Idaho poised for solar energy surge

By JOHN O'CONNELL
Capital Press

AMERICAN FALLS, Idaho — Renewable energy developers say Idaho is poised to experience a short-lived solar energy boom, with the state's first commercial solar power projects approved for construction in 2016.

Developers say solar technology has finally come of age in Idaho — resulting in a shift away from wind turbines in their renewable-energy project applications — thanks to a roughly two-thirds decline in the price of the technology during the past five years and a change in state policy reflecting the greater value of power produced when a utility needs it most. Unlike wind power, solar production tends to peak on hot summer days, when power plants are also strapped to meet demands of irrigators.

Farmers and ranchers who own land where the solar panels are planned will benefit from steady, new income from renewable-energy companies.

Courtesy of SunEdison

This 25-megawatt solar power project near Tucson, Ariz., was constructed by SunEdison, which is planning a four solar projects in Idaho totaling 100 megawatts in 2016. Renewable-energy developers are shifting from wind projects to solar in Idaho, but they say a policy change that occurred in Idaho last summer will make the state's solar energy boom short-lived.

In Power County, growers Jerome Clinger and Conrad Isaak will lease 400 acres of prime farm ground to SunEdison, one of the world's largest renewable-energy developers, for construction of a 40-megawatt solar farm. Work should begin next spring, and the facility will tie into an existing 130-kilovolt line that passes through the property.

"I've always had power poles cross my place, but this is the first time I've ever been pretty excited about them," Clinger said.

On the other hand, well irrigators represented by Idaho Ground Water Appropriators, Inc., note investor-owned utilities are forced under the federal Public Utility Regulatory Policies Act to buy qualifying renewable energy, even when it's unneeded and more costly to produce. PURPA assigns states to set contract procedures and pricing methodologies.

"Those folks who have (solar panels) in their spud fields will reap a benefit from that, but it's all the rate payers who will pick up the additional cost," said IGWA Executive Director Lynn Tominaga.

Though ground hasn't broken on the state's first solar farms, new applications for PURPA contracts with Idaho Power have mostly shifted to the company's Oregon territory, due to an Idaho policy change.

Idaho's nine solar contracts approved with Idaho Power for 2016 construction, representing 260 megawatts of energy, were ratified prior to Aug. 20, 2015. On that date, the state shortened the maximum duration Idaho utilities are required to contract for PURPA solar and wind projects above 100 kilowatts from 20 years to two years.

SunEdison plans to add 100 megawatts of solar energy to Idaho Power's grid in 2016, all under 20-year contracts, with additional projects approved for Elmore, Ada and Owyhee counties.

"We'd like to invest further in Idaho, but we're not going to be able to build a project on a two-year contract," said Ben Fairbanks, SunEdison's development manager for the Northwest.

All 15 PURPA solar projects approved with Idaho Power since Aug. 20, totaling 129 megawatts, will be built in Oregon, where the PURPA contract length remains 20 years, though Idaho Power officials say companies are still expressing interest in further Idaho development.

Another 50 megawatts of new wind power, planned for sale to Idaho Power, has been approved for construction in Oregon.

A case is pending, however, to align Oregon's PURPA contract length and procedures with Idaho's.

Michael Darrington, senior energy coordinator with Idaho Power, said Idaho Power's 2015 resource plan estimates the company won't need additional power resources until July of 2024, and adding resources prior to then presents unnecessary costs for customers.

Fairbanks said federal tax credits for renewable energy were recently extended for five years, so renewable projects should still be viable in states with favorable laws.

U.S. Wheat applauds WTO end to export subsidies

By MATTHEW WEAVER
Capital Press

The World Trade Organization's recent move to eventually eliminate export subsidies will benefit U.S. wheat farmers, according to U.S. Wheat Associates, but a spokesman for the organization says the temporary reauthorization of processing and transport subsidies remains a concern.

The WTO is eliminating export subsidy authority immediately for developed countries and by the end of 2018 for developing countries.

The WTO previously banned export subsidies for industrial goods, but many member countries were still authorized to subsidize agricultural exports.

The effect won't be immediate for U.S. wheat farmers, but the WTO's decision sets a good precedent for the world wheat trade, said Steve Mercer, vice president of communications for U.S. Wheat Associates.

"This is a step forward toward a more fair treatment for everyone," Mercer said.

Countries such as China, India and Brazil have been subsidizing above WTO limits, Mercer said.

U.S. Wheat supports a level playing field for trade.

