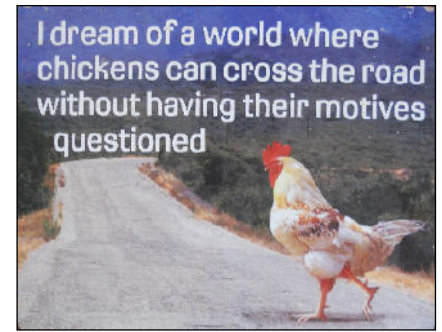


April, 13, 2015

Fellow Connoisseurs of Food Raised in Sunshine,

Anyone who has been supporting this farm over the past several years has recognized the transitional period we've been trudging through. Regardless of the fact that change is a normal and necessary evolution in life, nevertheless, we all seem to recognize that we humans are annoyed by change. I suppose it's just our nature. We enjoy progress yet despise the inconvenience and anxiety induced in transition. If we humans were butterfly's, I suspect there'd be a lot of whining sounds coming from that cocoon!



Well, we're hoping that the weather cooperates this season so we can conclude this three year metamorphosis, break out and finally spread our wings a bit. This spring newsletter is consequently configured as a sort of State of the Farm address to our supporters. I didn't actually plan for this but rather, recognized it unfolding amidst the preparation. This feels necessary because, either implicitly or explicitly, many loyal customers are wishing we would have just left things alone.

In the pages that follow, you'll read about the rationale for these changes as well as the financial overtones inherent to these decisions. To recap from previous newsletters, here are the attributes instigating all this vexatious change: Necessary growth through land purchase/farm development; More tasks, less help available; growing incompatibility of Cornish Cross chickens on pasture; human & natural liabilities associated with portable floorless shelters; simultaneous depreciation; three seasons of consecutive weather extremes; effects/concerns of cyclic market extremes; accepting the liabilities of a truly pasture-based farm while competing head-to-head with the perception of pasture.

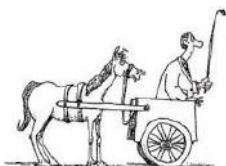


2014 Season Recap

2014 was our most challenging year. We saw this coming with many instigators aligning themselves for simultaneous impact. The wild card, as always, was the extremes of weather and the impact this had on livestock and pastures.

The poultry change from Cornish Cross (CC) in floorless shelters to Freedom Rangers (FR) in Day-Range shelters was a substantial project. (A separate page has been included to address the reasons for this change.) The much longer growing time required of the FR's induced the necessity of raising one large group rather than splitting into June and August harvests, as had been the case for years. To provide greater clarity on this subject as I know many were unhappy with the loss of the early and late harvests, the verdict is actually a naturally imposed mandate. We simply cannot fit two 14 week growing sessions into the pasture season without experiencing freezing conditions on one end or the other.

The mechanics necessary for this transition were foundational. An additional brooder was created to handle the large single group that had formerly been brooded in two groups. New group shelters purchased, trucked and assembled. Adaptations prudent to poultry were designed and fabricated. Predation concerns, group feeders, anti-pileup measures and self-sorting worries were all on the docket. Integral to all of this was the need to install tightly spaced woven wire fencing around their pasture. The added challenge to this element lies with the multi-species, rotational grazing aspect to which this new fencing system must continue to accommodate. Translation: Many extra posts and gates.



Unable to keep up, most of this venture was implemented with the cart ahead of the horse by roughly three weeks. The temporary measures necessary to shelter the birds from drafts and predation (owls) represent the weaknesses divulged by our less than stellar performance. Yet the fact that we now have most of this resolved gives us encouragement to believe that performance in the new season will be improved. We had one single owl attack which resulted in

the loss of 70 birds - 2 birds killed directly by owls, the rest died from pileup amidst the terror. The owls cling to and shake the vertical poultry netting. Imagine a human-eating Pterodactyl-type creature clinging to the screens on your bedroom window - searching to exploit any weakness in the screen - fly in and eat you right there in your warm comfy bed. It really stinks to be a chicken - seems like any creature with an appetite - likes chicken.

The new Day-Range system is a true free-range arrangement in that the birds are no longer confined to the space of a floorless shelter. Yes, there are always trade offs. The birds are returning each evening to a stationary shelter. These shelters are managed with deep bedding. The deep bedding not only maintains the carbon-nitrogen ratio, but equally important, lifts the birds up off the cold, wet ground. Chicken tractors, as many call the floorless shelters, may work well in other parts of the country, but here is WI, the results are tenuous. These portable shelters represent pure bull work. They are drafty. They can be chicken roasters. The risk during wind storms is astronomical. They are prone to racoon predation. Their best fit is the CC. - this because the CC prefers not to walk farther than the distance of the daily 10' shelter move. Perhaps if our farm labor was performed by interns, we may have been willing to continue accepting the liabilities. Yet the oldest of our flock of 14 shelters is now 17 years old. To begin reinvesting in another round of relatively expensive shelters didn't make sense.

There's another reason that the Day-Range method is the right fit for the FR breed. Recognizing that the CC are the Nascar variety, that incredible weight gain has metabolic consequences. The CC variety could be described as a GI tract that happens to look a little bit like a chicken. Big appetite, big GI tract, big manure. As much of a pain in the back that it was to move those shelters every morning, the noticeable layer of wet manure made this move imperative. The FR variety does not possess this same hyper-overdriven GI tract. Much, much less manure and the characteristics of this manure is "normal", (not wet and excessive).

Also contributing to the right fit for Day Ranging, the FR's are happy to wonder far and wide. Recall that FR stands for

Freedom Rangers. Hence the need for the tight mesh woven wire fencing to keep them on pasture, but not in the garden, flowerbeds and roosting on the porch! The tight fencing will also almost eliminate most ground-based predation. The pasture choice is the highest ground, closest to people. We'll use this pasture one time each season so it will not become depleted. The reason for the high ground is obvious. The mention of "closest to people" may be less obvious. We very rarely experience a hawk kill within 400' of the human-areas on the farm. Ninety percent of hawk kills have occurred 600' from the house or farther. Occasionally, (and ALWAYS by a young, inexperienced adolescent hawk), a kill will be made 300' from the house. These young hawks are so naive that they literally continue their talon stranglehold until I am directly upon them. I kid you not that in several cases, if I was stupid enough to grab them without leather protection, I could literally have picked them off the prey. This occurs amidst the mother hawk screaming frantically from a distance. Sounds a whole lot like human teenagers, no?!

Now not to sound all high-and-mighty, as this does not necessarily play out as you might think. When a big-bad-top-of-the-food-chain human being makes a bee-line to save a chicken, this human is doing so with only the natural tools found on the human body. There's no time to grab a stick or some other weapon. You simply expect that as you close in, the inferior creature will submit and leave. It is very humbling to approach a wild animal that does not submit. Her talons, sharp beak and flapping wings vs my...um...(shoot I wish I had a stick or something because I think I'm about to get by butt kicked.)



It's a good thing we humans have this large brain to build all these helpful tools, because we certainly are outfitted very poorly for one-on-one competition with so many seemingly innocuous creatures.

Cold, Wet Spring - We've had two of these in a row now. The 2014 version was cold enough to kill off the apple crop. It's easy to recognize the sensual effects of cold. Less easy to recognize what's going on in the cold, damp soil.

The variables are seemingly infinite. We have the thermodynamics sucking the heat out of the livestock coupled with the effects on soil biology and photosynthesis. While I have no science to prove or disprove any theory, I do have my own senses to draw some hypothesis. The soil has not smelled "right" the past two springs. The cattle have also scolded me with what I translate as a similar grievance. When I move them onto seemingly fresh forage in the spring, I've been getting this unusual roam-and-smell behavior followed by a look my way and a chorus of bellers. I believe they are saying "hey, you promised us fresh forage but this ground smells funny". Fortunately this cold, clammy period passes and normalcy returns. The future for biological farming will hopefully evolve to give us new tools in our toolbox. I envision a day in which our soil sampling has less (almost nothing) to do with NPK and EVERYTHING to do with makeup of soil biology - bacteria, fungi, etc. Granted this can be done now, and some may be doing it. The benefit will come when the service is available locally at a reasonable cost, as is currently the case with NPK-type soil testing.

A key finding of such a test might warn us ahead of time of conditions which will favor one organism over another. Most of us know that some of the scariest organisms exist naturally within most soils - think Anthrax - for example. These trouble-makers are held in check by an army of diverse soil organisms. They attain a foothold when chemicals or weather extremes weaken this diverse web of organisms.

