

WESTERNUNITEDAIRIES

WEEKLY UPDATE | AUGUST 7, 2024

Public Quota Forums Happening This Week:

August 8, 2024 • 10:00 a.m.

In-person at Stanislaus County Ag Commissioner's Office Harvest Hall – Room D & E: 3800 Cornucopia Way, Suite B, Modesto, CA 95358

August 9, 2024 • 10:00 a.m.

In-person at Public Forum – In person Tulare County Ag Commissioner's Office: 4437 S Laspina Street, Tulare, CA 93274

Public Hearing – August 15, 2024

10:00 a.m.

Public Hearing – via Zoom

<https://us02web.zoom.us/j/84248601086>

Meeting ID: 842 4860 1086 | Passcode: 4^5WBjb*

Join by Telephone: 1-669-444-9171

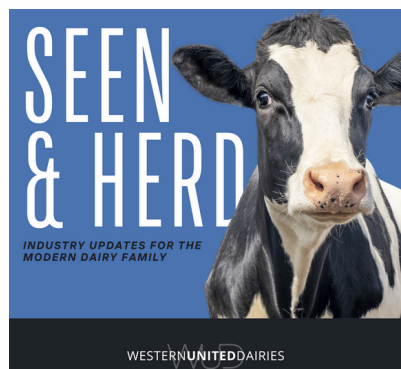
Meeting ID: 842 4860 1086 | Passcode: 04670783

[SEE MEETING NOTICE](#)

New on Seen & Herd: CDFA Methane Funding Explained

Paul Sousa, Director of Environmental Services & Regulatory Affairs, joined us on Seen & Herd this week to discuss the CDFA's digester Alternative Manure Management Program (AMMP) and Dairy Plus on the latest episode of Seen & Herd.

CDFA has allocated approximately \$8 million for the digester program, \$17.4 million for AMMP, and a substantial \$58 million for Dairy Plus, funded by the USDA's Climate Smart Commodities Grant.



(continued on page 2)

Weekly Update Delivery Options

Send change of address or request for delivery to WUD by phone or email at: **(209)527-6453**
info@wudairies.com

Struggling with Depression?

Call 1-800-784-2433 any time, 24x7, for a live, trained person to talk with or to find local resources.

LUC: Lecheros Unidos de California

Western United Dairies is proud to host LUC, a clearinghouse of resources to assist in all aspects of searching for and hiring employees for your dairy.

LUC will be closed for maintenance from June 10, 2024 - September 9, 2024. We will follow up about any pending items upon reopening in September.

For more information, visit: westernuniteddairies.com/lecheros-unidos

(continued) New on Seen & Herd: CDFA Methane Funding Explained

These programs aim to reduce methane emissions and improve water quality, providing grants for innovative manure management practices.

Key highlights include:

- AMMP offers up to 100% funding for projects, with a maximum grant of \$750,000.
- Dairy Plus funds projects at \$750 per cow, up to \$1.25 million.
- New technologies such as centrifuge separators and vermifiltration are now eligible for funding.

The extended application deadline of October 18 allows for thorough preparation and more competitive submissions. Western United Dairies, as a Technical Assistance Provider, is here to help you navigate the application process.

For more details and to get started, visit the [CDFA website](#) and listen to the full podcast episode on Seen & Herd. •

2024 Dairy PLUS Solicitation for Projects is Out!

Originally Published in CDQAP's July Newsletter

More information about this year's solicitation is available on the CDFA Dairy PLUS and CDRF websites. Both CDFA and CDQAP will be hosting informational webinars in August. Producers and industry interested in learning more about this year's program and tips for application prep are encouraged to attend.

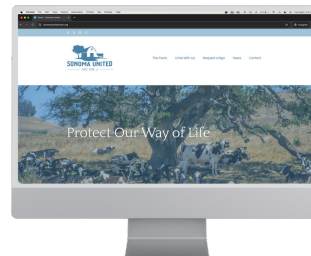
CDFA Hosted Webinars:
 Wednesday, August 7 from 1pm – 4pm:
[Register](#)

Tuesday, August 13 from 9am – 12pm:
[Register](#)

CDQAP Hosted Webinar:
 Thursday, August 29 from 3pm–5pm:
[Register](#)

Have you visited
 the *Sonoma United*
 Website?

