



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

A. G. Kawamura, Secretary

April 13, 2009

Ms. Polly Lowry
Senior Engineering Geologist
Central Valley Regional Water Quality Control Board
11020 Sun Center Drive, #200
Rancho Cordova, CA 95670

SCHEDULE ADJUSTMENT FOR GENERAL ORDER R5-2007-0035

Dear Ms. Lowry:

Thank you for the opportunity to review and comment on the tentative order amending General Order No. R5-2007-0035 Waste Discharge Requirements for Existing Milk Cow Dairies. The California Department of Food & Agriculture (Department) recognizes the importance of this tentative order as a means to address the current economic conditions and the commitment towards increasing environmental performance on California dairies.

General Comments

The California dairy landscape is rapidly changing with a recorded net loss of 99 dairies for 2008 as compared with 2007.¹ Dairies are relocating to other states or are completely going out of business. Of the 99 dairies lost statewide, 75 dairies were located in Central Valley counties, with the largest net loss being 29 dairies in Stanislaus County.

Statewide for 2008, dairies experienced an approximate 18 percent increase in costs, primarily attributable to rising costs of feed i.e., dry/wet roughage, wet feed, concentrates, minerals & supplements, and pasture.² In 2006 for example, the average production cost per hundredweight of milk was \$12.64 and in 2008 the production cost was \$16.48 per hundredweight of milk. Subsequently, in 2008 dairy producers received 6.5 percent less overall in their milk checks compared to a year ago and the first two months of 2009 producers have seen a reduction of income by 60 percent compared to the same period a year ago.³

¹ California Department of Food and Agriculture; Dairy Information Bulletin; January 2009.

² California Department of Food and Agriculture; Draft Cost of Production 2008 Annual.

³ California Department of Food and Agriculture; Communication with Cost Production Unit 27 March 2009.



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As a result of these increasing production costs the dairy industry has become overwhelmed and challenged with environmental regulations aimed at improving air and water quality conditions. As a result, some producers have no alternative other than to close.

Comments on Tentative Order

The goal of the General Order approved in May 2007 is to impose new and more stringent requirements on existing milk cow dairies along with compliance schedules and provisions in a multi-year phased approach.

The California dairy industry collectively has been very proactive at engaging the Central Valley Water Board staff to actively identify and provide the best possible solutions to meeting regulatory requirements within the multi-year phased approach.

Given the current economic decline across all sectors of the economy, especially in dairy, the Department deems the tentatively proposed schedule changes within the Waste Management Plan completely appropriate. The movement of the due date of 1 July 2009 to 1 July 2010 for elements of the Waste Management Plan is very practical and prudent given existing fiscal conditions.

Moreover, the Department understands from discussion with dairymen and their industry trade representatives they are dutifully aware that movement of the due date from 1 July 2009 to 1 July 2010 for major elements of the Waste Management Plan does not forgo any obligation on behalf of individual dairymen to comply with necessary modifications by the final 1 July 2011 due date.

I recognize that by working collaboratively to address unforeseen fiscal crises and working hard towards the goal of increasing environmental performance on Central Valley dairies, we all share the desire to see a cleaner environment with dairymen leading the charge.

Again, thank you for the opportunity to provide comments. In the event responses to comments are generated, please refer them to my attention, at the Office of Agriculture and Environmental Stewardship.

Sincerely,



Edward J. Hard, Dairy Water Quality Specialist

cc: Will Brown, Undersecretary, California Department of Food & Agriculture
John Hewitt, Staff Counsel, California Department of Food & Agriculture
William Van Dam, Dairy CARES Chairman
John Menke, Dairy Program Coordinator, State Water Resources Control Board