

Crackers

COSMOPOLITAN CLUB OF SANTA BARBARA INC.

Vol. LV No.2 Editor: Hank Macchio

Aug 7, 2008

Access the Cosmo website
<http://members.cox.net/cosmop/>
for current and archived issues of
Crackers and special events
information

DUES ARE DUE

Dues for 2008-2009 are now payable.
Please remit \$60.00 to:

Cosmopolitan Club of S.B.
P.O. Box 3993
Santa Barbara, CA 93130-3993.

Or give check to John MacKenzie or Bill Stancer at a
Cosmo luncheon meeting.

Next Program:

August 7— Jeffrey O. Henley, Chairman, Oracle Corp.:
"Rules of the Game Have Changed for Corporate America"

Jeffrey Henley has been associated with Oracle Corporation
for 17 years, assuming its position as Chairman in 2004.
In his remarks he will share unique insight into the pace of
technology and its impact on corporate America and world
events.

Mr. Henley earned his BA in Economics from UCSB, and
an MBA from UCLA. He serves on The Chancellor's Advisory
Council, as well as The International Advisory Council of
the Engineering College for UCSB.

Ben Walsh will introduce Mr. Henley.

Future Programs:

August 21 — Julian Nott: Scientific Ballooning—
Exploring Landscapes Near & Far "

The Smithsonian Air and Space Museum has described
Nott as "the leading figure in applying modern science to



Next Editor, Dwight Coffin
Phone: 969-2951
email: dwightcc@sover.net

manned balloon design over the last 20
years". In addition to having set over 70
worlds records for ballooning, as well
as designing and piloting numerous novel
balloons, he is extensively involved in
scientific and commercial applications of
balloons and airships. Nott is helping NASA
develop the "Pumpkin Balloon" for very long duration flights,
a concept Nott pioneered. Perhaps the most interesting
of his current work is assisting the NASA Jet Propulsion
Laboratory to develop balloons to explore Saturn's
scientifically fascinating moon, Titan. Nott's illustrated lecture
covers these achievements, the fascinating history of
ballooning and the current wide application of balloons in
science and technology.



George Handler will introduce Mr. Nott.

September 4 — Eduardo Cue: Teen Court



September 18 — open

October 2— Jonathan Fox: Ensemble Theater



Bridge Scores:

Pres. Gould	3310 points
Paul Nefstead	2930 points
Warren Raiter	2640 points



Join us for "Fun" Bridge after our next meeting on August
7th. We meet upstairs and play until 3:30 PM Contact
Pres. Gould at 964-6568 or pwgould@cox.net

Wine Raffle:

Chuck Owens scored a 2006 Chardonnay from Ackert Vineyards, and Herb Friedman won a 1998 Cabernet Sauvignon also courtesy of Ackert Vineyards



Welcome Our Guests

Jay Taber hosted by Fos Campbell.

Senior Services

Marty Tucker, representing the Central Coast Commission for Senior Citizens, Area Agency for Aging, covered a number of topics including a questionnaire developed to learn more about lesbian, gay, bisexual and transgender (LGBT) senior citizens in our community. Copies of the questionnaire were available as a handout after the meeting.

WELCOME NEW MEMBERS

Russell Wayne Twedt

6270 Muirfield Dr.

Goleta, CA 93117

Phone 967-6027, e-mail rtwedt@cox.net

Russ was born in Beresford, South Dakota on October 1st. He earned a Bachelor's at Augustana College in Sioux Falls SD, where his major courses were biology and chemistry. Introduced by Chuck Owens as a "drug pusher", Russ in actuality had an extensive career at American Cyanamid (Now Wyeth) and retired as a Senior Sales Representative.

Russ and his wife Arleen have lived in Goleta since 1968, and have one son Paul and a daughter Sarah. His interests are gardening, travel, and church, and his sport is golf. Russ served as a Lieutenant in the U. S. Navy, serving as Communications Officer and Navigator.

Cosmo Special Events:

4-Day Baja Mexico Cruise – October 13-17

Great Rate of \$912 per couple for Outside Cabin - Past Passenger Rate I includes Insurance, tax and fuel supplement. AAA Member rate is \$952 also including insurance, tax and fuel supplement.



Leave Long Beach, Monday at 5:30 PM; Tuesday at Catalina Island; Wednesday at Ensenada, Mex.; Thursday

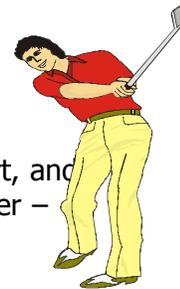
at sea; dock Long Beach Friday morning at 8:00 AM.