[CHECK IT OUT](#)



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Tips for a Competitive Dairy PLUS Application

By Deanne Meyer, Ph.D. Livestock Waste Management Specialist, Department of Animal Science, UC Davis and UC ANR | Originally Published in CDQAP's July Newsletter

On July 23, CDFA opened the request for applications for the livestock manure methane reduction programs: the Dairy Digester Research and Development Program (DDRDP), Alternative Manure Management Program (AMMP), and Dairy PLUS Program (DPP). The DPP is funded by a USDA Partnerships for Climate Smart Commodities grant that CDFA administers collaboratively with the California Dairy Research Foundation. The 90-day application window will end on October 18, 2024. As the name Dairy PLUS suggests, there is a need to reduce carbon emissions PLUS improve nitrogen management with the proposed practice.

It's important to read the entire Request for Applications document BEFORE you begin. For Dairy PLUS, pay special attention to the Requirements and Limitations section. These funds are subject to federal terms and conditions.

Much was learned during the first cycle of awards. There's a NRCS process equivalent to an environmental review that needs to be completed. Dairy PLUS maps and project designs need to be as complete as possible. The environmental review is specific to the area of the dairy receiving federal funds. It is critical that applications provide information on what portions of the project are being funded with federal dollars vs. other parts that will be funded by CDFA other source dollars. The budget for the Dairy PLUS project also needs to be as complete as possible, both for the grant amount received and for matching funds to be added to the overall project. There is not sufficient time in the contracting process to allow much modification to projects.

Here's a few things you should be sure to include in your application:

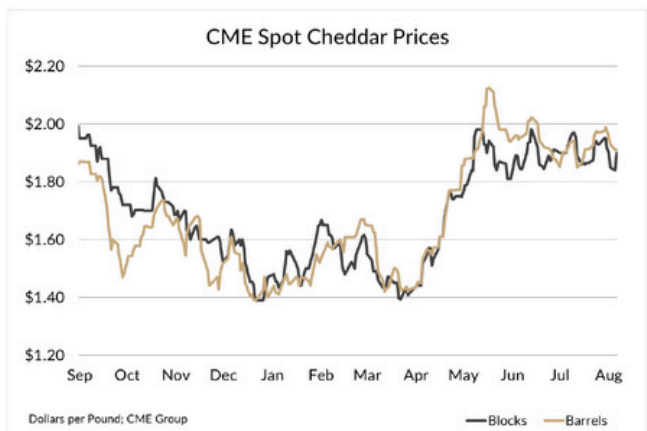
- Define the location of the project funded by Dairy PLUS or with other fund sources.
- Draw maps to represent needed infrastructure location and design.
- Be specific about costs (both reimbursed and matching funds) and funding sources associated with pipelines, distribution pumps, other infrastructure, etc. needed to complete project.
- Ensure identified costs are allowable. Contractor fees are limited to labor to install the project.
- Review the unallowable costs section of the solicitation.
- Start early and attend webinars if you have questions (dates and times included on Page 1).
- Subscribe to the email updates.
- Describe the current and future manure management system and the details associated with operation and maintenance of the new system. If a practice changes manure location, quantity or form be sure to describe fate and form of both solid and liquid materials.
- Estimate change in nitrogen and salt management. (How will land application of nitrogen change when the Dairy PLUS practice is implemented?)
- Provide a detailed budget (if infrastructure is needed for the practice to work, it needs to be in the budget funded through Dairy PLUS or some other funding source).

Start early to get all your paperwork completed. A few extra documents are required as part of Dairy PLUS. You don't want to wait to start your application. Any blank or incomplete answers take away points from your application or can even get you disqualified. You need every point possible to be competitive.

WEEKLY MARKET UPDATE


US cheese exports slowed sharply from May to June, though the total outbound volume of 85.7 million pounds remained above 2023 levels. Outbound nonfat dry milk also slowed. At the same time, June butter exports reached 6.8 million pounds, the most since March 2023.

