



June 4, 2015

Mr. Donald Shippelhoute, Chief  
Dairy Marketing Branch  
California Department of Food and Agriculture  
1220 N Street  
Sacramento, CA 95814

**RE: Post Hearing Brief for the June 3<sup>rd</sup> Milk Pricing Hearing**

Dear Mr. Shippelhoute and Members of the Hearing Panel:

California Dairies, Inc. (CDI) appreciates the opportunity to submit the following post-hearing brief to address a question posed by a member of the Hearing Panel.

*The Cost of Growing Alfalfa Hay*

At yesterday's hearing and following my testimony, Mr. Eastman asked if I knew how much more it would cost producers to buy alfalfa hay rather than grow it themselves. Upon further research, it appears as though the cost to dairymen of producing alfalfa ranges from \$140 per ton to \$170 per ton, but typically, dairymen are not able to produce Supreme quality alfalfa hay (i.e., high test hay) consistently. What dairymen can typically produce from their own alfalfa fields would be equivalent to dry cow hay, which can be purchased for \$200 per ton to \$225 per ton, delivered. A few dairymen who have access to the proper soil type and plentiful water supplies may be able to produce premium quality hay, which can be purchased for \$240 per ton to \$275 per ton, delivered.

However, most of the hay produced by dairymen is not typically good enough quality to be used to supplement dairy rations. For the purpose of supplementing dairy rations, dairyman would have to buy Supreme quality alfalfa hay from Nevada or from the Imperial Valley, which currently costs \$300 per ton to \$325 per ton, delivered.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric Erba".

Dr. Eric M. Erba  
Sr. VP & Chief Strategy Officer

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