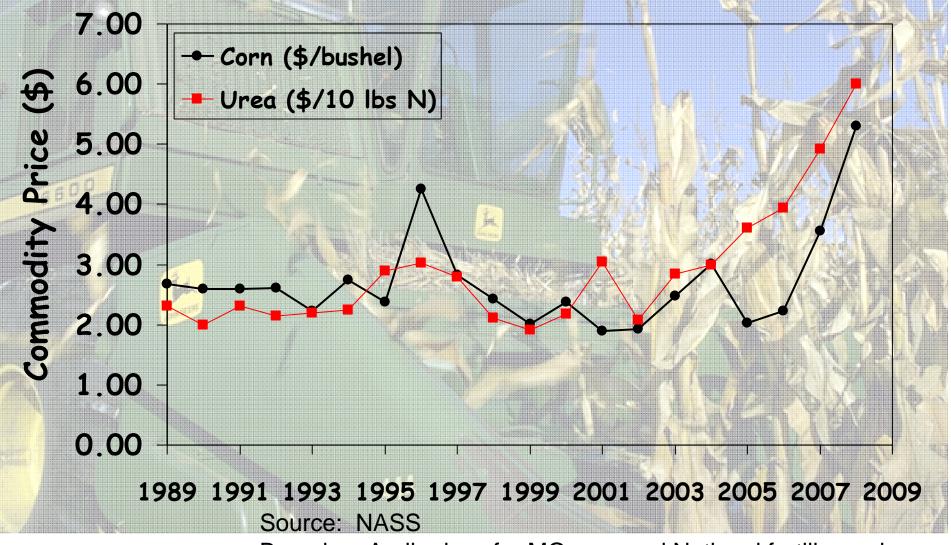
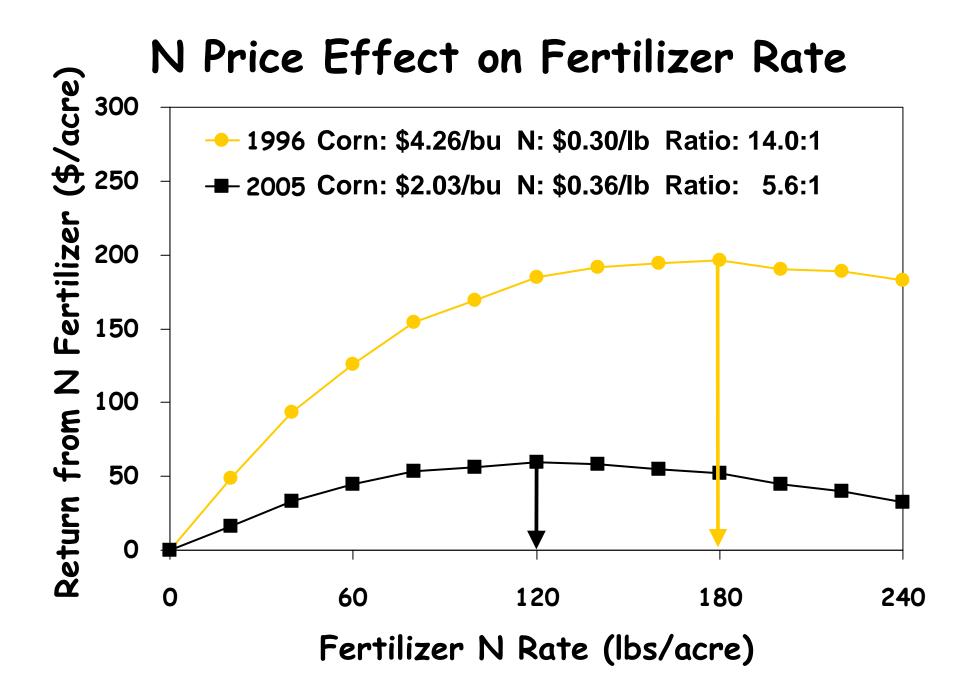
Nutrient Economics: storage, handling and loss prevention