One of these trouble-makers - Clostridium Perfringens - did just that last spring, for the first time ever, taking the lives of an unusual number of beef calves. There are five variations of this C. Perfringens, each of which induces a different symptom. In our case, the otherwise perfectly healthy calves were found in the morning, dead from extreme bloat. The animal wasn't "sick". It was eating and moving about just fine. Yet when it would lie down to ruminate, the C. Perfringens create a toxin which rapidly creates excessive gas. Unbeknownst to the animal, by the time it begins to experience bloat discomfort, it can no longer get it's legs under itself. Because the animal remains cast, the outlet for the gas remains blocked thus leading to death.

As the old adage goes, if you're going to raise livestock, you're bound to have deadstock. We accept this to a degree, but in cases like these, feel defenseless against nature.

Speaking of beef calves, the value of a 500 lb calf, freshly weaned off of the dam, has risen from \$500 to \$1250, almost overnight. This means that over \$300 of your cost for a quarter beef is applied to this very early stage of beef development. In the world of beef production, this represents a magnitude 7 earthquake.



The above represents just one example of recent market extremes. From our perspective, the effects of instability began in 2008 with the spike in corn prices. This inflated land rents above the returns associated with land use for hay. No longer viable as hayfields, row-croppers converted these fields to corn. Hence, supply and demand based on reduced hay acreage inflated hay costs. The drought of 2012 pushed this to extremes. 2014 shows a rebound back towards normalcy. With new land and new equipment, we made amazing hay in 2014. The caveat is that it is nothing more than dumb luck in finding a four or five day haymaking window in early June, without either wet fields, or rain directly on the cut crop. First cutting represents well over half of the yearly hay crop.

Hogs experienced their own extreme cycle in 2014 with the emergence of the piglet killing PED virus. This appears to have come and gone in one season, yet because of the piglet shortage, the value of a 40 lbs piglet shot from \$40 to \$110.

Weather, in general, has kept us in a perpetual mode of defense with the cold, wet springs actually doing as much damage as the Polar Vortex situation. Both of the past two winters have been severe, as we all can attest. From the perspective of the livestock, the real gauge of harm is determined by the average wind chill. With their disposition as my interpreter, it is clear that both the beef cattle and the laying hens are much more content at 10 below zero with light or no wind than they are at 10 above zero with moderate to high winds. There has been A LOT of windy days and nights. Lots of expensive feed energy literally blew away with the winds rather than stick to the ribs as muscle.

The other aspect to which we are dying to move into offense mode is in respect to overseeding pastures. We have an amazing tool available for this purpose and are looking forward to a normal season which will allow us to use it.

The laying flock experienced it's own personal trauma, as all our regular egg customers are full aware. A separate page has been devoted to this episode so if you haven't already been made aware of this situation, please take a look.

If you've read this far, you are now armed with enough information to help you make sense of our decisions.

Our kids are no longer kids. One wonders if there just might have always been an ulterior motive integral to those 14-children farm families of yesteryear?! As our adult children move on to do their own thing, the farm structure changes. By pure fate, this milestone has coincided with a spike in infrastructure depreciation, runaway Cornish Cross genetics, new land acquisition and radical market extremes. I also suddenly noticed that my body is no longer immortal.

The new chicken arrangement takes heavy weight off the spine but at the expense of more hours - a reasonable tradeoff for aging human bodies. The chickens receive greater freedom to roam and consume forage, seeds and bugs. The new fencing mitigates predation for chickens while greatly enhancing safety (read liability) with the beef herd. Finally, with 21st century equipment, we can make quality hay in less time, effectively assisting our odds of dodging rain. We also won't need an army of people to put up this hay nor will we spend nearly as much time laying on our backs repairing antiquated equipment in the field.

Our new fields are planted with the initial seeding taking exceptional well. All woven wire perimeter fencing is complete. Most internal divisions are complete. The new 40 was grazed successfully in 2014 while at the same time a substantial amount of hay was produced. While we still have a lot to do, the flywheel is finally starting to spin. But using this flywheel analogy, the inertia is lugging. We need a normal year to reach critical mass. We've got ourselves into a heavily leveraged position right now. A good year will send us onto a clear path. Another tough year, weatherwise, actually has the potential to create a knockout blow. I remain optimistically worried. Can I say that?...optimistically worried?! Yes - conflictive English or not - it conveys the message.

2015 Projects are underway. Cattle handling facilities have been moved to the front burner. We've had many close calls with frightened cattle, several having been just a split second away from catastrophe. It's all too easy to become complacent around cattle. This is especially true after a full season of daily pasture moves. When the cattle are moved on pasture, their comfort zone is favorable. As a result, their behavior is not just controllable, but even "friendly". A beef grazer can easily slip into a mindset in which it might be hard to believe that any of these animals would cause harm. Confining these same animals in a sorting paddock instantly reminds us that grassfed beef cattle are not dairy animals. They are not acclimated to human touch - not accustomed to close human contact at a bunk feeder - never sanctioned in a barn. Grassfed beef cattle exist as a herd in a state which is just one notch removed from wild. Suddenly, that animal that happily cooperated in

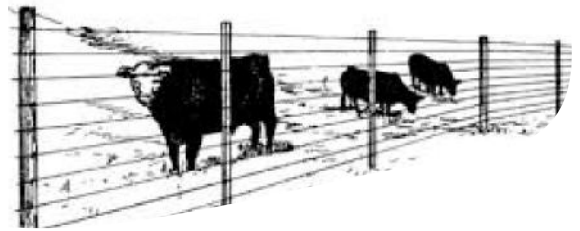
relatively close proximity on pasture (because they know you are giving access to fresh forage) displays the traits of a charging bull.



The sorting paddock which outlines the driveway, at over 20 years old, is incapable of holding animals under these pressures. Animals are bending, busting and jumping over these old facilities. Either someone is going to get hurt bad, or at the minimum, we're going to have animals on the road.

Both the home farm and acreage down the road will have a steel sorting facility installed. This will allow safe handling and loading whenever the need arises. Commercially designed systems can each cost tens of thousands. I'm expecting to build both of these for under \$3000. This project is long overdue. Avoiding injury has been nothing more than dumb luck. When this luck changes, the result would likely involve long-term incapacitation, if not death. This is a must do project.

Party because of the above but primarily because of predation on the laying hens, we will be installing



more tight mesh woven wire around the eastern ten acres of the home farm. In addition to limiting coyote predation, this fencing will also serve as beef herd liability mitigation along these external borders. The fencing on the home farm was initially installed piece-meal, five acres at a time. In the earlier years, the incentive to do-it-right didn't exist, as we had initial consumer data whispering in our ear if you build it, they will come. This project simply replaces the temporary measures we've been living with since that time.

Day Range shelters for the Freedom Rangers will get either steel framed hatch doors or perhaps just heavier wood. Standard one inch boards warp and twist with the weather.

The remote Forty will have the final leg of exterior electric fence wire installed. Even in spite of the woven wire barrier, without the addition of a single strand of electric, the cattle will push and stretch until eventually the fence will fail. This last section is the final eighth of a mile which was recently cleared to make way for new fencing. This segment exists amidst two long grown over ancient fencelines, both relics of the old dairy laneways dating as far back as the 1860's. Because this exists along a glacially formed hill that also became the dumping spot for rocks form the fields, this final tangled segment of thick brush, fallen limbs and old barb wire had to be cleared by hand. The Bayley's, who we purchased this land from, were the original homesteaders of this farm. These fields were farmed with horsepower into the 1990's.

The old barn at the Forty will receive structural modifications allowing sliding doors on the lean-to. This lean-to is currently useful only for storage as it has no access other than a people door. We hope to open it up to allow for hay or equipment storage.

As you may have deduced, this will be a pivotal season. If the weather cooperates and our previously loyal customer base accepts the rationale for all this change, we expect we'll finally pull out of the mayhem and maybe even do relatively well. If not, twenty years of work are at risk. Yet as you read on, even if this transition proves successful, we must yet again restructure our farm's base plan as Wisconsin has recently legislated yet another venue illegal without compliance to an industrial template. How much more should we continue to invest amidst this political environment which is both antagonistic and ignorant to anything other than the status quo?

Political power is now highly concentrated. As an example, only a few years ago, Wisconsin's most influential farm lobby (Farm Bureau) was more or less a bi-partisan entity. Citizen's United has upended this balance of power. The Farm Bureau, which for all intents and purposes might as well be the Concrete and Chemical Lobby, appears to be poising itself towards a farm cleansing, final solution of sorts. They've made it abundantly clear that they are sick of all this Michael Pollan-organic-back-to-the-land-sustainable-touchy-feely-farm-romance-bull@*!#. They have the responsibility to feed the world and feel strongly that alternative agriculture is incapable of this responsibility. They are annoyed by the perceived whining from consumers. Recognize that this annoyance is not induced by alternative farmers but rather, the reaction of alternative farmers to meet consumer demand. In other words, at the end of this line of market influence sits...YOU.

