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Progress Energy (NYSE: PGN), headquartered in Raleigh, N.C., is a Fortune 500 energy company with more than 22,000 megawatts of generation capacity and approximately \$10 billion in annual revenues. Progress Energy includes two major electric utilities that serve about 3.1 million customers in the Carolinas and Florida. The company has earned the Edison Electric Institute's Edison Award, the industry's highest honor, in recognition of its operational excellence, and was the first utility to receive the prestigious J.D. Power and Associates Founder's Award for customer service. The company is pursuing a balanced strategy for a secure energy future, which includes aggressive energy-efficiency programs, investments in renewable energy technologies and a state-of-the-art electricity system. Progress Energy celebrated a century of service in 2008. Visit the company's website at www.progress-energy.com.

Washington NEWS

Coble Admitted to DC hospital: U.S. Rep. Howard Coble (N.C.-6th) was admitted to a Washington, D.C. hospital last week with a respiratory illness. Coble had been fighting a cold and doctors have not found anything other than an upper respiratory illness and low sodium levels. Coble is improving and expected to be released soon.

Senate Passes Payroll Tax Cut Package, House Not Sure: The U.S. Senate passed a two-month payroll tax cut extension on Saturday. But it's not clear whether the House will pass the measure. House Speaker John Boehner is said to have approved of the deal but other Republicans oppose it, saying it's bad for the middle class and they want to see a 1-year extension of the tax cut.

Weather & Drought NEWS

Parts of N.C. Still Dry: The N.C. Drought Management Advisory Council recent report finds that 44 of N.C.'s 100 counties are still experiencing "abnormally dry" conditions. Abnormally dry means that drought is not present but could return without sufficient rainfall. Six counties are in "moderate drought", the least severe of the four categories. To see the drought map, [click here](#).

USDA Designates Five Counties in VA as Primary Natural Disaster Areas, With Assistance to Farmers and Ranchers in N.C.: The USDA has designated five counties in Virginia as primary natural disaster areas due to losses caused by two separate disaster conditions-Hurricane Irene and drought. Cumberland, Greensville, Lunenburg, Pittsylvania, and Powhatan counties in Virginia were designated primary natural disaster areas. Since Northampton, Caswell, and Rockingham counties in North Carolina are contiguous, farmers in those areas also qualify for natural disaster assistance.

Business NEWS

Charlotte Approves Funds for Chiquita Move: The Charlotte City Council approved the funding for the incentive package for Chiquita's move to Charlotte. The city and county of Mecklenburg agreed to provide \$2.5 million, which the state will match, to relocate the company's headquarters. Opponents questioned Chiquita's ethics after the company agreed to pay a \$25 million fine to the U.S. government over company payments to paramilitary groups in Colombia from 1997 to 2004. Move would bring 417 jobs to the area.

Campaign NEWS

Fred Smith Won't Run for State Senate: Fred Smith decided he would not seek the state Senate seat currently held by Republican Buck Newton. Smith, a Republican, held that seat, which represents Nash and Wilson counties, from 2003 to 2008. Smith ran in 2008 for the governor's seat but lost the GOP nomination to Pat McCrory. Smith said that he thinks that there are already strong conservatives

in the Senate and that the real fight is for the governor's mansion. Smith said he will be working to help Pat McCrory defeat Gov. Beverly Perdue.

Immigration NEWS

Supreme Court to Rule on Arizona's Immigration Law: The U.S. Supreme Court will decide whether the tough immigration laws imposed by Arizona have violated the U.S. Constitution. The Obama Administration has challenged the Arizona law, saying that immigration regulation is solely a matter for the federal government. While many of Arizona's provisions have been blocked by the Ninth Circuit Court of Appeals, provisions of Alabama's similarly tough legislation have been in full effect. As a result, advocates claim Alabama has seen workers fleeing the state, crops left unharvested, and due process violations. The Supreme Court said it expects to rule on the matter in July, right in the middle of the 2012 election.

