

Horn River News

Shale Gas in Northern BC and elsewhere...

TAG ARCHIVES: PICKEN'S PLAN

US to provide affordable clean energy to China

Posted on [November 12, 2010](#) | [4 Comments](#)



It sounds a bit ironic that the US – largest consumer of energy in the world - would be exporting affordable low carbon energy to China. That is exactly what a Houston-based subsidiary of [Cheniere Energy Inc.](#) is planning to do when it announced it is working on a deal to export liquefied

natural gas (“LNG”) from Louisiana to one of China’s largest independently owned natural gas companies.

Cheniere bills itself as “North America’s LNG Gateway” and like other LNG facilities in North America, they were originally intended to import LNG from natural gas suppliers like Qatar. However, with the boom in natural gas production due to shale gas these LNG facilities are looking to now export natural gas to China and other countries in Asia.

The financial model is quite compelling. Demand for natural gas in Asia is increasing and most Asian contracts are price-pegged to oil. That means that natural gas bought in Louisiana for ~\$4 can be sold in China for nearly three times as much or \$12. Providing enough margin to cover the processing and shipping to Asia.

Exporting US natural gas is nothing new. Alaska has been exporting natural gas to Japan for years. And many Americans that read the recent story in the Wall Street Journal, may think its a positive economic opportunity to finally be selling and exporting gas rather than importing it when in fact it is a lost opportunity.

The US is still the largest consumer of energy in the world – more specifically – it is the largest consumer of oil in the world. And a good portion of this oil is imported from some countries in the Middle East that use the profits from oil sales to pay for political movements that oppose the US. As T. Boone Pickens once said about the Iraq war when he stated “we’re financing both sides”.

HRN has continually pointed out that North America needs to leverage natural gas to its full benefit. Its abundant, affordable and cleaner then oil and coal. In the US, T. Boone Pickens has been tirelessly

lobbying to use more natural gas in the country's transportation network, and less oil derived products like gasoline and diesel. His main point is that buying oil from the Middle East is a massive-cost to the American economy, and the US dependency (or as some may say "addiction") to oil is not sustainable. Natural gas offers a domestic lower cost alternative. (President Barack Obama really needs to revisit the Pickens' Plan)

The lower carbon advantage that natural gas offers should not be over looked. Though US and global economies have taken front page headlines, the issue of climate change is not going away. The lower carbon footprint of natural gas is not only better for the environment, but offers a potential competitive advantage to Canada and the United States if and when the international community agrees to a carbon tax. The end result is that those countries that can produce and distribute products and services in a lower carbon economy will have an advantage over higher carbon producers.

The bottom line here is that Canada and the US need to use more natural gas in transportation and power generation before they export the benefits and advantages of natural gas overseas. This does not mean stop the export plans that are underway. Its a free-economy. Just use more before its too late and the opportunity is lost.

Wall Street Journal: [Firm Would Export U.S. Natural Gas to China](#)

Posted in [Uncategorized](#)

→ **4 Comments**

Tagged [Barack Obama](#), [Cheniere Energy Inc.](#), [natural gas](#), [Pickens' Plan](#), [shale gas](#), [T. Boone Pickens](#)

T. Boone Pickens supports Obamas drilling plans

Posted on [April 12, 2010](#) | [Leave a comment](#)

T. Boone Pickens is well known for his support of renewable energy sources and natural gas. Last week he also put his support behind President Barack Obama's recently announced plans to open up offshore drilling in the U.S. No surprise here.

Mr. Pickens' is quoted as stating:

"President Obama's plan to promote more offshore drilling for oil and natural gas is an important step in achieving true energy reform. We should be taking full advantage of every available American resource to help decrease our crippling dependency on foreign oil—a dependency that is slowing our economic recovery and jeopardizing our homeland security."

Pickens continues to promote his renewable energy program – the Pickens Plan – which states the U.S. can reduce its dependence on foreign oil by investing in wind and solar power and by using natural gas for transportation fuel. Mr. Pickens points out that in February the United States imported 59% of its oil; approximately 322 million barrels at an estimated cost of \$24.6 billion. In the first two months of the year, America has paid about \$50 billion for foreign oil.