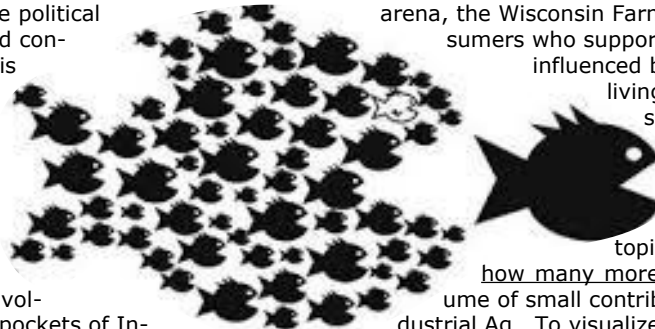
This farm policy powerhouse is imposing itself to consumers as *You MUST trust us because WE are the Experts*. Food production is best left out of public sight. Whistle blowers are traitors, hence, Ag-gag laws are legislated. The public is a biosecurity concern. Wildlife is a biosecurity concern. All livestock must be confined and distanced from these threats. Off the wall you say? Research the emergency response plan for Avian Flu and Foot and Mouth Disease. Read *A Manufactured Plague*, by Abigail Woods. I've been to these meetings. Whether it be an actual outbreak or anything serving as a pretext, the effect on pasture-based agriculture will be ruthless.

What follows are the indicting statements taken directly from the USDA/APHIS Guidance on Biosecurity and Disease Prevention and Control for Nonconfinement Poultry Production Operations. This guidance is in reference to Avian Flu: *This risk represents a challenge for reconciling the need for implementing prevention and disease control protocols to protect animal and human health, with current animal husbandry practices used by producers raising poultry with access to outdoors in order to comply with various marketing label claims such as free-range or organic.* (The aforementioned authority) issued a resolution stating **their concerns for disease control as a priority for all types of poultry, regardless of how raised.** Translation: We will slaughter your outdoor flock. Future flocks must be raised indoors.

Minnesota and Missouri have both diagnosed Avian Flu in turkey flocks this March to which the flocks were destroyed. The impetus is being placed on wild fowl transmission and lax farm biosecurity. Recall also, the earlier efforts to implement mandatory Premises and Animal ID in which *intermingling with wildlife* was indicted as an expendable liability.

As the saying goes, *Power corrupts. Absolute power corrupts absolutely.* As we have witnessed, political campaign points need not mirror one's agenda once elected. If the power already exists to implement a law, constituent formalities are inconsequential. Many are fine with this *just-get'er-done* approach when the pendulum is swinging within their kindred ideology. Yet with this free reign, the unknowns can burn us - and it is appearing more and more likely that they will.

Industrial Agriculture is well established with deep pockets in Madison. These interests will drive legislation unless we all help in offsetting this epic power shift. At this moment in the political arena, the Wisconsin Farmer's Union is our last ray of hope for representing the interests of farmers and consumers who support family-based agriculture. As we all know how the system works, legislation is fought for it. Because we are all working and living our lives, by hook or crook, our representation is made by the lobbying we support. While there are many good organizations promoting the food/agricultural values we espouse here, Wisconsin Farmer's Union is the only organization capable of taking on this Goliath due to the respect it garners with its direct connection to food literate consumers. My point in closing this newsletter with this topic is to inform you that the WFU is open to non-farmers as well. Recognize how many more food literate consumers exist compared to farmers. It will take this high volume of small contributions from individuals - farmers and non-farmers alike - to offset the deep pockets of Industrial Ag. To visualize how deep these pockets are, take a moment to remind yourself as to the backbone of Industrial Ag. It is a system that is completely dependent upon fossil fuels - not just the diesel for the heavy iron and coal for the confinements - but it's fertility that is manufactured via Haber-Bosch, converting coal and Fracked natural gas into NPK fertilizers. This is dead food produced on a dead end road. These controlling interests are literally the deepest pockets on the planet.



Please consider becoming a Wisconsin Farmer's Union member. The \$30 yearly membership supports the resources necessary for representation in Madison and much, much more. I encourage you to visit their website at www.wisconsinfarmersunion.com. I've also created an active link on our farm's home page. Know that I am not a recruiter. I'm embarrassed to say that I've never found the time to even attend one meeting. Yet this is why I support them, to show up representing the farm and food virtues that are mutual to the operation of this family farm.

The relationship between food and politics is one of extreme irony. Merge the two words together and we witness the influences of an economic powerhouse. Yet by itself, food is about biology - specifically YOUR family's biologically-driven metabolisms. In the political context, we've allowed ourselves to be herded like sheep into ideological corrals. We willfully accept the branding that becomes burnished to our tribal and self perceptions. We become indifferent or insensitive to any perspective other than the baaing of our kindred flock. In effect - we submit our personal intellect as subordinate to the intellect of the flock - effectively opening the door for political exploitation. Yet there on the plates before you on your family dinner table, sits the *potential* for the very essence of life. The metabolic activity that gives us life is not influenced by the political pejoratives we caustically wield upon one another. Your metabolism is dependent upon the food YOU have provided, searching and sorting through the proteins, carbohydrates, amino acids and fatty acids in order to literally build and rebuild YOU. It is impossible for biology to manufacture all these essential ingredients when the livestock husbandry is based on concrete and chemical. Many have chosen to politicize this irrefutably human realization. Yet it is what it is. This is why we are here. This is why we hope you continue to support the workings and essential bounty from the soils and pastures of this farm.

Thanks for taking the time out of your busy life to read all this, and hopefully, for your continued support.

Steve & Family

A Tail of Two Chickens

Freedom Rangers



Progress...



is perceived from a Vantage Point.

*What is good for One,
may not be good for All.*

*Reconciling this Contradiction
is the Hallmark
of a Progressive Society.*

Cornish Cross



Assets

- Excellent foragers.
- Friendly disposition.
- Normal chicken body proportions, with ample, but not excessive distribution on breast, legs, thighs.
- Not prone to unnatural growth-induced ailments.
- Genetically "normal". Defined as such due to the fact that this breed can exhibit normal chicken behavior, live a normal chicken lifestyle, enjoy a normal chicken life span.
- High degree of mobility allows Day-Range housing. Chickens have free range access to large pasture area, ranging far, returning to shelter at will.
- Day-Range shelters remain stationary eliminating heavy, ergonomically damaging physical labor.
- Fewer large, heavy shelters are anchored, mitigating severe weather casualties.
- Day-Range shelters are deep bedded. Bedding freshens and raises birds above grade.
- Chickens sheltered above grade remain above water during normal, expected heavy rains.

Liabilities

- Much longer growth period (12-14 weeks).
- Greater feed consumption.
- Smaller finished weights. 4.5 lbs in 14 weeks.
- Higher hatchery costs.
- Habitual customer carcass expectations.

Assets

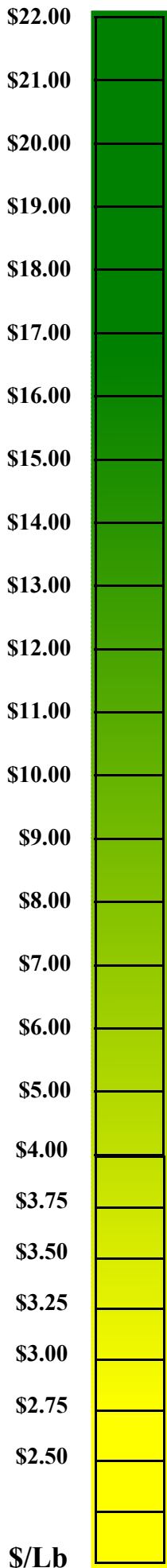
- Incredibly rapid growth.
- Common to achieve 4 lb dressed weights at 6 weeks conventionally, 5 lbs in 8 weeks on pasture.
- Fulfills common consumer expectation for heavily proportioned breast meat.
- Best feed conversion.
- Lower hatchery costs.
- Lowest cost for consumers and producers.

Liabilities

- Incredibly unnatural rapid growth.
- Prone to cardio & skeletal complications.
- Body proportioning is un-chicken like. Huge feet, enormous breast. Full sized birds waddle.
- Incapable of reaching sexual maturity/normal lifespan.
- Genetic selection derived exclusively from just three breeding lines.
- Genetic traits are selected for confinements.
- Beyond 6 weeks, unwilling/unable to walk more than 10 feet without resting limiting forage capabilities.
- At 8 weeks, largest birds exhibit purple combs/waddles, wheezing for breath after short movement.
- Ineffective in Day-Range system.
- Pasturing method limited to floorless shelters.
- Floorless shelter method imposes high physical demand upon human bodies.
- Portable design requirements exacerbate storm damage.
- Birds remain on grade during rain storms subjecting them to inundation.

