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## Dairy

# Idaho officials investigate possible dairy breach

By CAROL RYAN DUMAS  
Capital Press

Officials of the Idaho State Department of Agriculture are investigating alleged discharges of wastewater from 4 Bros. Dairy north of Shoshone, which might be a factor in well water contamination in Lincoln and Gooding counties.

Residents in the area have reported foul-smelling and discolored tap water, and the South Central Public Health District has advised residents to avoid the use

or consumption of untreated and untested well water due to possible contamination from widespread flooding.

The state Ag Department is conducting an investigation into alleged issues at 4 Bros. Dairy and is coordinating with the Idaho Department of Environmental Quality and other agencies as needed, said Chanel Tewalt, ISDA communications chief.

4 Bros. co-owner, Andrew Fitzgerald, said on his attorney's advice he can't comment at this time but

will make a statement at a later date.

ISDA has conducted water tests, both on its own and in coordination with DEQ, and will provide results of those tests once a public information request is run past counsel regarding releasing information in an ongoing investigation, she said.

Abundant snow, followed by heavy rains and warm weather, have caused widespread flooding in the region, with livestock operations reporting challenges in containing run-on and

runoff on their property.

ISDA teams are going full force responding to calls, complaints and requests for technical assistance in the Magic and Treasure valleys, Tewalt said.

The agency is looking at each operation on a case-by-case basis to do what it can both to assist and fulfill its regulatory role, she said.

DEQ personnel have not been onsite to observe a possible discharge because the Ag Department has the lead on regulating dairies, said Mike Brown, DEQ regional engi-

neering manager.

"We only get to clean up the mess after it hits," he said.

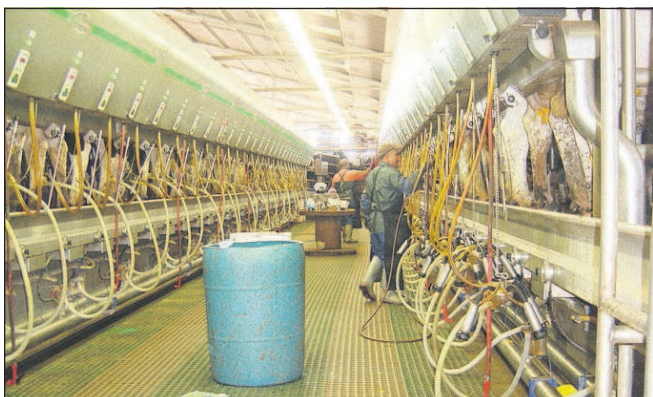
On the public health side, South Central Public Health District is taking the lead because the issue involves private wells and DEQ has no jurisdiction over drinking water or private wells, he said. "We're here as a consultant and can lend expertise."

The agency is in the loop, however, and there's not yet enough definitive information to determine causality — whether it's an issue of runoff or the dairy's actions or a

combination, he said.

In a request for comment, the U.S. Environmental Protection Agency stated it was notified of the reports of problems at 4 Bros. Dairy by ISDA and is communicating and coordinating with its state agency partners to determine the next steps.

Lynn Harmon, general manager of American Falls Reservoir District No. 2, which provides irrigation water in the area through the Milner-Gooding Canal, said he's been advised not to comment.



Tim Hearden/Capital Press File

Cows are milked at VanderWoude Dairy near Merced, Calif. California producers are studying a federal milk marketing order proposal.

## Voluntary pooling biggest issue in marketing proposal

By CAROL RYAN DUMAS  
Capital Press

California dairy co-ops and milk producers have a lot to evaluate in USDA's recommended proposal for establishing a federal milk marketing order for the state, which has long operated under a state order.

The biggest difference in the two is that California's order regulates all milk prices, and all processors must pay those minimum prices established for different utilizations. In federal orders — and the proposed order for California — only Class I, milk for fluid consumption, is regulated and manufacturers of dairy products can choose whether to participate in the pool and pay minimum prices.

Participation in the pool results in a blend price to producers based on minimum prices and utilization. Co-ops and producers wanted mandatory pooling to be a part of the federal order.

A number of things in the co-ops' original proposal were included in USDA's proposal, such as product price formulas in line with the rest of the country and the retention of quota value — \$1.70 per hundredweight above blend price paid to producers holding quota certificates.

But mandatory pooling was not, and that's probably the piece that's going to be the most difficult to work around as far as producer acceptance, said Mark Stephenson, director of dairy policy analysis at the University of Wisconsin-Madison.

