

'Crude' Alternative

Oil tycoon T. Boone Pickens presents his plan to reduce petroleum use

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Automotive technology students have access to natural gas fuel technology via a Honda Civic natural gas vehicle. The college's automotive technology: Honda major was developed from a partnership of the Professional Automotive Career Training program of American Honda Motor Co. Inc. and Penn College.

THE FACE OF ENERGY USE IN THE REGION

surrounding Pennsylvania College of Technology is quickly changing, and legendary oil magnate T. Boone Pickens sees it as a step in the right direction for the environment, the economy and national security. A wind farm is set to be operational by September along a seven-mile stretch of mountain in northern Lycoming County. Moxie Energy is pursuing permits for two natural gas-powered energy plants, one in Bradford County and one in Lycoming.

And Greater Williamsport's public transportation system, River Valley Transit, received state and federal grants to add a compressed natural gas fueling station at its hub on West Third Street. The transit company plans to convert all 30 of its buses to natural gas over the next five to 10 years, displacing an estimated 45,000 gallons of fuel per year and eliminating nearly 504 tons of greenhouse gas emissions annually, according to the state Department of Environmental Protection. The fuel would also be available to county and city vehicles and Williamsport Area School District buses, which already use the facility, as well as to the public and to private fleets.

Greater use of domestic energy sources like wind and natural gas, according to Pickens, who visited the city in September, is not only viable in Pennsylvania and the heart of Marcellus Shale natural gas production, but is a key step to weaning the entire nation from its heavy use of imported oil.

The 83-year-old billionaire, who began his career in oil as a geologist in 1951 and became known for steadily growing his own Mesa Petroleum while acquiring other companies, was hosted by the Williamsport-Lycoming Chamber of Commerce and the Community Arts Center, a wholly owned subsidiary of Penn College.

Pickens has been campaigning for natural gas for three years, "The fuel's cleaner, it's cheaper, and it's ours," he told his audience at the Community Arts Center.

The United States uses 20 million barrels of oil every day, according to Pickens, who says 7 million are produced domestically, 13 million are imported, and of that, 5 million are imported from the Organization of Petroleum Exporting Countries.

Those 5 million barrels are of grave concern to Pickens. He has developed the "Pickens Plan" to help reduce the need for that oil.

"Seventy percent of all the oil used every day in the world is used for transportation," he said. "It's so important to all of us to understand that we are going through, every day in the world, 90 million barrels – 90 million. And we're using 20 million of them in the United States."

His plan starts with converting heavy-duty truck fleets to natural gas. He has proposed legislation – which has been endorsed by President Obama and introduced in both houses of Congress – that would provide a five-year tax incentive to companies that convert their diesel trucks to natural gas.

He says there are 8 million heavy-duty trucks in the United States.

"If we can do 8 million 18-wheelers in five years, you will cut OPEC in half," Pickens said. "We import 5 million barrels of oil a day; that's 2.5 million barrels right there, and you've changed the dynamics of our world when you do that, just with 8 million trucks."

On the economic front, Pickens reminded audiences in Williamsport that the first industrial revolution was funded “on the back of cheap energy,” and lower-cost energy sources can again help to reinvigorate the U.S. economy.

The onset of Marcellus Shale drilling has brought new jobs to Pennsylvania already. An economic impact study by the Marcellus Shale Education & Training Center – a partnership of Penn College and Penn State Cooperative Extension – estimates that each new Marcellus well generated 30 jobs – both direct and indirect – in Pennsylvania in 2009 and around \$4 million in total output within the state’s economy.

During a panel discussion that was part of Pickens’ visit, Rob Broen, president of natural gas drilling company Talisman Energy, said that 70 percent of his company’s employees in Pennsylvania are local.

“We want it to be 100 percent,” he said, listing benefits to his company’s bottom line of hiring skilled employees from the area where drilling is taking place.

Gov. Tom Corbett, also part of the panel, said the job potential is a boon for Pennsylvania.

“We have the responsibility of educating our citizens and our workforce,” he said, noting the work Penn College is already doing in preparing workers for the natural gas industry.

The college has incorporated industry-specific needs into existing curriculum for such majors as welding, electronics and heavy construction equipment, and the Marcellus Shale Education & Training Center provided training for more than 2,600 people in natural gas-related topics in 2010-11.

Doug Miller, president of Exco Resources Inc., said drilling will continue for 50 years, adding that companies have had to go more slowly than anticipated. Pickens estimates those wells will produce natural gas for 100 years.

Still, the resource is nonrenewable and will run out. But Pickens sees natural gas as an essential “bridge fuel,” allowing an immediate reduction in oil imports while buying time to develop new technologies that would make other transportation fuels – such as electric and hydrogen – more viable and to upgrade the nation’s power transmission grid to take advantage of wind energy in the Central Plains.