What you see is what you get, right? Yet consumers "see" a chicken only as a carcass wrapped in plastic. For the past 60 years, that carcass has been the supernaturally meaty Cornish Cross. Few remember what "chicken" looked like prior to this "progress". Yet some of us who produce this food are entrusted as the eyes for the consumer. After all, farmers subsist with the animal while it is still a chicken. Consumers subsist with the protein derived after all it's chicken-ness has been removed. Our mutual conundrum is this: If protein is the final objective, does it really matter how we get there?

Truth be told, the Cornish Cross produces more meat on less feed. Cornish Cross has virtually redefined our expectation of "chicken". Industry - you-and-me Capitalism- entices us to shine the spotlight on this virtue, pocket the savings - then look away. Yet we should have a responsibility to step back - way back - to observe any historical ramifications induced by this virtue as well as extrapolating this trajectory into the future. The impetus was, is, and will continue to be *speed*. Market forces - the dance between producer cost and consumer thrift - will perpetuate this cycle. Here in 2015, the gold standard personifying "chicken" is a genetically centralized, ultra-hybridized, sparsely feathered, outlandishly breasted, waddling bird which was never intended to live beyond 6 weeks. Yet the fickle environment found on pasture requires 8 weeks. We have a square peg in a round hole. We've made it work by rounding the corners. To some degree, we've rationalized. Yet I can't help but wonder if this centralized genetic line is, unbeknownst to it's three owners, recklessly out of control. One of the hallmarks of Organic is genetic diversity. Yet we are all complicit with this one. The Cornish Cross genetics are everywhere - a chicken monoculture. We've wandered a long, long way off the path.



Natural Food Store Grassfed Ribeye Steak

Natural Food Store Grassfed Sirloin Steak

Natural Food Store "Natural" Pork Tenderloin (Not Organic)

Supermarket Feedlot Beef Ribeye Steak

Natural Food Store Grassfed Round Steak

Supermarket Feedlot Beef T-Bone Steak

Natural Food Store Grassfed Rump Roast

Natural Food Store Grassfed Stew Meat

Culvers Butterburger Single

McDonalds - Big Mac

Natural Food Store "Natural" Pork Chops (Not Organic)

Solar Harvest Farm Grassfed Beef Locally Produced & Processed

Supermarket Feedlot Beef Round Steak

Supermarket Feedlot Beef Stew Meat

Natural Food Store Grassfed Ground Beef

Solar Harvest Farm Pig-Happy Pork - Certified Organic Feed

Supermarket Snacks - Sun Chips

Supermarket Feedlot Beef Chuck Roast

Solar Harvest Farm Pastured Chicken - Certified Organic Feed

Supermarket Cereal - Raising Bran (without milk)

Supermarket Confinement Pork Chops

Supermarket Cereal - Cheerios (without milk)

Supermarket Snacks - Doritos

Supermarket Cereal - Corn Flakes (without milk)

Solar Harvest Farm Pastured Eggs - Certified Organic Feed

Supermarket Confinement Pork - Ground Pork

Yes, conventional eggs, poultry and some pork products are readily available in this lowest \$/lb range. The low price is obtained by high animal density and high speed processing. 1 million hens and fecal dust, floor to ceiling in one building. Chicken processors slaughter 250,000 chickens per day. This begs the question: Does your gag reflex kick in if you just happen to be lucky enough to witness the cook dropping your food on the floor, then returning it to your plate? If you witnessed manure splashed onto your chicken, then soaked in chlorine or trisodiumphosphate baths, would you be okay with consuming this sterilized poop and pathogens? (Sorry!) We humans are funny creatures. When we see it, we're repulsed. We'd almost starve to death rather than eat adulterated food. Yet in this price range, it is 100% certain that you are. As the saying goes, *Ignorance is Bliss.*

It's All Relative! Solar Harvest Farm Pricing is still a Bargain!

If you filled your supermarket shopping cart with all the same cuts and quantities that you receive when buying bulk from the farm, your check out total would be substantial. Yet for a reasonable price, especially as compared to the dollar per pound costs of other everyday *less-than-healthy foods*, you can obtain the highest quality pastured proteins available anywhere! Our products are raised here on our farm and processed locally at a low volume butcher shop. *This is as good as it gets!*

If you are currently consuming weekly quantities of 1.2 lbs of pork or 1.75 lbs of beef, you are already consuming the volume of a typical half pork or quarter beef. Rather than gamble with confinement meats and industrial scale processing, why not treat your taste buds AND your metabolism to the best!
It shouldn't be this easy to obtain Peace-of-Mind and Affordability...But it IS!!



WOW!



Governor Walker signs Act 245 defining laying flock size of 151 birds as “Large”. Consequently, farms with 151 or more hens must conform to the same regulatory standards as industrial producers, spending and building to win approval of DATCP Food Processing Plant and Retail Sales Licensing.

History: The DATCP’s food safety chief, Steve Ingham claims to have received calls from citizens concerned with the safety of eggs sold from farms and farmer’s markets. In the next breath, Ingham states “we need fair and consistent standards for grading, packaging and labeling to protect Wisconsin’s egg producers from **substandard competition.**”

This law was passed as a Trojan, masquerading as legislation favorable to smaller scale producers allowing *easier egg sales* by eliminating *the piling on feeling those folks had* - according to Ingham.

What are the real world effects of this legislation? Over the course of a year, 151 hens would provide the producer with 7 dz eggs per day. The gross sales at \$5/dz would be \$35 with the costs for certified organic feed, cost to raise pullets and overhead consuming almost all of this gross. If the producer assumes \$1/dz profit for labor, they realize income of \$7/day. Yet at this level, why split hairs? Let’s just ignore all expenses - as if these 7 dz eggs were produced from nothing other than the air the hens breath. Is it rational for any potential producer to invest in the expenses and licensing fees inherent to the regulations of a Food Processing Plant even with an idealized daily “income” of \$35?

Reading between the thinly veiled lines, here’s what I see: The *concerned phone call* to the DATCP came from the conventional egg industry who convinced Ingham that, not only was the playing field uneven, but that the farmer’s market eggs posed a risk to the reputation of Wisconsin’s industrial egg producers - (hence the reference to protect Wisconsin’s egg producers from **substandard competition**).

Testing this as just another cynical opinion: Eggs from confinement producers are so ubiquitous such that any person demanding this level of alleged safety can obtain their eggs not just at any grocery store, but even while paying for gasoline or picking up 2x4’s. It is irrational to suggest that a citizen with such an aversion to this self-perceived risk would take the added time and spend the added money to purchase eggs at a farm or farmer’s market. Paraphrased: Don’t like the product? Then why go out of your way to obtain it?

This legislation pandered to the extremes. It set the bar low enough to allow simplicity for hobbyist while at the other extreme, remains complicit in the subterfuge of industrial food safety. Industrial layer facilities such as promoted by the DATCP typically house hundreds of thousands of hens in one building. In the lexicon of the English language, I ask Mr. Ingham, if “Large” is the word the DATCP chooses to define 151 hens, how would the DATCP define 5000, 50,000 or 500,000 hens? This is not just a matter of choosing, L, XL or XXL. This disparity cannot even be resolved through “Supersizing” or abusing the English language by fabricating words such as “ginormous”. No, the disparity that Mr. Ingham has manifested represents exponential orders of magnitude to which words cannot describe. 151 hens in a “large” flock represents just three one hundredths of a percent of the size of a typical 500,000 hen confinement - or stated as 3,311 times as “large”.

This legislation has achieved it’s nefarious purpose. Farmers wishing to provide alternative eggs to meet the demands of a rapidly growing consumer base have been regulated off the playing field. Professional farms, meaning those who do not support their farming hobby with off farm income, are cognizant of all costs effecting the bottom line of their layer enterprise. A high percentage of these farms have discovered the sweet spot to be 300-700 layers (depending upon how long a farmer keeps their mature hens). Economic necessity dictates that a pastured layer flock must exist not as a primary means of income, but as just one enterprise of many. Anything more pulls limited labor hours away from other necessary sources of farm income. Anything less imposes a mandatory minimum level of labor assessed against insufficient egg income.

Ingham is correct in stating the need for fair and consistent standards to mitigate substandard competition but scientifically, he’s backing the wrong horse. The antagonists of Food Safety are not defined by industry or bureaucracy. These antagonists are consequences of biology. Both history and modern science demonstrates the direct correlation between pathogen proliferation and animal density. Within this irrefutable vein we recognize that the DATCP’s Food Safety policy is not just inside-out, but reckless in promoting to consumers a pathogenically high risk form of production as the gold standard. Nevertheless, it is now the law of the land with potential farm business entrepreneurs now adding pastured eggs to the forbidden list of pastured poultry and it’s associated need for a reasonable level of on-farm butchering.

