be completely American... 00:35:59

12. News 9 At 10 PM

DMA: 45

KWTV-TV CH 9 (CBS) Oklahoma City

Spot Cost: \$617

06/18/2009 10:00 PM - 10:35 PM

Est. Audience: 87,318

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

[CC] 00:13:34 ...is right under our feet. Experts estimate that US **Natural gas** reserves, are bigger than ever imagined. Reserves surged 35 percent, thanks to new technology that allows drilling local experts say the size is in shale rock. Sometimes hard to quantify. This is a huge amount, in other words there thinking now that what we've developed we may have at least 100 years supply of **natural gas** in the United States. A new supply of **natural gas** on the market could reduce our **energy** bills. **Boone Pickens** is also pushing **natural gas** vehicles as a way to reduce our dependence on foreign **oil**. Congress wants to give us cash for clunkers. Lawmakers sent a measure to the president that gives incentives to people who trade in **gas** guzzlers for more **fuel** efficient cars. The incentives differ for cars and trucks, but trading up for better **gas** mileage could earn you up to 45-Hundred dollars. Trade-ins can't be more than 25 years old, they have to be drivable and insured to the same owner for at least a year... 00:14:49

13. News 9 At 6:00 PM

DMA: 45

KWTV-TV CH 9 (CBS) Oklahoma City

Spot Cost: \$525

06/18/2009 06:00 PM - 06:30 PM

Est. Audience: 70,654

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

[CC] 00:24:48 Hi, everybody, the media getting its first look this month at the new west endzone facilities at O.S.U. 'S **Boone Pickens** Stadium. Tonight at 10:00 chad mckee will take you on awe tour of the

mind-boggling improvements, the field level alone comprises more than 146,000 square feet with some of the areas including a new stall for Bullet the horse, offensive and defensive meeting rooms, theater room, coaches locker rooms and the team's locker room. The facility finished thanks to a \$63 million additional gift from **Boone Pickens** last year, count the Cowboy football team among the many that are very impressed.... 00:26:14

14. The News On 6 Morning Update

KOTV-TV CH 6 (CBS) Tulsa

06/19/2009 05:00 AM - 06:00 AM

DMA: 61

Spot Cost: \$44

Est. Audience: 18,129

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

[CC] 00:51:56 Independent Petroleum Association: "this is a huge amount, in other words there thinking now that what we've developed we may have at least 100 years supply of **natural gas** in the United States. A new supply of **natural gas** on the market could reduce our **energy** bills. **T.Boone Pickens** is also pushing **natural gas** vehicles as a way to reduce our dependence on foreign **oil** 00:53:02

15. The Street

Business News Network (---) National Canada

06/18/2009 08:00 AM - 09:00 AM

[CC] 00:23:39 Coming up it was a bit of a welcome home party for **oil** investor **T. Boone Pickens returns to** Calgary. A lot of people may in the know he lived in Calgary in the 60s. BNN western bureau chief Brett Harris caught up with Mr. **Pickens** when he was in town. We'll tel you all out that at "the street" continues on BNN. 00:24:03

[CC] 00:25:44 One of America's wealthiest and most respected financiers was in Calgary on Wednesday, pitching his plan to secure America's **energy** supplies, and that plan includes a big role for Canada. BNN's western bureau chief Brett Harris with that story. He's a friend of Canada and knows the important role Canada plays in North American **energy**. Brett: a soldout crowd of nearly 80 business people came to hear billionaire investor **T. Boone Pickens** talk about weaning America off foreign **oil**. We're now up to 68% imports. Over half of that comes from people that really hate us. Brett: the Texas **oil** tycoon recently began investing in renewable **energy** sources like **wind** power. In fact, he said he's considering investing in Alberta's **wind** sector. But when consulted by Barack Obama recently **Pickens** said he told the president putting money into renewables is only the start. Then I said then we have to get on the only **fuel** that reduces foreign **oil** ... which is **natural gas**. Brett: the eney security plans **pick** sens pitching to U.S. lawmakers focuses largely on **natural gas**. He wants the U.S. to cut its **oil** consumption by 40 replacing that largely with vast new sources of unconventional shale **gas** being discovered in places like B.C. 's Horn River Basin. And he wants to phase out imports from unreliable suppliers like Venezuela and Saudi Arabia, something he says will be good both for America and for Canada. ... 00:27:25

16. CBC News: Today

CBC (---) National Canada

06/18/2009 12:00 PM - 01:00 PM

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

[CC] 00:23:23 **Natural gas** prices have dropped some 70% in the last year as **the global** recession cut demand, and Alberta depends heavily on **natural gas** exports, especially to the U.S. But American **energy** tycoon **T. Boone Pickens** had this message for a sold-out luncheon in Calgary, the future is in **natural gas**, and his new pet cause, **wind energy**. Question: why would you invest in **wind energy** in Alberta? To make money. **Pickens** is looking at investing in a **wind** farm in Alberta. He's already planning the world's biggest **wind** farm in Texas and aggressively calling for the U.S. to cut down its use of foreign **oil** by 30% by using more **natural gas** and **wind**, and he added that he doesn't consider Canada to be foreign. So **gas** and **wind** from Canada would be just fine, Dianne. He always grabs attention for, of course, making billions of dollars in **oil** and then stunning people by turning completely the other way around in to being an advocate for alternative **energy** and, of course, for the name **T. Boone Pickens**. Dianne: what a name. All right. Thank you very much. 00:24:52

