

FREE PPE

Products Include:

- face shields
- gloves
- googles
- N-95 masks

- Dairies do not need to be a WUD member and may request as much PPE to protect their employees as necessary.
- We will ship this protective gear to your dairy OR make arrangements for a safe delivery off-site of the dairy.
- Orders may take up to a week to process so please utilize this free service as soon as possible.

[PLACE PPE ORDER](#)

If you have any questions, please contact the WUD office at (209)527-6453. Thank you to the excellent team at CDPH for helping our farms keep their workers safe.

State Water Board's Remand Order

By Paul Sousa, Director of Regulatory and Environmental Affairs

After years of waiting the State Water Board's Remand Order (Order) on the Central Valley Water Board's Dairy Permit was released on October 1st. The 80-page document is a compelling read and had me on the edge of my seat at times. I have mentioned previously, water quality regulations were about to change significantly in the Central Valley, however the Order states that some parts are also precedential to all dairies that collect manure and apply it to land but excludes pasture-based dairies. The Central Valley Regional Water Quality Control Board will have to modify its dairy permit to comply with this order and then all other Regional Boards will have to do the same.

There are some overarching concepts in the Order that drive everything else. Here is some language that I picked out as setting the tone for the Order.

"The ultimate objective of the entire regulatory framework is for dairies to achieve a performance standard of ceasing to cause or contribute to concentrations of nitrate in groundwater that exceed water quality objectives, including safe drinking water limits."

(continued on page 4)

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

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 services are offered in Spanish & English & include Free advertisement of job postings to a wide audience of potential employees Phone call interviews with translation services Access to a pool of pre-screened employees with dairy experience.

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

Clean Truck Check Agricultural Vehicle Update

By Paul Sousa, Director of Regulatory and Environmental Affairs

The California Air Resources Board (CARB) sends out emails to truck owners regarding the Clean Truck Check (CTC) on a regular basis to update fleet owners on where they stand. CTC is CARB's new program requiring smog checks for trucks. Recently CARB also sent out emails to owners of trucks listed as agricultural vehicles in the CTC database asking them to provide supporting documentation that the trucks listed as agricultural vehicles are in fact used in agriculture. This is important because trucks used in agriculture are only required to be tested once per year whereas all other trucks will require more frequent testing and ultimately quarterly testing.

CARB has created a form that you can use to attest that your trucks are used in agricultural. That Agricultural Vehicle Claim Attestation form can be found [here](#). The form must be completed for each truck in the CTC database and uploaded online at (<https://cleantruckcheck.arb.ca.gov/>). The emails I have seen were sent on October 2 and offer 30 calendar days to respond before the trucks are removed from the agricultural truck category. If you have questions or need assistance with this, please contact me at the WUD office or at paul@wudairies.com.

New on Seen & Herd: Making Dairy Assistance Easy with DTAP & DTAP+

In the latest episode of the Seen and Herd podcast, Amanda Russell is joined by Kyle Lutz and Rachel Bonini from the Western United Dairies Foundation to explore two essential programs supporting California's dairy producers: DTAP (Dairy Technical Assistance Program) and DTAP+. These programs provide hands-on guidance for farmers struggling with complex regulatory requirements, such as water board regulations, as well as helping them access financial aid through USDA programs. Rachel and Kyle explain how they provide personalized support, whether it's in person or over the phone to ensure dairy farmers feel comfortable and confident navigating these often overwhelming processes.

The episode highlights key challenges that dairy producers face, such as ensuring compliance with water quality regulations, managing disaster assistance programs, and staying on top of constantly changing rules across counties.

For questions about DTAP, contact Kyle Lutz at kyle@wudfoundation.com. Learn more about DTAP [here](#).

For questions about DTAP+, contact Rachel Bonini at rachel@wudfoundation.com or 707-849-2107. Learn more about DTAP+ [here](#).