Mr Pickens continues;

“As the U.S. economy continues to struggle, demand for oil continues to be weak. But our dependence is also slowing the economic recovery. Every new barrel we add to our demand has to come from a foreign country, and that means money leaving our own economy.”

Of course, it is important to point out that Canada is the number one provider of energy to the U.S., and the two countries are massive trading partners. Canada is should not be lumped into the “foreign” category and that Canada’s energy sources are part of providing energy security to the U.S. and itself.

Posted in [Uncategorized](#)

→ [Leave a comment](#)

Tagged [Barack Obama](#), [Horn River News](#), [natural gas](#), [Pickens's Plan](#), [shale gas](#), [solar energy](#), [T. Boone Pickens](#), [wind energy](#)

T.Boone Pickens talks about continued oil dependency

Posted on [March 17, 2010](#) | [Leave a comment](#)



An email from T.Boone Pickens talks about the America’s continued consumption and dependence on foreign oil. The reason HRN shares this is because we share the vision of increasing the usage of natural gas as a cleaner alternative to oil and coal.

T. Boone’s email:

Army,

The

[oil import numbers for February have been released](#) and, as usual, the news hasn’t changed much.

We're still importing nearly 60% of the oil we use and we're still using about 70% of that for gasoline to drive our cars, light trucks, and SUVs, and diesel for heavy-duty trucks like 18-wheelers and refuse/recycling trucks.

In February, we imported 322 million barrels of petroleum at a total cost of \$24.6 billion. That means we're still on track to send approximately 1/3 OF A TRILLION DOLLARS out of the country this year to pay for our gasoline and diesel – and that's with February being a short month and the world still in a recession!

[Click here to listen](#)

to what I had to say about it.

I'm confident we'll see legislation passed this year that will expand natural gas as a clean burning domestic alternative, jump starting the natural gas vehicle industry in America and moving us toward ending our dependence on the Middle East for oil.

– Boone

Support the [Picken's Plan](#) (USA) and the [Bluebridge Plan](#) (Canada).

Posted in [Uncategorized](#)

[→ Leave a comment](#)

Tagged [Bluebridge Plan](#), [foreign oil](#), [Horn River News](#), [natural gas](#), [Picken's Plan](#), [shale gas](#), [T. Boone Pickens](#), [U.S. oil imports](#)

Washington Post editors support natural gas

Posted on [March 1, 2010](#) | [Leave a comment](#)

One of the most influential newspapers in the U.S. published an editorial this Sunday titled [“A natural choice”](#) that looks at natural gas from the environmental point of view. They make a case for shutting down older, less efficient, coal-fired electric plants and replacing them with cleaner burning natural gas-fired plants.

The editorial begins...

“In America’s climate debate, one of the most promising developments of recent months has been the growing recognition in Washington that natural gas may play a key role in curbing carbon emissions.”

The editorial goes on...

*Theme: Coraline by Automattic.
Blog at WordPress.com.*

“With climate-change legislation still stalled in Congress, nudging gas forward is something that the government can do quickly and relatively cheaply to meet its medium-term emissions goals if current trends persist.”

With the abundance of natural gas in North America due to shale gas reserves, using natural gas for “base load” electricity generation — instead of reserving it for “peaking” when demand for power is highest — now makes economic and environmental sense.

“[E]xisting gas-fired plants are running at only about 25 percent capacity, in part because many are switched on only when demand spikes...doubling the use of existing plants could replace about a third of coal-fired power.”

As the world’s third largest producer, Canada needs to also reconsider natural gas taking a larger percentage of the overall energy mix in an effort to use available domestic resources to reduce carbon emissions from electrical generation and transportation. By doing so, Canada would reduce emissions while meeting energy needs, and still have surplus natural gas for export to the U.S. and Asia.

We encourage you to read the Washington Post editorial. Support Canada’s [Bluebridge Plan](#), and support the [Pickens’ Plan](#) in the U.S.

Washington Post: [A natural choice](#)

Posted in [Uncategorized](#)

→ [Leave a comment](#)

Tagged [Bluebridge Plan](#), [natural gas](#), [Pickens's Plan](#), [shale gas](#), [Washington Post](#)

“Go back to sleep, America; the oil crisis is over” – T. Boone Pickens launches new TV ad

Posted on [January 19, 2010](#) | [2 Comments](#)



The ad opens to a black background and Arabic music. White text fades in stating “Go back to sleep, America; the oil crisis is over”. Mr. Pickens declares, “I don’t think so!”