Environmental NEWS

BiPartisan Senate Letter Urges Taking Up Pesticide Bill: A coalition of senators sent a letter to Majority Leader Harry Reid (D-Nev.) and Minority Leader Mitch McConnell (R-Ky.) requesting the Senate consider H.R. 872, the Reducing Regulatory Burdens Act of 2011, before the end of the year. The bill passed the U.S. House and the U.S. Senate Committee on Agriculture, Nutrition, and Forestry this summer. The bill would clarify that National Pollutant Discharge Elimination System (NPDES) permits are not required when applying pesticides in accordance with their EPA-approved label. Congress did not act on this bill before the Oct. 31 deadline; however, EPA said it would not require the additional NPDES permits until Jan. 2012. U.S. Sen. Richard Burr (R-N.C.) and U.S. Sen. Kay Hagan (D-N.C.) signed the letter. To read the full letter, [click here](#).

CAFO Comments Due Dec. 20: Comments are due Dec. 20 pertaining to the proposed new rule referred to as the Concentrated Animal Feeding Operation (CAFO) 308 rule. The rule has been proposed by the EPA to require CAFOs to report information about their operations under Section 308 of the Clean Water Act, which deals with the National Pollutant Discharge Elimination System (NPDES). [Click here](#) to find out more and submit comments.

Fuel & Energy NEWS

Regulators Deny Duke-Progress Merger: The Federal Energy Regulatory Commission (FERC) has denied the merger of Duke Energy and Progress Energy on concerns over the union creating an energy monopoly in N.C. This is the second time the FERC has denied the merger making it nearly impossible for the deal to be completed this year. The two companies stated they were

“committed to proceeding with their planned merger” and are reviewing the order and plan to submit a revised proposal.

State Environmental Officials Revise Scope of N.C. Shale Gas Study Based on Public Comment: Following a public comment period in early fall, the N.C. Department of Environment and Natural Resources has revised the outline for a study of the potential environmental and economic impacts of shale gas exploration and development in N.C. The revised plan of study has been added to the [NCDENR website](#).

Commodity NEWS

N.C. Farm Income Grew in 2010: Cash receipts from farming in N.C. grew to more than \$9.6 billion in 2010, according to the latest Agricultural Statistics Yearbook. That’s an increase of more than \$400 million over the 2009 total. Net farm income in N.C. rose 18 percent in 2010 to \$3.3 billion. Livestock, dairy and poultry accounted for nearly 66 percent of farm cash receipts in the state, while crops made up 34 percent. N.C.’s top commodity was broilers at \$2.6 billion followed by hogs at \$2.2 billion. N.C.’s top crop continued to be greenhouse and nursery at nearly \$765 million. The top counties overall for farm cash receipts were Duplin, Sampson, Union, Wayne, and Robeson. Mecklenburg County ranked second in cash receipts from crops because it is the hub of N.C.’s greenhouse and nursery production. The state is still the nation’s top producer of tobacco and sweet potatoes, and ranks second in hogs, Christmas trees and turkeys. N.C. is third in cucumbers grown for pickles, and strawberries. And the state has moved up to fourth place in the production of bell peppers.

Cigarette Prices to Increase: As demand for cigarettes decline, many makers have raised their prices. Philip Morris USA, R.J. Reynolds Tobacco Co., and Lorillard Tobacco Co. have raised their list or wholesale prices by 5 to 6 cents a pack. Consumers won’t notice a price increase until early next year. However, Reynolds and Philip Morris have not changed the price on their smokeless tobacco products.

