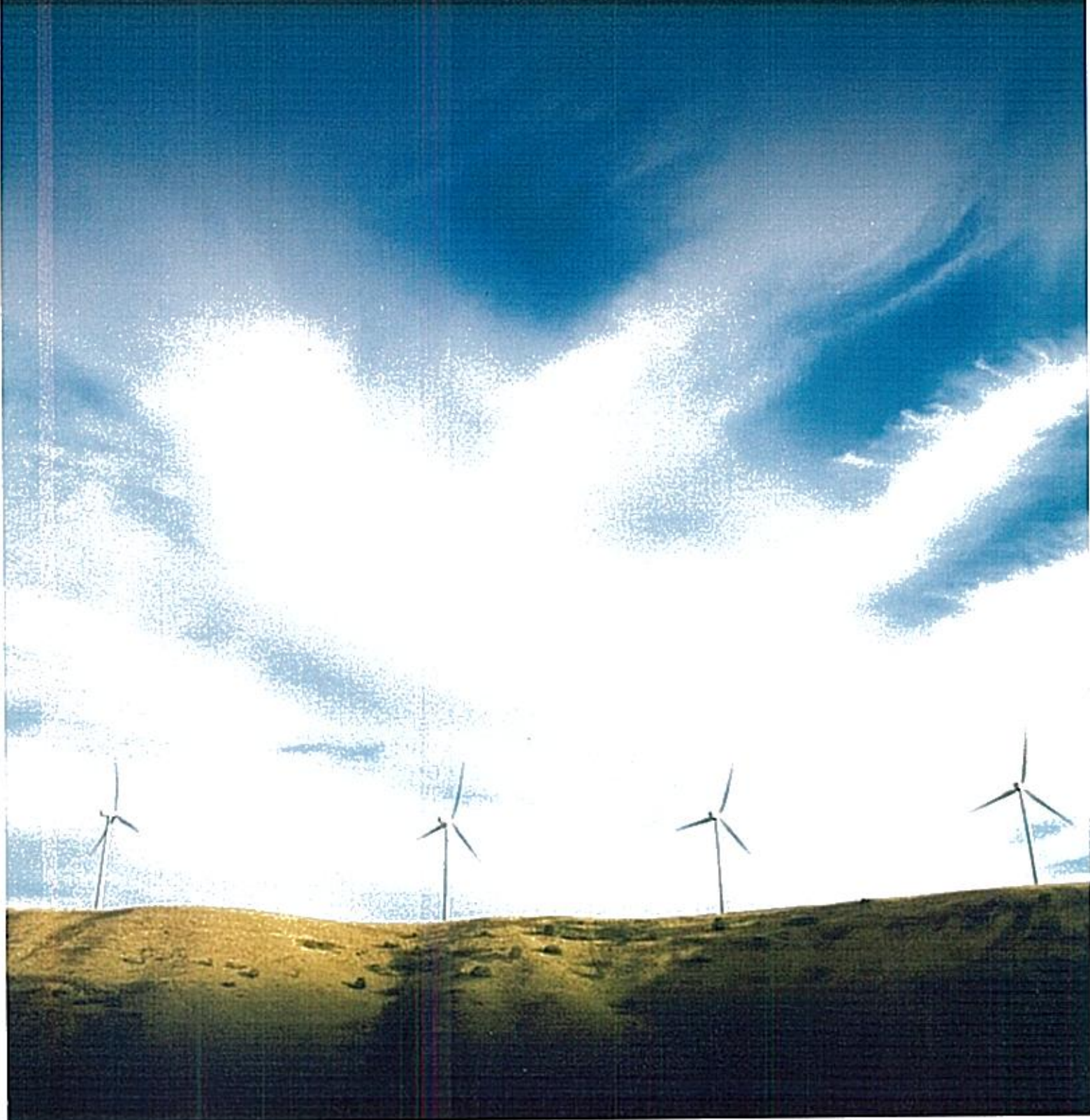


THE PICKENS PLAN: Executive Summary Packet



The Plan

America is addicted to foreign oil.

It's an addiction that threatens our economy, our environment and our national security. It touches every part of our daily lives and ties our hands as a nation and a people.

The addiction has worsened for decades and now it's reached a point of crisis.

In 1970, we imported 24% of our oil.

Today it's nearly 70% and growing.

As imports grow and world prices rise, the amount of money we send to foreign nations every year is soaring. At current oil prices, we will send \$700 billion dollars out of the country this year alone — that's four times the annual cost of the Iraq war.

Projected over the next 10 years the cost will be \$10 trillion — it will be the greatest transfer of wealth in the history of mankind.