"To be able to compete on the basis of quality, value and price is clearly a desired level for us," Mercer said. "We're rarely the least expensive wheat in the world, so we need to have that price a little more competitive."

The WTO's ministerial conference in Nairobi reauthorized developing and least developed countries' use of processing and transport subsidies for agricultural products, after letting them lapse in 2004. Even though the reauthorization is limited and temporary, U.S. Wheat considers it a step backward for agricultural trade.

"In the case of a country like India that is way above its total subsidy limit under WTO, it seems off-kilter to be putting this authorization back in place," Mercer said.

Reauthorization may have been a bargaining chip in the course of negotiations, he said.

Each country has a limit for spending on domestic support for production, plus leeway on domestic support programs, Mercer said.

"The more leeway you give, the more likely that subsidy is to create distortions to the marketplace," he said. "It's that search for equity and fairness we feel we need."

Expert: Feed monitoring essential on cattle operations

By CAROL RYAN DUMAS
Capital Press

JEROME, Idaho — Whether feed is grown on the operation or sourced elsewhere, it needs to be tracked, tested and stored properly to maintain its quality and safety.

Feed cost is the largest single expense in a cattle operation and demands attention, Cassia County Extension Educator Joel Packham told cattle producers attending the recent Magic Valley Beef Extension School.

If the feed is grown on the farm, producers need to keep records of pesticide and herbicide use to prevent "violative" residues from getting into the beef, he said.

Avoiding violative residues also comes into play when feeding byproducts — which should be supported by sound science — and medications, which require withdrawal times, he said.

Monitoring incoming feed starts with inspecting the delivery truck, paying attention to anything surprising, such as residue from past loads. Producers should check product for color, odor, moisture, temperature, foreign matter and bird or rat fecal contamination, he said.

"You have to look at it and make sure it's as good as can be. If the supply company conducts quality tests, request records," he said.

Producers should also set up their own sampling program to test for quality specifications, taking five to 10 samples in different spots from each batch of purchased feed. Those samples should be labeled and stored properly in case a suspected feed-related issue arises, he said.

Forage samples, using coring implements if possible, should also be taken and stored, he said.

Proper on-farm storage is also important, he said.

"Don't store chemicals and petroleum products or any hazardous material with hay or fee (and) avoid using feed-handling equipment for multi purposes," he said.

No vehicles other than feed handling equipment should be driven into silage pits, and equipment should never be shared between the feed and manure pile, he said.

If feed handling equipment must be used for different purposes, it needs to be properly cleaned and disinfected before using it for feed, he said.

Equipment used for feed should be kept clean. Particular attention should be paid to augers, where particles can get lodged. Excess feed should be removed from feed trucks and the trucks should be sterilized between jobs, he said.

Facilities should be kept dry and clean, and feed should be stored to prevent any risk of contamination, he said.

New wheat buyer enters Idaho market

By JOHN O'CONNELL
Capital Press

SHELLEY, Idaho — A Northern Utah company has started buying wheat from growers in Eastern and Central Idaho, and its owners plan to significantly step up Idaho grain contracting in 2016.

Diversified Ag Marketing has purchased about 1 million bushels of Idaho's 2015 wheat crop and is still buying more, doing business as far north as Ashton and west into the Magic Valley, said Clark Johnson, an owner from Ogden, Utah. Johnson anticipates the company will purchase more than 2 million bushels of 2016 crop.

Diversified has offices in Fielding, Utah, and Shelley, Idaho. The company started a little more than two years ago, initially making wheat purchases only in Utah before expanding into Idaho in 2015.

"We started working with a few growers in the Idaho Falls and Blackfoot areas," Johnson said. "Now we're actually going out and contacting growers."

Shelley farmer Scott Searle and his brother Bryan, who was recently elected president of Idaho Farm Bureau Federation, and BoDee Udy, of Tremonton, Utah, are also Diversified owners.

Bryan Searle said he's long believed additional competition for grain would be good for the area's producers.

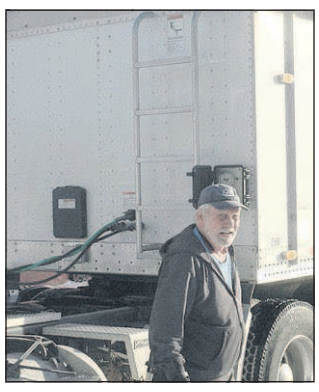
"I've always been big on finding other options," Bryan Searle said.

