

Idaho Dairy Focus

Q3

2022

IDAHO DAIRYMEN'S ASSOCIATION

Protecting Idaho's dairy industry through environmental, legal, and legislative efforts since 1924.





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Statehouse News for Idaho Dairy Industry

IDAHO DAIRY INDUSTRY PAC

**Bob Naerebout &
David Claiborne**

This year, because of your support, the dairy industry was more engaged than ever before in the primary. This was done through endorsements, direct contributions to candidates, and Independent Expenditures. Overall, over two-thirds of the candidates we supported in the primaries were victorious! We are now preparing for the general election, to be conducted Tuesday, November 8, 2022. Last week the PAC board met to review the contests and determine endorsements, and financial support. The individual candidates the IDI-PAC, are endorsing, and in some races providing financial support, were by a majority vote of the IDI-PAC board.

Statewide Constitutional Officers

The Idaho Dairy Industry PAC endorses the following:

GOVERNOR – Brad Little (R)

LIEUTENANT GOVERNOR – Scott Bedke (R)

SECRETARY OF STATE – Phil McGrane (R)

STATE CONTROLLER – Brandon D. Woolf (R)

STATE TREASURER – Julie A. Ellsworth (R)

SUP. OF PUBLIC INSTRUCTION – Debbie Critchfield (R)



As to any offices not included above, the IDI-PAC takes no position.

Legislative District Contests

Many of the legislative races are uncontested. The IDI-PAC board took positions in contested races with a goal of supporting individuals who have demonstrated support for the dairy industry. In the case of new candidates, the selection was based on prior involvement in local government that had an impact on the dairy industry. An example would be Jack Nelson who served for 20 years on the Jerome County Planning and Zoning Board.

The IDI-PAC endorses the following:

DISTRICT 6 – SENATE – David Nelson (D)

DISTRICT 6 – HOUSE SEAT A – Lori McCann (R)

DISTRICT 6 – HOUSE SEAT B – Brandon Mitchell (R)

DISTRICT 15 – SENATE – Codi Galloway (R)

with \$500 contribution

DISTRICT 19 – HOUSE SEAT B – Chris Mathias (D)

DISTRICT 21 – SENATE – Treg A. Bernt (R)

DISTRICT 22 – HOUSE SEAT A – John VanderWoude (R)

DISTRICT 25 – SENATE – Linda Wright Hartgen (R)

DISTRICT 26 – SENATE – Laurie Lickley (R)

with \$1,000 contribution

DISTRICT 26 – HOUSE SEAT B – Jack Nelsen (R)

with \$1,000 contribution

DISTRICT 28 – SENATE – Jim Guthrie (R)

DISTRICT 30 – SENATE – Julie VanOrden (R)

DISTRICT 30 – HOUSE SEAT B – Travis Oler (D)

with \$500 contribution

DISTRICT 31 – HOUSE SEAT A – Jerald Raymond (R)

As to any contested elections not included above, IDI-PAC takes no position.

Ballot Initiatives and Referenda

There will be a ballot question seeking approval to amend the state constitution to allow 60% of the Legislature to call that body in to special session. The Idaho Dairy Industry PAC voted to remain neutral.

Idaho Prosperity Fund

The Idaho Dairy Industry PAC is a member of the Idaho Prosperity Fund. The Idaho Prosperity Fund is another state PAC composed of Idaho's leading businesses, employers, and industries. The board voted to maintain that membership. Annual dues are \$5,000.

For more information on the Idaho Dairy Industry PAC or to becoming a member, use the form below or contact Bob or David.



IDAHO DAIRY INDUSTRY PAC, INC.

P.O. Box 7985, Boise, ID 83707

EIN: 84-5130685

POLITICAL CONTRIBUTION FORM

-- Mail Contributions to Address Above, or Deliver to IDA Offices, Bob Naerebout or David Claiborne --

NAME:

ADDRESS:

EMAIL:

CONTRIBUTION AMOUNT:

SUGGESTED CONTRIBUTION:

☒ Processor - \$5,000 ☒ Allied Industry - \$2,500

☒ Producer over 5,000 Cows - \$500

☒ Producer with 1,000 to 5,000 Cows - \$250

☒ Producer less than 1,000 Cows - \$100


\$ _____



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THE HOTTEST SUMMER:

The Risk for Idaho Dairy Farmers

STONE X

Dustin Winston

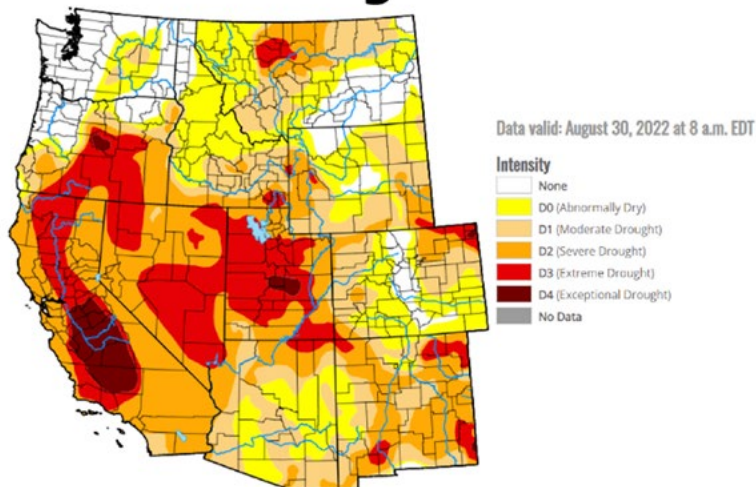


If you feel like your AC unit has been working overtime this summer, it's probably because it has. This July Idaho reached a total of 14 total days with temperatures climbing to 100 degrees or higher, tying the record for the second most total days of 100+ degree weather in Idaho during the month of July. The highest being in 2003 when we experienced 15 days of 100+ degree weather. During August, Idaho surpassed the 2003 year for the most 100+ degree days during the summer, surpassing the previous record of 20 days and it doesn't seem that we are done yet. When we are sitting at home in our AC units we may not notice, but for dairy farmer's this can be seen very clearly in milk tanks, their milk checks, and their feed bill.

When it comes to extreme warm weather, there are many ways that the pressure can be felt at the dairy farm level as mentioned above. Idaho has been very lucky compared to some other western states. Unlike other states we have not experienced the level of drought that normally accompanies prolonged extreme heat.

As many of the readers of this article will likely be aware, the impact of continued heat-stress, even in the absence of extreme drought, can have a negative impact on milk production. The impact of continued heat and drought can affect Idaho in indirect ways as well. As feed scarcity grows nationwide Idaho prices will be affected. Recently we have seen this bear out as hay prices along with other feedstuffs have climbed higher, but there are ways that we can combat the challenges.

U.S. Drought Monitor



Source: National Center for Environmental Information

The USDA released their July milk production report roughly 10 days prior to writing this article. In that article, production was in-line with what our models were suggesting, and surprisingly milk yields (where we normally see the impacts of heat stress) were greater than year-ago levels for most states in the west. Dairy herd numbers are where we have seen the impact to milk production as smaller herd levels continue to be a barrier to the rebound in milk production.

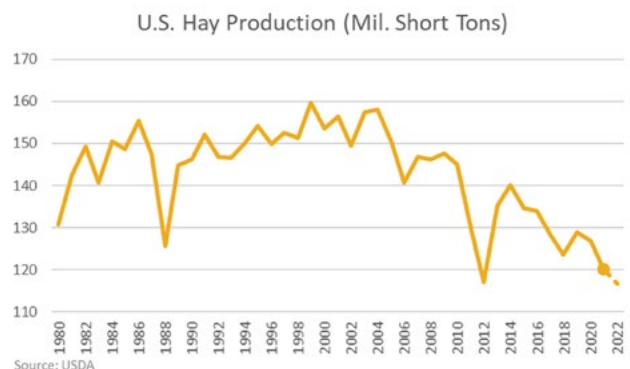
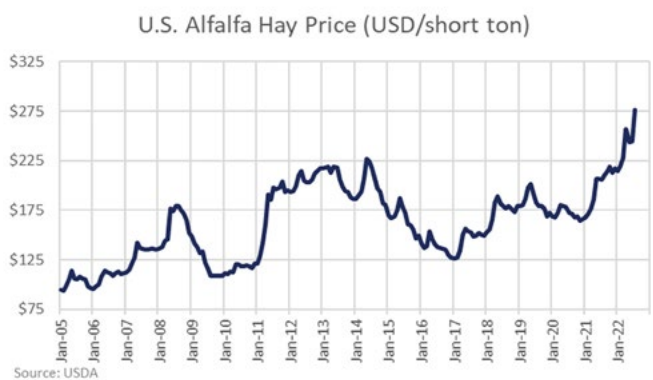
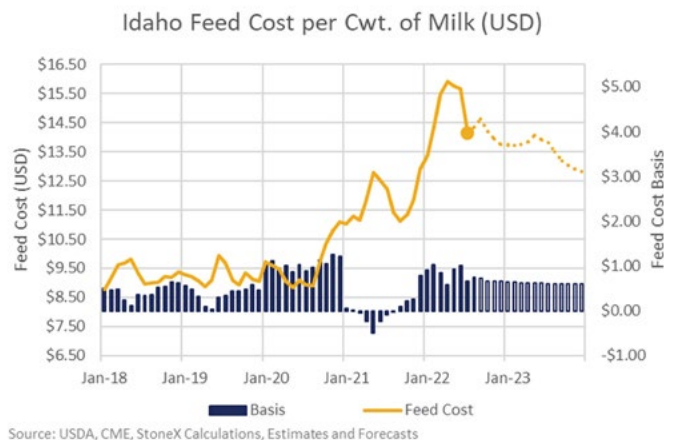
It is worth noting that in that report the USDA issued a rather large downward revision in the total U.S. milk production of roughly 45 million pounds (0.2% of milk production). This came because the dairy herd was less than originally anticipated. In Idaho, dairy cows have been exceeding year-ago levels in recent months. However, for many of the top 24 producing states, cow numbers continue to track closely with 2021 levels if not lag behind. Recently technology advancements such as cross-vent barns have been a huge benefit to cow comfort, particularly in the kind of extreme heat that we have been facing this summer. Structural improvements like cross-vent barns will continue to be necessary for the advancement of the Idaho dairy industry.