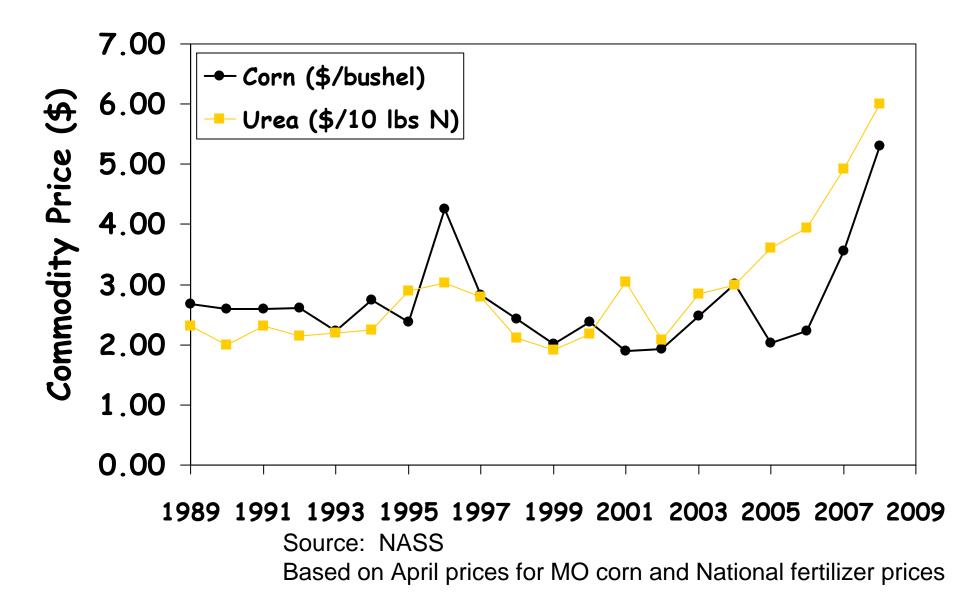
John A. Lory, Plant Science Ray Massey, Agricultural Economics Marcia Shannon, Animal Science Joe Zulovich, Agricultural Engineer

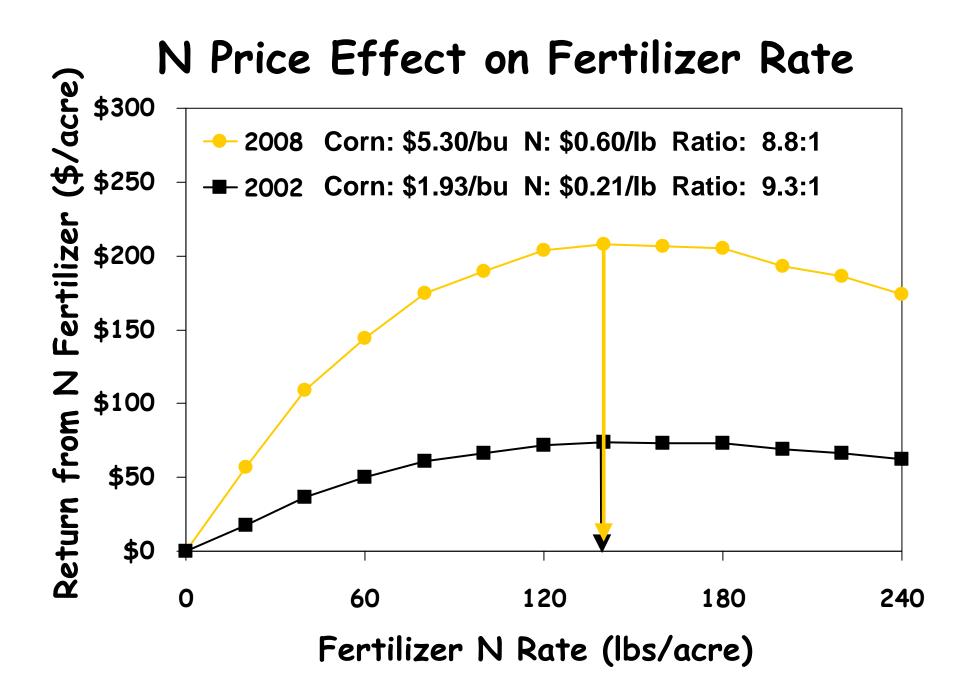




Based on April prices for MO corn and National fertilizer prices







The price of making a N fertilizer mistake:

| 40 | lbs/ac low \$/acre | J |
|--------------------|-----------------------|--------|
| 2002 (low prices) | \$7.00 | \$0.70 |
| 2008 (high prices) | \$18.40 | \$2.80 |

- Optimum rates have not changed much.
- Value of good management has increased.





