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G09-1975 Nebraska - An Opportunity for Dairy Expansion and Relocation

Jeffrey F. Keown

University of Nebraska - Lincoln, jkeown1@unl.edu

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Nebraska — An Opportunity for Dairy Expansion and Relocation

Jeffrey F. Keown, Extension Dairy Specialist

This NebGuide discusses why dairy producers might choose Nebraska in order to expand and/or relocate their dairy.

“Why Nebraska for dairy?” is asked quite often when the subject arises at meetings and during discussions. Many reasons make Nebraska the right place to think about relocating your dairy.

Even in these turbulent times, the opportunity may never be better to look at Nebraska, where the population says they enjoy “The Good Life.” Nebraska was ranked #11 by CNBC in July, 2009, as the best state to conduct business.

At the end of this NebGuide, you will find a list of the names, addresses and Web sites of the contacts that will assist you.

This NebGuide will look at several areas important to dairy producers, and emphasize the availability of feed and other natural resources of utmost importance to the dairy industry.

While this NebGuide is not expansive and does not list feed prices, utility rates, etc., it does list the reasons why Nebraska is a good place to look at for a dairy operation.

Demographics

First, take a look at Nebraska’s demographics. The Great Plains state is vast, covering over 77,000 square miles. It’s 430 miles long and 210 miles wide. Certainly enough room for an expanding dairy industry.

Water Resources

Water is another big issue when thinking about building a dairy. Both the availability of water and the amount of irrigated land is important.

Nebraska is situated over the Ogallala Aquifer. The aquifer, under the eight-state area of the Great Plains, contains 3,270



Figure 1. Nebraska can be a great place for growing a dairy operation.

billion acre-feet of water. Over 65 percent is located under Nebraska. This calculates to 2.12 billion acre-feet under Nebraska, certainly enough water to yield good crops.

As a comparison, Lake Erie — the eleventh largest lake in the world — contains approximately 392 million acre-feet.

The total amount of irrigated land (*Table I*) in Nebraska is 8,558,559 acres. In comparison to other states, Nebraska ranks number one.

Table I. Irrigated land by acre(s).

State	Number of Acres
Nebraska	8,552,559
California	8,016,159
Texas	5,010,416
Arkansas	4,460,682
Idaho	3,299,889

Is it any wonder that Nebraska can produce a guaranteed crop of corn and alfalfa even in dry years?

Table II. Crops — planted, harvested, yield, production.

<i>Commodity</i>	<i>Harvested Acres</i>	<i>Yield</i>	<i>Production</i>
Corn for Grain	8,550,000	163.0 bu	~1.4 B bu
Soybeans	4,860,000	46.5 bu	225,990,000 bu
Wheat	1,670,000	44.0 bu	73,480,000 bu
Hay Alfalfa (Dry)	970,000	4.0 tons	3,832,000 tons
Hay Other (Dry)	1,600,000	1.5 tons	2,400,000 tons
Corn for Silage	160,000	17.0 tons	2,720,000 tons

Other Statistics

The state has 45,600,000 acres of land in farms occupied by 47,400 farms. The chief livestock operations are cattle and calves (6,350,000), hogs and pigs (3,350,000), and 58,000 dairy cattle.

The average milk production in 2008 was 18,621 lb. The total state production was 1,080 billion lb of milk.

An area of utmost important to dairy producers is the availability of feed. The 2008 Nebraska Department of Agriculture average yield and production numbers for major crops are listed in *Table II*.

The USDA ranks Nebraska in the “Top 15” for forage production. In 2008, Nebraska produced 9,253 tons of forage. It ranked seventh in total alfalfa forage tonnage with 3,832 tons harvested in 2008. Corn silage totaled 2,720 tons harvested in 2008. Nebraska ranked third in corn grain production and seventh in soybean production.

Another feed source for animal agriculture is the by-products or co-products (wet/dry distillers grains) produced by the ethanol industry.

In 2007, there were 22 ethanol production plants in Nebraska with a combined capacity of over 1.5 billion gallons of ethanol per year. According to the Nebraska Ethanol Board, Nebraska ranks second in the nation in ethanol production and is the largest ethanol-producing state west of the Missouri River. The total amount of co-product (by-product) production in the state is currently at 500,000 tons per month.