To book your reservation, call Cathy Fortunato at AAA, 898-2821. Mention COSMO. Angelo Crippa, 962-0843 janda2@juno.com

Regular Events:

Golf:

August 13th Tournament at Montecito CC still has a few open slots. Greens fee, cart, and lunch for \$45. Please contact Marty Tucker – 969-0760 or tuckmet@aol.com



Weekly at Twin Lakes - Mondays at 9:00 A.M. (Tuesday on Monday holidays). \$9.00 for 9 holes (par 29); have fun improving your short game. Easy walking, flat course. And at Ocean Meadows - Wednesdays at 8:30 A.M. \$14.00 for 9 holes (par 36) with play card. Improve your long shots.

Open to all Cosmo members. Chair Lynn Garten, 969-2466, garten_sba@msn.com

S.A.G.E. Investment Group:

Next meeting is Tuesday, 5 August, 2008, 10:00 AM. Our David Kain will speak on stock market developments with emphasis on the financial sector. Last month, Gordon Bjork gave a very interesting talk about economic and stock market trends in the post war period.



Chair Dick Evans, 967-6930, dickevans1@cox.net

Tennis:

The Cosmo Tennis Group plays doubles twice a week, and all tennis players are invited. We play at a private court in Shadow Hills starting at 8 A.M., Mondays and Thursdays. Bruce Long, 692-4072 or Walter Mead, 682-3045.



Cosmo Computer Society:

Next meeting is Tuesday, August 19th. Jim Stubchaer and Bob Gerity will give a special presentation. We meet upstairs at the Elks Club on the third Tuesday of each month. Open discussion starts at 10 AM. The feature presentation follows at 10:30, concluding with a no-host fellowship luncheon. Jim Stubcheaer, and Bob Gerity, Program Chairmen Chair, Howard Glenn, 967-2633, hbglenn@cox.net

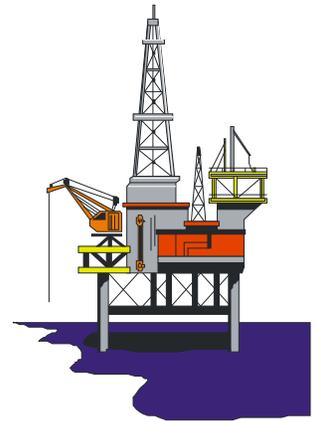


Last Meeting July 17, 2008;

Arlie M. Skov - "U.S. Energy Needs: Fossil Fuels or Renewables?"

Ben Walsh introduced our speaker, COSMO member Arlie Skov.

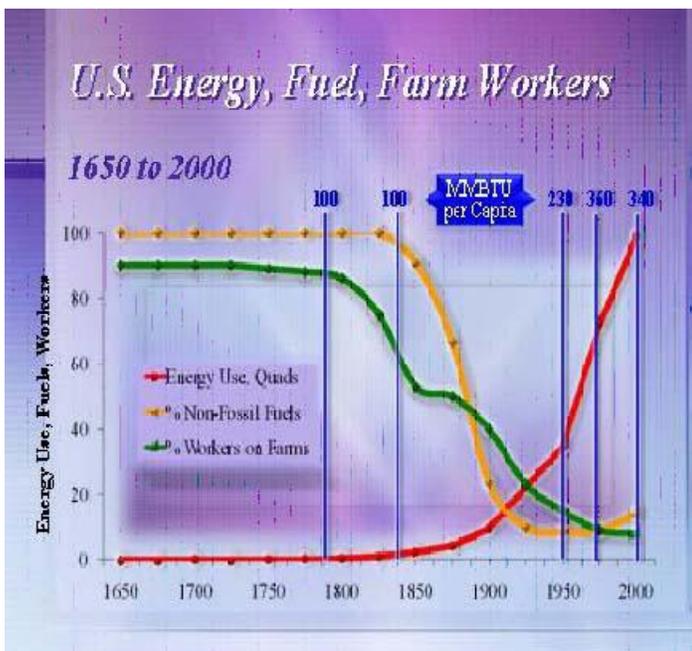
Arlie's Skov's professional career began in 1956 in Oklahoma City after receiving his degree in Petroleum Engineering from the University of Oklahoma. From Manager, Special Products at BP, he moved on to San Francisco as production manager for BP in Alaska. After serving as Manager of Production Planning for the giant Prudhoe Bay development project, Arlie settled in Dallas as BP's Director of Production Technology.



