

November 28, 2011



Our Energy, Our Future
A Dialogue With America

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Washington NEWS

New Path for Farm Bill: The Farm Bill had been moving through the Super Committee but now that the group declared failure to agree on a deficit reduction plan, the bill will now be written in regular order. U.S. Senator Pat Roberts (R-Kan.), ranking member of the Senate Agriculture, Nutrition and Forestry Committee, said "I call on the Senate Committee on Agriculture, Nutrition, and Forestry to hold open, public hearings where policy ideas are discussed and debated on their merits, followed by a mark-up that allows input by all committee members."

Agribusiness Contributions to Members of the House and Senate Agriculture Committees: MapLight, a nonprofit, nonpartisan research organization, just released its analysis of contributions connected to the agribusiness sector to members of the House and Senate ag committees. The organization also published a report on agribusiness contributions to the Super Committee. To see the report, [click here](#).

Immigration NEWS

Worker Wage Hike on Hold: A wage increase for seasonal immigrant workers set to go into effect Nov. 30 has been delayed. The federal government delayed the wage increase until after Jan. 1. The new wages are significantly higher and would pay more than American workers currently make in some cases. The delay is the result of President Obama's signature on appropriations legislation that blocks the labor department from using appropriated funds for the wage increases. Several agribusinesses and other groups that use seasonal immigrant labor petitioned a U.S. district judge to nullify the process the labor department used to determine the new rates. The petition wants the labor department to use the 2008 process for setting wages. The judge hasn't ruled yet. The increase has already been postponed several times but opponents want Congress to abolish the rule.

Weather & Drought NEWS

Financial Assistance Available for Tornado Survivors: Gov. Bev Perdue announced that financial assistance is available for survivors of the tornadoes that recently struck Davidson and Randolph counties. Loans up to \$200,000 are available through the SBA to homeowners to repair or replace damaged or destroyed real estate.

Homeowners and renters also are eligible for loans up to \$40,000 to repair or replace damaged or destroyed personal property. A U.S. Small Business Administration Disaster Loan Outreach Center opened last week in Lexington. The center is located at the Silver Valley Volunteer Fire Department, 11450 South Highway 109 in Lexington. It will be opened from 9 a.m. to 6 p.m. Wednesday, Nov. 23 through Thursday, Dec. 1. For small businesses, small agricultural cooperatives, small aquaculture businesses, and most private nonprofit organizations of all sizes, the SBA offers

Economic Injury Disaster Loans (EIDLs) to help meet working capital needs caused by the disaster. Individuals and businesses unable to visit the center can apply via the SBA Customer Service Center at 800-659-2955 or visit disasterloan.sba.gov/ela/. The deadline to return applications for physical property damage is January 20, 2012. The deadline to return economic injury applications is August 21, 2012.

Flood Loss Deadline Extended: The National Flood Insurance Program has extended the deadline for filing claims to Jan. 23. The deadline had been set at Nov. 30. State Insurance Commissioner Wayne Goodwin petitioned FEMA officials to extend the deadline because many complained that they weren't getting good service and were unaware of the deadline. For more info, call FEMA at 1-800-621-3362.

Animal Activism NEWS

New Effort to Promote Farms, Food: Several farm groups have joined forces in a new organization to lead the public discussion about the changes on the state's livestock farms over the last several decades and how those changes benefit the animals, the environment, consumers, and N.C. communities. Members of the coalition include the North Carolina Cattlemen's Association, North Carolina Farm Bureau, North Carolina Soybean Producers Association, North Carolina Pork Council, and the North Carolina Poultry Federation. As part of its launch, the coalition distributed information to visitors to the North Carolina State Fair in October. For more info, go to www.NCAnimalAg.com.

Environmental NEWS

N.C. Egg Farm Fighting Air Regulations: Rose Acre Farms in Hyde County raises more than 3 million birds and is located nearly a mile from the Pocosin Lakes National Wildlife Refuge. The poultry farm was issued a five-year permit under the Clean Water Act and was told it didn't need an air quality permit because the farm wasn't likely to exceed federal air limits. However, the state Department of Environment and Natural Resources took water samples and claims to have found increases in ammonia and other pollutants. When the state renewed the farm's water permit in 2010, it made additional air monitoring requirements. Rose Acre objected, saying that the state had no authority to impose those regulations under the Clean Water Act. An administrative judge agreed but the state has sent the case to the commission on appeals where arguments will be heard in January. When the commission settles the case, DENR cannot appeal because the commission is part of DENR. So, several environmental groups-Pamlico-Tar River Foundation, Friends of Pocosin Lakes National Wildlife Refuge, and Waterkeeper Alliance-filed a motion this week, which would allow the group to appeal the case to a state superior court.

Fuel & Energy NEWS

Duke Energy Lands on 7.2% Rate Increase: Duke Energy Carolinas has reached an agreement with the North Carolina Public Staff in the utility's request to raise base rates in N.C. If approved, the average rate increase for each customer class is 7.2 percent, effective February 2012. The rate increase is based upon a 10.5 percent return on equity (ROE) and a 53 percent equity component of the capital structure. The company also agreed to contribute \$11 million of shareholder money to its Share the Warmth program to help low income residents with their energy-related costs. The company had originally proposed a 15% increase. The agreement must be reviewed and approved by the North Carolina Utilities Commission (NCUC). A hearing before the NCUC on the proposed rate increase is scheduled to commence on Nov. 28. Attorney General Roy Cooper said he would oppose the increase because it would create too much of an economic burden on customers.