Nebraska Utility Rates

Nebraska also offers reasonable utility rates, and is the only state in which all utilities are publicly owned. One has only to look at dairy utility usage to quickly calculate how lower utility rates can affect a dairy operation’s bottom line.

Summary

When one looks at the facts presented, there certainly is the opportunity for Nebraska to expand its dairy operations.

We have just presented some quick facts on Nebraska. For more detailed information and additional contacts, please check into the following Web sites:

University of Nebraska Dairy Contacts

<http://nebraskadairy.unl.edu/relocate01.html>

Jeffrey Keown

Dairy Management and Expansion
Phone: (402) 472-6453
Fax: (402) 472-6362
Email: jkeown1@unl.edu

Paul Kononoff

Dairy Specialist — Nutrition
Phone: (402) 472-6442
Fax: (402) 472-6362
Email: pkononoff2@unl.edu

David Smith, DVM

Extension Veterinarian
Veterinarian and Biomedical Sciences
Phone: (402) 472-2362
Email: dsmith8@unl.edu

State Contacts

Nebraska Department of Revenue

Mary Hugo, Economic Incentive Manager
Phone: (402) 471-5790 Fax: (402) 471-5767
Email: mary.hugo@nebraska.gov
Web site: www.revenue.ne.gov

Department of Dairies and Foods

Dan Borer, Division Administrator
Phone: (402) 471-2536 or Toll Free: (800) 831-0550
Fax: (402) 471-2759
Email: dan.borer@nebraska.gov
Web site: www.agr.ne.gov

Nebraska Department of Environmental Quality

Dennis Heitmann, Section Supervisor
Phone: (402) 471-2186 Fax: (402) 471-2909
Email: dennis.heitmann@nebraska.gov
Web site: www.deq.state.ne.us

Nebraska Department of Economic Development

Phone: (800) 426-6505

Fax: (402) 471-3778

Web sites: www.neded.org and
www.nebraskaadvantage.biz/aginnovation.htm**Livestock Friendly County Program**

c/o Nebraska Department of Agriculture

Phone: (800) 422-6692

Email: agr.promo@nebraska.govWeb site: www.agr.ne.gov**American Dairy Association and Dairy Council
of Nebraska****Mike Roder, CEO**

Phone: (402) 592-3355 or

Toll Free: (888) NEB-MILK

Fax: (402) 592-1503

Email: mike@nebmilk.orgWeb site: www.nebmilk.org**Nebraska Alfalfa Marketing Association****Barb Kinnan, Executive Director**

41955 Road 759

Cozad, NE 69130

Cell: (308) 325-1731

Fax: (308) 784-5534

Email: nebalf@cozadtel.netWeb site: www.nebraska-alfalfa.com**Nebraska Corn Board****Randy Klein, Director of Market Development**

Toll Free: (800) 632-6761

Fax: (402) 471-3345

Email: ne.corninfo@nebraska.govWeb site: www.nebraskacorn.org**Nebraska Soybean Board****Victor Bohuslavsky, Executive Director**

Toll Free: (800) 852-2326

Fax: (402) 441-3238

Email: victor@nebraskasoybeans.orgWeb site: www.nebraskasoybeans.org**Alliance for the Future of Agriculture in Nebraska
(A-FAN)****Roger Berry, Field Director**

P.O. Box 84606

Lincoln, NE 68501-4606

Toll Free: (888) 580-2326

Email: rogerberry@a-fan.orgWeb site: www.a-fan.org**Nebraska Department of Agriculture
Ag Promotion & Development Division****Lynn Gordon, Administrator**

P.O. Box 94947

Lincoln, NE 68509-4947

Phone: (402) 471-4876

Toll Free: (800) 422-6692

Fax: (402) 471-2759

Email: lynn.gordon@nebraska.govWeb site: www.agr.ne.gov**Nebraska Department of Agriculture
Bureau of Animal Industry****Dennis Hughes, DVM**

Phone: (402) 471-2351

Fax: (402) 471-6893

Email: dennis.hughes@nebraska.govWeb site: www.agr.ne.gov**USDA Rural Development****Maxine Moul, State Director**

Phone: (402) 437-5551

Fax: (402) 437-5408

Email: Maxine.moul@ne.usda.govWeb site: www.rurdev.usda.gov/ne**This publication has been peer reviewed.**

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