"I think it's a big deal — this is going to get down to asking if you're going to have a lot of plants opting out of the pool," wherein they're not

subject to minimum pricing, he said.

Federal orders are mainly about an orderly market for Class 1 fluid milk, making sure fluid plants get milk when they need it. They contribute money to the pool, and manufacturing processors draw from that pool when they provide milk.

But California's Class I utilization is low — "it's not going to be an issue at all; there's plenty of milk in California," he said.

Contributions to the pool are likely to be very small, with a lot of unregulated plants, and that's the balancing question in producer support, he said.

"Do I think I'm going to be better off with a federal order when a lot of plants are opting out of regulated pricing," he said.

The push to join the federal order system was to realize more equitable prices compared to the rest of the country, particularly for milk to manufacture cheese.

But the price of milk going to cheese could go down under a federal order if cheese processors opt out of the pool. If it isn't regulated, it's not Class III milk — it's just milk, Stephenson said.

On the other hand, processors will pay what they need to get milk in the door. At the end of the day, cheese plants want to make money and if they pay too little, farms will fail.

Co-ops and producers are the ones who will vote on a federal order, and the question will be whether they're better off with the state order they have or with the recommended federal order.

"It's a complex decision, no doubt about that," he said.

# Dairy Challenge hones students' skills

By CAROL RYAN DUMAS  
Capital Press

TWIN FALLS, Idaho — More than 50 students from five universities around the Western U.S. and Canada put their academic knowledge to the test on a real-world dairy last week at the Western Regional Dairy Challenge.

Part of the North American Intercollegiate Dairy Challenge, which began in 2002, the regional challenge is designed to create an educational environment and facilitate real-world evaluation. It strives to incorporate a higher-learning atmosphere with practical application to help prepare students for a variety of careers in the dairy industry.

One of the strengths of the regional challenge is that students are placed on aggregate teams, combining students from different universities, backgrounds and education. The teams then tour a host dairy, are provided with the dairy's data and have an opportunity to question the dairy's management team.

From there, they develop a comprehensive evaluation including recommendations for nutrition, reproduction, milking procedures, animal health, housing and financial management. Those Power Point presentations are then presented to expert judges, who participate in the tour and review the dairy's data.

One judge, Peter Kasper of Kasper Dairy in Melba, Idaho, participated in the national



Carol Ryan Dumas/Capital Press

Students from 12 universities across the West and Canada participating in the Western Regional Dairy Challenge listen to answers to students' questions from operators of the dairy that hosted the competition during a session at the College of Southern Idaho in Twin Falls on Feb. 24.

Dairy Challenge in 2004.

"Interaction with different students from different universities competing on the same topics gave me different perspectives," he said.

That was before regional challenges and aggregate teams were added to the program — which offer wider involvement and a heightened learning experience, he said.

The aggregate structure offers a good challenge, wherein students have to learn to work with people they don't know, he said.

"They're essentially a consultant for a day. I don't know of any other dairy program like

it," he said.

The experience also allows students to see if this is a career path for them and offers a good opportunity to find future employers and internships, he said.

### Sharing knowledge

Tony VanderHulst, co-owner of the host dairy and president of the Idaho Dairyman's Association, said the students represent the next generation of agricultural leaders and it's important they are exposed to the real-world workings of an operation.

"They're our future; they need to learn," he said.

The challenge provides an opportunity for them to work with team members from other schools in a real-world setting where they have to learn to adapt and work together, he said.

The students were observant enough to see the issues the dairy struggles with, made great presentations on their findings and offered good ideas on how to address those issues, he said.

The challenge provides a great experience for social networking and being able to meet dairymen, said Paige Harwood, a pre-veterinary junior at Washington State University.

# Block-barrel cheese price inversion ends

By LEE MIELKE  
For the Capital Press

Cash block cheddar cheese sank to \$1.51 per pound last Wednesday but closed the President's Day holiday-shortened week at \$1.5750, still down a half-cent on the week but 9 1/2-cents above a year ago, as traders absorbed Thursday's January Cold Storage data.

The barrels finished at \$1.5175, down 10 1/4-cents, 8 3/4-cents above a year ago, and ended the inversion, dropping 5 3/4-cents below the blocks. Ten cars of block traded hands last week and a whopping 35 of barrel.

The blocks dropped 3 cents

### Dairy Markets

Lee Mielke



Monday but inched up a quarter-cent Tuesday, to \$1.5475.