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Environmental Update for Dairy Producers

Last week on Seen & Herd, Paul Sousa, Director of Environmental Services and Regulatory Affairs at Western United Dairies, provided an extensive environmental update covering several key issues facing dairy producers, including:

- **FDA Approval of New Feed Additive:** The FDA has approved a feed additive called 3-NOP (marketed as Bovaer), which is designed to reduce enteric methane emissions from dairy cow burps. The additive will be incorporated into feed mixes and is expected to see increasing use as large dairy companies push for more sustainable practices and a lower carbon footprint. Producers should expect to hear more about Bovaer from their milk processors as this additive becomes more widespread.
- **Digesters and Environmental Justice:** Digesters continue to be a point of contention, particularly with environmental justice activists. A recent paper was published by two UC Davis professors and a professor from MIT on this topic and was funded by the California Air Resources Board (CARB). It highlighted that digesters, while effective at reducing greenhouse gas emissions, even in the worst case scenario only have a minimal impact on local air quality and do not pose a health risk to disadvantaged communities. Despite these findings, opposition remains, especially concerning government incentives for digester projects.
- **CARB Low Carbon Fuel Standard (LCFS) Hearing – November 8th:** CARB is set to hold a hearing on November 8th regarding amendments to the Low Carbon Fuel Standard (LCFS). The proposed changes from last year were not based on science and were negative toward dairy digesters. Since then, CARB has changed direction and followed the science in restoring the importance of dairy digesters to the LCFS. For those with a digester or considering installing a digester, it is crucial to stay updated and engaged on this hearing.
- **Clean Truck Check Program:** California's Clean Truck Check rule, essentially a "smog check" for trucks, will take full effect in 2025. Trucks used in agriculture will be required to pass a smog test once a year starting next year. Non-ag trucks will have to pass twice a year, increasing to four times annually by 2027. If you have not yet registered your trucks in the ARB database, now is the time to do so to avoid compliance issues.
- **Water Quality Regulations and Potential Lawsuits:** Water quality remains a critical issue for dairy producers, especially in the North Coast and Central Valley regions. There has been a significant increase in lawsuits related to surface water discharges. Dairy producers are encouraged to review their practices to prevent surface water discharges and avoid holding a National Pollutant Discharge Elimination System (NPDES) permit, which opens them up to liability.
- **Upcoming Central Valley Water Board Remand Order:** On or around October 1st, the Central Valley Water Board will release a draft remand order for public comment. This will include significant changes to water quality regulations for all California dairies that collect manure and apply it to land. The 60-day public comment period will provide an opportunity for producers to weigh in on these changes, but dairies should be prepared for tighter regulations on manure management and water quality. WUD will be engaged on this issue and will provide additional information as it becomes available.
- **FARMER Program Updates:** The FARMER Program, which funds emission reductions in agricultural equipment, is also undergoing changes to increase the flexibility of the program. For example, the proposed changes will allow for a 25 horsepower (hp), or 35% hp increase over the old equipment to be replaced, whichever is higher. The current guidelines only allow for the 25hp increase. There was no funding for this program in the State's current budget due to the State's financial condition, but the guidelines are being updated in anticipation of future funding.
- **Important Funding Deadlines:**
 - **NRCS Funding:** Fiscal year 2025 starts October 1st, but the NRCS has not yet released application deadlines for this round of funding. Keep an eye out for updates as this funding can help with compliance and dairy improvements.
 - **Alternative Manure Management Program (AMMP) and Dairy Plus Deadlines:** Applications for these programs, which provide funding for manure management and methane reduction, are due by October 18th. If you haven't started yet, it may be too late to apply this round, but feel free to contact Paul Sousa with any questions.

For questions about any information covered in the update, please reach out to Paul at Paul@wudairies.com for assistance or further clarification on any of these topics.

(continued) State Water Board's Remand Order

"We conclude that, going forward, we must regulate dairies' land application practices primarily as a method of disposing of dairy waste that has secondary benefits of fertilizing crops, rather than a method of crop fertilization that may have incidental impacts to groundwater."

As a result of this the Order focuses on managing and accounting for nitrogen to protect groundwater quality. The focus of the Order is clearly on land application as that has been found to create the largest impact on groundwater quality, but there is also an interest in addressing lagoons.