Options for Increasing Manure Value

- Inject manure (slurry and lagoon)
- Lagoon cover
- Agitate/dredge lagoon
- Convert from lagoon to slurry system

Understanding the Nutrient Cycle on Pig Farms

As we feed pigs we bring fertilizer on the farm.

Example: Grow-finish pigs



As a pig grows from 45 to 280 lbs.

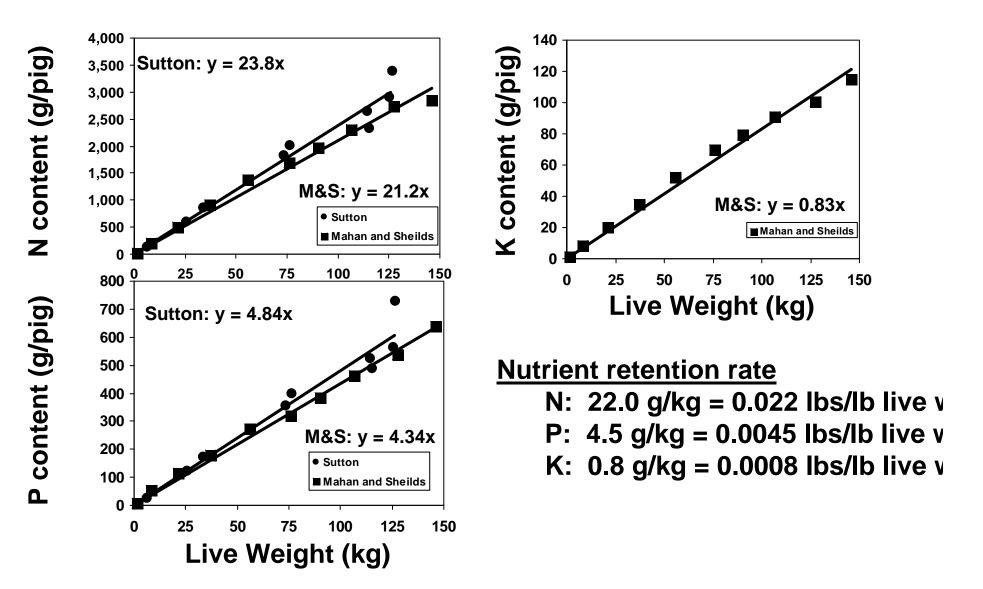
- Feed: 678 lbs/pig
 Nutrients fed/pig:
- Days on feed: 133 •

- - 14.8 lbs N
 - 2.5 lbs P
 - 3.7 lbs K

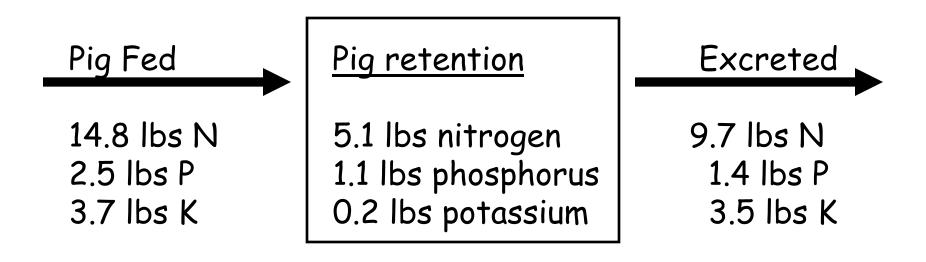
| • | | - , | | | Average |
|--------------------|---------------------|-------------------|-----------------|-----------|---------|
| <u>Summer 2008</u> | MU Diet with | <u>phytase an</u> | <u>d lysine</u> | | Daily |
| Animal weight | Crude Protein | Phosphorus | Potassium | F/G ratio | Gain |
| lbs | % | % | % | | lbs |
| 45-80 | 16.5 | 0.46 | 0.65 | 2.0 | 1.50 |
| 80-130 | 15.1 | 0.43 | 0.60 | 2.4 | 1.75 |
| 130-190 | 13.7 | 0.36 | 0.55 | 3.0 | 1.95 |
| 190-230 | 12.9 | 0.32 | 0.50 | 3.2 | 1.90 |
| 230-280 | 12.2 | 0.32 | 0.50 | 3.6 | 1.75 |

Calculations: Weight increase X F/G ratio X Nutrient concentration = lbs nutrient fed Weight increase / Average daily gain = Days on feed

Nutrients retained by Pigs on Feed



As a pig grows from 45 to 280 lbs.



