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Dairy/Livestock

Idaho developing sage grouse mitigation credit program

By JOHN O'CONNELL
Capital Press

BOISE — A task force that drafted Idaho's version of a sage grouse management plan has continued meeting to work out details of a program offering credits to mitigate for development in sage grouse habitat.

Dustin Miller, administrator of the Governor's Office of Species Conservation, said his agency is overseeing the program's creation, and many have suggested that it should ultimately administer it.

Miller said businesses pursuing projects affecting sage grouse habitat, such as power and mining companies, would buy credits to offset the harm to the bird from their development. The funds would go into an account used to cover habitat improvements and other projects benefiting sage grouse throughout the state.

Miller envisions the program would provide financial opportunities for farmers and ranchers, who could generate credits by making sage grouse improvements on their land,



Jeanne Stafford/U.S. Fish and Wildlife Service
A greater sage grouse. Idaho is in the process of developing a plan to offer credits, which would be sold directly from the state to an interested buyer, to mitigate for development in sage grouse habitat.

in exchange for payments.

Rather than pursuing isolated "postage stamp" projects, Miller said the approach would enable the state

to "take those funds and go big on some of these projects in areas where we know we could get benefits for sage grouse."

Unlike sage grouse mitigation programs planned in states including Wyoming, Nevada and Colorado, Miller said Idaho's credits wouldn't be traded on the open market. Rather, he said, they'd be offered directly from the state to interested buyers. He said Idaho is taking a more simple approach because it doesn't have the same level of mitigation demand.

Miller explained the mitigation credit framework was conceived by an Idaho Department of Fish and Game Sage Grouse Advisory Committee and later handed over to the governor's 14-member task force. The BLM melded its own proposed plan with the Idaho plan, including the mitigation framework, in the land-use plan it approved for sage grouse, averting an endangered species listing for the bird. The state, however, has an active lawsuit against the BLM over the plan, largely due to the agency's 11th-hour choice to include 10 million acres of "focal areas" with

greater land-use restrictions. A third of those protected areas are in Idaho.

Miller said the state plans to start with a pilot program. The committee is scheduled to have its third meeting on the topic in Boise March 15-16, where it should finalize a draft of a sage grouse science plan, a tool to quantify habitat value for calculating credits and a manual directing how the program should operate.

John Robison, public director with the Idaho Conservation League, serves on the task force and considers the mitigation framework to be a "great example of multiple agencies actually collaborating together on the local, state and federal level."

"There have been a lot of lessons learned about other mitigation efforts in other states," Robison said. "We're trying to figure out how to customize the mitigation plan for Idaho's needs."

Randy Vranes, with Monsanto, also serves on the committee.

"This is a proactive effort by the state to get something in place so we could fend off future federal efforts," Vranes said.

Making the case for forage kochia

By DOUG WARNOCK
For the Capital Press

Forage kochia, a perennial, semi-evergreen, half-shrub, has a definite place on arid and semi-arid rangelands. It is a viable feed source and a strong competitor with undesirable annual grasses and forbs. The history and use of forage kochia is reviewed in a January 2017 publication from USDA's Natural Resources Conservation Service Office in Portland, Ore.

In 1984, after 16 years of tests, forage kochia was released for use as forage and for soil erosion control on rangelands in the arid and semi-arid areas of the Western states. It is best adapted to areas with annual precipitation of 6 to 16 inches. Forage kochia (*Bassia prostrata*) should not to be confused with weedy kochia (*Kochia scoparia*). Weedy kochia is an annual forb that invades cultivated fields and roadside areas.

There are two cultivars of forage kochia currently available, "immigrant" and "snowstorm." Immigrant is a lower growing form that reaches heights of 12-15 inches. Snowstorm is a taller, more productive form. Forage kochia is adapted to a fairly wide range of soils and is tolerant of saline and sodic soils.

This plant's best use as a forage is for late season grazing. This is because it has higher nutritional value later in the growing season when dormant grasses and other shrubs have lost much of their nutritional value. Studies have shown increases in forage productivity on semi-arid rangelands when forage kochia was introduced. A crested wheatgrass-forage kochia planting in Utah had an overall increase in biomass of 3 to 6 times and 74 percent of the increase was from forage kochia. Studies focused on the late season nutritional benefits of forage kochia have shown crude protein levels in forage kochia of 11 percent, while crested wheatgrass has 3 to 4 percent.