17. CBC News Today
CBOT-TV CH 4 (CBC) Ottawa
06/18/2009 12:00 PM - 01:00 PM

[CC] 00:23:19 **Natural gas** prices have dropped some 70% in the last year as the global recession cut demand, and Alberta depends heavily on **natural gas** exports, especially to the U.S. But American **energy** tycoon **T Boone Pickens** had this message for a sold-out luncheon in Calgary, the future is in **natural gas**, and his new pet cause, **wind energy**. Question: why would you invest in **wind energy** in Alberta? To make money. : **Pickens** is looking at investing in a **wind** farm in Alberta. He's already planning the world's biggest **wind** farm in Texas and aggressively calling for the U.S. To cut down its use of foreign **oil** by 30% by using more **natural gas** and **wind**, and he added that he doesn't consider Canada to be foreign. So **gas** and wind from Canada would be just fine, Dianne. He always grabs attention for, of course, making billions of dollars in **oil** and then stunning people by turning completely the other way around in to being an advocate for alternative **energy** and, of course, for the name **T. Boone Pickens**. Dianne: what a name. All right. Thank you very much, Jeannie. 00:24:50

18. CTV News
CFCN-TV CH 4 (CTV) Calgary
06/18/2009 12:00 PM - 01:00 PM

[CC] 00:27:48 What's not depressing is this, one of the America's most wealthiest and most respected financiers says that Calgary looks right. He pitched his plan to secure America's **energy** supplies. And it includes a big role for Canada. BNN's Brett Harris reports. **Boone** is a friend of Canada. And he knows the important role that Canada plays in North America and **energy**. A sold-out crowd of nearly 800 business people came to hear billionaire investor **T Boone Pickens** talking about his latest mission. Weaning America off of foreign **oil**. We're now up to 68% exports. And half of that comes from people that really hate us. The Texas tycoon began investing in renewable **energy** resource like wind power and is considering investing in Alberta's wind sector but when consulted by Obama recently, he said he told the president that putting money into renewables is only a start. Then I said, then we have to get on the only **fuel** that reduce foreign **oil**. Which is **natural gas**. The **energy** security plan **Pickens** is pitching to U.S. lawmakers focuses largely on **natural gas**. He wants the U.S. To cut its **oil** consumption by 40%. Replacing that largely with vast new sources of unconventional shale **gas**, being discovered in places like B.C. 's foreign river basin. And he wants to pay out imports from unreliable suppliers like Venezuela and Saudi Arabia. something he says will be good for both America and Canada. I see that --That as we start to cut into those imports, that Canada gets all that that they want. And we're going to cut it into with **natural gas**. But we're not going to wipe it out with **natural gas**. But Canada has a lot of **natural gas**, too. And **Pickens** sees better times ahead for the **energy** sector. He sees **natural gas** prices jumping from the current \$4 per cubic foot to average \$7. And he sees crude **oil** jumping to around \$80 to \$85 U.S. A barrel. Brent Harris, Business News Network, Calgary. **Pickens** says with all the new **natural gas** being discovered in the lower 48 states right now, he doesn't see the need for... 00:30:23

19. Noon News Hour
CICT-TV CH 2 (Global) Calgary
06/18/2009 12:00 PM - 01:00 PM
Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:19:45 A tycoon is planning to build the world's largest **wind** farm in Texas, and is now considering a **wind energy** bill here. **Pickens** will speak at the Chamber of Commerce. He says **natural gas** is the best way for the U.S. to wean its dependency on **oil sands**. > There are so many people that comment about **energy**, and a great number of them don't know a damn thing about what they are talking about. That's good, you can write that I said that. But they don't. > Cara: well, **Pickens** believes **natural gas** will average \$7 next year, and **oil** will hit at least \$75 a barrel. 00:22:09

20. Morning News
CICT-TV CH 2 (Global) Calgary

06/18/2009 06:00 AM - 07:00 AM

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

[CC] 00:39:31 ... The **Windsor** and Brampton assembly facilities will be open as well on June 29. Real positive news as you say. Seven plants starting up in North America. Always good it hear some people going back it work. And I like what **T. Boone Pickens** is saying about Alberta's **wind**. Well, there's no question that, you know, we've got no shortage of that. But, the tough thing has been getting people to invest in **wind** power in Alberta, although if you go down to the pincher creek area, would you say oh, gee there's lots of **wind** mills down this way but it has been somewhat limited and a lot of that has to do with the Alberta **energy** companies, the providers are really not going into the long-term contracts that you might see in ontario. So that's limited some instment but certainly with a fellow like **T. Boone Pickens** saying that he sees opportunity here, that may bring other people into the financing side of things.
00:42:19

