

Group defends Idaho sheep station

Committee petitions Congress to reject closure

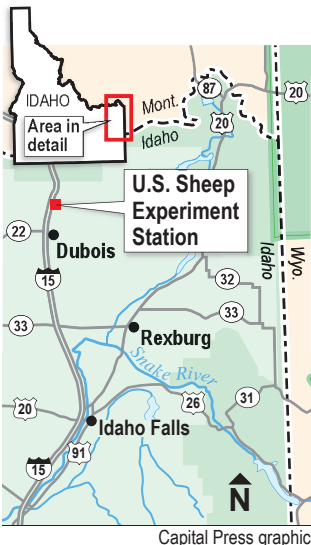
By SEAN ELLIS
Capital Press

BOISE — A diverse committee that is trying to prevent the closure of the USDA’s sheep experiment station near Dubois, Idaho, has finalized a document that defends its continued existence.

The document, which highlights some of the important research being done at the Agricultural Research Service’s U.S. Sheep Experiment Station, will be distributed to members of Congress, who will be asked in the next few weeks to prevent its closure.

The station conducts research designed to improve the genetics, reproduction efficiency and nutrient use of domestically grazed sheep.

The USDA has proposed closing it, citing factors such as litigation by environmental groups over grazing activities at the station, which covers



Capital Press graphic

about 48,000 acres in Idaho and Montana.

A committee of industry, university and state and federal agency personnel seeking to keep the station open agreed on a final document Feb. 23 following a seven-hour meeting.

“In fiscal year 2016 and beyond, Congress must reject the USDA closure request for (the station) to ensure that valuable livestock, rangeland and wildlife research efforts and an irreplaceable field lab-



Photo submitted

Sheep graze at the USDA Agricultural Research Service Sheep Experiment Station in Dubois, Idaho. The facility has been proposed for closure in Fiscal Year 2016 in President Barack Obama’s proposed federal budget.

oratory are not lost forever,” the document concludes.

It also lists the research done at the station, including the use of new genomics data to try to increase sheep production efficiency and tackle disease challenges.

“There’s a lot of good data in there that describes what the station does,” said Idaho Wool

Growers Association Executive Director Stan Boyd. “This document will go to (Congress) and be used to show ARS the reasoning why the station should not be closed.”

The three-page document calls for the creation of a consortium that will include private industry and university partners, federal laboratories

and other stakeholders that will “fully utilize the irreplaceable resources and opportunities” of the station in “ongoing and future collaborative research efforts....”

In a letter to Congress explaining why the station is slated for closure, USDA Secretary Tom Vilsack noted a lack of financial and human resources at

the location and costs associated with animal feed, infrastructure and staff.

The committee’s document addresses those issues as well as the USDA’s main concern: litigation against the station’s use of high-elevation grazing allotments.

ARS has been sued three times since 2007 over grazing activities at the station, with various environmental groups claiming land used by the station is a source of wildlife conflict and possible disease transmission between domestic and wild sheep.

Among other factors, “continued challenges from environmental groups opposed to livestock grazing along a corridor that includes the ... summer range has eroded ARS’ ability to sustain a viable range sheep research program at the Dubois location,” Vilsack’s Nov. 10, 2014, letter states.

The committee’s document states that a solution to the higher-elevation grazing issue that is mutually agreeable for industry, wildlife and ARS interests will be identified by Oct. 1.

Analysts: Hay prices at point of no return

By CAROL RYAN DUMAS
Capital Press

A short-term decrease in hay exports, lower milk prices and shipping delays at West Coast ports could soften western hay prices in the short term, but long-term global demand will keep quality hay trading on a new, higher price plain, according to industry analysts.

Growing global demand for U.S. hay, 95 percent supplied by western states, has largely contributed to western hay prices nearly doubling in the last 10 years, increasing to a new price plain, Rabobank economists Vernon Crowley and James Williamson said in the bank’s latest hay outlook.

Local demand for hay has also grown as western state dairies increased milk production 20 percent over the last 10 years and hay production declined 8 percent, the economists said.

Global demand for high-quality hay, especially from China and United Arab Emirates, and continued constraints on western U.S. production have squeezed an already tight market, driven hay prices to record levels and have raised the bar on minimum prices, they said.

“Ultimately, these factors have changed the industry ...,” they said.

Average prices have shifted to new levels. Along with increased prices, market constituents are facing a more volatile marketplace, they said.