Pigs are inefficient with nutrients

Excrete ~65% consumed N Excrete ~57% consumed P Excrete ~95% consumed K

Calculation: Weight increase X fraction of nutrients retained = lbs nutrient retained

What are those nutrients worth? **K**₂O Ν P_2O_5 Total - \$ per Pig - -2.49 19.06 Fed 10.39 6.18 Excreted 2.39 6.77 3.54 12.67 But there are losses that reduce value of excreted nutrients...

Based on \$0.70/lb N, \$01.10/lb P₂O₅, \$0.55/lb K₂O

Slurry Systems

N loss from barns

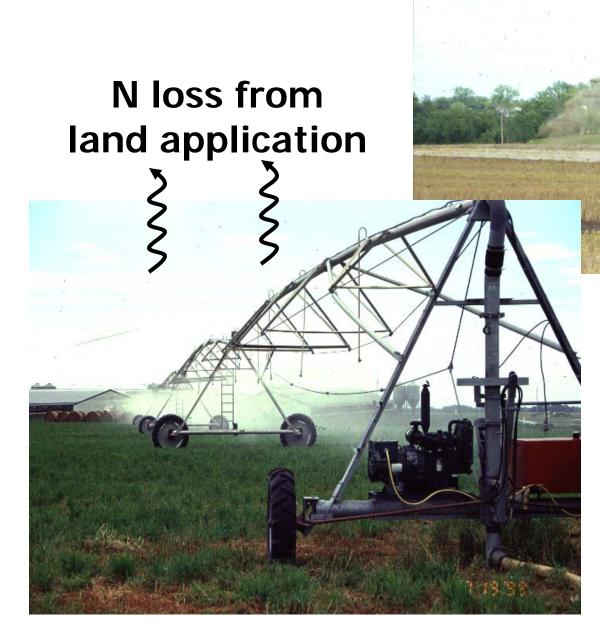
N loss from Slurry tank

Nitrogen losses: Phosphorus losses: Potash losses:

and the second states

~30% 0

A



N loss from land application

Surface Application

Ammonia losses: Range - 20 to 80% MDNR – 50% of ammonia N

Little N loss from land application





Injection Application

Losses: MDNR – 5% of ammonia N Plant Availability of Nutrients

- 62% of organic N

- 100% of everything else

What are those nutrients worth? <u>Slurry System</u>

| | N | P ₂ O ₅ | K ₂ O per Pig | Total |
|--|--------------|-------------------------------|-----------------------------|--------------|
| Excreted | 6.77 | 3.54 | 2.39 | 12.67 |
| Pumped | 4.74 | 3.54 | 2.39 | 10.68 |
| Plant available surface injected | 2.66 3.72 | 3.54 3.54 | 2.39 2.39 | 8.58 9.65 |