America uses a lot of oil. Every day 85 million barrels of oil are produced around the world. And 21 million of those are used here in the United States.

That's 25% of the world's oil demand. Used by just 4% of the world's population.

Can't we just produce more oil?

World oil production peaked in 2005. Despite growing demand and an unprecedented increase in prices, oil production has fallen over the last three years. Oil is getting more expensive to produce, harder to find and there just isn't enough of it to keep up with demand.

The simple truth is that cheap and easy oil is gone.

What's the good news?

The United States is the Saudi Arabia of wind power.

Studies from around the world show that the Great Plains states are home to the greatest wind energy potential in the world — by far.

The Department of Energy reports that 20% of America's electricity can come from wind. North Dakota alone has the potential to provide power for more than a quarter of the country.

Today's wind turbines stand up to 410 feet tall, with blades that stretch 148 feet in length. The blades collect the wind's kinetic energy. In one year, a 3-megawatt wind turbine produces as much energy as 12,000 barrels of imported oil.

Wind power currently accounts for 48 billion kWh of electricity a year in the United States — enough to serve more than 4.5 million households. That is still only about 1% of current demand, but the potential of wind is much greater.

A 2005 Stanford University study found that there is enough wind power worldwide to satisfy global demand 7 times over — even if only 20% of wind power could be captured.



Building wind facilities in the corridor that stretches from the Texas panhandle to North Dakota could produce 20% of the electricity for the United States at a cost of \$1 trillion. It would take another \$200 billion to build the capacity to transmit that energy to cities and towns.

That's a lot of money, but it's a one-time cost. And compared to the \$700 billion we spend on foreign oil every year, it's a bargain.

An economic revival for rural America.

Developing wind power is an investment in rural America.

To witness the economic promise of wind energy, look no further than Sweetwater, Texas.

Sweetwater was typical of many small towns in middle-America. With a shortage of good jobs, the youth of Sweetwater were leaving in search of greater opportunities. And the town's population dropped from 12,000 to under 10,000.

When a large wind power facility was built outside of town, Sweetwater experienced a revival. New economic opportunity brought the town back to life and the population has grown back up to 12,000.

In the Texas panhandle, just north of Sweetwater, is the town of Pampa, where T. Boone Pickens' Mesa Power is currently building the largest wind farm in the world.

At 4,000 megawatts — the equivalent combined output of four large coal-fire plants — the production of the completed Pampa facility will double the wind energy output of the United States.

In addition to creating new construction and maintenance jobs, thousands of Americans will be employed to manufacture the turbines and blades. These are high skill jobs that pay on a scale comparable to aerospace jobs.

Plus, wind turbines don't interfere with farming and grazing, so they don't threaten food production or existing local economies.

A cheap new replacement for foreign oil.

The Honda Civic GX Natural Gas Vehicle is the cleanest internal-combustion vehicle in the world according to the EPA.

Natural gas and bio-fuels are the only domestic energy sources used for transportation.

Cleaner

Natural gas is the cleanest transportation fuel available today.

According to the California Energy Commission, critical greenhouse gas emissions from natural gas are 23% lower than diesel and 30% lower than gasoline.

Natural gas vehicles (NGV) are already available and combine top performance with low emissions. The natural gas Honda Civic GX is rated as the cleanest production vehicle in the world.

According to NGV America, there are more than 7 million NGVs in use worldwide, but only 150,000 of those are in the United States.

The EPA estimates that vehicles on the road account for 60% of carbon monoxide pollution and around one-third of hydrocarbon and nitrogen oxide emissions in the United States. As federal and state emissions laws become more stringent, many requirements will be unattainable with conventionally fueled vehicles.

Since natural gas is significantly cleaner than petroleum, NGVs are increasing in popularity. The Ports of Los Angeles and Long Beach recently announced that 16,800 old diesel trucks will be replaced, and half of the new vehicles will run on alternatives such as natural gas.

Cheaper

Natural gas is significantly less expensive than gasoline or diesel. In places like Utah and Oklahoma, prices are less than \$1 a gallon. To see fueling stations and costs in your area, check out cngprices.com.