Out of all the aspects at the farm level that heat, and drought conditions have impacted this summer, feed may be the largest. The most recent USDA Ag Prices report prior to writing this report was released on the final day of August. That report showed alfalfa prices turning higher, against the season trend, even hitting a new record of \$276 per short ton. While the USDA has revised up their estimated hay acreage for the season, they are expecting that yields will be down.

Current forecasts put production down 3% and the lowest that we have seen in decades. On the positive side, U.S. hay imports are improving, and exports are falling, but it still looks like the availability of hay inside of the U.S. is going to be very tight for the next 9 months or more which will keep prices at elevated levels. Hoard's Dairyman had an interesting article discussing how to stretch limited hay supplies this week. Given tighter supplies and record high prices we expect that some farmers may seek to find other substitutes. This won't necessarily reduce milk production, but it might. We know that the increase in hay costs will in fact impact margins along with the potential increases in corn and soybean meal costs.

Given the expected impact to feed costs that we are currently seeing and expect will continue based on the futures board we expect margins will likely tighten up moving forward.

The overall takeaway in the market is that production is weak, but overall, so is demand. With uncertainty in the milk market persisting and leaving market participants somewhat hesitant we believe that the biggest competitive advantage available to dairy farmers currently is to manage price risk in the feed market. Quality levels continue to be reported as worse than year-ago levels and we could see a bigger bump in prices of feed, further than milk prices can counteract for as demand continues to be somewhat of a question mark at the global level.



Please feel free to reach out to discuss risk management tools and our unique Market Intelligence: ProfitView, which is tailor-made specifically for dairy producers. For a free trial go to: StoneX Free MI Trial

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STATUS UPDATE:

Cafo Improvement Fund

IDA CONSULTING SERVICES

Tanya Hibler



For all of those who applied for the CAFO Funding Pool, congratulations and thank you. We had an impressive total of 36 applications. The committee was expecting about 15 and we quickly realized with the number of phone calls and interest that it would be greater. We are very pleased to have more than doubled our expectations. The committee is excited to get some productive projects on the ground this coming year.

The 36 applications sought a total \$13,393,880 in grant funds and provided \$38,231,403 estimated matching funds. 50% of requests sought less than \$252,000 in grant funds. The total estimated cost of all the proposed projects was \$52,525,653. Many of the applicants will be providing matching dollars more than threefold the ask of grant funds. Unfortunately, \$5,000,000 will not be able to accommodate all the proposed projects. Nevertheless, the dollar amounts speak volumes to the amount of investment being made on Idaho farms. They also demonstrate how the cost of on farm projects can be enormous and much more expensive than most folks outside the industry may know.

IDA's goal is to use the overwhelming interest and unfunded applications to leverage state and federal funds for additional grant cycles. For all of those who did not apply to this year's funding pool or for those whose projects aren't funded, stay tuned for more updates in the future.

The committee hopes to have the applications reviewed and selected by the end of October. We expect to send out award notifications by early November and anticipate having contracts completed before January of 2023.



Tanya Hibler

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Work Continues on Dairy Priorities in Washington, D.C. as Midterm Elections Approach

IDAHO DAIRYMEN'S ASSOCIATION

Charlie Garrison

Primary season is behind us and the races are set around the country for the midterm elections on November 8th. The landscape has evolved even from earlier this summer when inflation numbers and the war in Europe had most voters very unsure about the direction of the country. Just a few weeks ago Republicans were projected to retake the majority in the U.S. House and the question being asked was would the gains be in the neighborhood of a couple dozen seats or closer to 50? The Senate was always closer but now Democrats have become more confident about retaining and perhaps modestly improving on their majority by a seat or two.