Forage kochia has shown the ability to successfully establish itself in competition with annual grasses, such as cheatgrass and medusahead and with annual forbs, such as, halogeton and Russian thistle. Long-term studies found that forage kochia seeded into areas with undesirable grasses and shrubs eventually dominated these areas, reducing the populations of the undesirables.

This plant is quite useful in improving certain habitats for wildlife. It has been used to improve late season feed for elk, deer and antelope.

Another name for forage kochia is summer cypress. It is a native of the deserts and semi-arid areas of central Eurasia and the Mediterranean. It is reported that horses and camels preferred it to other plants and that it was highly valued for fattening sheep, goats and camels.

While forage kochia seedlings emerge in late February and early March, it grows somewhat slowly through the cooler temperatures of spring. The plants' growth takes off as temperatures warm up in early summer. Flower development usually starts in August and seed maturity occurs in mid-November.

Forage kochia has the potential to cause bloat at certain growth stages. The possibility for bloat can be kept to a minimal level by following recommended management guidelines. Before seeding forage kochia, it is best to consult educators and advisors with experience and knowledge to ensure viable results in achieving your goals.

More information is available from the NRCS publication, Technical Note No. 28, which can be obtained on line.

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Tim Hearden/Capital Press
Cows are milked at the VanderWoude Dairy near Merced, Calif. As California producers weigh a federal milk marketing order, they want to know how the quota system will be funded.

Quota value a top priority for California dairymen

As producers weigh FMMO, they want to know how system will be funded

By CAROL RYAN DUMAS
Capital Press

Producers and processors launched a barrage of questions last week as USDA officials laid out how a new federal milk marketing order would work.

A major potential stumbling block is maintaining the state's current quota system, farmers said.

Some 58 percent of California dairy farms own some level of quota certificates, which are equivalent to \$1.70 per hundredweight of milk above the blend price they receive. Farmers wanted to know how their value would be recognized in a federal order.

Quota certificates, which can be transferred or sold, are valued at \$1.2 billion, and producer groups have said the loss of the quota in a federal order would be a deal-breaker.

Under the state order, all milk is pooled, and the California Department of Food and Agriculture de-

ducts \$12 million to \$13 million a month from producer milk payments to fund the quota program.

Under a federal order, only Class I fluid milk is required to be pooled.

With Class I utilization only about 10 percent of the state's milk production, farmers have been concerned that the pool wouldn't be large enough to fund the quota.

The California Department of Food and Agriculture would continue to administer the quota program and determine how money to fund the program will be collected and distributed, said Erin Taylor, USDA Agricultural Marketing Service dairy program acting director of order formulation and enforcement.

The program would remain separate from the federal order, but the FMMO proposal allows handlers of pooled milk to deduct a CDFA-determined quota assessment from regulated minimum prices they are required to pay producers.

"We can only deduct on pooled milk," she said during the meeting in Clovis.

But she assumes the same milk that now pays for quota will continue to be assessed to pay for the program, with CDFA de-

termining how to deduct the portion that would come from non-pooled milk.

"CDFA will still operate the quota program just like they do now, which is on all California milk. All we're saying is a handler with pooled milk can deduct on this pooled milk in this federal order," she said.

CDFA has indicated developing quota guidelines is a top priority but has not offered a definitive timeline for when it will make them public, she said.

Producers stated they'd like more time to review the state's plan, which will be critical to evaluating whether the quota program is sustainable, and asked if the comment period could be extended until after that plan is made public.

As an interested party in the proposed FMMO, CDFA has the same May 15 comment deadline as everyone else. AMS will not wait on the state agency's quota guidelines but will move forward on assumptions and expectations on how the program will operate, said Dana Coale, deputy administrator of AMS dairy program.

The industry can request an extension but needs to provide a reason, she said.

Dairy prices remain precarious

By LEE MIELKE
For the Capital Press

CME cash cheese fell for the fourth consecutive week last week. The blocks closed Friday at \$1.48 per pound, down 9 1/2-cents on the week and 4 cents below a year ago.

The barrels finished at \$1.4375, down 8 cents and 2 1/4-cents below a year ago. The blocks have plunged 28 cents since the end of January and the barrels are down 27 3/4-cents.

The cheese was unchanged Monday, as traders awaited Tuesday morning's Global Dairy Trade auction, then took the blocks down 2 cents, to \$1.46, lowest price since June 2016. The barrels slipped three-quarters, to \$1.43.