T. Boone Pickens has launched a new commercial in the United States to stress the national security concerns and economic importance of reducing



America's dependence on foreign oil. The solution is simple. Convert America's transportation network of heavy load trucks from diesel to natural gas.

The key points that Mr. Pickens continues to hammer out are hard to ignore. Based on the latest figures from the U.S. Department of Energy's Energy Information Administration (EIA), the U.S. imported ~63 percent of its oil, or 4.35 billion barrels in 2009, sending nearly \$265 billion, or \$502,473 per minute, to foreign governments. With long term oil prices likely higher rather than lower this transfer of capital is simply not sustainable. Add to this fact, that many of the governments that sell oil to the U.S are the same governments that are financing and supporting various terrorists organizations. The U.S. is effectively funding both sides of the "war on terror".

Watch T. Boone Pickens' latest TV ad [here](#).

The Pickens' Plan (which has been revised since it was started) is simply to use more natural gas and less oil by transitioning the U.S. heavy transportation network (18-wheelers etc) from diesel to natural gas. There is no battery technology that can meet the heavy load capacity of 18-wheelers. Its diesel or natural gas. Technology has opened up natural gas found in shale rock formations which makes it abundant throughout North America... its cheaper, its proven and it burns more efficiently, and it emits less carbon than gasoline and diesel.

The Pickens campaign was temporarily suspended back in October when Mr. Pickens believed health care was taking all the attention and energy policy was not. With the recent attempt of the "Christmas Bomber" Mr. Pickens believes the national security concerns will move the U.S. energy policy back to the top of the government's agenda.

Mr. Pickens is quoted;

"We're infidels with most of these people and they have no use for us. We're getting more and more dependent on the wrong people."

President Obama is quoted as stating: <!--

"And for the sake of our economy, our security, and the future of our planet, I will set a clear goal as president: In 10 years, we will finally end our dependence on oil from the Middle East."

— President Barack Obama

-->

"And for the sake of our economy, our security, and the future of our planet, I will set a clear goal as president: In 10 years, we will finally end our dependence on oil from the Middle East."

Natural gas is a key component to a cleaner energy mix and key to the U.S. reducing their dependence on foreign oil.

Posted in [Uncategorized](#)

→ **2 Comments**

Tagged [Barack Obama](#), [foreign oil](#), [natural gas](#), [Pickens's Plan](#), [shale gas](#), [T. Boone Pickens](#)

Contact your member of parliament

Posted on [December 23, 2009](#) | [Leave a comment](#)



[The Bluebridge Plan](#) is a grass roots effort to support the increased usage of natural gas as a cleaner alternative for Canada's transportation network.

There has been efforts by industry players and now its time for individuals to take action and add their support. There is a link to the right or simply click

[here to sign the petition](#). Please forward the petition link to your network as well.

Natural gas is an abundant Canadian resource, that is cleaner than other fossil fuels. Natural gas is being used globally by other countries that have recognized it as a cleaner more affordable source of transportation fuel. Canada is the 3rd largest producer of natural gas, yet we do not utilize this resource to its full potential, and if we do not it will be exported to the competitive benefit of others as carbon will eventually carry a price.

Everyone knows that we need to reduce carbon emissions and build a future powered by more clean renewable resources like solar and wind. While we are building a renewable energy future we need to look at ways to immediately and practically reduce carbon emissions. Remember it will take available energy today to build the clean renewable energy of the future. The question is how can we provide this energy while reducing carbon emissions, and the answer is natural gas.

Please [sign the petition](#) and show your support.

Thank you.

The Horn River News

PS. For our American readers, we suggest you add your support to the [Pickens's Plan](#).

Posted in [Uncategorized](#)

→ **Leave a comment**

Tagged [natural gas](#), [Pickens's Plan](#), [shale gas](#), [The Bluebridge Plan](#)

T. Boone Pickens Energy Fund files final prospectus in Canada

Posted on [December 21, 2009](#) | [Leave a comment](#)

Canadian energy investors will soon have an investment option in Canada, as Texas billionaire and natural gas champion T. Boone Pickens files final prospectus for the T. Boone Pickens Energy Fund in all provinces and territories in Canada.