Domestic

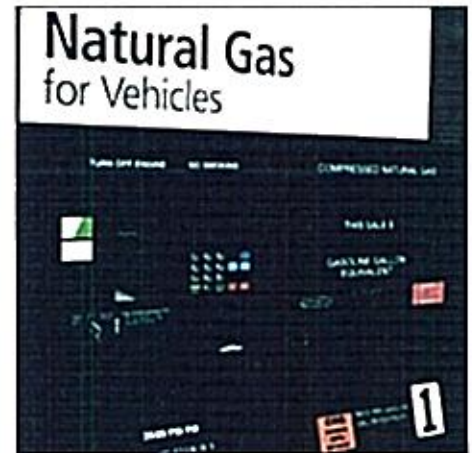
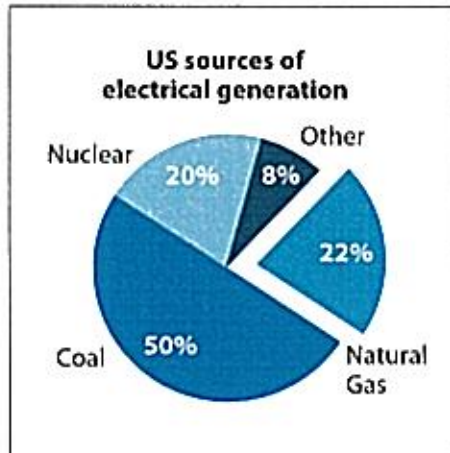
Natural gas is our country's second largest energy resource and a vital component of our energy supply. 98% of the natural gas used in the United States is from North America. But 70% of our oil is purchased from foreign nations.

Natural gas is one of the cleanest, safest and most useful forms of energy — residentially, commercially and industrially. The natural gas industry has existed in the United States for over 100 years and continues to grow.

Domestic natural gas reserves are twice that of petroleum. And new discoveries of natural gas and ongoing development of renewable biogas are continually adding to existing reserves.

While it is a cheap, effective and versatile fuel, less than 1% of natural gas is currently used for transportation.

The Mechanics



We currently use natural gas to produce 22% of our electricity. Harnessing the power of wind to generate electricity will give us the flexibility to shift natural gas away from electricity generation and put it to use as a transportation fuel — reducing our dependence on foreign oil by more than one-third.

How do we get it done?

The Pickens Plan is a bridge to the future — a blueprint to reduce foreign oil dependence by harnessing domestic energy alternatives, and buy us time to develop even greater new technologies.

Building new wind generation facilities and better utilizing our natural gas resources can replace more than one-third of our foreign oil imports in 10 years. But it will take leadership.

On January 20th, 2009, a new President will take office.

We're organizing behind the Pickens Plan now to ensure our voices will be heard by the next administration.

Together we can raise a call for change and set a new course for America's energy future in the first hundred days of the new presidency — breaking the hammerlock of foreign oil and building a new domestic energy future for America with a focus on sustainability.

You can start changing America's future today by supporting the Pickens Plan. Join now.

ARTICLES

POLITICO

Pickens' words more than just wind

By: Erika Lovley

July 22, 2008 11:05 AM EST

No doubt there are a lot of folks out there with grand schemes and blue-sky brainstorming about how to tackle America's energy problems.

But T. Boone Pickens is more than just an opinionated fellow who talks a big game. He's an opinionated fellow who talks a big game and is backed up by an even bigger bank roll, estimated at \$4 billion.

Little wonder then that Pickens is stirring a gust on Capitol Hill, quickly becoming the hot ticket with his self-financed campaign to put wind power at the center of the nation's energy strategy, while the political world is newly focused on \$4-a-gallon gasoline and energy independence.

He meets Tuesday with the entire House Democratic Caucus. The Texas oilman has not always been the most popular fellow among this group during his long career as a corporate raider, which started in the 1980s — not to mention his role as a funder of the Swift Boat Veterans in the 2004 presidential campaign.

In an interview, Pickens said Democrats reached out to him. "I haven't come up here trying to talk to anybody," he said. "I felt like the grass roots is where I'd have my support."

See Also

- [Erika Lovley talks about Pickens' plan](#)

Indeed, just last week, the "Pickens Plan," which he's touting in a lavishly funded national television, Internet and newspaper campaign, was drawing mostly shrugs on Capitol Hill. Many congressional offices knew no details of the plan, and most

staffers said their bosses were too busy to bother.

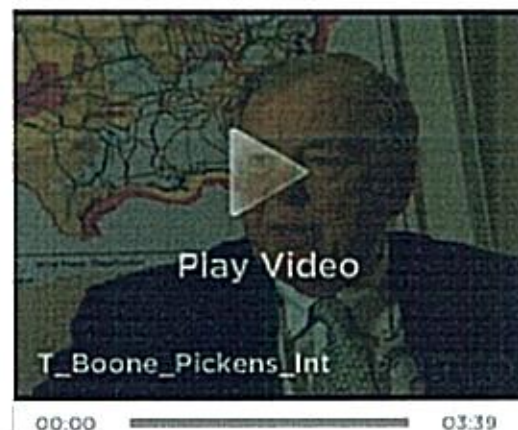
But that's before word got around that Pickens was coming to town.