How convenient for the DATCP - that they need not change their acronym to match their loyalties. They have proven to serve as the Department of Agriculture, Trade and CORPORATE Protection. The final takeaway is that, unless your farm’s structure is dependant upon concrete & chemical, Wisconsin is NOT open for your farm’s business.

Big Government in Action? What a shame that so many well-intentioned people continue to misdirect their energy at the wrong source, yet how convenient for the corporations to dodge this heat. Blaming this exclusively on Big Government is akin to blaming the manifested Wizard of Oz in spite of Toto’s effort in pulling back the curtain. Actions such as the above occur because of a dysfunctional political system structured upon a corporate-government-corporate revolving door coupled to unbridled campaign spending. Corporate money has purchased government power.





Layer Flocks - "Free-Range" vs Pasture "Free-Range Confinement" (It's not an Oxymoron.)



As regular egg customers already know, our flock was devastated this past Autumn by a freakishly high rate of predation from coyotes and hawks.

The youngest and most productive hens took the major hit.

This period of predation occurred at a time in which the November weather turned sour.

The combination of wet, cold and predation created both a physical and psychological stressor within the remaining flock.

Coupled with the decreasing daylight hours, egg production diminished to a complete shutdown.

With no way of knowing how long the shutdown would last, we gambled. With all income from egg orders canceled, we continued feeding and caring for the remaining 400 hens. Four months and \$6000 later, laying gradually resumed. Hindsight always being 20:20, had we known the duration, we would have quit the egg business immediately. Yet it took over 15 years to build up the regular customer base. The alternative of starting over with a fresh flock of pullets would take six months. We'd never raised pullets over the winter which not only added the risk of another winter with severe cold (which turned out to be the case) but in doing so, the pullets would not be raised on pasture, as has been our practice. In this light, the gamble was: Ride it out with the expenses of the older hens for a month (wishful); Raise a new flock in the spring, providing feed and care for five to six months before income begins offsetting debt in October.

Our pastured egg business is now in the cross hairs. This enterprise has always been a drag on the bottom line. While our \$5/dz price has been competitive with the "Free Range" offerings found in stores, the liabilities associated with pasture remain our ball-and-chain. It's not that pasturing is THE ball-and-chain. The problem lies with the fact that so few people recognize the difference between "Free Range" and Pastured. As a result, it is difficult for pasture based egg producers to capture their true costs.

Does this mean the get-big-get-efficient crowd is right? It does...but with one important caveat: What would happen to "Free-Range Certified Organic" \$5/dz egg sales if this marketing niche were forced to remove their false advertising? You, as consumers can answer this. Would you continue to pay \$5 for a product in which the 15,000 debeaked hens in one pole barn never once set foot onto pasture when you could get the real McCoy - the sunshine, fresh air, omega-3's and natural insect protein - for \$6? Instead, the \$5 perception of pasture continues to trump those producers who do not deceive their customers.



Must be a moneymaker if some farmers are still charging only \$3/dz, right?

Primary ground rule for this evaluation: **The expense exists.** The producer either recognizes the expense as a cost of doing business, or, knowingly/unknowingly absorbs the cost within their non-business expenditures.

Assumptions for this evaluation: 300 pullets/yr added to existing flock. Older hens stay with flock indefinitely, leaving only through natural attrition (age or predation). Average flock size: 675 hens, including 300 new pullets each year. Hens eat and drink outdoors with uninhibited access to obviously abundant forage. Certified Organic feed.*

*Recognize that some producers state "beyond organic" or "we're not certified organic but utilize organic principles." (Our farm falls into this category.) It is important for the consumer to specifically ask about the grain mix. Most smaller scale farms offering eggs do not have the resources to grow their own feed ration. This primary feed source is procured from either a feed mill or local farm supply. It may or may not be certified organic. This is not a put down for those sourcing feed from their local feed mill. The point is that certified organic feed is derived from non-GMO seed planted in fields which have not been treated with chemicals. Recognize also that local mills use solvent extracted bean meal whereas certified organic beans are extruded (not solvent extracted).

Paraphrased: What are you expecting. What are you getting? You need to ask very specific questions.

Expense of Raising 300 Pullets

	\$
Hatchery Cost of 300 Pullets	\$500
Feed Costs 150 Days	\$2,100
Labor 150 Days (20 min/day)	\$1,700
Pullet Deficit at Point-of-Lay	\$4,300 ←

The cost of raising pullets is likely forgotten by far too many small scale producers. Even if we ignore the next phase of expense, (feeding and caring for hens once they are laying), this \$4300 deficit will consume the gross sales of the first 1433 dz eggs @ \$3/dz, 860 dz @ \$5/dz.

Expenses - 275 New Hens + 400 Older Hens

	\$
12 Months Feed - Full Flock	\$16,000
Direct Labor - 1.9 Hrs/Day (700 hrs/yr)	\$24,000
Indirect Labor - 0.4 hrs/Day (140 hrs/yr)	\$5,000
Indirect Expenses	\$2,700
Yrly Expense of Laying Flock (w/o pullet)	\$47,700
Expenses - Combined Pullet + Laying Flock	\$52,000 ←

This is the payback period. We need to recoup the above cost of raising pullets while at the same time absorbing the normal feed and care required of animal husbandry. The flock will consume 130 lbs of feed every day. Direct labor is mandatory at sunup, mid morning, late afternoon, sundown - 365. Eggs must be washed, packed, bagged and distributed. Henhouses built, cleaned, repaired, manure composted and spread. Indirect expense - equipment/housing depreciation, supplies, maint, insurance, taxes, utilities, interest etc - are proportioned to the enterprise.

Income - Yearly Egg Sales

	Income
Yrly Gross Income - Avg 22 dz/day @ \$5/dz	\$40,150
Net Yearly Income (Loss)	(\$11,850) ←

Budgeted (Living Wage) income is not met. Actual \$/hr remains inferior to opportunities available off farm. 800+ hours represents 40% of the labor required of a 40 hour/wk occupation.

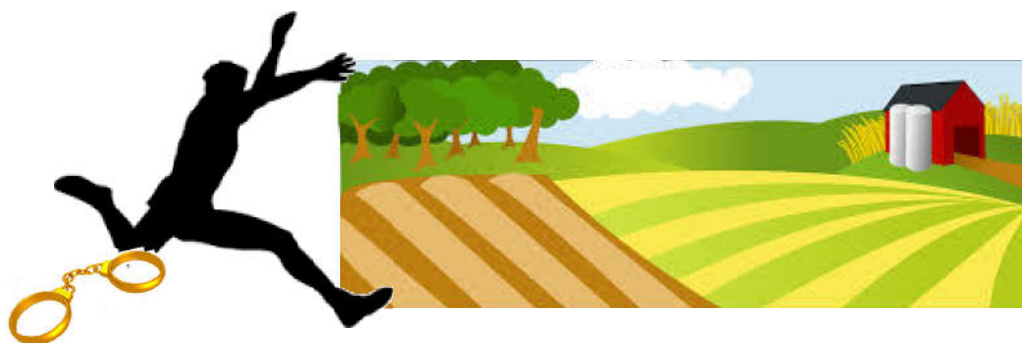
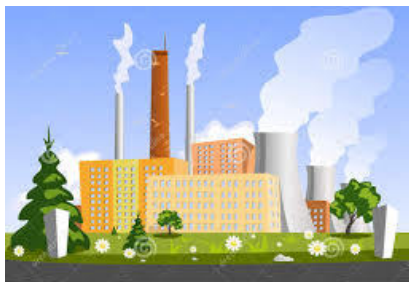
Utilizing similar husbandry labor, a producer can raise 15,000 hens in a pole barn. Space will allow around 1.5 sq ft. per bird. Every pullet will have been raised indoors. All are debeaked. The marketing found on the packaging may exclaim any combination of "Cage-Free", "Free-Range", "All Natural", "Hormone Free", Vegetarian Fed. Yet not one hen will exist on pasture. In legal-speak, the words "All Natural" assures NOTHING. Hormones are NEVER fed to chickens, yet the marketing implies value-added goodness with no burden imposed upon the producer. Of course, if a hen isn't on pasture, she isn't consuming her natural insect and earthworm protein.

We genuinely need to ask \$6 for our pastured eggs. Yes, this now makes us "uncompetitive" with the organic Free-Range confinement eggs found in stores. The picture on the upper left is an actual certified organic free-range facility. You've seen our hens out in the pasture. We're hoping you can appreciate the value we offer, both in the husbandry for the "girls" and the actual nutrition in the eggs.

The Self-Employed Leap-of-Faith

Earning enough to pay for Health Insurance

No Affordable Health Insurance = No Professional Small Farms



Golden Handcuffs

Employment at a business providing living wage careers also offer fringe benefits. Most all recipients recognize that these benefits add value. It is not until we lose these benefits, or, contemplate striking out on our own, that we learn the real value of these previously transparent perks.