As they say, elections have consequences. The majorities in the U.S. Senate and House of Representatives coming out of the midterms will determine what party is in charge of writing the new Farm Bill that is due in 2023. The U.S. Senate and House of Representatives' Agriculture Committees have been holding hearings on the status of current Farm Bill programs and receiving input from stakeholders on provisions that need improvement.

The House Agriculture Committee held hearings this summer on Conservation, Regenerative Agriculture and Soil Health, Crop Insurance, Farm Credit and the Dairy provisions. The Senate Agriculture Committee has held hearings on Biden administration federal agency nominees, a field hearing in Arkansas, home of committee Ranking Member Senator John Boozman (R-AR), another hearing on International Trade implications for agriculture and one on the Western Water Crisis.

Budget Bill Provides Funds for "Climate Smart Agriculture"

In August, the Congress passed the "Inflation Reduction Act" that included about \$40 billion over the next 10 years for programs supporting climate-smart agriculture. Roughly half of that amount is directed to USDA's Natural Resources Conservation Service (NRCS) to beef up programs that are significantly oversubscribed. These funds can be used by farmers to access conservation program technical assistance and improve nutrient management planning.



Funds can also be used to develop and implement methods to quantify carbon dioxide, methane and nitrous oxide emissions along with amounts of carbon they are able to sequester through agricultural production practices. For example, the bill includes research funding aimed at studying changes in feed rations that can reduce methane emissions from belching cattle. The bill also expands tax credits for renewable energy projects that generate natural gas. Previously, only projects that generated electricity qualified for the tax credit.

To help broaden the reach of one of the most oversubscribed programs, the bill includes \$8.45 billion in additional funds for the Environmental Quality Incentives Program (EQIP). Another \$3.25 billion would be added to the Conservation Stewardship Program (CSP) that assists primarily row crop agriculture. The Agricultural Conservation Easement Program (ACEP) gets an additional \$1.4 billion from the bill signed in August.

The bill also funds forestry restoration and drought mitigation projects. About \$14 billion goes to help rural communities transition to cleaner energy sources. About \$5 billion is directed to forest improvement and about \$4 billion to addressing drought. These programs are designed to work in tandem to help reduce the risk of wildfires on vulnerable lands, both publicly and privately owned.

Ag Immigration Bill to Wait Until after Midterm Election

The Farm Workforce Modernization Act (FWMA), passed by the House in March of 2021 on a bipartisan vote led by Idaho Congressman Mike Simpson (R), has been awaiting action in the U.S. Senate for nearly 18 months. Idaho Senator Mike Crapo (R) has been leading negotiations on a Senate version of the bill on behalf of the Republicans. Colorado's Michael Bennet (D) is the lead negotiator for the Democrats. Negotiations for a Senate version have not yielded an agreement yet but both sides continue to talk. The larger national immigration debate is not conducive to passing legislation on the subject as daily apprehensions at the southern border continue at record pace. It is clear at this point that bill language is not likely to be ready until at least after the midterm election on November 8th. Even if an agreement can be reached, the calendar presents a major challenge with roughly a week of session time for the Senate between election day and Thanksgiving and then only about three weeks of potential session time in December before the holidays and the adjournment of the 117th Congress. The end of each two-year U.S. Congress brings a clean slate to the next Congress meaning proponents of an effective federal legislative fix for the agriculture labor crisis would find themselves in the position of having to start over in January.

Freight Rail Strike Averted

The U.S. dairy industry, along with much of the rest of the country's supply chain, breathed a sigh of relief last week when it was announced that major freight railroad companies and unions had reached a tentative agreement for a new labor contract to run through calendar year 2024. The protracted talks had gone on until just a few hours before a strike deadline. The union members still need to ratify the agreement but disaster seems to have been averted for now at least.



Charlie Garrison
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The Importance of Legislative Dairy Tours

IDAHO DAIRYMEN'S ASSOCIATION

Bob Naerebout



In August Washington DC adjourns for a period and Congressional delegation members are provided the freedom to go back to their home states. Many delegation members utilize this time to connect with their constituents. That includes getting back to reality and remembering the reason they serve for Idaho in DC.

Washington DC staffers also get time to escape the daily grind of politics and in many cases visit the state their “boss” represents. Like their “boss” they utilize the time to meet with constituents to gain a better understanding of what is important to the very diverse population of Idaho.

A congressional staffer is an advisor to our elected Senators and Congressmen. Their knowledge and understanding of our industry is critical for us to gain delegation support or opposition to legislation that impacts the dairy industry.

Every year, at the request of delegation staffers, we conduct tours on Idaho dairies, to help them gain a better perspective of our industry and the challenges we face. This year Oak Valley Dairy graciously provided a tour for Senator Risch’s staff. The senator’s staff, along with IDA staff and Matt Nelsen of Oak Valley Dairy, spent the afternoon touring the cross-vent barn, rotary parlor, methane digester, and manure management system.

