



TEXAS CATTLE FEEDERS ASSOCIATION NEWSLETTER

5501 I-40 WEST

AMARILLO, TEXAS 79106

806 / 358-3681

Volume 43, Number 48

December 11, 2009

EPA Greenhouse Gas (GHG) Ruling Could Be Devastating To Agriculture: TCFA and NCBA are extremely concerned about the potential impacts of this week's ruling by EPA that declares GHG emissions are an endangerment to public health and the environment. This sets the stage for GHG regulation under the Clean Air Act (CAA) and would give the EPA unprecedented control over every sector of the U.S. economy.

"It's premature to issue this kind of finding, especially given the recent controversy surrounding the scientific validity of alleged human contributions to climate change," said Tamara Thies, NCBA chief environmental counsel. "Regulation of GHG should be based on science, and it should be thoughtfully considered and voted on by Congress through a democratic process, not dictated by the EPA."

TCFA and NCBA are working with members of Congress and other stakeholders to oppose the EPA endangerment rule and unreasonable climate change legislation.

The endangerment finding does not itself regulate GHGs. But unless Congress acts, it sets in motion EPA regulation of GHGs from stationary sources and the setting of new source performance standards for GHGs. On Oct. 27, 2009, EPA proposed a rule designed to regulate GHG emissions from sources that emit 25,000 tons per year or more, instead of the statutory 250 tons per year threshold for pollutants which is included in the CAA. The extent to which EPA can change statutory permitting requirements, however, is unclear. Only time will tell how our federal courts will address citizen suits to force regulation of all sources that emit GHGs in excess of the statutory thresholds. EPA indicated that it also would be developing an approach to regulate GHGs from hundreds of thousands of small operations, including farms and buildings.

While agricultural sources are currently generally not required to obtain permits for greenhouse gas emissions, regulation of GHGs under the CAA may for the first time trigger such regulation. Given the fact that America currently has over 2 million farms, it would be virtually impossible to permit a majority of them. It would also impose massive regulatory compliance costs on producers, which could force many operations out of business.

"Congress never intended for the Clean Air Act to be used for greenhouse gas regulation," said Thies. "While the Act has done a good job of cleaning up pollutants, it is not adequately equipped to address global climate change. Any attempts to use it for this purpose would be devastating to U.S. agriculture."

According to EPA, in 2007, GHG emissions from the entire agriculture sector represented less than 6% of total U.S. GHG emissions in Tg CO₂ Eq. At the same time, land use, land use change, and forestry activities resulted in a net carbon soil sequestration of approximately 17.4% of total U.S. CO₂ emissions or 14.9% of total U.S. greenhouse gas emissions.

"Agriculture actually provides a significant net benefit to the climate change equation," said Thies. "Rather than being subject to overly-burdensome regulations, agriculture should be rewarded for the carbon reductions we provide."

NCBA submitted comments in opposition to EPA's proposal in April.

The Highly-Flawed United Nation's Environmental Report, "Livestock's Long Shadow," has been a thorn in the beef industry's side ever since it was published in 2006. But a strong debunking of that report has been offered up by Frank Mitloehner, an associate professor and air quality specialist at UC Davis.

One of the UN report's erroneous claims challenged by Mitloehner is the assertion that the livestock sector is responsible for more greenhouse gas emissions than transportation. Mitloehner notes that "Livestock's Long Shadow" produced its numbers for the livestock sector by adding up emissions from farm to table, including the gases produced by growing animal feed, animals' digestive emissions, and processing meat and milk into foods. But its transportation analysis did not similarly add up emissions from well to wheel; instead, it considered only emissions from fossil fuels burned while driving. "This lopsided 'analysis' is a classical apples-and-oranges analogy that truly confused the issue," Mitloehner said.

Most of Mitloehner's analysis is presented in a recent study titled "Clearing the Air: Livestock's Contributions to Climate Change," published in October in the peer-reviewed journal *Advances in Agronomy*. Co-authors of the paper are UC Davis researchers Maurice Piteskey and Kimberly Stackhouse.

In the paper, Mitloehner also reports that LLS misrepresents the effects that U.S. livestock production has had on land-use change.