Searle helped secure an agreement with CHS and Bingham Cooperative to transport the grain, so profits derived from transportation are returned to grower members.

Scott Searle explained growers also avoid trips to their local grain elevators by working with Diversified, which sends trucks to a farmer's grain bin and transports the wheat directly to Ogden flour mills. Wheat milled in Ogden is sold on the domestic market.

"By bypassing the elevator, they save anywhere from 10 to 30 cents (per bushel)," Scott Searle estimated. "Every penny is critical to (growers) at this point."

Johnson said milling customers are often willing to pay a premium for grain that meets



John O'Connell/Capital Press

CHS driver Richard Wilson waits Jan. 5 while a truck is loaded with wheat, picked up directly from a Firth, Idaho, grower's storage for transport to mills in Northern Utah. The buyer, Diversified Ag Marketing, based in Utah, entered the Idaho grain market after the 2015 harvest.

their highly specialized parameters. He said Diversified strives to test grower samples until it finds a close match for a given customer's needs, returning up to a quarter per bushel extra to the farmer.

"They'll say, we need hard red winter wheat, 9 percent moisture, 60-pound test weight and 10.5 percent protein, and we'll find 10,000 bushels," Johnson said, offering an example.

Cathy Wilson, research collaboration director with the Idaho Wheat Commission, said some of the industry's larger buyers aren't set up to profitably handle smaller orders, and Diversified may fill an important niche. Wilson also believes many growers will appreciate the savings of having grain picked up directly from the farm.

Wilson said the regional wheat market is becoming more sophisticated, also considering recent investments by larger buyers such as Lansing Trade Group and Thresher Artisan Wheat.

"With more points to sell their wheat, it should give growers the ability to figure out where's the best deal for them, and they're not just stuck with one outlet for their crop," Wilson said.

Diversified declares Idaho as the point of sale for all of its Idaho grain, subjecting it to a 3.5-cents-per-bushel assessment paid to the Idaho Wheat Commission.

After boom years, California strawberry production slips

By TIM HEARDEN
Capital Press

WATSONVILLE, Calif. — After almost a decade of record or near-record production, California's strawberry industry is experiencing something unfamiliar — a period of modest decline.

After seven record-setting seasons in eight years from 2006 to 2013, production in 2015 likely declined slightly for the second straight year, as the 189.7 million trays harvested statewide as of Dec. 19 was well below the 2014 total of nearly 192 million trays, according to the California Strawberry Commission.

Growers have told the commission they'll plant 32,515 acres in 2016 — a sizable drop from the 37,438 estimated acres last year and continuing a trend of annual declines from the 40,816 acres planted in 2013.

"The demand is still strong, but production costs continue to rise and regulatory constraints are continuing to rise," commission spokeswoman Carolyn O'Donnell said. "Strawberry farmers rotate every year. I'm sure that land isn't out of production (permanently).

"In the meantime, strawberry farmers are investing in a lot of research into new strawberry varieties … and into farming without fumigants," she said.

New varieties with higher yields have helped growers keep up with demand despite the acreage declines in recent years. In 2015, pickers kept pace with the previous two seasons for much of the year and even exceeded them as late as October, but the storms of late fall and early winter caused a drop-off in production.

As of Jan. 5, Salinas has recorded 4.92 inches of rain since the water year started Oct. 1, exceeding its average of 4.22 inches for the period, according to the National Weather Service. Storms can complicate strawberry harvest, as the rain can cause ripe berries to become moldy and waterlogged.

"Anytime there's rain, farmers are happy," O'Donnell said. "They know that rain is a temporary setback compared to not having water to irrigate, which is a longer-term concern."

Courtesy UC Regents

Farmworkers pick strawberries in a field on California's Central Coast. Strawberry production declined slightly again in 2015, according to the California Strawberry Commission.

Still, this year's significant acreage decline serves as a reminder that life in the strawberry industry isn't getting any easier as drought has caused irrigation cutbacks in the southern growing regions and as fumigants such as chloropicrin and Telone are facing increased scrutiny. Methyl bromide, the industry's old stand-by for combatting soil-borne diseases, is expected to be phased out completely by the industry this year.

To address these challenges, growers will continue to invest in a variety of research and education programs, the commission noted in its annual acreage report. They will include development of more new varieties, researching alternatives to fumigants and training farmers and workers in water efficiency and food safety, according to the report.

The commission notes that California is still the world's leading strawberry-producing region and is expected to supply more than 79 percent of the volume consumed in the U.S.