His campaign reported "dozens and dozens" of requests for sit-down meetings.

"Then I started to hear from friends on both sides that called me," Pickens recalled. "I talked to the speaker, and I've got a meeting with Mitch McConnell. They called and wanted to know what I'm up to."

Some are skeptical of the Pickens Plan, which calls for the government to help fund construction of new wind generation facilities to produce 20 percent of the nation's electricity and slash one-third of foreign oil imports over the next 10 years.

Some are skeptical, too, of his motives, saying



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Pickens is looking to benefit his BP Capital Management company, which invests heavily in renewable energy.

But, munching on Famous Amos chocolate-chip cookies in his Hay-Adams hotel suite, the 80-year-old Pickens said he's in a new phase of his life.

"I didn't want to come and go in this life and feel like I had something that would've helped the country," he said. "So I thought, 'What the hell, it's time to stand up and be counted.'"

The hoopla has already attracted the interest of the nation's top political players, including President Bush, former Vice President Al Gore, former House Speaker Newt Gingrich, Ralph Nader and Warren Buffett.

Pickens says imports are costing America \$700 billion a year, asserting that this will eventually be the largest transfer of wealth in history.

The switch to wind for some of the country's electricity needs would allow natural gas to be conserved for use in motor vehicles, which would burn more cleanly at a cost of only \$1 per gallon in some parts of the country.

"I want to elevate my plan into this presidential debate and the very critical situation that the country's facing right now regarding how much oil we're importing," Pickens said. "I'd like to see it [implemented] in the first 100 days of the next presidency."

Pickens has already spent a bundle unveiling his plan, committing to spend \$58 million through the end of the year. And he already has a handful of lobbyists on staff and may add more.

The American Wind Energy Association and the Sierra Club are helping him push parts of his massive wind lobbying campaign in the coming months.

But do lawmakers like what they hear?

Some, including Sen. Jim Inhofe (R-Okla.) and Rep. Earl Pomeroy (D-N.D.), do.

Pomeroy's home state has the most wind power potential, according to wind experts. And Pickens plans to stake wind turbines on private lands from the Texas Panhandle to the Dakotas, providing extra revenue for ranchers and farmers.

"By building wind towers, rural and remote areas have an opportunity to make a very substantial contribution," Pomeroy said. "To me, Pickens has given the debate an important jump-start."

Still, Pickens has a tough sell ahead of him.

He has invited both presidential contenders — Republican John McCain and Democrat Barack Obama — to a three-way meeting with him on his plan, but so far neither has responded.

"This is a nonpartisan approach I'm using," Pickens explained. "In the end, it will come down to leadership. Whoever is the best leader has got to come up with something to solve the problem."

He's also moving swiftly to separate his plan from Gore's new global warming blueprint, a 10-year proposal that calls for the nation to generate all of its electricity from alternate fuels.

"He is solving global warming. ... I'm solving another problem," Pickens said. "His is global warming, and mine is the transfer of \$700 billion."

Some members also have their doubts about the feasibility of the Pickens Plan. To start, it requires Congress to approve billions of dollars in subsidies for renewable energy — something the Senate has fought over for months.

"I'm not entirely convinced," said Rep. John E. Peterson (R-Pa.), whose state is being eyed by gas production companies as the next natural gas mecca. "I have no problem developing wind farms, but I'm not sure how Pickens plans to suddenly explode wind energy to 20 percent."

The American Petroleum Institute and other oil industry supporters warn that converting the automobile fleet to natural gas will require major infrastructure changes at gas stations — and it won't be cheap. Currently, there are only 785 natural gas fueling stations in the country.

See also

- [McCain gaffes pile up; critics pile on](#)
- [Obama tries to dial down politics](#)
- [Top-dog firms still rule K Street](#)

"Pickens is an experienced man who's put a lot of his own money into his own plan," said Sen. Tom Coburn (R-Okla.). "He's going to give this plan some legs, but I'm not sure we want to retrofit every gas station with natural gas."

Reaching congressional consensus on energy legislation is another lofty goal.

Pickens is aiming to have his plan implemented within the first 100 days of a new administration that will face huge problems: a sputtering economy and wars in Iraq and Afghanistan, among other pressing issues.

If lawmakers are eyeing the billionaire for his campaign donations, though, he's holding back.

"I'm not giving any money in this campaign," he said. "I'm out this presidential term — it's a total nonpartisan position."