While the UN report assigned the largest portion of the GHG livestock portfolio to land-use changes, 2009 EPA data shows that in the United States overall actually increase forestland. Between 1990 and 2006, the forestland use in the United States increased by 25% from 244 to 304 million hectares, resulting in a net uptake in carbon through trees. This increase in carbon sequestration is thought to be related to increased forest area; improved, sustainable timbering (timber growth exceeding harvest); and abandonment of agricultural lands.

The UN report's current Life Cycle Assessment methodology does not take into account increases in carbon sinks due to increased management of timberlands in regions like the United States. Forest regeneration, timberland management, and harvesting contribute positively to carbon sequestration and are highly managed through private landowners. For the United States, forest regeneration and expansion is expected to continue and in contrast to some developing countries, deforestation is not a livestock related land-use issue.

Additionally, the UN report estimated net carbon losses associated with converting forested land to grasslands and croplands either directly (pasture) or indirectly through livestock feed production on a global scale. These global predictions result in a significant overestimation of GHG emissions from livestock in developed countries that have established land-use patterns for centuries.

Biotechnology Brings Benefits To Both Agriculture And The Environment, according to data *Feedstuffs* used to support its article, "Biotech improves sustainability."

The article reports on research summaries released by PG Economics that show significant positive impacts from the continuing modernization of agriculture. For example, Biotech crops have contributed to significantly reducing the release of greenhouse gas (GHG) emissions from agricultural practices. In 2007, this was equivalent to removing 14.2 billion kg of carbon dioxide from the atmosphere or removing nearly 6.3 million cars from the road for one year. The GHG emission reductions are derived from two principle sources: reduced fuel use from less-frequent herbicide or insecticide applications and reduced energy usage in soil cultivation from the use of no-till and reduced-till farming systems.

The article also reports that fuel savings due to reductions in pesticide spraying and the switch to reduced-till or no-till farming have resulted in permanent savings in carbon dioxide emissions.

Texas Animal Health Commission (TAHC) Has Named Its Next Executive Director: Dr. Dee Ellis Of Rockdale. Dr. Ellis, who will also serve as state veterinarian, is replacing Dr. Bob Hillman, who will retire Dec. 31. The 13 governor-appointed TAHC commissioners, representing the public and livestock and poultry industries, announced the selection of Dr. Ellis this week.

"I am confident that Dr. Dee Ellis will be a fine state veterinarian and TAHC executive director. For five years, Dr. Ellis has served as the TAHC assistant state veterinarian, and his work ethic, abilities, training and qualifications are exemplary," said past TCFA Chairman and current TAHC Chairman Ernie Morales of Devine, who represents the feedyard industry on the commission.

For more on Dr. Ellis' background and his new appointment, go to http://www.tahc.state.tx.us/news/pr/2009/2009Dec_DeeEllisSelectedAsExecutiveDirector.pdf.

Bovine TB: Last week, TCFA filed comments with USDA-APHIS regarding the agency's concept paper "A New Approach for Managing Bovine Tuberculosis: Veterinary Services' Proposed Action Plan." The concept paper http://www.aphis.usda.gov/animal_health/animal_diseases/tuberculosis/downloads/tb_concept_paper.pdf was created to serve as a starting point for dialogue between regulators and industry stakeholders prior to initiating formal rulemaking. Below are excerpts from TCFA comments:

"The national tuberculosis eradication program has successfully reduced the incidence of the disease in United States (U.S.) cattle, but there continues to be a low incidence of TB as evidenced by the newly identified infected herds over the past several years. As we face the challenge of the current TB episodes in the near term, we are also extremely interested in working with USDA to improve the national TB program to ensure that we meet its long-term goal of protecting human and animal health by eradicating the disease from our nation's cattle herd.

"In order to have a more concerted effort to achieve the end goal of complete eradication of bovine TB from U.S. cattle herds, with no recursions, it has become evident that USDA's program needs to be updated, and the antiquated testing methodologies and surveillance tools be improved. TCFA supports efforts to make the federal rule more effective, more flexible and better adaptable to changes in disease research, diagnostics and

the cattle industry by focusing on areas of risk rather than detailed standards and requirements that are the norm today.

"Improvements to the program should focus on risk reduction potential, and we are concerned that the alternative identified in the document to require some imported cattle to be sent directly to quarantine or terminal feedlots and prohibiting interim grazing or pasturing is not only unworkable for producers, but not likely to prevent the types of TB incidents that have occurred in recent years. So long as producers prevent commingling of Mexican feeder cattle and other cattle, there is no reason to prohibit pasturing or restrict Mexican feeder cattle to quarantine or terminal feedlots.

