

# Re: Wind energy a boon for farmers – tenfold returns !

**Source:** <http://sci.tech-archive.net/Archive/sci.physics/2004-12/3043.html>

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**From:** Tim O'Flaherty (*pinwheelsfudge\_at\_gwi.net*)

**Date:** 12/02/04

Date: Thu, 2 Dec 2004 16:11:55 -0500

<jmfbahciv@aol.com> wrote in message news:eo2dnXxLMIhRGDXcRVn-qQ@rcn.net...

> In article <weWdnXRrWK-yFDrcRVn-tg@gwi.net>,

> "Tim O'Flaherty" <pinwheelsfudge@gwi.net> wrote:

>>

>>><jmfbahciv@aol.com> wrote in message

> news:x6edncqqevl4aTjcRVn-3A@rcn.net...

>>> In article <XJqdnWvVqul9CT\_cRVn-3Q@gwi.net>,

>>> "Tim O'Flaherty" <pinwheelsfudge@gwi.net> wrote:

>>>>

>>>><jmfbahciv@aol.com> wrote in message

>>>> news:HpKdnfxoZ8XfegDcRVn-pw@rcn.net...

>>>>> In article <U-mdnUjKa451uQDcRVn-pA@gwi.net>,

>>>>> "Tim O'Flaherty" <pinwheelsfudge@gwi.net> wrote:

>>>>>>

>>>>>><jmfbahciv@aol.com> wrote in message

>>>>>> news:RMmdnVIwrc2iPAHcRVn-ow@rcn.net...

>>>>>>> In article <B8SdnfHju93tHgHcRVn-sA@rcn.net>, jmfbahciv@aol.com

>>>>>>> wrote:

>>>>>>>> In article <vsSdnUsfppSLdQbcRVn-2Q@gwi.net>,

>>>>>>>> "Tim O'Flaherty" <pinwheelsfudge@gwi.net> wrote:

>>>>>>>>>

>>>>>>>>>"Alex Terrell" <alexterrell@yahoo.com> wrote in message

>>>>>>>>>news:d81e59c9.0411161514.627f3377@posting.google.com...

>>>>>>>>>> "Tim O'Flaherty" <pinwheelsfudge@gwi.net> wrote in message

>>>>>>>>>news:<t4qdnb1uB6lslQfcRVn-iQ@gwi.net>...

>>>>>>>>><snip>

>>>>>>>>>

>>>>>>>>> Explanation in order.

>>>>>>>>>

>>>>>>>>> One of the reasons I'm being such an asshole about this subject

>>>>>>>>> is because I'm getting a definite feeling that people are

>>>>>>>>> deciding to disallow building refineries and power plants

>>>>>>>>> because of this new promise of cheap and free technology.

>>>>>>>>>

>>>>>>>>>> Nothing cheap or free in windpower but it is competitive. It would

> *be*  
> >> *>even*  
> >> >> *>more so if the hidden costs of oil were paid at the pump or on the*  
> >> *>utility*  
> >> >> *>bill.*  
> >> >>  
> >> >> *I don't think my bill hides the cost because there is a fuel*  
> *surcharge*  
> >> >> *line item. I doubt very much that hidden costs of oil don't show*  
> >> >> *up in the gas pump price. A large chunk of our gasoline price is*  
> >> >> *taxes which go directly to a black hole, AFAICT.*  
> >> >> >  
> >> >> *>Regarding refineries, a story on NPR*  
> >> >>  
> >> >> *I smell a rat :-); NPR's bias is to be highly suspect these days.*  
> >> >>  
> >> >> > *..yesterday noted that while a lack of*  
> >> >> *>refineries is often cited as a bottleneck they aren't being built*  
> >> *because*  
> >> >> *of*  
> >> >> *>the declining raw material stocks.*  
> >> >>  
> >> >> *Sigh! What decline? Note that these idiots are interpreting*  
> >> >> *the refinery bottleneck as a decline in raw material rather than*  
> >> >> *a maximum in capacity.*  
> >> >  
> >> *>Well to be honest, decline was my term*  
> >>  
> >> *Exactly. Now a good doobie would try to figure out why you*  
> >> *used that word.*  
> >>  
> >  
> *>Must be insidious propaganda. eh?*  
>  
> *Not necessarily. It's a part of examining assumptions.*  
> *Was it your assumption or the broadcasters' assumptions?*  
>