Pickens, though, has contributed in this election cycle, according to the Center for Responsive Politics. He gave the National Republican Congressional Committee \$15,000 last spring and contributed \$4,600 to Rudy Giuliani's unsuccessful bid for the Republican presidential nomination.

Still, Pickens is doing an about-face from his stance in 2004, when he gave \$3 million to Swift Boat Veterans for Truth, a 527 independent group that funded a negative advertising campaign credited with heavily damaging the Democratic presidential campaign of

Massachusetts Sen. John F. Kerry.

Some don't see simple altruism at work behind Pickens' moves.

"I would put a caveat on his past actions," said one Midwestern Republican senator who asked not to be identified. "It's a pretty self-serving plan. He wants the government to pay for transmission lines that he'll benefit from."

Responding, Pickens said: "I'm 80 years old, and I'm worth \$4 billion. I have plenty of money.

"I think it shows leadership that I'm putting my money into the wind business, and I'm willing to put my money where my mouth is."

The easiest people to convince have been grass-roots supporters, whom Pickens fondly calls "Boone's Army." Nearly 65,000 of them have joined his network, making the Pickens Plan website among the 1,000 most heavily trafficked in the world.

"Even if this plan doesn't happen, I've spent my money and done what I wanted to do," Pickens said. "I have no personal motive in this at all, except that it will help the country."

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The Pickens Profile You Haven't Read

T. Boone has re-invented himself as a green wildcatter. Can he finish what Al Gore started?

Karen Breslau
NEWSWEEK

Updated: 3:06 PM ET Aug 9, 2008

T. Boone Pickens can't read his lines. Squinting at his teleprompter, he is posing in front of a mile-long ribbon of wind turbines, churning against an endless Texas sky. Pickens is in Sweetwater, a town of 12,000 that bills itself as the nation's wind-energy capital, to shoot a commercial urging Americans to put themselves on a new energy diet: cutting out imported oil—which costs \$700 billion a year—in favor of domestically produced sources such as wind and natural gas. "Our dependence on foreign oil means that we are buying from our enemies," he draws into the camera, veering from the script. At this, the director walks onto the set, frowning his disapproval. "Don't want me to say 'enemies', huh?" Pickens deadpans as he drops his head in mock shame and scuffs his cowboy boot in the dirt. "How 'bout 'Some friends and a few a—holes?' That better?"

With that kind of blunt talk—and an estimated \$3 billion fortune to back it up with action—Pickens, who last made headlines for funding the Swift Boat attack ads against John Kerry in 2004, has put himself back in the spotlight in time for the 2008 presidential election. It's an audacious act of rebranding: the flamboyant 80-year-old oilman and onetime corporate raider reborn as green wildcatter and the Web's first senior blog star. Since it was launched a month ago, www.pickensplan.com has cracked the top-1,000 list of most heavily trafficked sites worldwide, according to the Internet marketing firm Quantcast.

If you haven't yet heard of the Pickens Plan, then you've no doubt been on vacation: he has flooded TV and radio with thousands of ads urging viewers to log on to his Web site and demand that Washington overhaul the country's energy infrastructure. "The American people know something is wrong as far as energy is concerned," he tells NEWSWEEK. "They don't think they are being told the truth."

Just don't mistake Pickens for a tree-hugger. While he says he'd probably "pass a cheek-swab test" for his environmental credentials, and he believes climate change is real, Pickens favors drilling offshore and in Alaska, and more nuclear power if it will mean importing less oil. "I'm pro-everything," he says. To sell his plan, Pickens has enlisted an unlikely supporting cast of environmental leaders and top Democrats who for years loathed everything he stands for. Senate Majority Leader Harry Reid, who once said he considered Pickens his "mortal enemy," will host him this month at a clean-energy summit in Las Vegas, along with Bill Clinton. Even Al Gore, who has his own proposal to wean the U.S. power grid from fossil fuels within a decade, pronounced the Pickens Plan "respectable" last month.

Can Pickens finish the job that Gore started? With Americans desperate for relief from \$4-a-gallon gasoline, the irreverent capitalist seems to have captured public attention with an ease and flair that eluded the earnest, Nobel Prize-winning environmentalist. Forget about drowning polar bears and compact fluorescent light bulbs; Pickens is peddling pure old star-spangled self-interest. His ads feature grainy images of burning oilfields and U.S. soldiers standing watch in the desert, with an ominous soundtrack worthy of a horror film. The roiling clouds part and majestic wind turbines pop against a heartland sky. "We can take back our energy future," says the oilman. Environmentalists seem grateful for the cross-cultural messenger. "I hope he grabs that part of Middle America that we failed to reach," says Sierra Club president Carl Pope, whose endorsement is posted on Pickens's Web site.