"TCFA in conjunction with other state and national cattle organizations and animal health professionals recently developed...classifications, definitions and biosecurity practices to address concerns and prevent potential TB transmission between Mexican feeder cattle and non-terminal breeding cattle in a feedlot or a pasture in a more practical and less burdensome way."

TCFA and NCBA will continue to work with APHIS as they develop the proposed rule. A complete copy of TCFA's comments is available at http://www.tcfa.org/Newsletter/tb_comments2009-12-04.pdf.

Missouri Is A New Target For HSUS as the group continues to push its animal rights agenda through state ballot initiatives. Two initiative petitions recently filed by HSUS pertain to dog breeders. But Missouri agriculture professionals expect the effort to eventually broaden to include animal agriculture, and they're being advised to mobilize in defense of their industry.

"We've already seen what they've done in states like Florida, Arizona, California and Colorado. They dramatically changed the way (producers in those states) are able to raise livestock and poultry," Missouri Farm Bureau President Charlie Kruse said at his organization's convention. "Right now they're saying their goal is just simply to protect animals, but I know we all know there can be a strong argument made that they're real goal is to eliminate animal agriculture."

According to *Brownfield*, Steve Kopperud, a Washington D.C. analyst with Policy Directions Inc., told the convention that animal agriculture has "allowed the activists to define us. We have allowed the activists to tell the public what we do and how we do it and frankly, we're sitting back and continuing to allow that to happen," said Kopperud. However, he offered Ohio as an example of a state where animal agriculture has taken a stand against HSUS. Ohio voters recently approved creation of the Ohio Livestock Care Standards Board, which keeps the state's agriculture under the control of Ohio experts.

TCFA At Work For You...

In Recent Weeks, TCFA Staff:

- Participated in an Industry Advisory Committee Meeting for a Cattle Feeding Air Quality Research Project being conducted by Texas A&M University and Kansas State University. The project is collecting data on dust, ammonia, greenhouse gases and other constituents and includes the evaluation of mitigation practices.
- Attended a meeting hosted by the Canadian River Municipal Water Authority to hear updates on conservation efforts related to the Arkansas River Shiner. This effort includes several organizations working together to demonstrate to the U.S. Fish and Wildlife Service that voluntary, incentive-based measures can successfully preserve the species in lieu of additional regulations and restrictions.
- Participated in Texas regional water planning group meetings as the current round of five-year planning is coming to a close. All regional water plans must be updated and filed with the Texas Water Development Board in the spring of 2010.
- Represented cattle feeder issues with EQIP program during NRCS State Technical Committee meeting to maintain funding.
- Hosted industry leader meeting to develop industry response and plan for cattle feeding sustainability.
- Participated in NCBA restructuring meetings.
- Spoke on COOL and other industry issues at American Bankers Association and Texas Bankers Associations annual agricultural meetings.
- Represented cattle feeders in several federal and state animal health meetings.
- Represented cattle feeders at Animal I.D. meeting.
- Gave a presentation in Raleigh, N.C. at a meeting of the Southern States Coop (a cow-calf operators group) to discuss various industry issues and describe the characteristics cattle feeders are looking for in replacement cattle.
- Met with local and state officials and other industry stakeholders to discuss the state's current and future water supply and needs. Past TCFA Chairman James Herring, who is currently serving as

chairman of the Texas Water Development Board (TWDB), attended the meeting and served on a panel discussing the TWDB's activities.

- Met with the Texas Comptroller's Office, other agriculture associations and retailers to discuss potential rule changes concerning the qualifications for the agriculture sales tax exemption.
- Made 115 visits to member feedyards.

Also, TCFA environmental staff attended an annual nutrient management training workshop hosted by the USDA-Natural Resources Conservation Service. Several TCFA staff members are Certified Nutrient Management Specialists and these annual workshops help to fulfill the continuing education requirements.

...Feeders And Feedyards In The News...

Louis C. Reeder, 72, a former TCFA Board member, passed away Nov. 26 in Lubbock. Reeder was co-owner, CEO and general manager of Wes-Tex Feedyards Inc. from 1984 to 2008. A member of TCFA since 1971, he served two terms on the TCFA Board. Survivors include his wife, Jane; three sons; six grandchildren and a great-grandchild.

