

T. BOONE PICKENS on NBC's Meet the Press

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BROKAW: It is green is universal all week at NBC, and the issue of energy dependence is certainly key in that discussion, and joining us now, a very familiar figure, the legendary Texas oil man T. Boone Pickens. Welcome, Mr. Pickens, from Dallas this morning.

PICKENS: Good morning, Tom.

BROKAW: You just heard that very spirited discussion. You think the big three automobile dealers should survive?

PICKENS: It's not my subject, but I wonder, you know, what you want to do about the next industry? Is it going to be the airlines? What if Toyota and Honda want some help too? I don't know. I don't know where it stops.

BROKAW: Let me talk about what you have been talking about on television and everywhere else these days, which is converting to wind driven generation of electricity and transferring natural gas to big public transportation. I am told that given the perilous state of the economy, the decline in oil prices, which has not made it as urgent in the minds of a lot of consumers that you find yourself now at a very difficult crossroads financially in your own situation and you have had to call halt to your development plans.

PICKENS: Well, the wind, you know, I've got -- I had planned on 30% equity, 70% debt, and I can't get any -- any money for that at this point, but it doesn't mean that's the end of it. It's been postponed is all it is, and so -- we'll get up and going. I don't receive my first turbine until 2010, so I'll get it done, and we'll be going by 2010. It's -- we have to get -- in America we have to get on our own resources, and wind and solar are going to have to be used. For all kinds of reasons, but one, we're going to have to add 20% more to our power generation infrastructure in the next ten years, so that's 200,000 megawatts. That could really help us.

The first year when you start that program -- and it should be started within the next year or two -- that when you start that program, the first year will be 138,000 jobs and by the time you finish it, it will be 3.5 million jobs. The wind infrastructure is -- it's going to have to be done. When you do that, you are going to release a lot of natural gas, and natural gas is abundant. We have abundant natural gas in America. It's the cheapest natural gas in the world, so here we have an abundant [source], cleaner by 80% than diesel, cheaper, and it's ours. We need to put our heavy duty 18-wheelers on the natural gas.

BROKAW: When you went to President-elect Obama and talked to him about your plan, was he enthusiastic, and did he agree to support it as a high priority in his new administration?

PICKENS: When you say enthusiastic, I wouldn't say he was jumping up and down, but he asked a lot of questions and took notes, but now two times I've heard him say that in ten years that we will not be importing oil from the Middle East. If that's -- and I believe him when he says that, which tells me he has a plan, and that plan would have to use natural gas, because natural gas is the -- it's a one and only fuel that moves an 18-wheeler

other than diesel and gasoline. You can't do it with a hybrid. You can't do it with battery. You can't do it with a fuel cell. the only fuel -- so when you -- it's not like we're choosing a fuel. It's the only fuel that we have in America that will replace foreign oil.

BROKAW: Senator Obama is very much in favor of having a million electric cars in a very short period of time. Do you think that that is practical, and is it part of your larger scheme?

PICKENS: I like the idea. there's no question plug-in hybrids are good, but think, Tom, one million of those looks big on a parking lot, but you got to think -- you got to look at the whole picture. There are 250 million vehicles in America, and the hybrid, all it does is move the light duty, you know passenger cars and [light] trucks -- or pick-ups, but the trucks, the big stuff has got to be moved by natural gas, but when you look at 250 million vehicles and you are importing 70% of your oil from foreign countries and of the 70%, 50% comes from the Middle East, so if Senator Obama is going to accomplish what he wants to do, it's all here.

We can do it. In America it's interesting because this has nothing to do with politics. This has something to do with all of us in this country, and we can all pull together, do the right things, and we will solve the energy problem.

BROKAW: Former Vice President Al Gore has another plan for this generation. He wants to take it entirely off the carbon footprint and remove it from oil and coal, those kinds of fuels and go to alternative forms of energy, and he wants to keep nuclear in place where it is. Can both of your schemes fit in the best interest of the country?

PICKENS: There are some things that -- that Al and I have in common. We have talked about this. I think that Al can go along with the bridge of natural gas to the battery transportation fuel generation, which is 20 to 30 years away for -- to get it to the level that I think it will have to be to take out foreign oil, so here you've got the bridge, and you go ahead and use it to natural gas and get to the battery as quickly as you can.

BROKAW: Mr. Pickens, let me ask you about this as well. the price of oil has dropped, as you know better than anyone, down to around \$50 or \$60 a barrel. That has driven down gasoline prices. People don't feel the same urgency that they did last summer when they were paying more than \$4 a gallon for gasoline. Does that relieve the political pressure on members of congress, and even on your efforts to get something else done that is an alternative to the traditional way of fueling transportation in this country?

PICKENS: Well, first, we're importing almost 70%. I think that is a huge security problem for the country. I want that fixed. So we've got to reduce the dependency on foreign oil. The cost of it, we got lucky, but we got lucky, but there may be another part, too. When I launched my campaign on July the 8th, gasoline was \$4 .11. Today it's half that price. I don't know. If you look back over the history of oil prices, gasoline prices, we've yo-yoed at times. In the 1970s the price went up, and then we had plenty of oil all at once from the Middle East. When we did, the price went down. We put away any ideas of renewables at that point, and then in the 1908s, the 1990s, and here we are again, the price has gone down, so, oh, boy, we're fixed.

Well, we're not fixed because we're still importing almost 70%. This is great to have cheaper gasoline prices. No question about that. If there's anything that helps our economy it's lower energy costs. So -- but it doesn't mean that we've solved any

problems because over the history of 40 years of no energy plan in America we now have to have an energy plan, and I think we've got it. There are only two ways you can go, Tom, on this. One, you have an energy plan to solve the problem and if you don't have an energy plan, that means you're for foreign oil. It's going to come down to very clear up or down, and it's going to be the American people are going to -- are going to demand an energy plan for the future generations of our country.

BROKAW: For most of your career, Mr. Pickens, you were a traditional Texas oil man, one of the most successful in the game, and, of course, it was in your interest for the big three in Detroit to continue to turn out those big automobiles that had a big appetite for oil-based products. As you look back on your career now, do you have any regrets about what you did earlier and did you ever think at that time when you were in the midst of your oil career what are we doing to this country?

PICKENS: I don't think so. you know, I was a good geologist, and I found a lot of oil, and that was a business I was in, and, you know, you are burning it in your car, and so I was too and the rest of the people in America. what this comes down to, if you want to blame somebody for it, you can say you didn't have the relationship in Washington to start there, but all of us in America use the oil. The reason we did, the gasoline was cheap. It was cheap, and that's why we did it.

Now, when we saw gasoline -- when we saw oil go to \$100 a barrel, all of us realized that we're in a different -- we're in a different world now. if you think oil is going to stay down at \$50 and \$60, I'll make you a \$10 bet on that that we'll be back to \$100 in a year from now. And we're going to -- it's going to move on up. If we don't do anything, go with me ... Forty years no plan. Now, if we go fast forward ten years with the same approach to energy in America, where will we be? 2018 we'll be importing 75% of our oil and the price will be \$200 to \$300 a barrel. That is not going to work.

BROKAW: T. Boone Pickens, thank you very much for being with us. I know that we'll be hearing from you in the days and years to come.