The Fund hopes to raise \$200 million in an initial public offering and provide investors with the opportunity for long-term capital growth by providing access to the energy-related investment strategies of TBP Investments Management LLC (the "Portfolio Manager"). The Portfolio Manager and its management team are led by Mr. T. Boone Pickens. The Fund will seek to achieve its investment objective by investing the net proceeds of the offerings in an actively-managed portfolio consisting primarily of equity and commodity-related investments within the energy and energy-related sectors.

The offering is being made through a wide syndicate of investment dealers across Canada led by BMO Capital Markets and including CIBC, RBC Capital Markets, TD Securities Inc., Blackmont Capital Inc., Canaccord Financial Ltd., Desjardins Securities Inc., Dundee Securities Corporation, HSBC Securities (Canada) Inc., Raymond James Ltd., GMP Securities L.P., Manulife Securities Incorporated, Wellington West Capital Markets Inc. and Research Capital Corporation.

Canada Newswire (Press Release): [T. Boone Pickens Energy Fund files final prospectus](#)

Posted in [Uncategorized](#)

[→ Leave a comment](#)

Tagged [Blackmont Capital Inc.](#), [BMO Capital Markets](#), [Canaccord Financial Ltd.](#), [CIBC](#), [Desjardins Securities Inc.](#), [Dundee Securities Corporation](#), [GMP Securities L.P.](#), [HSBC Securities \(Canada\) Inc.](#), [Manulife Securities Incorporated](#), [natural gas](#), [Picken's Plan](#), [Raymond James Ltd.](#), [RBC Capital Markets](#), [Research Capital Corporation.](#), [shale gas](#), [T. Boone Pickens](#), [TD Securities Inc.](#), [Wellington West Capital Markets Inc.](#)

This is a security concern, an environmental concern, and a economic concern

Posted on [December 8, 2009](#) | [Leave a comment](#)





T. Boone Pickens has a plan for the U.S. to

dramatically reduce its dependence on foreign oil and have a major positive impact on the country's environment and economy. It's called the [Pickens's Plan](#) and for those that are not aware it calls for the increased use of natural gas in the U.S. transportation network in addition to increased renewable resources like wind and solar.

Mr. Pickens recently wrote an article in Forbes Magazine titled "[End the Mideast Oil Addiction](#)" where he summarizes the impact of billions of dollars a year leaving the U.S. economy to buy oil from the middle east. One can get deep into the impact oil has on the geopolitical stability of the world. The bottom line for T. Boone, is that it is simply not sustainable for the U.S. to export these levels of capital out of the country.

Specifically Mr. Pickens targets heavy transport trucks where nearly half of the oil imports for transportation is consumed. Canada needs to follow suit. Mr Pickens writes;

About 70% of the oil we import is used as fuel for America's 250 million cars and light trucks and 6.5 million heavy trucks. Nearly half of the oil used for transportation is used as diesel fuel to power 18-wheelers. Natural gas is the only alternative. It is not only more abundant; it costs half as much and emits almost 30% less carbon dioxide.

If, in the normal course of replacements, we exchanged those 6.5 million heavy trucks running on largely imported diesel for new ones running on domestic natural gas, we could reduce our imports by 2.5 million barrels per day. We would be able to reduce our dependence on oil from the Middle East by half in only seven years.

These are pretty compelling numbers for the U.S. In Canada, there is no sense of a security risk but the economic and environmental importance of natural gas is very real. As one of the largest producers of natural gas, Canada has the capacity to use more in their own transportation network and should do so in order to support trade with our biggest trading partner. The U.S. is currently contemplating the Natural Gas Act which would increase incentives for natural gas powered vehicles which would increase the

number of heavy transport vehicles on the road in the U.S. These natural gas-powered 18 wheelers will need to easily travel north and not just east and west.

Forbes: "[End the Mideast Oil Addiction](#)"

Posted in [Uncategorized](#)

→ [Leave a comment](#)

Tagged [End the Mideast Oil Addiction](#), [Forbes](#), [Horn River News](#), [natural gas](#), [Natural Gas Act](#), [Pickens's Plan](#), [shale gas](#), [T. Boone Pickens](#)

More natural gas then we know what to do with...