TCFA Welcomes NAPI Feedyard-JBS Five Rivers in Bloomfield as a new feedyard member. Keith Bryant is the manager.

FSIS Has Issued A Directive Concerning Humane Handling Verification Visits at livestock establishments. The directive offers instruction to District Veterinary Medical Specialists (DVMSs) regarding the work methods they are to use when conducting such visits. To read the directive, go to <http://www.fsis.usda.gov/OPPDE/rdad/FSISDirectives/6910.1Rev1.pdf>.

As a reminder, the TCFA Beef Safety and Quality Assurance Program was expanded in 2003 to include Cattle Care and Handling Guidelines. These guidelines are used as the basis for annual on-site audits at member feedyards, which are conducted by TCFA staff and reviewed by a veterinarian. Each audit includes an evaluation of cattle handling and treatment practices, feedyard facilities, water tanks and feed bunks. Contact Trent Tyson at (806) 358-3681 or trent@tcfa.org to learn more.

Raising The Visibility Of U.S. Beef Among South Korean Consumers is the objective of a new multimedia advertising campaign unveiled by the U.S. Meat Export Federation (USMEF) this week. Developed after extensive consumer surveys and testing of the messages with focus groups, the campaign consists of television commercials, print ads and bus ads on the theme of "Trust."

Jihae Yang, USMEF-Korea director, said, "Consumers have told us they want to see images of safety and wholesomeness, and they are most receptive to hearing such messages from people like themselves: women who feed U.S. beef to their families. Trust in U.S. beef needs to be rebuilt."

The ads are built around three women: a rancher, a scientist and a food safety inspector. The women are depicted in their work setting as well as with their children – sending the clear message that these women are both professionals as well as mothers who work to guarantee the safety of the beef they feed to their own families.

U.S. Rep. Rosa DeLauro (D-Conn.) Asked USDA To Close A Cargill Plant – Beef Packers of Fresno, Calif. – after it was connected to a salmonellosis outbreak for the second time this year. DeLauro, who chairs the Agriculture-FDA Appropriations Subcommittee, said USDA should also conduct a comprehensive examination into Cargill-BPI's processes for identifying and correcting problems.

Meatingplace.com reports USDA-FSIS responded to DeLauro's criticism through an email defending the agency's actions. An FSIS spokesperson wrote that the agency has "acted aggressively" in the wake of the two recent recalls for salmonella in raw ground beef. "FSIS has conducted an on-going investigation and ensured that Beef Packers implemented corrective measures that include several significant improvements, such as a new anti-microbial intervention and modifications to the facility's operations," the email said. FSIS also noted that additional actions can be taken if they prove necessary.

The 2010 Cattle Industry Annual Convention & NCBA Trade Show will be in San Antonio Jan. 27-30. As a co-host of the event, TCFA has room blocks at the Marriott Rivercenter and the Marriott Riverwalk. The rooms in these blocks will be sold on a first-come, first-served basis. Contact TCFA Administrative Assistant Shannon Standley at shannon@tcfa.org or (806) 358-3681 to reserve rooms in these blocks. Shannon will need your hotel preference, arrival and departure dates, the type of room you desire and a credit card number to guarantee the reservation. The deadline is Friday, Dec. 18. If you want to stay at a different hotel, visit NCBA's

website at <http://www.beefusa.org> and follow the link to make your housing arrangements online and instantly confirm your hotel.

TCFA Sponsor Spotlight. TCFA is proud to recognize its top sponsors whose efforts help deliver top-notch services to members.

This week's spotlight shines on



Pfizer Animal Health

Pfizer Animal Health provides the beef industry with innovative science-based products and programs to help producers increase their productivity and profitability. The Pfizer Animal Health portfolio encompasses a full range of products including: DRAXXIN™ (*tulathromycin*) Injectable Solution, CattleMaster® GOLD, Dectomax®, EXCEDE® (*ceftiofur crystalline free acid*) Sterile Suspension, MGA®, Excenel® RTU (*ceftiofur hydrochloride*) Sterile Suspension and many other reputable products.

Please note: All links are still available at <http://www.tcfa.org> under This Week's Newsletter links.