Cotton Board Producer Tour Program

The Cotton Board is happy to announce the 2022 Cotton Incorporated Producer Tour Program Dates! The Cotton Board Producer Tour Program has given thousands of cotton producers and industry partners the opportunity to see their Cotton Research and Promotion Program checkoff dollars at work inside Cotton Incorporated’s World Headquarters and Research Facility in Cary, North Carolina. This unique program allows attendees to spend a day listening to key Cotton Incorporated staff explain research and priority areas in their department, as well as visiting the innovative laboratories located inside the research facility. Producers are able to discuss major research and marketing programs that are essential to improve the future demand and profitability for U.S. cotton. During the tour, we will also have time to learn from staff at a commercial spinning facility on their operation, sustainability in the supply chain, and how cotton producers can become more involved in the industry.

The Tour Dates for 2022 are:

- **Multi-Region Tour**: February 6-8
- **Multi-Region Young Producer Tour**: March 20-22
- **Women in Ag Tour**: June 12-14

Air travel, hotel stay, and meals are provided to each participant during the dates of the tour. All tours follow the same essential schedule. If you are interested in attending a tour, please reach out to the **Southwest Regional Communications Manager, Christi Short**, at (469) 951-6161 or cshort@cottonboard.org. We can’t wait to show you Cotton Incorporated!

CARB visits Agricultural Operations to discuss proposed Zero-Emission Forklifts

Recently, the Association coordinated and participated in a meeting with California Air Resources Board (CARB), SJV Air Pollution Control District, in conjunction with Western Agricultural Processors Association, Nisei Farmers League, Ag Council of California, California Citrus Mutual, California Fresh Fruit Association, California Strawberry Commission, California Farm Bureau Federation, Fresno County Farm Bureau, California Rice Commission and JM Equipment Company to discuss the potential regulatory
concept Zero-Emission forklift Regulation. The association’s Director of Regulatory Affairs, Priscilla Rodriguez and President & CEO, Roger Isom briefed the staff on the concerns surrounding the concept of zero-emission forklift. One major concern is the applicability of the rule. Staff explained the difference between an agricultural operation which operates seasonally and other businesses, like a distributing warehouse, that operate year round and have the ability to pass along costs. The areas discussed were applicability, costs, opposition to registration requirements, rough terrain forklift and incentive programs. The meeting included two sites visits, to an almond processor and cotton gin. The onsite visits illustrated the true costs of converting forklift fleets to all electric, employee safety considerations when dealing with lead-acid batteries, the facility upgrades needed, the need for rough terrain forklifts at processing facilities and the importance of incentive funding. The Association will continue the dialogue and work with CARB staff on this issue. The next workshop will be held February 2022.

Statewide Cotton Seed Bug Survey:
The California Department of Food and Agriculture (CDFA) has completed the 2021 statewide survey for the cotton pest *Oxycarenus hyalinipennis*, also known as the cotton seed bug (CSB), which included visual inspection as well as sampling of a small number of bolls at 10% of the cotton acreage in each cotton growing county in California. The survey began on September 1, 2021 and concluded on October 19, 2021. As shown in Table 1, 1,688 cotton bolls were sampled from 150 cotton fields throughout the State. It was originally anticipated that 11,243 acres of cotton fields would be surveyed. However, surveying from alternative fields when the original fields were inaccessible resulted in the actual total cotton field acreage being 11,324 acres (see Table). All boll samples have been inspected by the California Department of Food and Agriculture with negative results.

<table>
<thead>
<tr>
<th>County</th>
<th>Fields Surveyed</th>
<th>Cotton Bolls Sampled</th>
<th>Actual Field Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colusa</td>
<td>1</td>
<td>20</td>
<td>151</td>
</tr>
<tr>
<td>Fresno</td>
<td>33</td>
<td>396</td>
<td>2,478</td>
</tr>
<tr>
<td>Glenn</td>
<td>1</td>
<td>20</td>
<td>136</td>
</tr>
<tr>
<td>Imperial</td>
<td>3</td>
<td>40</td>
<td>203</td>
</tr>
<tr>
<td>Madera</td>
<td>1</td>
<td>12</td>
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<tr>
<td>Merced</td>
<td>54</td>
<td>416</td>
<td>1,865</td>
</tr>
<tr>
<td>Kern</td>
<td>11</td>
<td>164</td>
<td>907</td>
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<tr>
<td>Kings</td>
<td>22</td>
<td>352</td>
<td>4,103</td>
</tr>
<tr>
<td>Riverside</td>
<td>14</td>
<td>140</td>
<td>702</td>
</tr>
<tr>
<td>Sutter</td>
<td>1</td>
<td>16</td>
<td>80</td>
</tr>
<tr>
<td>Tulare</td>
<td>11</td>
<td>140</td>
<td>639</td>
</tr>
<tr>
<td>Total</td>
<td>152</td>
<td>1,716</td>
<td>11,324</td>
</tr>
</tbody>
</table>

Association Partners to Provide COVID-19 Booster Shots
The California Cotton Ginters and Growers Association, the Western Agricultural Processors Association and the Madera County Farm Bureau partnered with the Madera County Department of Public Health to provide more than 200 booster vaccine shots to essential workers and their family members this week in Madera. This is a follow-up to the events held earlier this year. Association President/CEO, Roger Isom is pictured here getting his booster vaccine shot. Isom stated “we wish to thank our partners and the Madera County Department of Public Health for working with us to provide this critical service to our employees and their families. As COVID cases begin to rise again, it is critical we do our part to help stop the spread.”