Order defines a "Nitrogen Discharge Limit", which is to be set by the State Board for cropland through a process involving academic consultation, technical coordination by the Central Valley Water Board and the Central Valley Dairy Representative Monitoring Program (CVDRMP). For other parts of the dairy the nitrogen discharge limit will be determined by the Regional Board.

The Order proposes more detailed accounting of manure, including measurement and sampling. This includes the requirement for the installation of flow meters to accurately measure liquid manure applied to land. The concept of a whole farm balanced is mentioned as an accounting approach.

The order categorizes lagoons into three groups: (1) existing lagoons that do not intersect groundwater, (2) existing lagoons that may intersect groundwater, and (3) new or reconstructed lagoons. For lagoons not in groundwater, the order sets a seepage standard, and dairies must test their ponds every 3 years to determine if they meet the standard. For dairies that cannot feasibly perform the seepage rate test an alternative will be developed. For lagoons that may intersect groundwater a demonstration must be made by a professional engineer or geologist. Those ponds found to intersect with

groundwater must be rebuilt to new standards.

There is also a lot of discussion on time schedules to meet all these requirements. The State Board provided some time schedules, but for most they only provided guidance to the Regional Board on how the timelines must be determined. Any timelines must be specific and concrete.

The regulatory framework in the order is intended to apply to all Central Valley dairies, including new and expanded dairies. This is good since new and expanded dairies have been in regulatory limbo. Not all the new requirements are clearly laid out in the Order. Many of them are yet to be determined by the Regional Board with guidance from the Order and the State Board. What I do know is that significant changes are coming and with them many challenges. Many of these regulatory changes will require research and changes to dairies to meet something that is beyond the sight of how it might be achieved today.

This is just the beginning of this process. The State Board's Order is out for public comment until Friday December 6th and there will be a virtual workshop on October 30th by the State Board. Only after this Order is adopted by the State Board will the Regional Board's process to modify their permit in compliance with this Order begin. In short, this will be a multi-year process to get the final regulations adopted. This gives you time to assess your dairy and determine where you might need to make improvements. There is funding available from various sources, including USDA-NRCS to prepare your dairy for the future. •

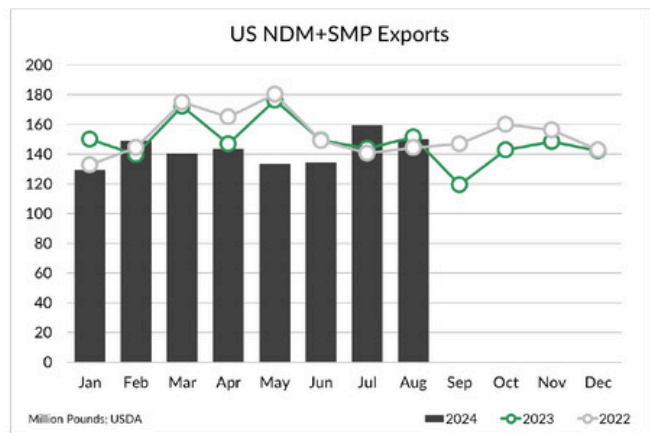
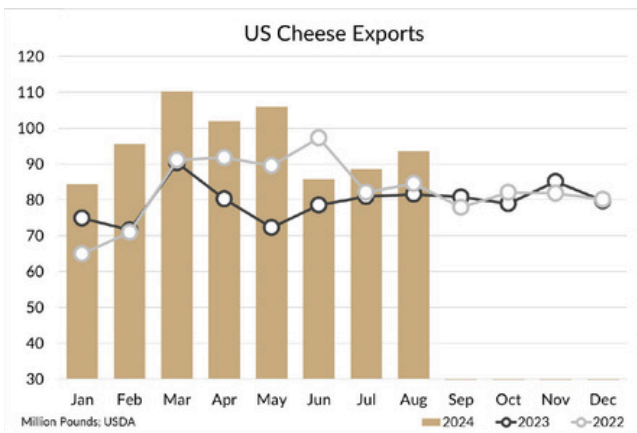
WEEKLY MARKET UPDATE

The US exported 94 million pounds of cheese in August, up 15% on the year and giving more explanation for recent record-high barrel prices. Nonfat dry milk and skim milk powder exports slipped amid ongoing soft demand, while high EU butter prices gave US butterfat exports a bump.