Rapid development of large, corporate dairy farm

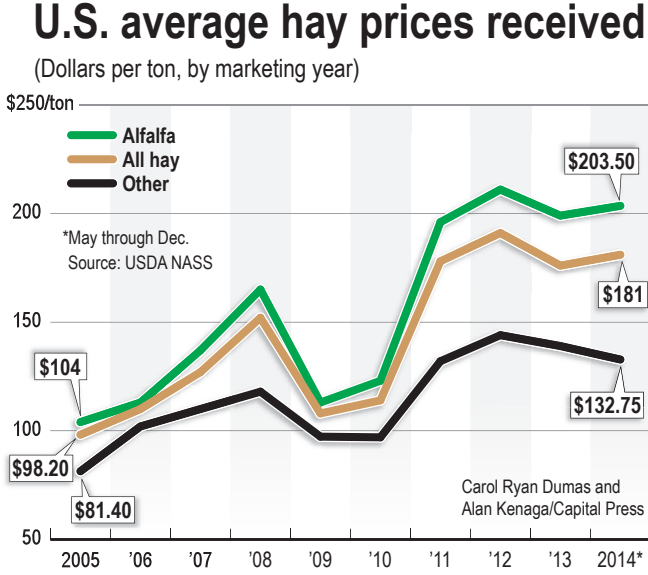
projects in China and prolonged drought in UAE have been the primary drivers of the 30 percent increase in export demand for hay over the last five years, the economists said.

Prolonged drought in the West and increased competition for water for permanent crops has pulled about 300,000 acres out of hay production, and competition for land and water from high-value crops continues, the economists said.

“A short-term decrease in global demand, coupled with restraints at West Coast ports, will put downward pressure on (hay) prices. However, prices

are expected to remain above history lows. Long-term prices and global demand are expected to increase, while competition from high valued crops continues,” the economists stated.

Water in the Middle East is an extremely scarce resource, leading governments to reduce the amount of water farmers are allowed to use. In 2008, the UAE government banned hay production altogether to protect limited water supplies. By 2013, UAE was responsible for 28 percent of total U.S. hay exports — more than 800,000 tons, Rabobank reported.



Columbia-Snake River Irrigators Association Policy Memorandum

DATE:

February 20, 2015

TO:

Mr. Estevan Lopez, Commissioner, USBR; Ms. Lorri Lee, Regional Director, PNRO-USBR; Mr. Robert Quint, Chief of Staff, USBR

FROM:

Ron Reimann, CSRIA President
Darryll Olsen, Ph.D., CSRIA Board Representative

SUBJECT:

Irrigators’ System 1, North-I-90 Project, Water Service Contract Request

The ability of the U.S. Bureau of Reclamation to offer responsible water resources management for the 21st Century is being tested by whether the agency can execute a new water service contract (WSC), for the System 1 Participants, North I-90, Odessa Subarea (Columbia Basin Project). It is now necessary for the Commissioner to oversee personally this effort, requiring the Pacific NW Regional Office to work effectively with private sector Irrigators, to embrace water management practices that will overshadow the future of Western irrigated agriculture.

At our January 28th meeting with Regional Director Lee, a meeting requested since August of 2014, she spoke of “relationships.” To that end, we left the meeting with an understanding that USBR-CSRIA legal counsel would pursue substantive discussion on the pending WSC, provided to the USBR in May 2014, followed by a letter from the East Columbia Basin Irrigation District for the USBR to take the WSC review lead. Instead, CSRIA legal counsel received renewed obfuscation from your legal counsel, not cooperation.

Working with the CSRIA, the System 1, 2, and 4 Project Irrigators have completed all necessary preconstruction engineering/economics analyses and water right transfer review; and the System 1 Project participants have secured \$42 million of private capital to commence construction, now, with receipt of a new WSC. But the Region has displayed a remarkable ambivalence toward private capital and state water law; and its disregard for efficient water use applications, paramount to making the Project economics viable, is bewildering.

The Regional USBR has vacillated between lethargic and obstructive action; and the District’s unfunded “normative” approach is being rejected by many--if not most--of the Irrigators, as it rests on complicated (speculative) public sector financing, and it increases costs for most of the Irrigators. The wells are running dry, and the USBR and District are delaying Project construction while falsely claiming some obscure “social benefits.” So whose interests are really being served here—the USBR Region, the District Board members/staff, the Irrigators?

This deteriorating circumstance begs for USBR intervention from the highest executive level.

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