As the group made their way through the facility, conversation largely focused on consumer and customer expectations, inflation, environmental sustainability, labor, and immigration reform. The highlight of the tour was the anaerobic digester and biogas purification system that Oak Valley owns and operates.

We believe it’s important for the Idaho dairy industry to get to know who is working for our Idaho delegation and assisting with them with their efforts on Capitol Hill. Below is a brief background of the staff members that visited Oak Valley Dairy.

As IDA staff, it is our privilege to engage with our Idaho Congressional delegation staff members and we look forward to hosting future tours.



Mike Mathews is the Idaho Deputy Chief of Staff for Senator Risch in Twin Falls. Mike has been working with Senator Risch since 2008 and in his tenure with served as Regional Director and State Director. Mike has over 30 years of work experience in the U.S. Senate and has worked closely with the IDA staff for the past 20 years. He has worked for three Idaho U.S. Senators including James McClure, Larry Craig, and James E. Risch. In the early 1990's, Mike worked for the USDA Federal Crop Insurance Corporation in Washington, D.C. as a Presidential appointee under the George Bush (Sr.) administration. Over the years, Mike has been a trusted advocate for Idaho agriculture and the dairy industry.

Devon Powers grew up in Naples, Florida, and graduated from Berry College with a degree in political science and Spanish in 2019. Following graduation, Devon worked briefly as a committee secretary in the Idaho House of Representatives. In 2021, Devon moved to Washington D. C. to pursue a graduate degree in International Relations.

After graduating in May of 2022, Devon started her career with Senator Risch as the Capitol Building Tour Coordinator for Senator Risch's office.

Sam Hendricks is a Legislative Aide for Senator Jim Risch where she serves as part of the Agriculture and Natural Resource team within the Washington D.C. office. She was raised in Nampa and grew up visiting her grandparents' small dairy in Tremonton, Utah. In 2020, she graduated from Utah State University with a degree in Law & Constitutional Studies and a new appreciation for Idaho. Her congressional career started as a staff assistant with Representative Mike Simpson and she has been with Senator Risch for the past two years. Does the last name sound familiar? Sam is the daughter of Russ Hendricks, Director of Governmental Affairs for Idaho Farm Bureau.





Reap What You Sow

IDA CONSULTING SERVICES

Tanya Hibler



Fall is a favorite time of year as we reap the reward of the seeds we sowed in spring. It is also a great time to sow success for winter. Cleaning out lagoons while there is fair weather ensures enough storage for that cold wet winter we hope to have. As we start to pump down lagoons, pay attention to how many solids are in the bottom. Solids will take up a lot of your winter storage if you let them and maximizing space going into winter is important. Perhaps some heartache will be saved in mid-February by taking a peek now and making adjustments.

Plate coolers are a sneaky way your lagoons might fill up faster than you expect. Most plate cooler water is recycled to either the cow troughs or the parlor wash down. However, do you know where water goes if your storage tank gets full? Some tanks send overflow straight to the lagoon. In the winter months cows are drinking a little less, and workers in the parlor might not run water as long. It could mean your plate cooler water is contributing to the lagoon without being recycled and can add up quickly. This may not apply to all facilities but is simply food for thought.

Fall is also a great time for lagoon bank maintenance. Removing weeds from lagoon banks before winter will help with edge visibility when it starts to snow making it a lot safer to check lagoon levels. Weed roots have the tendency to degrade the integrity of lagoon banks, so taking the time to remove plants from banks will be fruitful. While you're at it, inspect berms for rodent holes and fill in low spots to maintain berm's strength and capacity.

Lagoon samples are a cost I would argue is well worth the price and a sample prior to fall application is valuable. Accurate values for manure nutrients will help you calculate appropriate application rates, helping you stay within NMP limits. IDA staff are always willing to sample for you and help with calculations, so don't be afraid to call us.

Lagoon management is critical to sow success for winter. As harvest comes and goes, look ahead to the future, and take steps now to make your winter as productive as your summer. Please reach out if fall preparations require some technical expertise and IDA staff. I wish you all the best as you sow seeds for a successful winter.



Tanya Hibler
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Agribusiness Solutions

PAYNEWEST

**Tyson Baker &
Jaime Cortes**

Custom solutions for entity structuring and crop revenue loss strategies

Agriculture is the heartbeat of our region; but in a heavily-regulated industry, managing risk in commercial agribusiness has become more complex than ever. You need an experienced risk manager and insurance partner at your side every step of the way. With over 40 years of experience handling all types of agribusiness, our team works together to deliver the benefit of our collective knowledge.