Grain Sorghum Suits N.C. Farmers: N.C. farmers are finding that grain sorghum is a suitable crop for N.C. It is drought and weed resistant and grows in marginal soils. Grain sorghum is now selling for 85 to 88 percent of corn value but has the same seed value. And, input costs are much lower than corn. Murphy-Brown, a pork producer, is completing a study to determine the crop’s viability. The study found that yields ranged from 40 to 100 bushels per acre, and when it was double-cropped after wheat, yields hit 70 to 80 bushels per acre. NCDA&CS agronomists are helping growers switch to grain sorghum, primarily because of the economic benefits and more feed grain buyers are looking at this local source to save on costs. Murphy-Brown is planning on holding grower meetings in the next couple of months. Contact Josh Gaddy at 910-293-5338 or 919-385-6184 (mobile) if you are interested in attending an informational meeting.

Gov. Perdue Urges White House to Oppose California Court Ruling That Could Threaten Forest Industry: Gov. Bev Perdue asked the Obama administration to oppose a ruling by the U.S. Court of Appeals for the 9th Circuit. The ruling could threaten jobs in N.C. by imposing new, unnecessary regulations on the forestry and forest products industry. Perdue urged the administration to continue following current EPA policy nationally and to seek a review of the 9th Circuit decision by the U.S. Supreme Court. The San Francisco-based 9th Circuit’s decision, which does not yet apply in N.C., would require a water discharge permit for every forest road, reversing 35 years of EPA policy of allowing states to regulate forestry and forest roads. The ruling ignores scientific and practical evidence of successful forest management and would treat drain pipes and storm

water ditches along thousands of forest roads the same as the discharge pipes from an industrial power plant.

N.C. Firm Recalls Meatloaf Entrées: B. Roberts Foods, a Charlotte, N.C. establishment, is recalling approximately 130 pounds of individual serving meatloaf entrées because of misbranding and an undeclared allergen, the USDA’s Food Safety and Inspection Service (FSIS) announced. The product contains anchovies, a known allergen, which is not noted on the label. The entrées were distributed to grocery stores in Delaware, Florida, Georgia, Maryland, North Carolina, South Carolina, Tennessee, Virginia, and Washington, D.C.

NCDA&CS NEWS

NCADFP Trust Fund Releases Reports: The N.C. Agricultural Development and Farmland Preservation Trust Fund has released its 2011 Report to the Environmental Review Commission and 2010-2011 Annual Report. [Click here](#) to view these items.

USDA NEWS

N.C. Winter Farmers Market in Top 10: The number of winter farmers markets is increasing according to the updated National Farmers Market Directory. Since 2010, the number of winter markets has increased 38 percent, from 886 to 1,225. These winter markets also account for nearly 17 percent of the nation’s 7,222 operating farmers markets. N.C. is number 4 in the U.S. with 73 winter markets in 2011, up from 53 winter markets in 2010. New York tops the list with 180 markets.

Keepseagle Settlement Claims Filing Period Closes Dec. 27: Native American farmers and ranchers have until Dec. 27, 2011 to file a claim in the Keepseagle class action settlement. *Keepseagle v. Vilsack* was a lawsuit alleging that USDA discriminated against Native American farmers and ranchers in the way it operated its farm loan program. For more info, go to www.indianfarmclass.com.

New Risk Management Tool to Help Producers Achieve GAP Certification: A new, free online tool is now available to help U.S. producers of all sizes achieve Good Agricultural Practices (GAP) harmonized standards and certification. USDA’s GAP audit verification program focuses on best agricultural practices to verify that farms are producing, and packers are handling and storing, fruits and vegetables in the safest manner possible to minimize food safety hazards. The free online tool—developed by FamilyFarmed.org with funding from USDA’s Risk Management Agency (RMA)—helps farmers design a customized manual to meet GAP harmonized standards and certification requirements, including USDA GAP standards, and mitigate business risks by answering just a few questions. The online tool, part of FamilyFarmed.org’s On-Farm Food Safety Project, is the first of its kind and was developed by a broad coalition of farm and produce industry partners. It is available at www.onfarmfoodsafety.org/.

Guaranteed Loan Program Update: Handbook 2-FLP has been amended to provide that FSA is no longer accepting applications for guaranteed loans with interest assistance (IA) because no IA funding is available. The amendment is available [here](#).

Mark Your Calendar

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