- CME cheese markets continued to fall. While reports indicate barrel supplies remain tight, last month’s high prices were enough to scare buyers away. CME barrels slid to the \$1.80s, a price last seen in July. Blocks also declined, dropping to the low \$1.90s. This is the first time since August blocks and barrels have been below \$2 per pound.
- US total cheese production reached 1.1975 billion pounds, up on the year and month-over-month in August at a time when output usually declines. Mozzarella output also rose, while cheddar decreased. That fits anecdotal reports that more processing energy was going to the mozzarella space and away from barrel production.
- In the CME butter market, prices have been dropping, rising and dipping again around the \$2.70-per-pound mark on healthy volume.


According to USDA’s Dairy Products report, butter output remains well above prior-year levels.

- In Chicago, CME nonfat dry milk prices were largely unchanged on the week, remaining in the mid-\$1.30s.
- Combined nonfat dry milk/skim milk powder output was down compared to July and 2023. But SMP stocks were down only slightly on the year, suggesting lackluster demand.
- Corn and soybean harvests are rolling along at an above-average pace. Nearby corn futures have been a little choppy, but overall trending upward. It’s a different story for soybeans. After pushing higher, the nearby contract spent the next several days sliding lower as support weakened and forecasts call for rain in South America.



Dairy Revenue Protection Program		
Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
January - March 2025		
Class III	\$19.82	\$18.83
Class IV	\$21.04	\$19.99
April - June 2025		
Class III	\$19.35	\$18.39
Class IV	\$21.28	\$20.22
July - September 2025		
Class III	\$19.38	\$18.41
Class IV	\$21.45	\$20.38
October - December 2025		
Class III	\$19.31	\$18.35
Class IV	\$21.30	\$20.24
January - March 2026		
Class III	\$17.61	\$16.73
Class IV	\$16.18	\$15.37

*As of 10/08/24 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Oct-02	\$2.0275	\$2.1525	\$2.6800	\$1.3550	\$0.6025
Oct-03	\$2.0075	\$2.1200	\$2.6800	\$1.3475	\$0.6075
Oct-04	\$1.9475	\$1.9550	\$2.6875	\$1.3525	\$0.6050
Oct-07	\$1.9475	\$1.9325	\$2.7125	\$1.3550	\$0.6050
Oct-08	\$1.9275	\$1.8800	\$2.6775	\$1.3550	\$0.6000
Average	\$1.9715	\$2.0080	\$2.6875	\$1.3530	\$0.6040
Weekly Change	-0.1525	-0.2650	-0.0725	-0.0025	-0.0025

Order 51: Latest Prices					
	Jun	Jul	Aug	Sep	Oct
Class I LA	\$22.38	\$23.41	\$23.62	\$23.90	\$25.47
Class II	\$21.60	\$21.82	\$22.05	\$22.40	
Class III	\$19.87	\$19.79	\$20.66	\$23.34	
Class IV	\$21.08	\$21.31	\$21.58	\$22.29	
PPD	\$0.79	\$1.05	\$2.10		
Blend: LA*	\$20.66	\$20.84	\$23.60		
Blend: Tulare*	\$20.16	\$20.34	\$23.20		

*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	\$ 22.80	\$ 10.47	\$ 12.33	\$ -
	Aug-24	\$ 23.60	\$ 9.88	\$ 13.72	\$ -
	Sep-24	\$ 25.27	\$ 9.94	\$ 15.34	\$ -
	Oct-24	\$ 25.03	\$ 10.17	\$ 14.86	\$ -
	Nov-24	\$ 24.61	\$ 10.29	\$ 14.32	\$ -
	Dec-24	\$ 24.22	\$ 10.41	\$ 13.81	\$ -

Estimates only. As of 10/8/2024 and based on futures markets which can change daily.