The barrels were also down 3 on Monday but jumped 3 1/4-cents Tuesday, to \$1.5250, with 14 cars trading hands.

FC Stone's Dave Kurzawski wrote in Tuesday's Early Morning Update that "with grilling season and weather worries safely months away, talk of U.S. milk 'flush' is adding to bearish pressures. Keep in mind that as the bearish talk mounts and prices

fall, end-users are inclined to pull back on orders and stand on the sidelines to 'wait out' this move."

Milk is abundant for cheesemakers in the Midwest, reports Dairy Market News. Cheese production is active as producers try to balance inventories while maintaining production to coincide with the surplus milk. Some cheese manufacturers reported fluctuations in demand week by week, inconsistent with past years. Others report a general slowdown, characteristic of this time of year, but inventories are long.

Western cheese output is steady and active. Demand is seasonally lower but many processors are seeing a steady pull

of cheese stocks, though stocks are rising.

Spot butter fell to \$2.1175 per pound Wednesday but rallied some and closed Friday at \$2.13, 2 3/4-cents lower on the week but 15 1/4-cents above a year ago. Only two cars were sold last week at the CME.

The spot price added 3 cents Monday and 2 cents Tuesday, climbing back to \$2.18 per pound, possibly driven by Easter-Passover holiday demand.

DMN says cream remains readily available in the Central U.S. but cream interest from Class II operations is beginning to increase, so competition for cream may escalate. With the current cream surplus, however, butter production is active.

# Expert: Efficiency, not regulation, reducing dairy air emissions

By MATEUSZ PERKOWSKI  
Capital Press

SALEM — A desire to reduce inefficiencies — and neighbor conflicts — is driving Oregon dairy farmers to cut unwanted emissions, according to an industry expert.

Environmental activists often bemoan the lack of federal and state air quality restrictions for dairies, but farmers are taking steps on their own, said Troy Downing, dairy extension specialist at Oregon State University.

"As we get new science, our industry is adopting it quicker than we would through regulation," Downing said at the Oregon Dairy Farmers Association's annual conference on Feb. 20.

The prospect of Oregon's government taking a more



Mateusz Perkowski/Capital Press

Troy Downing, extension dairy specialist at Oregon State University, speaks about reducing emissions at the Oregon Dairy Farmers Association annual conference in Salem.

active role has been raised by Senate Bill 197, which would require the state Environmental Quality Commission to enact formal rules for reducing dairy air emissions.

The legislation seeks to formalize recommendations made by a dairy air task force

in 2008, which proponents of SB 197 complain haven't been acted upon, Downing said.

In reality, though, dairy farms have voluntarily implemented "best management practices" such as installing anaerobic digesters to capture gases and use them for energy

production, he said.

"We have made significant progress," Downing said.

Decreasing odors allows dairy farmers to be good neighbors as well as curtail volatile organic compounds, or VOCs, he said.

The adoption of automated scrapers has led to more frequent removal of manure and urine from barns, Downing said. Waste is more stable in a liquid form, which prevents volatilization and the release of undesirable gases.

Some measures also help farmers put the nutrients in manure to better use.

By applying manure to fields with "big guns" at high pressure, more of the substance is released as an aerosol-like spray that's prone to volatilizing into a gas, Downing said.

More farmers are now switching from the big guns to low-pressure or injection systems that preserve nitrogen while reducing gases, he said.

Manure is often assumed to be the culprit in dairy emissions, but feed and silage also release gases, Downing said.

Dispersing smaller amounts of silage several times a day — rather than a large amount once — decreases the amount of time it lays around, reducing VOCs, he said.

Storing silage in a narrower pit also shrinks the size of the open "fringe" as feed is removed, reducing volatilization of gases compared to a broader pit with a larger face, he said.

As gases are volatilized from silage, the material's weight decreases, Downing

said. "That's dry matter you're losing to the atmosphere that the cows aren't eating, that you bought and paid for."

Reducing emissions can be advantageous for dairies, but Downing noted that livestock production contributes to only 4 percent of U.S. emissions of "greenhouse gases," according to the U.S. Environmental Protection Agency. The dairy industry's share is less than 1.5 percent of total U.S. emissions.

Meanwhile, Oregon's air quality is predominantly rated as "good" by the EPA, though some areas occasionally dip into "moderately" territory when people heavily use wood stoves during atmospheric inversions, Downing said.

"Oregon really has no air quality problem. What problem are you trying to fix?" he said.