In 1991 he served as International President of the Society of Petroleum Engineers, as well as President of its Foundation. Awarded the Society's highest honors, he still serves on the Board of Trustees for AIME (American Institute of Mining, Metallurgy & Petroleum) and the SPE foundation. Skov retired to Santa Barbara in 1995, where, as a nationally known expert, he continues to write and speak on energy matters.

Arlie put the issue of energy needs, derived from fossil fuels and renewables, into perspective by introducing the COSMO group to an energy measure – the Quad, one quadrillion (1×10^{15}) BTUs, equivalent to about 3,000 train-loads (50M tons) of coal. The United States' energy use is 100 Quads/year and is growing at the rate of 1 Quad/year!

As can be seen in the following, there is a direct correlation between energy use in the United States and the massive shift from an agrarian to an industrialized population that started in the mid-nineteenth century:



About 86% of the US energy in 2007 was supplied by fossil fuels – coal, oil and gas – with renewables such as nuclear, hydro, solar, wind and biomass, making up the remaining 14%. Over the last ten years on an absolute basis measured in Quads, fossil fuel as a source has grown by 7% while renewable energy sources have declined by 6%.

This decline in renewables as a source of energy is despite extraordinary growth rates in the use of ethanol (344%) and wind (738%). However, both ethanol and wind combined added up to just a little more than 1 Quad/year in 2007, or about 1% of the total US energy needs. Other renewables, such as hydro and wood, have actually decreased in their absolute Quad output over the last ten years. Solar, at 0.01 Quad/year, is not meaningful on the US energy landscape.

The US economy grew exponentially since the end of WW II, as a direct result of available, cheap, and plentiful fossil fuels. Today, the biggest uses and growth rates of energy are Electric Power (41Q, 15%) and Transportation (29Q, 16%). Nuclear is an alternative to fossil fuels for Electric Power generation, but only after the US learns how to build economically viable nuclear plants without 15+ years of regulatory and legal delays. Fossil fuels, particularly oil, are indispensable for Transportation. So, we need fossil fuels for the foreseeable future as we continue to increase the use of renewables.

What must be done?

What Must Be Done

Electric Power

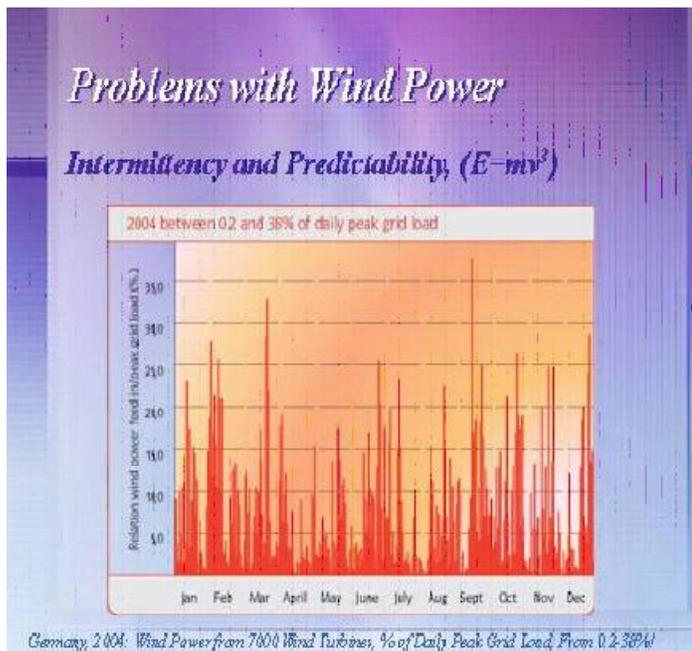
- Build new nuclear power plants, recycle spent fuel and alleviate regulatory political restrictions
- Use CO₂ capture & sequestration for coal-fired plants
- Fully develop low-cost intermittent sources: Wind, solar, tides, etc.
- Conservation, automatic with price?
- Build more dams with pumped storage

What Must Be Done

Transportation

- Liquid fuel for autos, trucks, tractors, trains, planes and boats is indispensable
- Must develop all U.S. oil and gas resources, onshore and offshore
- Develop biofuels as competing uses permit
- Build Fischer-Tropsch plants with CO₂ capture
- Longer term: Computer control of traffic, electric power and batteries for land transport

Asked about T. Boone Pickens new TV blitz about Wind Power as the energy answer to a Maiden's Prayers, Arlie opined that Pickens was sure to make a lot of money for Pickens. But, the intermittency and predictability of Wind Power ruled it out as a serious contender to replace fossil fuels or nuclear for Electric Power generation.