Solutions Overview

Pasture, Rangeland, Forage (PRF)

Rainfall is vital to any livestock operation (cattle, sheep, etc.) that relies on rangeland and/or hay production. When rainfall is low, farmers and ranchers must invest more to feed livestock either by purchasing more hay or using irrigation methods. Pasture, Rangeland, Forage (PRF) coverage insures the lack of precipitation (below normal average rainfall) for grazing and haying operations.

Dairy Revenue Protection (DRP)

Dairy-RP is a revamped program that is an excellent option for protecting dairy farmers' thin profit margins and cash flow, especially compared to hedging's fixed options. The program insures against unanticipated declines in quarterly revenue from milk sales in relation to a guaranteed coverage endorsement or multiple coverage endorsements.

Whole-Farm Revenue Protection (WFRP)

WFRP provides a risk management safety net for all commodities on a farm under one insurance policy. This insurance plan is tailored for any farm with up to \$8.5 million in insured revenue and is ideal for producers growing multiple crops and livestock.



Tyson Baker
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Crop Insurance

Crop insurance is a federally subsidized program sold and serviced by private-sector crop insurance companies and agents. Coverage protects against crop losses due to natural disaster or revenue loss attributed to agricultural commodity price declines. It is purchased by agricultural producers, including farmers, ranchers, beekeepers and others.

Livestock Risk Protection (LRP)

LRP provides a defense against declining livestock prices for fed cattle, feeder cattle, and swine. LRP is available all year long for ranchers with an ownership in eligible livestock.

Multi-Peril Crop Insurance (MPCI)

MPCI covers crop total losses and lower yields caused by natural events, such as destructive weather (hail, frost, damaging wind), disease, drought, fire, flooding and insect damage. MPCI policies are purchased annually before a crop is planted by deadlines established by the federal government.

Apiculture Insurance (API)

API is for beekeeping operations insuring against below average rainfall affecting honey production.



Jaime Cortes
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The Cost of Production in Idaho

EVER.AG

Kathleen Noble Wolfley

Conversations with dairy producers over the past several months have invariably turned to discussions about feed markets. That's no surprise. Using USDA Dairy Margin Coverage estimates, average year-to-date feed costs across the US are -up 20% versus 2021 levels to \$14.35 per hundredweight. Though grain futures have come off highs over the past few months, \$6.50 corn is no bargain. Making matters worse in the Pacific Northwest, ongoing drought conditions are hampering forage availability and, ultimately, raising prices.

By Ever.Ag estimates, the cost of production in Idaho currently sits near \$22 per hundredweight, up from an average \$16 over the past five years and above a midpoint of \$20 per hundredweight in Wisconsin. That's a clear competitive disadvantage for Idaho producers. Meanwhile, dairy markets have declined from recent highs, with the six-month futures strip pointing to Class III values around \$20 per hundredweight, down \$3 from the beginning of July. If realized, the margin situation in Idaho could look fairly bleak over the coming months.

Given that feed prices are a major driver behind rising costs, I phoned a friend - Jake Kingsley, Ever.Ag's Director of Feed Procurement - to get a little more insight into what's happening at the ground level in Idaho.

What's your take on the current feed situation in the Pacific Northwest?

It's firm and unlikely to budge much. Producers in Idaho are not alone a lot of the issues they're facing today are also hitting feed users up and down the West Coast.

With corn, basis is strong and will likely stay that way due to potentially lower Midwest corn yields and high freight costs to Western markets.

The protein situation is certainly concerning, but canola is fairly attractive today. If you're open on canola, it's probably worth getting some contracted, as it's one of the better values out there, and it is unlikely that we'll see much improvement.

Unless there's good rainfall over the fall and winter, fiber and forage will likely remain an issue for at least the next six months.

Producers in Idaho are not alone—a lot of issues they're facing today are also hitting feed users up and down the West Coast.



Any recommendations for how producers can try to limit their upside risk on feed today?

In my opinion, if you know you're going to feed an ingredient and it pencils versus milk today, buy it now. That's especially true with your winter forages. Producers in the West are going to be scrounging to source forages after we basically lost this year's cottonseed crop. Almond hulls are also tough and expensive to find. Own forages for the sake of having it. There's nothing worse than needing and not having it!

On ingredients you can hedge like canola, corn meal and silage, manage margins using options where you can. Options can help you break even or capture a profit while offering the opportunity to improve margins if futures break.