And it finally provides a plan to accomplish what Pickens says every presidential candidate since Richard Nixon has promised – to end the United States’ dependence on oil from the Middle East.

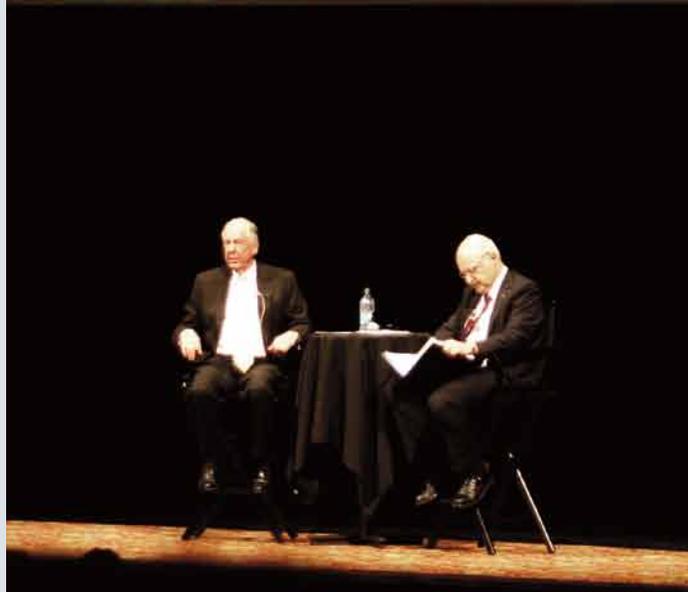
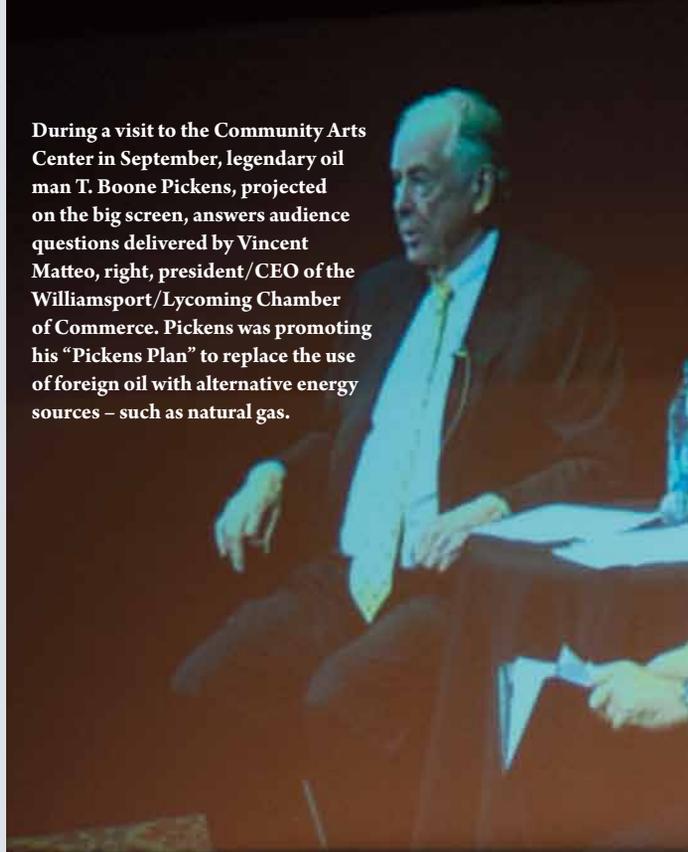
“None of them has had a plan,” Pickens said.

Pickens has spent \$82 million promoting his plan and “telling the energy story to America.” And he has invested heavily in both wind and natural gas energy. He is the founder and largest shareholder in Clean Energy Fuels, which supplies natural gas for transportation, and owns mineral rights on 156,000 acres in Pennsylvania.

While he stands to gain financially, he says his concern is national security.

“This is God-sent,” he said during a talk with a group of Pennsylvania legislators in Williamsport. “This is divine intervention for the United States to show up with this resource. ... I know this has happened to our country at the right time.” ■

During a visit to the Community Arts Center in September, legendary oil man T. Boone Pickens, projected on the big screen, answers audience questions delivered by Vincent Matteo, right, president/CEO of the Williamsport/Lycoming Chamber of Commerce. Pickens was promoting his “Pickens Plan” to replace the use of foreign oil with alternative energy sources – such as natural gas.



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Web Extra

See more photos from Pickens’ visit to Williamsport at oca.pct.edu/ca