Association Testifies at Air District Meeting on Farming Practices
This past month, the San Joaquin Valley Air Pollution
Control District held a workshop on potential amendments to Rule 4550 – Conservation Management Practices (CMPs). The potential changes stem from a commitment in their 2018 PM2.5 State Implementation Plan (SIP) to further evaluate ways to promote conservation tillage practices and other potential enhancements to their CMP Program to reduce dust from ag operations. Specifically, the District is considering more widespread adoption of conservation tillage, and possible control measures on land that is fallowed and then worked up.

Association President/CEO Roger Isom testified at the workshop encouraging the district to take their time before any control measures are proposed. Isom stated that any potential measures must be based on actual scientific data obtained through actual scientific measurements, as was the case with most of current adopted CMPs. Isom also commented that the potential measures must have an actual impact on reducing PM2.5 during the critical times of the year. This rule development process for these changes is just beginning and the Association will be involved throughout the process.

PUC Releases Draft Decision on NEM 3.0
On December 13th, the California Public Utilities Commission (CPUC) released a Proposed Decision on the next version of Net-Energy Metering. The Association has been represented by the Ag Energy Consumers Association (AECA), who has been participating as a party to the proceeding. While the decision is not final and there is still a possibility changes could be made, we thought it crucial to communicate some of the key changes to the program. It is important to note that this is only a Proposed Decision and residential customers groups are not happy. Intense lobbying will continue until the final vote. Here are the highlights according to AECA:

- **Annual True Ups are Maintained:** The Joint IOUs proposed to switch to a monthly true up, which would have been drastic for agricultural operations. (This is huge!)

- **NEM Aggregation (NEMA) Maintained:** The CPUC correctly identified that NEMA is important for agricultural operations.

- **Export Compensation Rate:** the export compensation rate at averaged monthly values for each hour, differentiated between weekday and weekend.

- **Differences between residential and non-residential**
  - Residential NEM customers receive “Market Transition Credit”
  - Residential also has to pay a “Grid Participation Charge” which non-residential does not.

- **Grandfathering:** Non-residential NEM 2.0 customers will be grandfathered on the 2.0 program for 20 years.

- **Storage:** PD offers all existing NEM 2.0 tariff customers an incentive for storage if they voluntarily switch to the successor tariff within four years from the time the storage rebate becomes available. If an existing NEM 2.0 tariff customer voluntarily switches to the successor tariff during the first year of implementation, they will receive a $0.20/Wh storage rebate, which will be available for a total of four years but decrease by 25 percent a year over the subsequent four years. Customers will be eligible for the storage rebate provided in the year they transition to the successor tariff.

- **How long to sign up for NEM 2.0?** The NEM 2.0 tariff will close 120 days after the Final Decision. Final Decision is expected sometime in January.

House Passes Ocean Shipping Reform Act (HR 4996)
This past month the US House of Representatives passed HR 4996, the Ocean Shipping Reform Act. This bill, authored by Congressman John Garamendi and Congressman Dusty Johnson, is intended to ensure carriers accept US cargo exports when they bring imports to the United States. Ag exporters have been hammered by millions of dollars in excessive detention and demurrage fees, not to mention millions in lost sales due to the inability to get our products to the proper marketplace in a time manner. Pushed by the Ag Transportation Coalition (AgTC) of which the Association is a member, it is hoped this legislation will reinvigorate ag exports, reign in the excessive charges that we have no control over, and establish more regulation over the shipping companies now controlling our destiny. All California Congressional representatives but two voted in favor of the bill including all representatives in agricultural areas (Costa, Harder, LaMalfa, Panetta, McCarthy, Garamendi (author) and Valadao).
Association to Consider Dues Increase

We have avoided this moment for as long as we possibly could, but the time has come for the Association to consider a dues increase. Since 2008, the dues of this Association has not increased! They were $0.50 per bale in 2008 and they are still $0.50 per bale today. Unfortunately, cotton acreage has not stayed the same, nor have operating costs. Cotton acreage has dramatically decreased from more than 500,000 acres to less than 120,000 acres this year. As this acreage increased the Association did all it could to avoid increasing dues, including cutting costs where possible, and starting the Western Agricultural Processors Association (WAPA) in 2009 to help share costs. That has been successful and in 2022, WAPA will not only cover its own costs, but pick up almost 50% of the overhead costs. As good as that is, it is not enough. The Association represents 100% of the cotton acreage, but the current dues collected from that acreage barely covers 16% of the cost to run this organization. While the cotton acreage has decreased dramatically, the Association’s efforts and presence on the critical issues facing the industry today have not. As such the CCGGA Board of Directors voted at its December Board Meeting to consider increasing the dues up to $1.00 per bale. The majority of the membership must vote to approve this increase. This package is being mailed to each and every one of our Regular members, and we respectfully ask that you take the time to vote on this critical matter. **Please be sure to return the enclosed ballot with your signature to the Association’s office by the close of business on Monday, January 31st. Please mail the original signed ballot for our official records.** It is critically important that you vote. Every single vote counts! Should you have any questions, comments or concerns, or simply want to discuss the proposed increase, please do not hesitate to contact me at (559) 252-0684 or via email at roger@ccgga.org.

Happy New Year!

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