What's in it for Pickens? He is investing \$10 billion to build the world's largest wind farm in the Texas panhandle. Through another venture, Clean Energy Fuels Corp., he is the country's largest private owner of natural-gas fueling stations. If demand for these sources soars, as his plan envisions, he is positioned to win big. Pickens, who claims he's worth \$4 billion (Fortune says \$3 billion), scoffs at the notion that he's driven by profit. "I don't need to make any more money," he says, laughing. In fact, Pickens says he doesn't even plan to erect turbines on his own 120,000-acre ranch in the panhandle, because he thinks they are "ugly." Converts to Pickens's cause don't mind if he cashes in. "I want him to make more money in wind than he did in oil," says the Sierra Club's Popo. "It has a huge impact on the conversation."

Having a huge impact is a recurring theme in Pickens's life. As a paperboy in tiny Holdenville, Okla., a plucky young Boone persuaded his boss to let him invade the routes of other boys by selling more papers. "It was my first experience in the takeover field: expansion by acquisition," he writes in his forthcoming memoir, "The First Billion Is the Hardest," to be published early next month. In it, T. (for Thomas) Boone traces his rise from boy capitalist, trained by his father, an oil-company land man, his rectitudinous mother and his stem grandmother Nellie (who once talked him into a bad lawn-mowing deal in order to teach him a lesson). Despite his success, the striving paperboy remains at his core. Over the past several years, Pickens donated \$165 million to the athletics department at Oklahoma State University, his alma mater, in large part because he was tired of seeing his beloved Cowboys lose. During halftime at a game at Boone Pickens stadium, OSU athletic director Mike Holder was stunned to find the benefactor cleaning up the restroom. "People had splashed water all over the counters, thrown paper towels on the floor and Boone Pickens couldn't stand to see his investment in disarray. So without a word, he started picking up the paper towels and wiping down the counters himself," Holder told NEWSWEEK. "I think the rest of us were so embarrassed, we started to clean up quietly around him."

As the millions turned into billions, Pickens also confronted failure and loss, all in one *annus horribilis* in 1996. He got a divorce, lost his best friends in a car crash, and received a taste of his own medicine when he was forced out as CEO of Mesa Petroleum, the oil company he built into one of the world's largest independents. That year, he fell into clinical depression: "My dauber was down, as the saying goes." The ruthless raider writes about the heartache of having to share custody of his beloved Papillon spaniel with his ex-wife. "When I first went to pick him up, old Winston started growling at me in the front seat," he writes. "I decided it wasn't fair to Winston ... so for his benefit, I just stopped." (Pickens, who today cuts a jaunty, vigorous figure, remarried in 2005—and has a new Papillon.)

Pickens likes to portray his years as a corporate buccaneer during the 1980s as "shareholder activism." When Mesa fell into a cash crisis in the mid '90s after the price of natural gas collapsed, there was no mercy for him on Wall Street. Pickens called in Texas financier Richard Rainwater, and his wife and business partner, Darla Moore, to help raise capital. (Rainwater helped another oilman, George W. Bush, escape his money problems by making him co-owner of the Texas Rangers, a deal that eventually made Bush a multimillionaire.)

Moore, a leveraged-buyout specialist dubbed "the Toughest Babe in the Business" by Fortune, tried to raise \$1 billion on Wall Street for Mesa. "I found out there wasn't a bank in the country that would touch the deal if Boone was CEO," Moore told NEWSWEEK. "I tried to soften the message [but] he was really surprised. 'But I get along with all those guys,' is what he said." The Rainwaters worked out a deal for Pickens to retire as CEO, and bought him out, a deal that still rankles the billionaire. Moore whooped with surprise when told by a NEWSWEEK reporter that Pickens had compared her in his book to a "wolverine that pisses on everything it doesn't eat." Moore responds, "I think what people don't know about Boone is that deep down he is actually—I hate to say this—a nice man. And he knows more about energy than anybody in the world."

It's not as though Pickens doesn't have a few crafty deals on his own ledger. Five years ago he launched a controversial scheme to buy water rights around Roberts County, Texas, the same region of the panhandle where he plans to build his wind farm—and where he owns a 68,000-acre ranch. The idea was to pump water from the Ogallala aquifer to cities downstate. Though he never found a buyer for the water, Pickens did win the right of eminent domain for his pipeline. His attorneys applied to create an entity known as a groundwater-supply district, which was gerrymandered to include only two voters: his two ranch hands. The measure passed, to no one's surprise. Though Pickens says he has abandoned the water project, his lawyers want to use the water corridor to site a private transmission line from his panhandle wind farm to power-hungry cities. "You have to admire his guts and his gall," says Thomas (Smitty) Smith, director of Public Citizen, an advocacy group that opposed Pickens's water business.