This table represents an individual earning wages of \$20/hr. In career-speak, this position is labeled as a \$40/K/yr job. Yet in actual realized income, this employment package is worth over \$60K, increasing the actual hourly earnings to \$31.48/hr.

To shed these golden handcuffs, a self employed **job creator** must start from this roughly \$11/hr deficit.

Paraphrased: If a self employed individual budgets overall compensation at \$11/hr, labor earnings are actually \$0, or, the family operates without health insurance, or, at the minimum, catastrophic \$5K deductible, non-preventative emergency care.

Hypothetical Off-Farm Compensation		Expressed as \$/hr	
W	Hrs / Wk		40
A	Wks/ Yr		48
G	Hrs / Yr		1920
E	\$ / Hr		\$20.00
S	Value Wages - Yearly	\$38,400	\$20.00
B	Family Health Premium	\$16,000	\$8.33
E	Family Dental Premium	\$1,500	\$0.78
N	Vacation - 4 wks	\$2,954	\$1.54
E	401K Match	\$1,241	\$0.65
F	Disability & Life Ins Premium	\$350	\$0.18
I	Fed/State Unemployment	\$500	\$0.26
T	Value Benefits - Yearly	\$24,858	\$12.95
S	Actual Realized Income	\$60,444	\$31.48

This leap of faith certainly applies to non-farm job creators as well as farm. Yet it is within the economic backbone of farm economics that we witness professional financial and academic analysis utilizing \$10/hr labor rates. Restated: The very individuals whose professional and personal passions are centered upon advancing farm well-being, are promoting non sustainable financial analysis'.

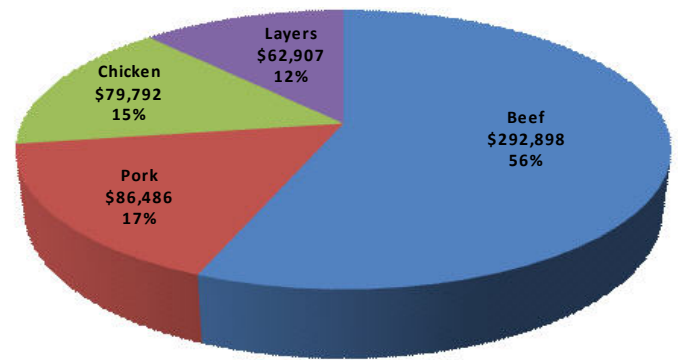
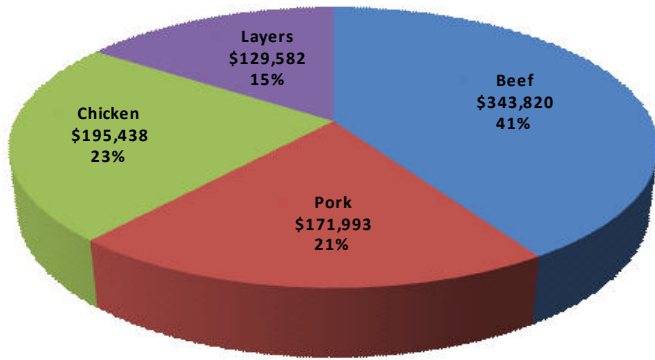
Our society has been tip-toeing past this subject for decades. Farmers themselves are all too often to blame, many apathetically accepting the old world standard "farmers don't get paid for their labor". The old Protestant Work Ethic also remains complicit in dragging down farming wages, accepting everything as inherent to their prescribed calling. This combination of \$10 per hour labor analysis by University Extension coupled with farmer apathy is preventing smaller scale (non-subsidized) farm business from achieving a living wage.

It is almost always *safer* to work for a corporation. Shedding these golden handcuffs represents extreme risk, to which society generally accepts as situations that should provide reward commensurate to risk. Additionally, perhaps above most all other forms of self employment, farming demands a multitude of skills. Farmers must be proficient not just in plant propagation and animal husbandry, but also knowledge of biology, genetics, veterinary, soils, financial's, tax-law, carpentry, metal fabrication, welding, AC & DC circuits, electrical wiring, schematics, blueprints, drafting, equipment design, hydraulics, ergonomics, environmental, safety, employee regulations and above all - business management. How incredibly perverse to recognize that some corporate CEO's *earn* \$35,000 a DAY whereas the CEO of a farm business must grovel for \$35 an hour.

\$35/Hr MINIMUM \$20 for labor, \$15 to purchase the same benefits found on the urban side of the fence.

It's actually not an opinionated suggestion. Anything less than this virtually assures that smaller scale, non subsidized farming will remain as a non-viable occupation - an occupation that cannot earn a family living without off-farm income/benefits. Meanwhile, the average age of a farmer is now 60 yrs. We don't have many years left to entice younger people into careers as farmers...because these young people cannot risk the consequences inherent to this entrepreneurial Leap-of-Faith.

Cost of Farming 2002-2014 (w/o Labor & Land) **\$1,362,916***



Direct Costs - **\$840,833 - 62%**

Livestock, Feed, Mineral.

2002-2014 Labor - 39,000 Hours

Indirect Costs - **\$522,083 - 38%**

Capital (Equipment), Depreciation, Pickup Truck, Interest, Real Estate Taxes, Insurance, Utilities, Fuel, Maintenance, Supplies.

2012 Land Purchase 41 acres - \$225,000

1993 Land Purchase 60 acres - \$66,000

Imagine... Let's forget all of our history related to producing food in the U.S. Imagine no families who had received free land in the 19th century. Imagine no farm inheritance. Imagine that every person entering farming did so amidst identical 21st century market conditions. What implications would this induce upon the cost of food?

Yet this is not an imaginary exercise for any outsider who currently has the desire to enter into farming.

Food production exists within two dissimilar paradigms. The foundation of the old paradigm is literally one of subsidy. The byproduct of this roughly 140 year era is an apparition - a manifestation induced by a century of cyclic, boom/bust, predator/prey consequences. Because primary costs have long ago been absorbed on the backs of taxpayers and foreclosed farms, the true cost of production is literally imperceptible.

While economies of scale do influence Direct Costs, these influences are subtle compared to Indirect Costs. Whereas a Century Farm calculates its margins without the burden of a mortgage (or does carry a mortgage for contemporary acquisitions yet this expense is diluted amidst inherited acreage), the 21st century startup must compete in the same market yet with exponentially greater costs.

Adding to this disparity lies the invisible market force associated with the word *utilization*. Many indirect costs are size-neutral. In many cases, land, capital assets, taxes and insurance costs impose similar expense on the farmer whether or not the farmer raises 100 or 1000 animals. This market force is *imposed* in the checkout lane. Yet the financial consequences of **biological** over-utilization are not *captured* at the checkout, but rather, involuntarily *imposed* as collateral damage upon individuals and society. Examples include: contaminated aquifers; antibiotic resistance; aquatic dead zones; depletion of natural soil fertility; fossil fuel dependency; biological effects of monocultures; monopolized markets.

The Small Farm trend reveals that escalating expenses will likely continue to outpace income. In 2014, the value of a 30 lb pig and 500 lb weaned calf was \$110 and \$1200, respectively. The decision to raise traditional chickens in lieu of the genetic commodity increased hatchery costs by 40%. Seemingly trivial at our volume, hatchery costs for the above time period were \$30K, which extrapolated using the new (old) variety, would be \$42K. As the final ingredient, add the interest and *weight* associated with a \$225K land purchase.

Throw this all in the pot - direct & indirect expenses plus 3000 labor hours every year - cook low and slow for a year in hopeful weather conditions. While we're working, we'll ruminate and contemplate the state of the world. We'll be hopeful that our customers will recognize the rationale for the prices we must charge to remain viable. And in the back of our mind, knowing the average age of a farmer is now 60, we'll ask ourselves...

How in the world can we expect our young people to enter into this most essential of occupations?

* This time period was chosen for two reasons. 1). 2002 is when I began entering data into financial software. 2). 2002 represents the beginning of rapid growth. Since then, expenses have escalated disproportionate to income. Whereas this 13 year period reveals average expenses of \$105K/yr, the 2013 and 2014 seasons each have \$200K of expenses on the books. Know also that prior to 2012, the cost of farmland had never been levied as a cost of doing business. The initial purchase was conflated into our home mortgage allowing a conventional mortgage (as opposed to commercial).

Are We Spending Your Money Wisely?

Five years ago, amidst the new barn construction, a customer stopped to talk while I was working. He said "we'd like a barn too...but there's this thing called...*mmmonEY*."

A few years later, a conversation ensued when a different customer stopped to talk while I was cleaning out the south barn paddock. He noticed the tractor was of 21st century vintage, then simply said "Wow".