Milk continues to be abundant for Midwest cheese producers, according to Dairy Market News. Western cheesemakers report cheese is moving well but are hopeful softening prices provide more export opportunities. Inventories are long and plenty of milk is moving into vats.

Butter closed Friday at \$2.1625 per pound, up 3 1/4-cents on the week and 12 1/4-cents above a year ago, with 24 cars trading hands on the week.

It lost a penny and a half Monday but was up 2 cents Tuesday, to \$2.1675.

Cream is plentiful in the Central U.S. but Class II producers continue to show interest in cream.

Cash Grade A nonfat dry milk closed Friday at 80 1/2-cents per pound, down 1 3/4-cents but 2 1/2-cents above a year ago.

The powder was unchanged Monday but slipped a half-cent Tuesday, to 80 cents per pound.

Powder plunge

Hopes set upon the Global Dairy Trade auction took a pounding in the first event of March, as the weighted average for all products plunged 6.3 percent, following a 3.2 percent drop Feb. 21.

Skim milk powder led the declines with a 15.5 percent drop, following a loss of 3.8 percent last time. FC Stone's Dave Kurzawski points out that New Zealand's SMP prices were "so far above the US/EU that this is mostly a re-alignment."

Whole milk powder was down 12.4 percent after falling 3.7 percent. Cheddar cheese was down 4.2 percent, after dropping 5.3 percent, and anhydrous milkfat inched 0.8 percent lower.

Buttermilk powder was up 8.4 percent, after leading the declines last time and butter was up 1.2 percent, after inching 0.2 percent higher Feb. 21.

Dairy Markets
Lee Mielke



FC Stone equated the average 80 percent butterfat GDT butter price to \$2.0591 per pound U.S. CME butter closed Tuesday at \$2.1675. GDT Cheddar cheese equated to \$1.5580 per pound U.S. and compares to Tuesday's CME block Cheddar at \$1.46. GDT skim milk powder was 96.07 cents per pound and whole milk powder averaged \$1.2618 per pound U.S. CME nonfat dry milk price closed Tuesday at 80 cents per pound.

Federal benchmark up

The February Federal order Class III benchmark milk price is \$16.88 per hundredweight, up 11 cents from January and \$3.08 above February 2016.

Monday's futures settlements portended a March Class III at \$15.89; April, \$15.83; May, \$15.98; and June at \$16.16, with a peak of \$16.86 in September.

The Class III price is \$1.07 above California's comparable 4b cheese milk price, highest gap since September 2016, and comes despite the temporary state mandated whey pricing formula adjustment.

The February FO Class IV price is \$15.59 per cwt., down 60 cents from January but \$2.20 above a year ago.

California price falls

California's February Class 4b cheese milk price is \$15.81 per cwt., down 18 cents from January, \$2.76 above a year ago, and the lowest 4b price since October 2016.

The Class 4a butter-powder price is \$15.40 per cwt., down 27 cents from January but \$2.12 above a year ago.

Milk feed ratio slips

Higher corn and soybean prices offset a slightly higher All-Milk price to pull the latest milk feed price ratio a little lower. The January ratio slipped to 2.69, down from 2.70 in December, but is up from 2.18 in January 2016, according to the latest Ag Prices report.

The January U.S. average All-Milk price was \$18.90 per cwt., up a dime from December and \$2.80 above January 2016.

January corn averaged \$3.40 per bushel, up 7 cents from December but 26 cents per bushel below January 2016. Soybeans averaged \$9.71 per bushel, up 7 cents from December and \$1 per bushel above January 2016. Alfalfa hay averaged \$128 per ton, down \$1 from December, and \$13 per ton below a year ago.

Irish butter bootlegged into Wisconsin

MADISON, Wis. (AP) — Consumers from Wisconsin are crossing the border to Illinois to stock up on a commodity they can't buy in the Dairy State — Irish butter.

A 1954 Wisconsin law prohibits the sale of butter without a state or federal grade mark. So fans of Ker-

rygold Irish-made butter must cross the border to get the butter made from hormone-free milk that's produced from grass-fed cows — or turn to the internet.

The State Journal reports despite the 1954 law, Kerrygold butter sometimes finds its way to the shelves of Wisconsin grocers, includ-

ing a Target store in Waukesha recently.

The company that markets Kerrygold, Ornu Foods North America, says it has been working with regulators so it can sell its butter in Wisconsin. Ornu spokesman Brian Cleere says there's no timetable on when that might happen.