



The Milk Lines



May 2001

HEAT & ENERGY

REMINDER

MARKET

Heat & Energy

Summer heat stress that decreases cow performance is upon us. At the same time the energy crisis makes cow comfort more expensive. Here are a few tips to stretch the energy dollar while cooling cows.

SHADES:

1. Hose off dust from the roof of shades once a month. A dirty roof retains heat more than clean ones.
2. Aluminum or white paint will reflect more heat than rusty or darker colors.
3. If possible, open roof ridge line to allow more natural ventilation.

MISTERS & DRENCHERS:

1. Unplug or replace any defective emitters.
2. Run chlorine solution through lines to reduce algae.
3. Eliminate any obvious sags in delivery pipes and use schedule 40 thickness rather than lesser gauge.

FANS:

1. Wash off fan blades and wire protection cages.
2. Check angle of fans; about 30° downward gives best air movement on and over cows.
3. Check individual fan performance for rpm and air movement cfm against manufacturer specifications.

Rolling blackouts are expected this summer and will be 1 to 2 hours long, generally from noon to 6 and most likely during heat waves. Standby generators, either permanent or PTO driven, will be needed in most cases to reduce peak loads. Dairies are exempt from air

pollution permits, and producers are eligible for financial assistance through the Demand Relief Program (DRP). The DRP has been coordinated through creameries, and individual dairies should check with their coop to sign up. There are also several incentive options with utility companies for installing energy saving equipment, such as variable frequency drive (VFD) pumps and high volume, low speed (HVLS) fans. Don't forget the obvious, like improving natural ventilation by allowing wind gaps between haystacks.

Reminder

The University of California Cooperative Extension is now located at 4437 South Laspina in Tulare (across the street from farm show and next door to Edison AgTAC). Phone is 685-3309 with extension 213 for dairy advisor, ext. 214 for alfalfa and cereals advisor, and ext. 221 for 4-H. General fax number is 685-3319. E-mails are cetulare@ucdavis.edu for general office, tashultz@ucdavis.edu for dairy advisor, cafrate@ucdavis.edu for alfalfa and cereals advisor, and cmsousa@ucdavis.edu for 4-H.

While new cases of hoof and mouth have not been seen recently in the UK or Holland, there have been new ones in Brasil, Uruguay and Argentina. Regardless of where FMD is or isn't, the need for more continued on-farm bio-security is needed. If you are not sure of precautionary measures to be taken or need information in Spanish for employees, contact the dairy farm advisor.

Market

The following are excerpts from a report by William Schiek, of the Dairy Institute of California, and presented recently at the California Nutrition Conference in Fresno. Milk output in 2001 has turned around from one of runaway production into one of short supply. Dairy commodity prices have rebounded from lows at the beginning of the year to high levels now, and strong demands are expected through the rest of the year, in spite of a softening economy. Just how much the energy crisis could affect dairy product sales, due to processing cost pass along, is not clear. If prices hold as predicted, then \$14/cwt milk price to producer should continue through the year. This can help cushion the energy cost and heat stress effects this summer.

Nationally milk output dropped 1.8% during the first four months of 2001. This contraction of milk supply resulted in part by culling down cow numbers and a lower production per cow at the same time. This is contrary to the usual less cows and more milk per cow and is partly due to reduced use of BST. California registered a phenomenal 5.9% milk increase in 2000, but currently is above the national average by *only* 2.1% and is expected to be about 3.3% for the year. California now produces about 20% of the national milk supply.

California cow numbers continue to rise but at a slower pace than last year. Currently there are about 68,000 more cows in California than last year at this time, while USA figures are down 85,000 head.

Strong milk prices could increase BST usage, as well as lower culling rates. It has been predicted that it will

take a few months before high milk prices will cause production expansion sufficiently to lower milk prices again. Constraints on new dairy building and existing herd lateral expansion by environmental issues have not been factored in due to how long and involved current litigations may become. Also not factored is that extended price supports for butter and powder will end in 2001.

Growth in commercial use of milk in all products is expected to be up about 2.3% for 2001 and matches that for 2000. If the milk shortage continues, it can negatively impact product availability and raise prices. Butter inventories are down 20% from last year and American cheese is down 9%.

These numbers suggest commercial usage is still growing and inventory levels are being drawn down. The soft grain and soybean prices are expected to help a milk production rebound. However, summer severity and energy prices could offset this factor. Cost of milk to make butter and powder in California is expected to stay just over \$14/cwt throughout 2001 and price of milk for cheese making is predicted at about \$12.70. Milk price for producers is expected to be lower in 2002, with the second half of the year with possible prices seen during most of 2000.

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