In both cases, the implications were clear: *You must be doing very well.*

Certainly, these perceptions were delivered without intention. Yet in the bigger picture, it gives one pause to reflect on the consumer expectations of Small Farms as compared to other venues. This transcends the self-imposed circumstance that people create for themselves - stated because the first conversation was held through the window of a vehicle worth almost as much as our barn expense. It also transcends the assessment of professional vs hobbyist. Certainly, a barn built for the needs of a business must be viewed differently than the same built for pleasure...(shouldn't it)?

These are not isolated cases inherent to us. Contemplating the bigger picture, the pattern exists in which consumers expect a peculiar form of self-defeating frugality from Small Farms that they do not expect from other businesses. Some of this is based on farm romance - the image of the Good Ole Days. Yet the jolt to the mechanics of this romantic image is felt when one is reminded that, in most cases, Grandpa bought that Farmall H or John Deere B BRAND NEW!

Testing this theory against a few non-farm business interactions, what would you think if:

- Your home contractor arrived with a mid 20th century Steam Shovel?
- Your landscaper took all afternoon cutting your lawn with a 1952 Bolens rider?
- Fed-ex delivered your packages in a 1949 Mack, popped the hood and tweaked the carb in your driveway?



It's tough to find any other business in which it is acceptable, much less expected, to operate with antiquated, long-ago depreciated equipment - not even Grandpa's farm from the Good Ole Days. Yet this very much personifies the mandatory infrastructure of a Small Farm today. With 20 years operating under these conditions now in the rear-view mirror, the consequences reveal themselves through the inefficiencies and inadequacies inherent to old equipment - the same frustrations any of you would expect if the family car were a '54 Ford.

Our farm insurance currently lists roughly \$180K in equipment, including all the portable henhouses, portahuts, wagons, trailers, mowers, rakes, tedder, tractors etc. \$102K of this was purchased within the past three years on borrowed money. As you'll notice in the table of partial equipment below, prior to 2012, we had been operating on a bubble-gum-&-baling-wire budget. As we look back over these first 20 years, yes, we did save money on the initial depreciated purchase. But these savings were soon eclipsed by the blood, sweat and tears that accompanied each season - frantic in-field repair jobs, lost hay-cuttings, downtime and inefficiencies. Old row-drop tractors were designed for just that. Adapted for loaders, 2000 lbs are imposed on their scrawny front spindles and tires. Constant back and forth required with loaders taxes and grinds the transmission. When we factor in our lost time and frustrations, the initial savings loses all it's luster.

So I ask again: Have we, and are we still, spending your money wisely? With our initial equipment purchased averaging just 9% of the cost of new, there is no debate that the first answer is a resounding YES. But what about the last three years? Does this \$102K have you pulling on your collar like an agitated Rodney Dangerfield?! We've doubled our land base since 2012. We are reentering the haymaking business, which we left several years back due to high land rents. Our children are now all adults. We've doubled our acreage while halving our labor force. Of course, none of us are getting any younger. The human body eventually revolts against the repetitions integral to use of older equipment. The tendons and nerves in my arms are just one incident away from incapacitation. Yet I fear that, instead of getting an "atta-boy" for procuring 21st century equipment at an average of 48% of the cost for new, I'll be perceived as a spendthrift.

The good news is that this major wave of reinvestment is behind us. These costs will be depreciated over many years. But I still can't help but wonder, as I witness the brand spanking new capital investments known to non-farm businesses, why is society so hard on farming?

People could save \$20K over 10 years by driving a sedan instead of a pickup truck. The average smartphone bill is now \$148/month - \$17,760 over 10 years. This is acceptable. But farmers procuring modern equipment with the hope of passing these otherwise normal business costs onto the most essential of all consumer products - HEALTHY FOOD - is perceived as "WOW!". How strange is this?

Still not convinced? Please consider this: Rather than draw a salary, these capital investments are made possible by the donation of most of my salary directly back into the business. This reveals that consumer costs would not diminish if I were to refrain from making these investments as instead, I would draw a salary for my labor, like everyone else who works for a living.

Years	Equipment	Price We Paid	Price New - Adj for Inf	Percent of New
1985 - 2011	1955 Farmall 300	\$900	\$22,000	4%
1993 - 2012	1968 New Idea Haybine	\$700	\$20,000	4%
1993 - 2012	1959 JD Side Delivery Rake	\$275	\$3,000	9%
1993 - 2013	1969 NH 275 Kickbaler	\$700	\$25,000	3%
1993 - 2013	1948 Oliver Superior Seed Drill	\$275	\$5,000	6%
1993 - 2014	1970's Gravity Box/Running Gears Qty 6 (Feed Storage)	\$3,250	\$48,000	7%
2004 - 2012	1978 Allis Chalmers 185 w/ Ldr (to be sold this season)	\$9500	\$60,000	16%
1985 -2012	Above Equipment Combined	\$15,600	\$183,000	9%
2012 -	2006 NH T70A MFWD Ldr	\$19,800	\$45,000	44%
2013 -	2006 New Idea Discbine	\$12,900	\$35,000	37%
2013 -	2000 Miller Pro Rotary Rake	\$3,000	\$9,000	33%
2013 -	2000 JD Tedder	\$2,400	\$9,000	33%
2013 -	2013 Brillion Seeder	\$12,900	\$12,900	100%
2014 -	2001 MF 1146 Rd Baler w/ Mesh	\$9,850	\$35,000	28%
2014 -	2010 NH T4050 MFWD, Ldr, Cab	\$41,000	\$65,000	63%
2012 - 2014	Above Highlighted Equipment Combined	\$101,850	\$210,900	48%

Wisconsin's "Public" Service Commission - in We Energies Back Pocket

(As you are reading all this, keep reminding yourself that this is NOT a free market. This is a Monopoly.)

Taken directly from the PSC website:

Overview

The Public Service Commission of Wisconsin (PSC) is an independent regulatory agency dedicated to serving the public interest. The agency is responsible for the regulation of Wisconsin public utilities, including those that are municipally-owned.

What We Do

The PSC works to ensure that, in the absence of competition, adequate and reasonably priced service is provided to utility customers. PSC approval is required before utilities can change rates or build large power plant and major transmission lines.

Regulatee

Regulator



We Energies

PSC Commissioners Deciding the We Energies 2015 Rate Increase & Solar Disincentives Bio's taken directly from PSC website.

Ellen Nowak was first appointed to the Wisconsin Public Service Commission in July 2011 by Governor Scott Walker. She was reconfirmed for a new, six-year term beginning on March 1, 2013. Commissioner Nowak was named Chairperson of the Public Service Commission of Wisconsin in March of 2015.

Prior to her appointment, she served as the chief of staff to Waukesha County Executive, Dan Vrakas. From 2002-2006, she served as legal counsel and subsequent chief of staff to the Speaker of the Wisconsin Assembly. She also later worked as the deputy director of School Choice Wisconsin. From 1998-2002, Ellen practiced business litigation at Mallery & Zimmerman, SC in Milwaukee. Ellen has a law degree from Marquette University and a Bachelor of Science from the University of Wisconsin – Milwaukee.

Phil Montgomery worked closely with utility, energy and telecommunications issues as an elected state representative from Green Bay while serving six terms. He was appointed to Chairperson of the Public Service Commission of Wisconsin in March 2011 by Governor Scott Walker. As a Legislator from 1998 to 2010, Representative Montgomery served on the Joint Committee on Finance, Chaired the Assembly Committee on Energy and Utilities and Joint Committee on Information Policy and Technology, and has served on other related committees in the Assembly and on the Board of Directors of the Wisconsin Public Utility Institute. He has a Bachelor of Science degree from the University of Houston and is a former systems engineer.

Eric Callisto has been a Commissioner on the Public Service Commission of Wisconsin since May of 2008, when he was appointed by Governor Jim Doyle. He was Chairperson of the Commission from the time of his appointment through February of 2011.

He is the Vice President of the Organization of MISO States, Co-Chair of the FERC-NARUC Sunday Morning Collaborative, Vice Chair of the NARUC Committee on International Relations, and a member of the NARUC Electricity Committee. He was Co-Chair of the Upper Midwest Transmission Development Initiative, and has served as a Wisconsin representative on the Eastern Interconnection States' Planning Council (EISPC), where he was one of the EISPC's representatives on the Stakeholder Steering Committee of the Eastern Interconnection Planning Collaborative.

Prior to his appointment as Commissioner, he was the top aide to the Chairperson of the PSC. His previous Wisconsin state government positions include running the Division of Enforcement at the Department of Regulation and Licensing and serving as a legal advisor to the Governor.

