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Inside this issue

[My Solutions To The Energy Crisis](#)

[Interesting Article On Wind And Boone Pickens](#)

[Friends And Family Plan](#)

My Solutions To The Energy Crisis

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Before I begin the article, let me mention up here, what I usually save for last. If you have any questions or comments about what I write, please don't hesitate to contact me directly in the office at 203.389.3553 or by hitting "reply" to this email.

Now... on to the finale!

Isn't it interesting that the masses never use the word "crisis" or "bubble" until something has made a once in a generation type move? The last energy "crisis" we had was in the 1970s with the Arab oil embargo. I still remember sitting in gas lines with my family on the odd/even days, depending on our license plate.

And by the time everyone realized we had a serious problem on our hands, the price of gas had already made the vast majority of its move. Even worse, the government really didn't do anything about it until the 1980s began and energy had already topped out.

Today, as with almost every crisis and bubble, action is just starting to be taken, long after the horse left the barn. I have thought about this long and hard and realize that in a presidential election year, as I've written many times before, the behavior of the politicians is more about the election than solving our problems long-term.

So let me "help" them along!

I am FAR from an expert on this topic. And I am sure some of you are thinking ANY topic for that matter. But I do read an awful lot and speak to very smart people every day of the week. So I have formulated some strong opinions on "fixing" the energy situation and I am going to share them today.

To open, I firmly believe that in any crisis, whomever strikes first usually wins. It's important to take action, any action, and then adjust and adapt along the way. Our country sat on its hands way too long until the proverbial 8 Ball was sitting squarely in front of us.

It became too popular to use the blame game. All of a sudden the speculators were the cause? As if this tiny group had the power to control a trillion dollar plus market? It's absurd!

What should be happening is that Wall Street's allowance from full transparency should be no more. Additionally, Wall Street, pensions and endowments should NOT be exempt from the same position limits in commodities that the industry professionals have. It makes ZERO sense that CALPERS, the mammoth California pension fund, can buy all the oil they want, but a company in the industry cannot. We need to change that now!

Why do we still give the big oil companies subsidies and tax breaks? When I see quarter after quarter profits in the billions, I know it's gone WAY too far. The playing field needs to be level. And no, I am not in favor of a windfall profits tax. That's equally as wrong on the other side of the equation. Capitalism should work here.

What would work is for the government to offer huge incentives and tax breaks for alternative energy. Make it rewarding enough for individuals and companies to band together and they will find a solution. We live in the brightest country on earth and with a tailwind, alternatives will be invented, improved and rolled out to the masses within 10 years.

Let's not limit ourselves. Sure, solar, wind and nuclear seem like excellent alternatives, but there is more out there. Just like a technological revolution. We didn't rest on our laurels when IBM had those enormous mainframe computers and we shouldn't here.

Corn ethanol was a great idea on paper that's run amuck. Get rid of the tax breaks and this equally dirty and wasteful fuel. It's a project gone bad.

I absolutely do not favor cutting the gas tax as a way to help consumers. Not only would it further encourage bad habits, but it would seriously damage our national highway. Yet another example of election year bandaids to win votes.

The government needs to raise the miles per gallon mandate. We already have vehicles that get superior mpg; now make it mandatory. I don't buy the argument about the need for SUVs and light trucks. Give me a break! We're a smart population. We'll adapt and adjust.

I don't want a refinery in my back yard and you probably don't either, but we do need another one or two built in the gulf. We have Katrina ravaged coastal areas that are not going to be rebuilt. Why not build one there?

We can argue the next two solutions forever, but I would definitely drill, drill and drill, along with everything else. Drill in the gulf. Drill off California. Drill off Florida. Ensure a supply of oil and gas for generations to come as we develop our alternatives army. This war needs to be attacked from all sides, not just the most politically correct.

And finally, the Arctic National Wildlife Reserve (ANWR) should definitely be opened for drilling. Before you start scoffing about how much it would hurt the environment, yada, yada, yada, let's look at what happened in Alaska.

After decades, what's gone wrong? One drunk ship captain had an accident. Yes, it was terrible and should never have happened, but in the grand scheme of things, it's a blip on a screen now. ANWR is a teeny, tiny piece of barren land that would be a smaller percentage than the state of Rhode Island in the US. It can safely be explored, drilled and the energy transported.

I've seen estimates anywhere from only 10 years worth of oil to several hundred years of oil up there. Frankly, does it really matter? It is part of the solution to get us to energy independence. Let's go now!

There you have a myriad of ways to solve our reliance and addiction to oil. Nothing will happen overnight. There is no single magic bullet. But by attacking the problem from all sides with the smartest minds on earth, some will work better than others and we pretty much guarantee a longer-term solution. My kids are 5, 3 and 5 months. By doing nothing, our government is dooming their generation.

Let me close by offering an unbelievable byproduct of fixing our problem. With everyone so worried about outsourcing to Mexico, China and India and the disappearance of our manufacturing base, can you imagine the economic impact of discovering a viable, cost effective and efficient alternative to oil? It could be the greatest technological revolution in the history of the world!

### **Interesting Article On Wind And Boone Pickens**

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Texas oilman T. Boone Pickens wants to supplant oil with wind

Friends And Family Plan

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