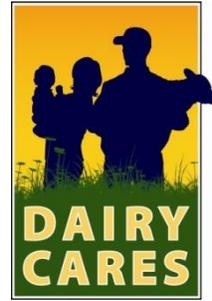


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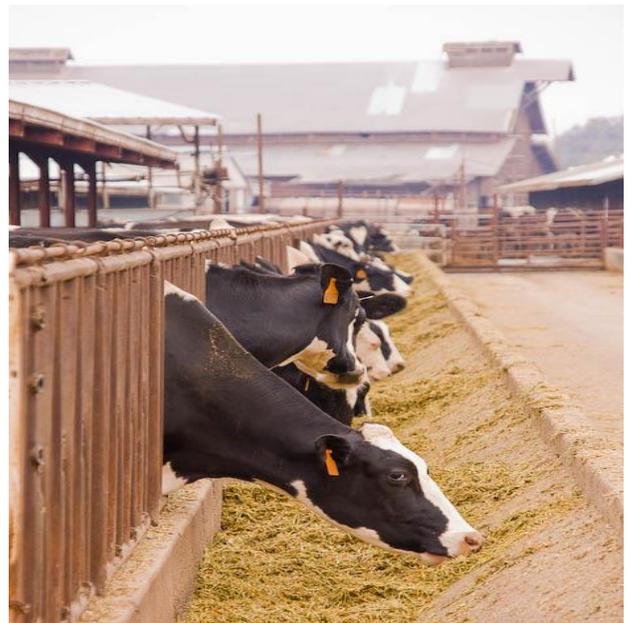
El Niño may offer much needed relief for California dairies, agriculture

The seemingly certain prospect of a major El Niño weather pattern in California this winter has increased the likelihood that the historic four-year drought afflicting the state will be broken, but water supply reductions will most likely remain due to historically low reservoir conditions. Surface water supply allocations are currently at 10 percent or less. The El Niño pattern, which could last into the middle of 2016, generally reduces rainfall across parts of southeast and southern Asia, and brings precipitation to the western U.S. and parts of South America.

More water is of course great news for California agriculture, including the state's more than 1,400 dairy farms. Last summer, a UC Davis report projected that for the year 2015, the drought would decrease revenues for California dairies, potentially increase feed costs due to the lack of availability of locally grown hay, and add extra costs such as higher energy costs related to additional groundwater pumping.

“El Niño has been the great wet hope in public discussions in the last few months,” said Professor Jay Lund, the lead author of the report. “I’m kind of relieved to see that there’s something big changing in the climate and the sea conditions out in the ocean. Hopefully that will break whatever structure — and it’s a fairly resilient structure — that’s been giving us this drought.”

Mark Beck, executive vice president of the U.S. Dairy Export Council, recently stated that El Niño could be a “game-changer” in relation to how it



El Niño may benefit dairy farm operations

may affect California and the major milk sheds of New Zealand. While benefitting California, it could result in extended dry conditions in New Zealand and elsewhere and impact international markets.

The California Department of Food and Agriculture (CDFA) estimates that about 40 percent of the total U.S. exports of dairy products come from California.

One of the biggest El Niño benefits for California dairy farmers may be lower-priced feed. According to the UC Davis report, statewide dairy and livestock losses from reduced pasture and higher hay and silage costs represented \$203 million in revenue losses in 2014. The Agricultural Council of California has noted that abnormally high forage prices are causing farmers to cull more cows than they would based on milk prices alone.

The near-certain strong El Niño is not all good news, of course, given the potential for flooding, landslides and related problems. Indeed, during the last major El Niño in 1998, heavy rains caused more than \$62 million in damage in Riverside and San Bernardino counties and prompted a federal disaster declaration. The devastation included the unfortunate loss of dairy cows in the Chino area. Hopefully these downsides will be minimal this coming year.

Moreover, Michael Anderson, state climatologist with the Department of Water Resources, warns that “California cannot count on potential El Niño conditions to halt or reverse drought conditions.” This message is echoed by the Governor’s Interagency Drought Task Force, which includes CDFA Secretary Karen Ross.

If this El Niño does bring the widely predicted “atmospheric river” of rain, it could bring California reservoirs back to near-normal levels, especially if there’s a big snow pack for spring runoff. But even the heaviest drenching won’t replenish groundwater given the increased use of that resource as the drought intensified.

Nevertheless, the new year brings hope for significant relief for our parched Golden State, particularly for dairy farmers and others whose livelihoods are inextricably tied to the whims of Mother Nature.

Dairy Cares is a statewide coalition supporting economic and environmental sustainability and responsible animal care. Our members include Bar 20 Dairy Farms, California Cattlemen’s Association, California Dairies Inc., California Dairy Campaign, California Farm Bureau Federation, Dairy Farmers of America-Western Area Council, Dairy Institute of California, GHD Services, Inc., Harris Construction, Hilmar Cheese Co., HP Hood, Joseph Gallo Farms, Land O’Lakes, Merck Animal Health, Milk Producers Council, Ruan Transport Corp., Western United Dairymen, Yosemite Farm Credit and others. For information, visit our web site or call 916-441-3318.