From 1997 through 2003, he was an Assistant Attorney General at the Wisconsin Department of Justice, in both the Environmental Protection and Civil Litigation units. He has worked as a public defender in New York City and Philadelphia, and as a policy advisor at the U.S. Environmental Protection Agency in Washington D.C. He has a law degree from the University of Wisconsin-Madison and a B.A. in Environmental Sciences from the University of Virginia.

PSC Decision: Utility request approved. Nowak - in favor of utility; Montgomery - in favor of utility; Callisto - decided against utility.

Callisto is no longer with the PSC. Walker has replaced Callisto with Mike Huebsch, a Republican State Assemblyman from 1995 - 2011. Montgomery was ALEC's 2005 Legislator of the Year. (ALEC is funded in part by fossil fuel interests. ALEC writes legislation which is drafted verbatim by state legislators.)

You've now read the PSC's self-proclaimed overview and purpose. Refresh yourself by jumping back to the top of the page. If it is possible, try to forget all about your own political affiliation. Based on the three bio's above, ask yourself which person had the proper credentials to fulfill the PSC's mission statements? Perhaps still blinded by ideology? I'll ask the question differently. By what stretch of logic can anyone conclude that an individual with a background in partisan politics has the expertise necessary to fulfill the stated PSC's objectives?

The PSC exists because the utility is an essential monopoly. Yet the utility is a for-profit corporation, legally responsible for providing value to it's shareholders. Note that the PSC's own statement (above) reflects this realization by stating "in the absence of competition". Please read on to recognize how this PSC decision is not only negligent in meeting stated objectives, but was directly complicit in the act of regulating competition out of the marketplace.

Here is an Overview of the PSC-approved We Energies 2015 Rate Restructure and the effect on a Co-Gen provider with an 8.2 kW PV array:

	2014	2015	Yearly Loss	20 Year Loss
Monthly Facilities Charge	\$0.30/day	\$0.52602/day	\$82.50	\$1,650
Time-of-Use On Peak kWh	\$0.2759	\$0.0498	\$1,763	\$35,240
Time-of-Use Off Peak kWh	\$0.053	\$0.0385	\$50	\$1,000
Disincentive Loss to Co-Gen Power Provider Effectively Eliminating Competition.			\$1,895	\$37,890

The above data displays the **losses** created by the rate restructure as experienced by the Co-Gen provider - the difference between what it was and what it now is. The data below displays the before/after effects expressed as a net metering credit applied towards total energy used. In other words, maximum potential before and after.

Understand that the credit is "netted" against the co-gen providers on-sight energy use. If more is used than produced by the PV, the utility still **receives** payment. Worst case scenario for the utility is if the co-gen provider requires NO energy onsite, effectively selling ALL of their solar electrons to the utility. Point being, most all of the credit for residential systems represent an avoided cost for the homeowner. The utility doesn't lose the value of the credit. The utility loses the potential to sell their coal-based electrons in exchange for receiving the customer's PV-based electrons.

Data below compares credit given to Co-Gen vs Income received by Energy for Tomorrow program.	Yearly Credit		20 Year Credit
OLD 2014 Co-Gen Rate Structure - Time-of-Use Rates	\$0.2759 / \$0.053	\$2332	\$46,640
NEW 2015 Co-Gen Rate Structure - Time-of-Use Rates	\$0.0498 / \$0.0385	\$520	\$10,400 20 yr Credit
Below witness the rate We Energies charges customers who participate in their Energy for Tomorrow program. The utility buys our PV low (4 cents) & sells high (15 cents).			
2015 We Energies Energy for Tomorrow Consumer Rate	\$0.15117	\$1655 1 yr Income	\$33,106 20 yr Income

Prior to the PSC decision, the editorial below was submitted to several papers last year but never published. The primary intent was to provide balance to the one-sided "fair share" claim which We Energies used to indict Customer-owned Generation in their pamphlet provided with everyone's energy bill. This restructuring was classic Divide & Conquer, effectively painting solar as a free-rider subsidized by others. As icing on the cake, the divide was widened by ever-so-slightly reducing Residential rates effectively preventing any backlash from the 99.999% of energy customers who do not provide renewable power. Absolutely sadistically ingenious! Not to lose a penny, with slight-of-hand, We Energies recaptured this perceived Residential savings by implementing a 75% increase in the monthly Facilities Charge. All of this was accomplished under the watchful eye of Wisconsin's PSC....and the "P" stands for?

Solar Free-Loaders?

October, 2014

I'm one of those evil solar Co-Generator guys you've been reading about in your We Energies pamphlets. According to We Energies, Co-Gen customers like me "benefit from using our system (grid) essentially for free." Aside from the obvious response recognizing that We Energies is a for-profit monopoly, transfixed on its legal obligation to provide value to its shareholders - value that isn't captured when We Energies pays a Co-Gen customer for the private power provided - I would like to simply call out the other obvious elephants in the room.

Conventional Power Generation: A trip down memory lane reminds us of the contentious concerns centered upon the Oak Creek Power Plant expansion. After the bluff collapse and pervasive cost overruns, the costs for this 2.3 billion dollar project were passed on in the form of rate increases. Looking back over the past 15 years, rates have almost doubled.

Exporting Rate-payer Dollars: The Oak Creek plant consumes over 6000 tons of coal every day. Coal prices continue to surge in the wake of world demand prompting We Energies to propose spending \$62 million to expand coal storage for the express purpose of procuring the cheaper and dirtier Wyoming coal. Regardless of where the utility procures coal, one thing is certain: We Energies is employing a perpetual railroad of coal-laden cars into Wisconsin. Those railroad cars don't go back empty, but rather, export billions of Wisconsin rate-payer dollars directly out of the Wisconsin economy.

The-Gift-That-Keeps-On-Giving: Once upon a time, (and similar to the Broadband situation of today) the country didn't have a grid. Utilities balked at the ratio of expense vs return as would be required to electrify rural America. Consequently, the "grid" as the utility refers to as their own, was initially created with an enormous infusion of taxpayer dollars, effectively connecting not just rural America, but enabling the interconnection of previously isolated generation zones. The fact that millions of the very people who witnessed this transformation are still paying their utility bills today demonstrates that this wasn't all that long ago. This truly is a gift to the utility that keeps on giving.

None of the above was discussed in the pamphlet from We Energies. Clearly for We Energies, the door swings one way. Yes, this alleged Solar Free-Loader is using the grid to sell back Wisconsin-produced renewable energy. Our family responds any credit right here in Wisconsin. More importantly, in the same respect that we are using the grid "for free", We Energies is concurrently using our power generation facility "for free". In light of the \$2.3 billion expenditure for the new plant, imagine a Wisconsin in which the utility mitigates this need for expensive power enhancements by capturing the energy from a multitude of privately funded, decentralized renewable power providers.

(Note to all you subsidy sharks: First, the utility doesn't put up the money for solar subsidies. Second, this writer's system was paid for privately, with no subsidy. Third, if you are going to throw darts at the many solar systems that are subsidized, please make sure you also throw a few at the exponentially greater subsidies enjoyed by oil and coal.)

The hubris embodied within the entire We Energies 2015-16 Rate Request could be viewed as overreach expected of a corporation. I believe this understates the situation. This extreme overreach by We Energies is an emerging manifestation induced by the likes of Citizen's United, ALEC and the semantics of impotent anti-trust laws. Our corporations are calling the shots with complete indifference to societal or environmental concerns. This proposal reveals that the corporations within our midst are indeed sociopathic. It is apparent that we cannot expect any sense of moral responsibility from We Energies or any other monopoly subservient exclusively to shareholder value.

Yet all we have standing between the public good and this egregious corporate greed are three politically appointed individuals. It remains to be seen as to whether these three PSC commissioners will respond as representatives for human-beings, or, as indentured corporate drones. Certainly, for society and the planet, there is so much more riding on this decision than just the returns for the utility.

While our society may not yet be ready to replace electrons from coal with electrons from solar, it should be abundantly clear that our society should not be inhibiting the progressive advances that naturally occur within any nascent, developing technology. Off the beaten path, many creative minds and open-minded consumers will be required to continue advancing alternatives. The bully pulpit from which We Energies is pontificating effectively stifles this innovation here in Wisconsin. With or without concurrence of anthropomorphic climate change, the We Energies coal paradigm remains a short term fix to a long term problem - a finite resource levied against a mindset of infinite human demand. It is both reckless and irresponsible to willfully suppress the alternative innovations our society is capable of when provided with a level playing field.

In just a few decades, our children won't have the luxury of debating energy economics or anthropogenic climate change. They will be grappling with the irreversible consequences this decision has locked in motion. As they struggle to maintain any semblance of a peaceful society amidst the chaos of displaced humanity, there is only one word capable of portraying their contempt for us: *Unforgivable*.

Steve Heyer
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