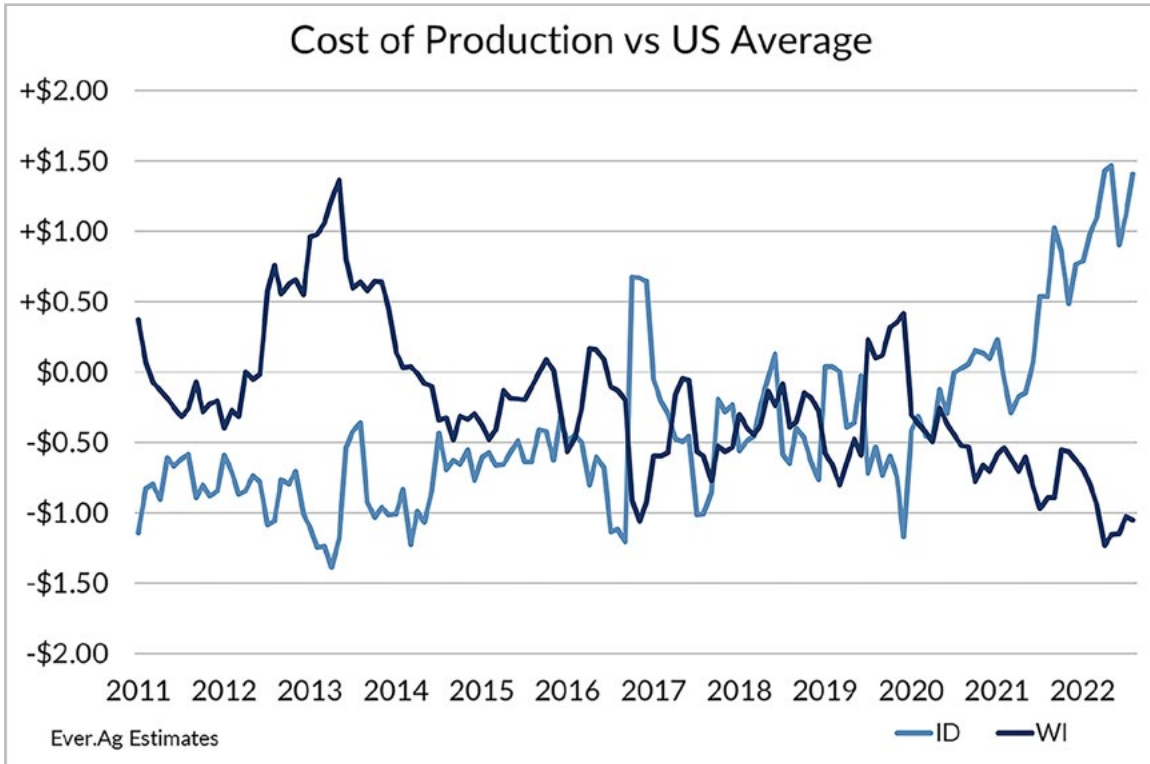
Is there any relief in sight?

At this point, relief primarily relies on what happens with crops in South America. Current prices are incentivizing farmers there to plant a record corn and soybean crop. A solid crop could take some pressure off US exports over the spring. That could help improve global balance sheets, take some of the risk premium out of the market and, in turn, ease up basis.

Our Takeaway

Milk and feed markets are turbulent and will likely stay that way into 2023. A comprehensive feed and dairy risk management plan can help producers manage margin and

volatility for the year ahead. Interested in learning more, but not sure where to start? Give us a call at (312) 492-4200.



*The risk of loss trading commodity futures and options can be substantial. Investors should carefully consider the inherent risks in light of their financial condition. The information contained herein has been obtained from sources to be reliable, however, no independent verification has been made. The information contained herein is strictly the opinion of its author and not necessarily of ever.ag and is intended to be a solicitation. Past performance is not indicative of future results.



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I Will Try to Fix You... Safely

Ellissa Clark

IDA CONSULTING SERVICES

Machine maintenance takes place year-round on dairies, but for some reason, equipment seems to break down more often during the busy season. As we move into fall harvest, it's vital to slow down and consider workplace hazards—especially when working on a tight schedule. Unfortunately, hundreds of serious accidents take place on dairy farms every year. Many of those accidents involve heavy equipment and machinery.

A large number of accidents happen because farm workers fail to properly shut down equipment before performing minor maintenance. A plugged baler or chopper might seem relatively harmless, but can be fatal when a worker tries to fix the problem while the machine is still energized. Lockout Tagout (LOTO) procedures will help your workers more effectively control hazardous energy on the farm.

LOTO procedures are specific instructions for de-energizing a piece of equipment and locking the energy source out to ensure that the machinery does not become re-energized while performing maintenance. Training equipment operators on your farm's specific maintenance instructions is key to creating a safe workplace.