Based on 0.70/lb N, $1.10/lb P_2O_5$, $0.55/lb K_2O$

Lagoon Systems

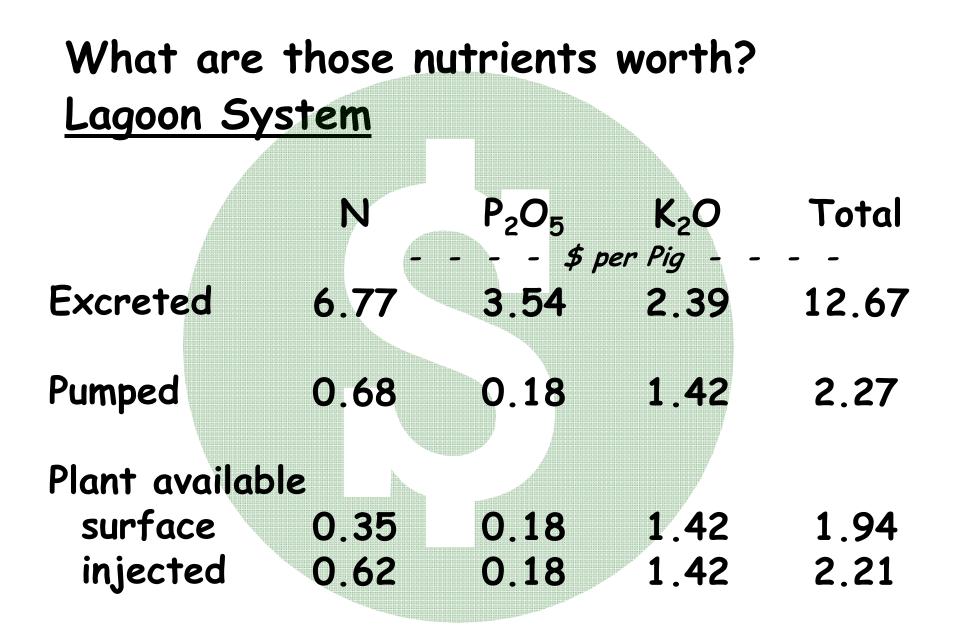
N loss from lagoon N loss from barns

P settles tobottom of lagoon

- INFORME

N settles to bottom of lagoon

Nitrogen losses:~90%Phosphorus losses:~95%Potash losses:~40%



Based on \$0.70/lb N, \$1.10/lb P₂O₅, \$0.55/lb K₂O

Options for Increasing Manure Value: Lagoon System

- Inject manure
- Lagoon cover
- Agitate/dredge lagoon
- Convert from lagoon to slurry system

Agitate/Dredge Lagoon

Maximum potential value (injected)

| | Ν | P ₂ O ₅ | K ₂ O | |
|------------|------|-------------------------------|------------------|------|
| Unagitated | | - | 1.42 | 2.21 |
| Agitated | 2.66 | 3.54 | 2.36 | 8.55 |

- Potential issues
 - Difficult to fully agitate lagoons.
 - Incomplete agitation leads to variability in nutrient concentration.
 - Difficult to predict nutrient concentration.
 - Manure has low N:P ratio.

Convert to Slurry System - pull-plug gravity system

Maximum potential value (injected)

| | | P_2O_5 | — | |
|--------|------|-------------|------|------|
| Lagoon | 0.62 | \$¢ 0.18 | | 2.21 |
| Slurry | 3.72 | 3.54 | 2.36 | 9.62 |

- Approaches
 - Éliminate lagoon and build slurry tank.
 - Build transfer tank maintaining lagoon as backup storage.
- Potential issues
 - Cost of tank and new land application equipment.

Convert to Slurry System - sloped gutter flush systems

- Challenge
 - Must maintain a source of flush water.
 - Cannot convert flush systems to gravity flow.
 - Converting to scraper system complex and high odor.
- Approach
 - Solid separation (not particularly effective at concentrating nutrients).
 - Build two tanks
 - Initial tank to settle solids (land apply from this tank).
 - Flushing water tank for decanted water from first tank.
- Potential issues
 - Lots of cost for little benefit.

Increasing Manure Value in Lagoons

| | Potential value | Odds to get fertilizer value | Capital cost |
|--------------------------------|--------------------|---------------------------------|--------------------------------------|
| \$/ | /pig space/ | yr ¹ | |
| Injection | 0.60 | High | \$20,000 |
| Agitation | 13.95 | Low-medium | \$12,000 |
| Conversion Gravity Flush | 16.29 ? | High \$1 Medium-high | .00/pig space ² ? high |

¹ Based on 2.2 turns/year

² Estimated cost of cement tank only.



We Keep Getting More Efficient at Raising Pigs.



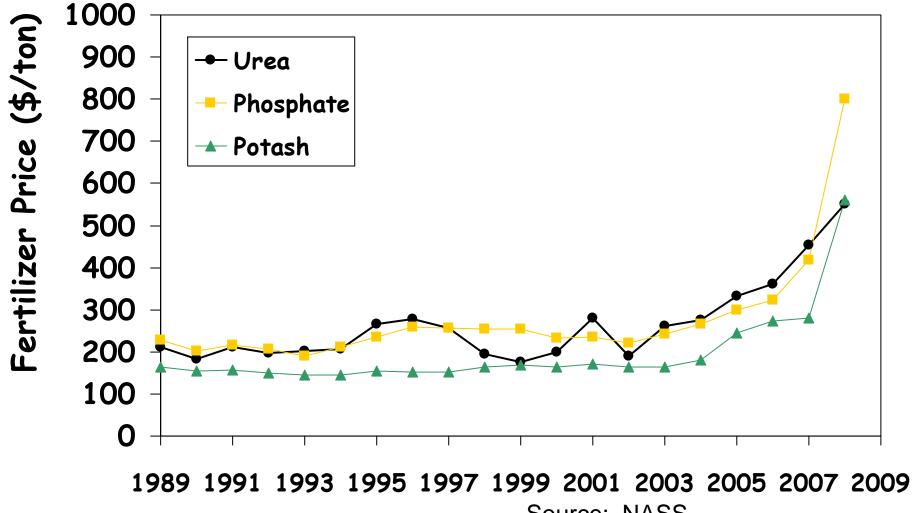
We Keep Getting More Efficient at Raising Pigs.