Despite tangling with Pickens earlier, Smith supports his vision of transforming the great plains into the "Saudi Arabia of wind energy." Pickens says private investors will provide the \$1 trillion or

so to erect thousands of turbines through the wind corridor stretching from the panhandle to Canada. But it will take Congress and a new president to build a national power grid connecting the wind corridor—as well as the emerging solar corridor across the desert Southwest—to the nation's population centers. It's a challenge Pickens likens to creating the Interstate Highway system in the 1950s. The grid could cost about \$200 billion, but compared with the \$700 billion exported each year to pay the country's oil tab, says Pickens, "it's a bargain."

Whether the Pickens Plan is feasible—or affordable—is an open question. But his shrewd sense of timing is beyond doubt. Last year he correctly predicted that oil would reach \$100 a barrel by mid-2008, a threshold it has hovered over since May. Months before that, Pickens was plotting his \$58 million media blitz to push energy independence as a top-tier issue in the presidential campaign. His needling seems to be working. In new ads promoting their own remedies, Barack Obama, John McCain—and even Paris Hilton in her spoof—dutifully echo Pickens's message about energy security. "T. Boone Pickens is right," said Obama, who also wants the country to invest heavily in renewables and allow "limited" offshore drilling. McCain, for his part, announced an "all of the above" approach, saying he supports offshore drilling, more nuclear power plants and the development of alternative energies such as wind, solar and biofuels.

When it comes to energy, Pickens bills himself as "bipartisan." He's disappointed that Republicans whose careers he's financed, including George W. Bush, have done little in his view to guarantee energy security (a supporter of Rudy Giuliani's during this year's GOP primary season, Pickens says, "I doubt we spent five minutes talking about energy"). He says he has no plans to donate to McCain, in order to avoid confusion about his motives.

And what, exactly are those motives? This being Pickens, they are complex. He says rebuilding the American energy system "is the most important work I've ever done." It's a message even his former opponents seem to buy. "He said, 'I'm 80 years old and I want to die recognizing that I've done something for my country rather than make a lot of money for myself,'" says Senator Reid, who admitted to NEWSWEEK he found the Swift Boat ads "repulsive" and was initially suspicious of Pickens's motives now. "To be a convert on energy at the age of 80? That's pretty good." Pickens says he's always been captivated by the imaginary headline THE OLD MAN MAKES A COMEBACK. If he pulls it off, Pickens's legacy play will be the biggest deal of his career.

URL: <http://www.newsweek.com/id/151727>

EDITORIALS



Taking the Initiative

Carl Pope

- Sierra Club Executive Director

[States Keep Trucking](#) | [Main](#) | [A Little Bit Safer](#)

July 03, 2008

T. Boone and Me

Sweetwater, TX -- Sweetwater was once known for hosting the world's largest rattlesnake "roundup" -- 12,000 reptiles every year. Now it calls itself "the world's wind capital" and, by the end of the year, turbines there will be pumping out 3,000 megawatts of wind to provide green power to America's electricity customers. Sweetwater is the County seat of Nolan County, which by itself would rank as the world's fourth-largest nation for wind power -- boasting more wind than the entire state of California. The rattler-friendly pastures and cotton fields around Sweetwater are dotted with General Electric, Siemens, and Toshiba turbines -- big ones, some generating 2.3 megawatts a pop.

T. Boone Pickens was first known as an oil and gas man and then as a corporate raider, but these days he is jousting to topple Sweetwater from its title. Flying with me to visit his wind operations in Sweetwater, he makes it clear that his next wind project is big, Texas-style -- 4,000 megawatts up in the Panhandle north of here. Pickens just doesn't believe that America's energy future is in oil any more. He dismisses the current calls for opening up the coast to drilling, saying that the government's official estimates of oil and gas reserves are wildly inflated -- "the geology just isn't there."

Pickens is infuriated by our continued and increasing addiction to imported oil, which he says now costs us \$700 billion a year, and will soon climb to an even trillion. (He is watching the market as we fly, and as oil hits \$143 a barrel, the Dow plummets. Boone notes "well, my securities are going to go down, but my commodities book will make up for most of today's loss." Pickens is long on oil, meaning he is betting that the price keeps going up.)

To put it plainly, T. Boone Pickens is out to save America.