Declining oil supply was cited, by NPR, as a reason why new refineries weren't being built so I guess we can assume that the broadcasters assumed that this was assumed by the oil industry. ;-) It seems to me safe to assume that that decline could either be present or imminent (in the mind of potential refinery builders) since a refinery without raw product to refine is hard to pay off. This may in fact not be the reason or it may be only one of several considerations in the decision. If I were going to put money on a big energy project such as a refinery it would certainly be a consideration along with how many refineries I would have to compete with. I wouldn't assume that there is going to be plenty of oil to go around in the coming decades.

>>  
>>  
>>> > *..but the thrust of the item was the*  
>>> > *expectation that oil as a resource was peaking.*  
>>>  
>>> *You need to examine the language and how it was used to help*  
>>> *you reach this conclusion and then leap to the conjecture*  
>>> *that the supply was declining.*  
>>  
>> *Not that much of a leap. Worldwide demand is growing rapidly, if and when*  
>> *supply peaks the slice of the pie for everyone*  
>> *will need to decline as more*  
>> *players come to the table. We can only maintain our existing share by*  
>> *paying more.*  
>  
> *How do you figure that [last sentence]? It smacks of the assumption*  
> *that throwing more money at a problem solves it.*  
>

Supply and demand.

We are already throwing more money for oil and we will throw even more money for less oil in the near future. Note, that is raw oil, not refined.

>>  
>> *Perhaps you could elaborate on who the "people" are*  
>> *in your statement from*  
>> *above...*  
>> *"people are deciding to disallow building refineries and power plants*  
>> *because of this new promise of cheap and free technology."*  
>>  
>> *Who are these "people" and what power do they have? More power than*  
Exon  
>> *or Mobil?*  
>  
> *Yes, they have more power. Exxon and Mobil are just a piss in*  
> *the wind w.r.t. power. I'll write about one example.*  
>  
> *One of the Democrat Presidential candidates stumped throughout*  
> *New Hampshire stating that he would solve the US' oil supply*  
> *problem by promoting the development of faster than light*  
> *power source; he further claimed that this was an unlimited*  
> *power source and implied that it cost nothing to produce.*  
>

Whoever this candidate may have been an oilman was elected, that speaks for itself.

Sounds exaggerated though. Who said those things? This is the first I heard of any claims like that being made.

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- > *The audiences applauded wildly. Now, every single one of those*
- > *idiots thinks that there exists such a fairy tale. These*
- > *are political people so they have great influence in policies*
- > *set by their state and local governments (the state and local*
- > *is more important than federal). If a policy issue is brought*
- > *up either by a ballot question or a town meeting that about*
- > *future power plans, all will nay the questions that deal with*
- > *oil because they know a new power source is coming soon.*

I think you are exxagerating. Any power source has it's detractors and they are sure to show up at whatever public meetings they have access to, that's democracy you get to speak out.

- >
- > *These decisions are not ever momentous, won't get any media*
- > *coverage but they are accumulative. In a couple of years,*
- > *nobody will be able to backtrace the current crises to*
- > *a politician pandering to his audiences. I don't think*
- > *that anybody will be able to backtrace the crises to all*
- > *the little decisions everybody made.*
- >

I haven't heard of any outcry about locals opposing new refineries, probably because no-one is trying to build one, can you cite specific instances of new refineries stopped because of local opposition?

- > *Another example of a little decision these "people" will make*
- > *will be their usage of electricity. Since they know there*
- > *won't be a scarcity in the future, they won't ever make*
- > *a decision on the side of minimizing their usage. Thus, bigger*
- > *houses with more dependence on electricity will be built.*
- > *I got a wakeup call last spring when a lady told me that a*
- > *house that JMF owned was only a "starter house". Once*
- > *a couple got preagnant and had one kid, the house was too*
- > *small. When JMF bought it (~1973), the house was considered to be*
- > *on the large scale.*
- >
- >

I don't believe they even think about it for the most part. I don't think they care as long as they have what they want. When the shit hits the fan then they will be upset. More refineries won't make more oil though.