| | F/G | ADG | СР | Ρ | Κ |
|-------------------------|------|--------|------|------|------|
| Diet | | (lb/d) | (%) | (%) | (%) |
| Early 2000 MU diet | 3.24 | 1.8 | 15.5 | 0.61 | 0.55 |
| 2007 KSU, phytase added | 2.85 | 1.7 | 15.0 | 0.44 | 0.55 |
| 2008 MU, phytase added | 2.89 | 1.7 | 13.7 | 0.36 | 0.55 |
| Reduction (%) | 10 | | 11 | 39 | |

Consequently Pigs are Excreting Fewer Nutrients.

| Excreted Nutrients | | |
|--------------------|--------------------------------------|--|
| Ν | P_2O_5 | K ₂ O |
| (lb/pig) | (lb/pig) | (lb/pig) |
| 13.8 | 8.1 | 4.8 |
| 11.0 | 4.3 | 4.3 |
| 9.7 | 3.2 | 4.3 |
| 30 | 60 | 10 |
| | N (lb/pig) 13.8 11.0 9.7 | N P_2O_5 (lb/pig)13.88.111.04.39.73.2 |

But Fertilizer Prices are Skyrocketing.



Source: NASS Based on April National fertilizer price

Impact on Manure Value - Injected Slurry.

| | | Area fertilized ² | | |
|------------------------|------------------------------|------------------------------|---------|--|
| | Value of Manure ¹ | N-based | P-based | |
| Diet | (\$/ pig) | (Acre | s/pig) | |
| Early 2000 MU diet | 4.34 | 0.09 | 0.08 | |
| 2007 KSU, phytase adde | d 5.86 | 0.07 | 0.04 | |
| 2008 MU, phytase added | 7.92 | 0.06 | 0.03 | |
| Change (%) | +82 | -29 | -60 | |

¹Fertilizer value based on NASS data in April

- 2000 N=\$0.22/lb; P2O5=\$0.25/lb; K2O=\$0.13/lb
- 2007 N=\$0.49/lb; P2O5=\$0.45/lb; K2O=\$0.23/lb

2008 N=\$0.60/lb; P2O5=\$0.87/lb; K2O=\$0.45/lb

²Based on Corn (150 bu/A) – Bean (40 bu/A) rotation.

We keep getting more efficient at raising pigs

- Loss of income for contract operations using manure as a fertilizer on their farm.
- Impact on independent operations?
 - Good news for land limited operations.
 - Other operations need to evaluate relative impact of fertilizer and feed costs.





11 L

Integrating fertilizer value into feed management decisions.

Forces affecting diet decisions.

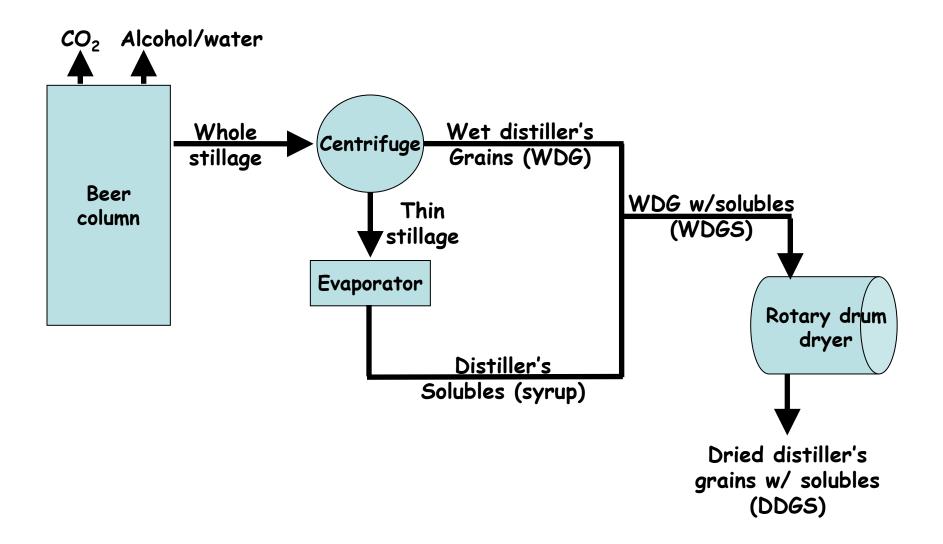
- High grain prices
- Economics of byproduct feeds.
- Low hog and chicken prices.