Locking and tagging out a piece of equipment consists of these steps

- 1 Notify all affected employees**
- 2 Review equipment specific procedures and instructions**
- 3 Shut down equipment**
- 4 Disconnect primary energy sources (e.g. remove key, flip breaker)**
- 5 Apply LOTO controls (e.g. warning tags, locks)**
- 6 Address residual energy sources (e.g. put down loader bucket, release hydraulic pressure)**
- 7 Verify isolation of energy**

Fixing equipment in the field may look a little different, but the same principles apply. Always let those working around you know what is going on and that you are performing maintenance. Before you attempt to fix the problem, you must completely shut down the equipment and remove the key from the ignition. Keeping the key in your pocket will prevent others from restarting the machine while you are working. Remember to lower implements to the ground or properly brace them before maintenance. Once you are ready to restart the equipment, make sure all coworkers are standing at a safe distance. At the end of the day, the most important thing to accomplish is going home safely. Teach all equipment operators your farm's proper steps for safely performing maintenance on the machines they use. Frequently remind your workers to remain alert and aware of their surrounds and the potential hazards of their job.



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Creating Value From Waste

John O'Connell

UNIVERSITY OF IDAHO

Diversity is the hallmark of a recent \$10 million grant from the USDA National Institute of Food and Agriculture to build sustainability and prosperity for the dairy industry in Idaho and beyond. This grant goes hand in hand with the research agenda for the Idaho Center for Agriculture, Food and the Environment (CAFE).

The 20 graduate students and postdoctoral researchers working with faculty on this grant come from many regions, countries, disciplines and backgrounds. The theme of diversity also aptly encompasses their research. The team is taking an array of creative approaches toward addressing a common yet critical challenge – transforming one person's waste into another person's treasure.

The five-year project is titled "Creating a New Bioeconomy for Dairies to Increase Nutrient Recycling, Enhance Productivity of Crops & Stimulate Prosperity in Rural America." It includes a team of agronomists, economists, animal scientists, engineers and soil and water experts.

The team has been developing management practices, processes and technologies to produce bioproducts like fertilizer substitutes and bioplastics at a large scale from dairy waste streams. They're also evaluating economic returns, environmental benefits and the perceived value to consumers and dairy producers of bioproducts.

No conscious choice was made to field such a diverse research team. Rather, the grant's principal investigator, Mark McGuire, explained the group's makeup reflects the general diversity among graduate students throughout U of I. Nonetheless, McGuire, CALS associate dean of research and director of the Idaho Agricultural Experiment Station, believes the group's diversity will be key to its success. McGuire notes participants from countries such as Armenia, Bangladesh, China and Ghana approach problem-solving and product commercialization through different lenses.



“It really behooves us to have people from different perspectives, particularly in the sociological piece. We’re trying to reach different groups of people,” McGuire said.

The benefit such diversity provides is also perceived by the graduate students themselves.

“The first impression of that group of students is their background is so diverse and I get to talk with people from different backgrounds, which gives me fresh ideas,” said Zhengliang “Lucas” Yang, of China’s Szechuan Province.

Yang, who recently finished his master’s degree in economics at U of I and has started working on a Ph.D. at Michigan State University, wrote a paper on the willingness of consumers to pay for bioplastics made from manure, along with other considerations about the technology.

“At least from the perspective of economics, I think biodegradable plastics will definitely improve the living quality and help us save more money, be friendly to the environment and make the world a better place,” Yang said.

Emmanuella Owusu Ansah, a master’s student in plant sciences from Ghana, helped evaluate the nitrogen response of spring barley and wheat for the project.

“I like the fact that they are trying to help the agricultural sector with sustainability and the environment in mind,” Ansah said.

Dairy waste is voluminous and costly to transport. Environmental challenges may result if surrounding agricultural lands where it’s applied become oversaturated with nutrients. Maggi Laan, of Weiser, is involved in research using biochar – a lightweight residue made of carbon and ashes – to absorb phosphorus from dairy lagoons.

The process filters separates nutrients into a more easily transportable form, which can be used as a fertilizer substitute.

“It’s really nice to get all of those other perspectives instead of just people in Idaho working on this project that’s based in Idaho,” Laan said.

While getting to know the other students on the project, Laan discovered participants’ appreciation for science was a unifying factor: Team members from different backgrounds who shared a common scientific discipline were most surprised by how much they had in common.

To learn more, visit: www.uidaho.edu/extension/nutrient-management/isaid

This project, titled “Creating a New Bioeconomy for Dairies to increase Nutrient Recycling, Enhance Productivity of Crops & Stimulate Prosperity in Rural America,” is funded under the U.S. Department of Agriculture National Institute of Food and Agriculture grant No. 2020-69012-31871. The total project funding is \$10,000,000 of which 100% is the federal share.



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Upcoming Events

October 24th - 26th

NMPF/ DMI Meeting - Denver, Co

November 9th - 10th

IDA/Dairy West Annual Meeting - Boise, ID

November 14th

Western States Dairy Trade Association - Phoenix, AZ

November 15th - 17th

Dairy Sustainability Alliance & Ag Summit Meeting - Phoenix, AZ