Posted on [December 1, 2009](#) | [Leave a comment](#)

With a global glut of supply in natural gas, many analysts and commentators seem to be singing the same song... "we have more natural gas then we know what to do with". There are several factors that have contributed to creating a "perfect storm" for natural gas – recession (demand destruction); technology (increased supply by unlocking shale gas); and global distribution (international LNG). There are some lesser thought of factors that are contributing to the natural gas glut.

The most recent woes for natural gas supply forecasts comes from the International Energy Agency where Qatar's Energy Minister has stated the glut in supply may last through till 2012. While technology has unlocked massive reserves of natural gas from shale rock formations in North America, there are also new projects in Qatar and Peru.

Qatar, is in an especially challenging situation and key player in international natural gas markets. According to consultant Wood Mackenzie Ltd, as natural gas tripled from 2002 to 2008, Qatar increased investments, and decided not to lock in prices in anticipation of selling at higher prices. However, the global recession resulted in demand destruction and natural gas prices crashed. Qatar was left with an abundance of natural gas sitting in LNG container ships with no contracted buyers.

Tony Regan, a consultant with Singapore-based Tri-Zen International Ltd. and a former executive in Royal Dutch Shell's LNG business is quoted:

"Qatar has had to supply the U.S., even though the returns are absolutely awful, because it is the sink for cargoes that can't go anywhere else. It's the worst possible moment to increase production, because the world is in recession and prices are so low."

But as HRN has often stated, this glut in natural gas supplies is where the opportunity lies. While many sing the "more natural gas then we know what to do with"... HRN and others can think of lots of things to

do with natural gas which will leverage this new abundance of natural gas as an affordable lower carbon alternative to coal and gasoline. It seems from time to time HRN articles always end on this note. The point is we have been yelling from the rooftops about how much natural gas we have in the world, and we need to use more of it in transportation and power generation in a tangible effort to reduce carbon emissions. In the case of the U.S. natural gas is also a security issue. The U.S. exports trillions of dollars to unfriendly countries to buy their oil. The U.S. consumption of oil will not be replaced by natural gas but a very sizable chunk of oil imports can be offset by natural gas. Domestic U.S. natural gas, as well as production in Canada, and Qatar can ship surplus to the U.S. to meet demand for years (See [Pickens Plan](#)).

It is worth noting that Qatar is one of the leading developers for natural gas technology. Back in October Qatar Airways was the first (See HRN: [Qatar Airways makes history with natural gas fuel](#)). It would be good to see more of this type of R&D taking place in North America, and seeing more corporations changing over to natural gas as part of their long term plans (like AT&T See HRN:

Bloomberg: [Natural Gas Glut Overwhelms Speculators, Defies Rally](#)

Posted in [Uncategorized](#)

→ [Leave a comment](#)

Tagged [Bloomberg](#), [Horn River News](#), [natural gas](#), [Pickens's Plan](#), [Qatar](#), [Royal Dutch Shell's LNG](#), [shale gas](#), [Tony Regan](#), [Tri-Zen International Ltd.](#)

T.Boone Pickens increases natural gas holdings

Posted on [November 16, 2009](#) | [Leave a comment](#)



Texas billionaire and natural gas/wing power evangelist, T. Boone Pickens increased holdings of natural gas producers through his fund BP Capital.

BP Capital increased stakes in such companies as Anadarko Petroleum Corp., Cabot Oil & Gas Corp., Chesapeake Energy Corp., Devon Energy Corp. and Forest Oil Corp. during the three-month period that ended Sept. 30, according to filing records.

Anadarko, Chesapeake and Devon were among the top five producers of gas in the U.S. in the first half of this year, according to the Natural Gas Supply Association. Devon Energy is a major player in British Columbia's Horn River basin.

Mr. Pickens is a big believer that natural gas is the key to U.S. energy security and carbon emission reductions. He has spent millions of his own money promoting natural gas and wind power through the Pickens's Plan.

Bloomberg: [Pickens Boosts Gas Holdings, Adds SandRidge, McMoRan](#)

Posted in [Uncategorized](#)

→ **Leave a comment**

Tagged [Devon Energy](#), [horn river basin](#), [natural gas](#), [Pickens's Plan](#), [shale gas](#), [T. Boone Pickens](#)