Should fertilizer value of manure affect feed decisions?

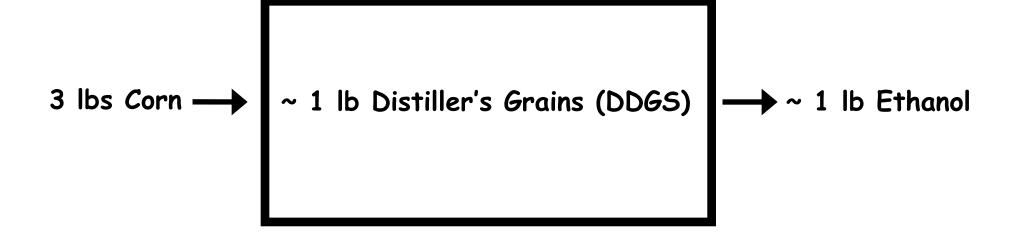
Impact of Dried Distillers Grains on Manure Management



Ethanol Byproducts - Dry grind plants



MASS BALANCE



Theoretical
$$C_6H_{12}O_6 \longrightarrow 2 C_2H_5OH + 2 CO_2$$

Molecular wt. 180 92 88
(g/mol)

Impact of Dried Distillers Grains on Manure Management.

| | Corn Grain | DDGS |
|---------------|------------|------|
| Crude Protein | 9.0 | 31.3 |
| Phosphorus | 0.29 | 0.86 |
| Potassium | 0.36 | 1.21 |
| Sulfur | 0.13 | 0.58 |

All values on a 100% DM basis.

Based on Belyea et al., 2004 Clevenger et al., 2001

Impact of Dried Distillers Grains on Manure Management.

| | Crude | Protein | Phosp | horus | Potas | sium |
|------------------------------|-------|---------|-------|-------|-------|----------|
| Ration | STD | DDGS | STD | DDGS | STD | DDGS |
| | % | | | % | % | <u> </u> |
| Pig grower ¹ | 18.2 | 19.4 | 0.8 | 0.8 | 0.8 | 0.8 |
| Dairy lactating ² | 17.0 | 17.0 | 0.36 | 0.37 | 1.4 | 1.3 |
| Beef finish ³ | 13.0 | 16.1 | 0.32 | 0.44 | 0.60 | 0.67 |

¹ Grower pig ration with 10% inclusion rate.

² Lactating cow ration with 20% inclusion rate (Anderson et al., 2006).

⁴ Beef finish ration with 30% inclusion rate (Al-Suwaiegh et al., 2002)

Impact of Dried Distillers Grains on Manure Management.

Impact of Dried Distillers Grains on Manure Management

| | Pig Gro | ower | Dairy la | actating | Beef | finish |
|----------------|---------|-------|----------|----------|------|--------|
| Diet component | STD | DDGS | STD | DDGS | STD | DDGS |
| | % | , | ? | % | % | |
| Corn grain | 69.7 | 61.84 | 35.6 | 26.71 | 84 | 54↓ |
| Corn silage | - | - | 25.0 | 25.0 | - | - |
| Soybean meal | 23.7 | 24.7 | 12.5 | 1.6 🗸 | - | 14 |
| Alfalfa | - | 1-1 | 25.0 | 25.0 | 7.5 | 7.5 |
| DDGS | 0 | 10.0个 | 0 | 20.0个 | 0 | 30个 |
| Dical | 2.35 | 2.09↓ | 0.22 | 0 ↓ | - | - |

Impact of Dried Distillers Grains on Manure Management.

- Beef
 - Will increase manure nutrients and manure value.
- Dairy
 - Higher inclusion rates will increase nutrients and manure value.
- Pigs
 - Will have limited impact on manure nutrients.



Integrating fertilizer value into feed management decisions.