To buttress his statement, Arlie referenced a 2004 study done in Germany on 7,000 wind turbines used for Electric Power generation: The percent of daily peak grid load derived from Wind varied from 0.2% to 38%. Parallel fossil-fueled power plants are needed to smooth out the intermittent power generated by Wind. So, where are the savings?

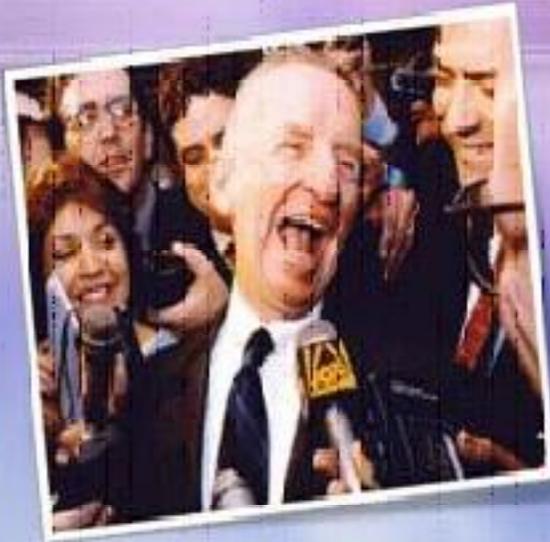
Today, incredible delays exist in the permitting process for new power plants, refineries and, particularly, new nuclear plants. The reasons: excess regulation; the proliferation of NGO's; lawsuits; a pampered public; and obsequious politicians pandering to a pampered public and to NGO's. We've gone from NIMBY (Not In My Back Yard) to BANANA (Build Absolutely Nothing Anywhere Near Anybody).

The message is clear: **STOP TALKING AND START DOING.**

How Fast Can We Develop U.S. Energy Sources?

Sources	Time Frame	Increase	Quads/Year
Oil (GOM)	1996-02	750 MBOPD	0.28
Oil (GOM)	2006-10	850 MBOPD	0.48
Nuclear	1973-74	15/year	2.47
China plans 100 new nuclear units	2008-20	8/year	1.37
Biofuels	2006-07	—	0.22
Wind	2006-07	—	0.06
Solar	2006-07	—	0.01
Geothermal	2006-07	—	0.01

The US will develop alternatives to fossil fuel for transportation – probably battery powered or hydrogen powered automobiles. But, those developments are decades away. Within the next ten years, however, the US can develop extensive oil reserves offshore in the Gulf, Atlantic and Pacific coasts, in Alaska and even in the shale deposits in Colorado, Montana and the Dakotas. We can also build many new nuclear plants for Electric Power generation



“Four years to design and build a new Chevrolet?
*#}! We won World War II in less time than that!”

- Ross Perot (as member of GM Board)

Santa Barbara, CA 93130
P. O. Box 3993
OF SANTA BARBARA, INC.
COSMOPOLITAN CLUB



Cosmo Passing

Donations in memory of member Jim Karls may be made to the

Mental Health Assoc. of Santa Barbara,
James Karls Library,
16 W. Mission St. Suite 5, SB 93101,
for the purchase of mental health books.

The James Karls Library was a project launched while Jim was president of the local MHA organization.

COSMO Financial Health

John MacKenzie reports that the COSMO 2007-08 YE Financial Statement shows Total Income slightly ahead of Total Expense (Good!) with positive cash balances in both the Operating Account and the COSMO Savings Account (Very Good!). Our thanks to the 2007-08 COSMO leadership team for their excellent financial stewardship.

Since COSMO bylaws require that the year-end Financial Statement be available to all members, a copy is hereby attached

2007 - 2008 Year End Financial Statement
Cosmopolitan Club of Santa Barbara

<u>Income</u>	<u>2007-08</u>
Dues	14995.00
Initiation Fees	975.00
Other Income*	2993.00
Total Income	18963.00
<u>Expense</u>	
Insurance	2615.00
Crackers	4410.00
Roster	969.00
Lunch Expense	2264.00
Staff Expense	790.00
Bedges	236.00
Memorials	450.00
Other *	5173.00
Total Expense	16907.00
<u>Income Less Expense</u>	2056.00
<u>July 1 2007 Account Balance</u>	7680.00
<u>June 30 Operating Account Bank Balance</u>	9129.00
<u>June 30 Savings Acct/CD Balance</u>	13342.00

* Significant income and expenses for the year.

Other Income Includes Ladies Day Lunch Receipts of \$2,680

Other Expense Includes Ladies Day Lunch Cost of \$2,708