But how can wind power, which generates electricity, help us out of our imported oil dilemma? Long-term, it will be through plug-in hybrid cars. But Pickens doesn't think we can afford to wait for the long term, so he's offering an audacious alternative vision -- generate enough wind so that America no longer needs to use natural gas to generate electricity, and then use that gas instead to power up to one-third of our vehicle fleet with compressed natural gas (CNG).

The conversion is clearly feasible. CNG cars are already normal in countries like Argentina, where they cost no more than conventional models. The barriers in the U.S. have been the resistance of the major oil companies and that we would need to install CNG pumps at service stations. But many fleets already burn the fuel, which is much cleaner, and emits about one-third less carbon than gasoline. And CNG now has another advantage: It costs about half as much as gasoline does. If we were to convert any significant part of the U.S. fleet, the resulting decline in world oil demand would actually reduce oil prices, potentially sharply. It's probably the only short-term (2-3 year) strategy that might.

How to recruit the necessary public support? This would take, it seems to me, a government mandate to get the distribution network in place. After all, the oil industry has hardly rushed to install E85 pumps for ethanol. We can expect that it will fight any effort to break its monopoly. And the auto industry would need to be more than a passive partner if we're going to get enough CNG vehicles rolling off the assembly lines to make a difference. Will it embrace this play? Lastly, the millions of Americans who own gasoline-powered trucks and SUVs would need to start buying affordable CNG-conversion kits for their vehicles to lower their driving costs. Pickens says he has a game plan, and will announce it next week.

Who knows? I certainly never expected to be inspecting wind operations with Pickens or to be hearing his scorn for the current political notion that we can somehow drill our way out of the oil-price crisis. He's certainly likely to draw an audience that a green wind-power advocate from the Sierra Club could never command. I think we should all stay tuned.

Wednesday, August 20, 2008

WORTHAM: The Pickens plan

Greg Wortham

OP-ED:

T. Boone Pickens is a man of conviction, and the breadth and depth of his career in the energy industry is staggering. So, when Mr. Pickens says we've got an energy crisis on our hands, it's time to take notice. His Pickens Plan aims to address America's energy challenges by delivering an actionable plan toward cleaner, cheaper, more abundant domestic energy sources.

In doing so, he has stepped forward with his own reputation, money and resources to lead America toward true energy independence. For Mr. Pickens and his Pickens Plan army, it's time for action rather than mere rhetoric.

If we're truly going to set our nation free from the stranglehold of foreign oil, we've got to do more than talk about it. What Mr. Pickens proposes is comprehensive action aimed at assuring America's energy independence by harnessing power sources we have right here in our own backyard.

Mr. Pickens is the quintessential oil and gas man with Texas-sized fame and fortune. Yet it's that pacesetter and entrepreneurial spirit that is guiding him to take the sort of bold action on energy reform that is so needed in our country. And he's putting his money and his time into not only advocating for change on a grand scale but also making much-needed direct economic investments to build the world's largest wind energy center.

Like Mr. Pickens, West Texas is an energy region and an action region. It's that can-do spirit that has made West Texas what it is today. West Texas is doing what we do best, leading by example. We're in the midst of the most intensive wind energy development in the world while maintaining our prominence as a leader in domestic oil and natural gas production, too.

Energy is our lifeblood, but we all must recognize that we can't make it on either oil alone or wind alone. The wisdom of the Pickens Plan is that we use each of these American energy resources to its best advantage. Only by wisely using each domestic fuel source in the spectrum can we achieve sustainable American energy independence.

Be it the hundreds of nuclear energy workers in the region or the communities vying to host the next round of state-of-the-art nuclear energy facilities, Texas energy is more than oil. Our region and our state are competing for the cleanest coal-fired power plants in the world and my

hometown of Sweetwater will play host to the cutting-edge carbon sequestration plant by 2014.

Solar and hydrogen technology are taking off here and across the United States, as are geothermal energy and biofuels. The name of the game is diversification, and our central objective should be to encourage the continued growth of these cleaner, cheaper domestic energy sources.

Not only does the vision of the Pickens Plan deliver on the promise of energy independence, but it also spurs economic growth with good-paying jobs in these emerging energy sectors. The jobs tied to the wind energy industry alone touch every corner of our state and nation - from communities where the wind blows the strongest to our larger cities and ports where the wind turbines and technology are built and shipped.

Let's hope that Sen. Barack Obama, Sen. John McCain and our leaders in Washington are not only listening but are spurred to measurable, memorable and effective action. Mr. Pickens' energy plan will hopefully move our leaders to action, ensuring our energy independence, strengthening our national security and securing our environmental future by engaging that American can-do spirit.

Mayor Greg Wortham of Sweetwater, Texas, is executive director of the West Texas Wind Energy Consortium.