Business NEWS

N.C. Ranked Most Favorable Regulatory Environment for Business: Forbes Magazine ranked N.C. as the most favorable regulatory environment in the nation and as the No. 3 "Best State for Business." In the Forbes rankings, N.C. scored first in regulatory environment, second in business costs, and third in labor supply. In its rankings, Forbes scored the states on six measures including business cost, labor supply, regulatory environment, economic climate, growth prospect, and quality of life.

Processing Center Opens: The new Piedmont Food and Agriculture Processing Center was dedicated in October. The facility just outside of Hillsborough provides food producers access to space and equipment they need to develop their small businesses. The \$1.4 million facility offers 10,400 square feet of food production equipment, refrigerated and frozen storage, as well as office work space for farmers and food entrepreneurs from across the Piedmont. It is shared by Orange, Durham, Chatham and Alamance counties.

People NEWS

Ag Losses Great Leader: Mr. Charles Keels passed away Thanksgiving morning at 8:40. Mr. Keels passed peacefully after taking a turn for the worse on Wednesday. Mr. Keels had been battling pulmonary fibrosis and lung cancer for several months. Visitation will be held on Wednesday, November 30th at 12:30 in the fellowship hall at Siler Presbyterian Church. Funeral Service is at 2:00 in the Sanctuary and a private graveside service will be held for the immediate family at Lakeland Memorial Park.

Extension Professionals Honored: This fall, NCSU College of Agriculture and Life Sciences extension professionals won awards for their work in water quality and conservation at the biennial Southern Region Water Conference in Athens, Ga. Watershed Education for Communities and Officials (WECO), run by NCSU's Christy Perrin and Patrick Beggs, received the Outstanding Statewide Extension Program Award. WECO, a program in the CALS Department of Agricultural and Resource Economics, works with communities to build capacity for collaborative water resource management. Additionally, Wendy Patoprsty, natural resources extension agent in Watauga County, received the Outstanding County Extension Program Award for her water resource programming. Also honored was Dr. Greg Jennings, extension water quality coordinator for N.C., who received the Outstanding Leadership Award. He is a professor and extension specialist in the CALS Department of Biological and Agricultural Engineering.

Commodity NEWS

N.C. Has Excellent 2011 Christmas Tree Crop: N.C. Christmas tree farmers are gearing up for a busy month. Choose and cut

operations opened this past weekend across the western part of the state. "We've had a good growing season and consumers will find a good, healthy selection and wide variety of sizes which to choose from," said Agriculture Commissioner Steve Troxler.

Ban on Horse Slaughter Lifted: The U.S. House and Senate passed a conference report that allows for the restoration of USDA-sponsored inspections of horse processing facilities. Since 2005, a de-facto ban on horse processing has been in place because the ag appropriations bill specified that no federal money could be spent to inspect horse-processing facilities. The House voted 298-121 in favor and the Senate voted 70-30 in favor of the bill. A recent GAO report revealed the ban on horse processing resulted in a number of unintended consequences harmful not only for landowners and industry, but also for the well-being of horses in general. The conference report is a major appropriations bill, which would fund several government agencies for Fiscal Year 2012 and provide short-term funding for the rest of the federal government thru Dec. 16.

USDA NEWS

USDA Seeking Applications in N.C. for Organic Initiative: USDA's Natural Resources Conservation Service (NRCS) is seeking applications for a national initiative being offered in N.C. Administered under the 2008 Farm Bill's Environmental Quality Incentives Program (EQIP), the EQIP Organic Initiative helps certified organic producers and those transitioning to organic production meet their conservation goals. Funding for the EQIP Organic Initiative will be available soon. NRCS will begin ranking eligible EQIP Organic Initiative applications on February 3, 2012 for possible funding. Applications are ranked based on greatest environmental benefit. Farmers should visit their local USDA Service Center to apply. General program information is available at <http://www.nc.nrcs.usda.gov>.

U.S. and China Conclude Trade Talks: Last week marked the conclusion of the 22nd session of the U.S.-China Joint Commission on Commerce and Trade (JCCT) in Chengdu, China. U.S. Secretary of Commerce John Bryson and United States Trade Representative Ron Kirk co-chaired the JCCT along with Chinese Vice Premier Wang Qishan. U.S. Secretary of Agriculture Tom Vilsack also participated in the discussions. Meaningful progress was announced but also underscored that much more work remains to be done. In discussions also including the General Administration of Quality Supervision, Inspection and Quarantine, progress was made on beef market access. The parties agreed to expand discussion beyond technical to the conditions that include scope of products available in the market. China also committed to make progress on removing avian influenza-related bans affecting several U.S. states, to finalize work on a longstanding market access request for U.S. pears, and to complete work on a new dairy certificate to maintain existing market access.

Congress Blocks GIPSA Rule: The ag appropriations bill that was recently passed by Congress blocks USDA from finalizing parts of its GIPSA rule. The USDA developed four rules in accordance with the 2008 Farm Bill. However, the annual cost of the rules to the economy cannot exceed \$100 million. USDA already agreed that some of the GIPSA rule would cost the economy more than \$100 million. Congress' action was welcome news to many meatpackers, producers, and processors.

FSA Guaranteed Loan Program Update: FSA is no longer accepting applications for guaranteed loans with interest assistance because of a lack of program funding. For more info, [click here](#).

Mark Your Calendar

To see all upcoming events - [click here for the AgCalendar](#).