- > >
- > >>
- > >> *>It is also a lot harder to clear the environmental hurdles for a big*
- > >> *project*
- > >> *>like this today than it was in 1976 when the last US refinery was*
- > >> *built.*
- > >>
- > >> *What environmental hurdles?*

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> >

> > *The various Clean Air Acts and among others. Refineries can be messy in  
> > case you didn't know.*

>

> *Excuse me? all of that tech has been installed years ago.  
> This has nothing to do with building one today. Building  
> new is usually better than retrofitting.*

1977 New Source Review Program, new construction must meet a higher standard than existing facilities. One way around this is to essentially rebuild the facility in situ, piece by piece.

<http://www.epa.gov/nsr/>

> >

> > *All those lawsuits have to do  
> >> with transferring monies from one pocket to another with the  
> >> explicit goal of preventing anything useful to get done.*

> >

> >

> > *What lawsuits are you referring to?*

>

> *The lawsuits that cost millions of dollars in legal fees that  
> any power company has to plan as an outlay if they want to  
> build a new plant. Around here it's done even if a plant  
> gets retrofitted.*

>

Like when the retrofitting is an end run around the Clean air act?

> >

> >

> >> *> Still I don't doubt that a lack of refineries is a useful way of  
> jacking  
> >> up*

> >> *> prices though so the incentive not to build is there.*

> >>

> >>

> >> *THEY WON'T MAKE MONEY IF THEY CAN'T SELL ANYTHING.*

> >

> > *They make MORE money if they game the market like ENRON did or Like OPEC  
> > did or tried to do. Profit margins have been soaring for refineries of  
> > late.*

> >

> > <http://www.consumerwatchdog.org/utilities/nw/nw004257.php3>

> > *[Shell Accused of Closing Refinery to Raise Gas Prices]*

> > *]Oil refining capacity and its contribution to the rise in gasoline  
> prices]*

> > *[Limited refining capacity is one of the reasons for the recent run-up in*

> > *gasoline prices. In California, Shell is closing one of its three*

> *refineries*

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> >*in the state. Jamie Court, of the Foundation for Taxpayer and Consumer*  
> >*Rights, accuses Shell of playing its own OPEC–style game, choking off gas*  
> >*from one refinery so it can push up prices. But the oil giant says the*  
oil  
> >*fields in the area are running dry. ]*  
>  
> *Have you checked it out? Are the field running dry? What are the*  
> *fields producing? Natural gas, oil?*  
>

Relative to total demand they are producing less, hence the price rise. Why  
obsess about supply while ignoring demand?

> >*They*  
> >> *won't stay in business if they don't pay the dividends.*  
> >> *Dividends are real cash. If there is no cash income, there's*  
> >> *no money to pay dividends. If no dividends get paid, stock*  
> >> *becomes worthless. Now the company goes into Chapter 11 or*  
> >> *other stuff.*  
> >  
> >*Right. They are making more money by maintaining bottlenecks, much as*  
> *they*  
> >*did during the oil embargo, holding full tankers offshore as the price*  
> >*skyrocketed.*  
>  
> *Which oil embargo. The one during the 70s? One of the reasons there*  
> *was a mess was because the federal government had price controls.*  
> *It wasn't the oil companies who held ships offshore. That's just*  
> *plain stupid.*  
>

[http://news.bbc.co.uk/1/hi/business/the\\_economy/430036.stm](http://news.bbc.co.uk/1/hi/business/the_economy/430036.stm)

[" Oil-fired power stations went on to short-time working, oil traders were  
reputed to be holding loaded tankers offshore in anticipation of further  
price rises, speculators would buy and sell real and imaginary oil cargoes  
still in mid-ocean as the adventurous and the unscrupulous cashed in on  
disaster."]

<snip>

Regards,  
Tim O

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