21. CityNews At Noon

CKAL-TV CH 5 (CITY) Calgary

06/18/2009 12:00 PM - 12:30 PM

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

[CC] 00:09:02 ... Statistics Canada says lower **energy** prices help to push the rate to virtually zero. Here in Alberta the rate remained unchanged at .4%. So when a man who has made billions in the **oil** and **gas** says the United States has to get rid of their depend ens ens **oil** and **gas**, Albertans pay attention. Reporter: The Chamber of Commerce was sold out. Had been for weeks as local **energy** heavy weights settled in to hear the word from **T Boone Pickens**. That word is he has the ear of president barack Obama about cutting down on foreign **oil** imortsz. I have Obama saying when he received a nomination. He said it four times, we have him on it, that in ten years we will not be importing any **oil** from the middle east. Reporter: the middle east pointedly **Pickens** does not include the Alberta **oilsands** in his definition of foreign supply but he is pushing what's called the **Pickens** Plan for **energy** self-sufficiency in the United States. It would encompass a corridor of **wind** farms from Texas to the canadian border and a greater reliance on American **natural gas** for industrial and transportation **energy**. **Oil** players and politicians here are uneasy at the thought the **Pickens**' Plan might take hold, so the obvious question was put by frank mckenna, the former ambassador. It doesn't make sense to have an alternative market for pricing and security of Canadians. No. Okay. Reporter: no, because more than enough demand for **oil** in the U.S. with the **Pickens** Plan in place. By the way, he says it will be soon and Canada can jump into the supply gap when foreign **oil** imports are reduced. I see as we start to cut into those imports, that Canada gets all that that they want. And we're going to cut into it with **natural gas**, but we're not going to wipe it out with **natural gas**. Reporter: **Pickens** says he has enough confidence in the Alberta economy to invest in a **wind** farm which could add to his net worth of \$3 billion. 00:12:27

22. Breakfast Television

CKAL-TV CH 5 (CITY) Calgary

06/18/2009 07:00 AM - 08:00 AM

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

[CC] 00:37:53 **T. Boone Pickens** was in town yesterday, the Texas billionaire at the Chamber of Commerce, and Frank Mckenna, the former premier of British Columbia as you know and the former Canadian ambassador to the United States of Washington and is now the deputy chair ... ort of an interlocutory doing a q a with him after **Boone**'s speech you would think mckenna who has media experience would know about microphones. In this case he didn't, **Boone**, 81 years old and sharp as the old proverbial tack stepped into the breach as follows. You want me to mike you up. Okay, yeah, I know a lot about this stuff. [Laughter] you put that in your back pocket. Be sure to leave it when you leave here. ...
00:39:59

[CC] 00:48:53 When a man who has made billions in the **oil** and **gas** business says the United States has got to get rid of its dependence on foreign **oil**, folks in Alberta tend to pay attention. Your City's Mike Mccourt tells us how **T. Boone Pickens** figures reducing U.S. imports to the U.S. Will not hurt Calgary.

Reporter: the Chamber of Commerce was sold out. Had been for weeks as local **energy** heavy weights settled in to hear the word from **T. Boone Pickens**. That word is he's got the ear of president Obama about cutting down on foreign **oil** imports. I have Obama saying when he received a nomination and he said it four times we have got him on it in 10 years we will not be importing any **oil** from the middle east. Reporter: the Mideast pointedly **Pickens** does not include the Alberta **oil** sands in his definition of foreign supply. He's pushing what is called the **Pickens** Plan for **energy** self-sufficiency in the United States. It would encompass **wind** farms from Texas to the Canadian border and a reliance on American **natural gas** for industrial and transportation **energy**. **Oil** players and politicians here are uneasy at the thought the **Pickens** Plan might take hold and so the obvious question was put by Frank McKenna, the former Canadian ambassador to Washington. Doesn't it make sense for us to have an alternative market, both for pricing and just for the security of Canadians? No. Okay. Reporter: no, because there will be more than enough demand for **oil** in the U.S. with the **Pickens** Plan in place, he says by the way it will be soon, and Canada can jump into the supply gap when foreign **oil** imports are reduced.... 00:51:18

23. CBC News Today
CBET-TV CH 9 (CBC) Windsor
06/18/2009 12:00 PM - 01:00 PM

[CC] 00:23:23 **Natural gas** prices have dropped some 70% in the last year as the global recession cut demand, and Alberta depends heavily on **natural gas** exports, especially to the U.S. But American **energy** tycoon **T. Boone Pickens** had this message for a sold-out luncheon in Calgary, the future is in **natural gas**, and his new pet cause, **wind energy**. Question: why would you invest in **wind energy** in Alberta? To make money. (Laughter Jeannie: **Pickens** is looking at investing in a **wind** farm in Alberta. He's already planning the world's biggest **wind** farm in Texas and aggressively calling for the U.S. to cut down its use of foreign **oil** by 30% by using more **natural gas** and **wind**, and he added that he doesn't consider Canada to be foreign. So **gas** and **wind** from Canada would be just fine, Dianne. He always grabs attention for, of course, making billions of dollars in **oil** and then stunning people by turning completely the other way around in to being an advocate for alternative **energy** and, of course, for the name **T. Boone Pickens**. Dianne: what a name. All right. Thank you very much, Jeannie. 00:24:43