- Spot blocks weakened, slipping as low as \$1.84 per pound, only to rebound to the \$1.90-per-pound mark. Barrels spent the week backing away from \$2.00 to settle in the low \$1.90s.
- Without any major news to feed either the bulls or the bears, the CME butter market continued to drift in a narrow range around \$3.10 per pound.
- Results at this week’s GlobalDairyTrade event were mixed. Skim milk powder prices eased 1.1% to \$1.15 per pound, while whole milk powder climbed 3.7% to \$1.48 per pound.
- In Chicago, the NDM market is relatively stable in the low \$1.20s, as supply and demand remain balanced.
- After hitting new two-year highs, spot dry whey eased slightly to settle just below 60 cents per pound.
- USDA’s *June Dairy Products* report indicated production of most commodities declined at a faster-than-average pace. Total cheese, butter, NDM+SMP output all slipped on the month. Human dry whey production climbed versus May.
- Nearby corn and soybean futures have been choppy, hitting recent lows, only to bounce off. But September corn remains below the \$4-per-bushel mark, while August soybeans are still in the upper \$10 range. Reports indicate some farmers are selling off their 2023-24 crop stores to make room for what promise to be large new-crop yields.
- Corn and soybean crops remain strong. Corn is 67% good/excellent, while soybeans are at 68%, both above the five-year average.



Dairy Revenue Protection Program		
Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
October - December 2024		
Class III	\$20.09	\$19.09
Class IV	\$21.43	\$20.36
January - March 2025		
Class III	\$18.67	\$17.73
Class IV	\$20.52	\$19.49
April - June 2025		
Class III	\$18.34	\$17.43
Class IV	\$20.27	\$19.26
July - September 2025		
Class III	\$18.49	\$17.56
Class IV	\$20.09	\$19.09
October - December 2025		
Class III	\$18.50	\$17.57
Class IV	\$19.73	\$18.75
		NA

*As of 8/6/2024 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Jul-31	\$19150	\$19750	\$3.1275	\$1.2450	\$0.6200
Aug-01	\$1.8975	\$1.9500	\$3.1275	\$1.2400	\$0.6250
Aug-02	\$1.8500	\$1.9300	\$3.1050	\$1.2400	\$0.6100
Aug-05	\$1.8400	\$1.9100	\$3.1050	\$1.2325	\$0.6100
Aug-06	\$1.9000	\$1.9100	\$3.1025	\$1.2325	\$0.5975
Average	\$1.8805	\$1.9350	\$3.1135	\$1.2380	\$0.6125
Weekly Change	-0.0500	-0.0775	0.0000	-0.0150	-0.0225

Order 51: Latest Prices					
	Apr	May	Jun	Jul	Aug
Class I LA	\$21.48	\$20.76	\$22.38	\$23.41	\$23.62
Class II	\$21.23	\$21.50	\$21.60	\$21.82	
Class III	\$15.50	\$18.55	\$19.87	\$19.79	
Class IV	\$20.11	\$20.50	\$21.08	\$21.31	
PPD	\$1.84	\$0.85	\$0.79		
Blend: LA*	\$17.34	\$19.40	\$20.66		
Blend: Tulare*	\$16.84	\$18.90	\$20.16		

*Does not include Quota Deduction

USDA Dairy Margin Coverage (per CWT)					
	Month	All Milk	Feed	Margin Estimate	Indemnity Estimate @ 9.50 Margin
2024 Program	Jan-24	\$ 20.10	\$ 11.62	\$ 8.48	\$ 1.02
	Feb-24	\$ 20.60	\$ 11.16	\$ 9.44	\$ 0.06
	Mar-24	\$ 20.70	\$ 11.05	\$ 9.65	\$ -
	Apr-24	\$ 20.50	\$ 10.90	\$ 9.60	\$ -
	May-24	\$ 22.00	\$ 11.48	\$ 10.52	\$ -
	Jun-24	\$ 22.80	\$ 11.14	\$ 11.66	\$ -
	Jul-24	\$ 22.55	\$ 10.56	\$ 11.99	\$ -
	Aug-24	\$ 23.19	\$ 10.30	\$ 12.89	\$ -
	Sep-24	\$ 23.70	\$ 10.02	\$ 13.68	\$ -
	Oct-24	\$ 24.11	\$ 10.00	\$ 14.11	\$ -
	Nov-24	\$ 24.10	\$ 10.07	\$ 14.03	\$ -
	Dec-24	\$ 23.46	\$ 10.14	\$ 13.32	\$ -

Estimates only. As of 8/6/2024 and based on futures markets which can change daily.