An example: Supplemental feed for beef cattle. • Should I buy corn or high quality hay to supplement short pasture?

| Parameter | Corn | Hay |
|----------------------------|------|-----|
| Cost (\$/ton) | 190 | 135 |
| Dry Matter (%) | 84.5 | 90 |
| Total Digestible Nutrients | | |
| (%TDN) | 90 | 60 |
| Tons feed/ton TDN | 1.3 | 1.9 |

Integrating fertilizer value into feed management decisions.

An example: Supplemental feed for beef cattle.

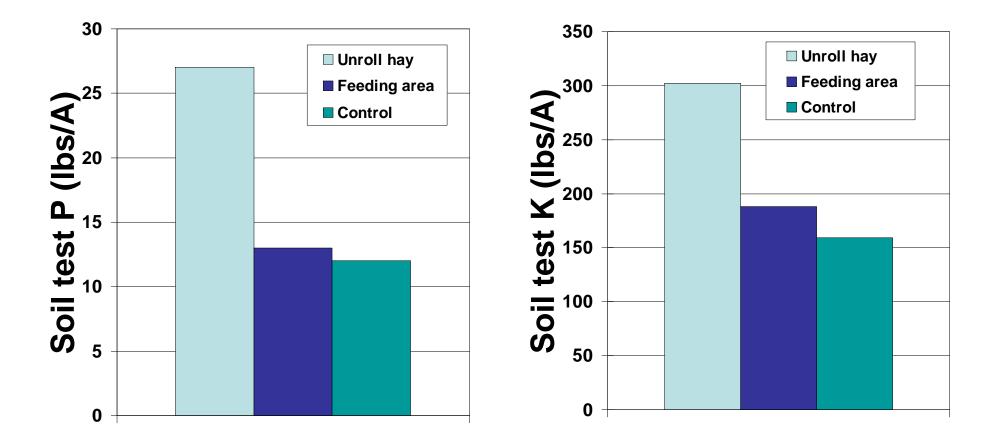
Should I buy corn or high quality hay to supplement short pasture?

| Parameter | Corn | Hay |
|--|------|-----|
| Cost per ton TDN (\$/ton TDN) | 250 | 250 |
| Fertilizer value per ton TDN (\$/ton TDN) | 26 | 90 |
| Net cost per ton TDN (\$/ton TDN) | 224 | 160 |



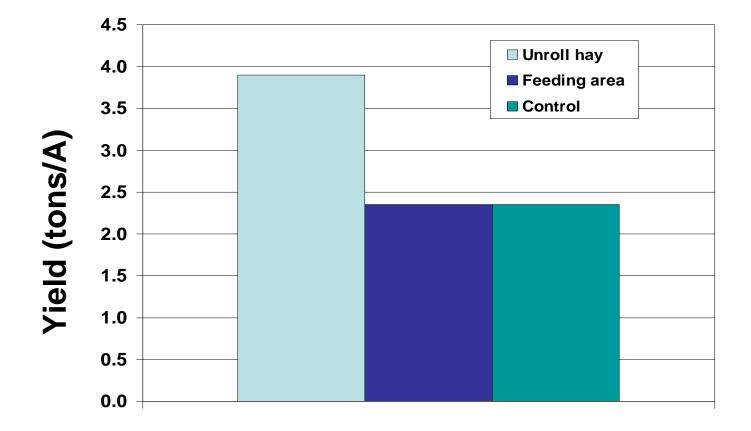
Feed as Fertilizer

Management needed to distribute nutrients!



- 4-year study
- Chris Zumbrunnen, NE MO

Management needed to distribute nutrients!



- 4-year study

- Chris Zumbrunnen, NE MO

Recipe for success

- Regularly move feeders and feeding areas around the pasture.
- Increase the stocking density of animals but move animals more frequently.
- Do not use the same pasture for supplemental feeding every year.
- Maintain a setback area of at least 100 feet between supplemental feeding areas and streams.

Impact of Dried Distillers Grains on Manure Management

| | Corn Grain | DDGS |
|---------------------------------|-------------|--------------------|
| Crude Protein | 8.8 | 28.5 |
| Phosphorus | 0.29 | 0.86 |
| Potassium | 0.36 | 1.21 |
| Sulfur | 0.13 | 0.58 |
| Metabolizable energy (BTU/lb | 7200 | 7000 |
| All values on a 100% DM basis. | | Based on Belyea et |

ed on Belyea et al., 2004 Clevenger et al., 2001

| Nitrogen | <u>Corn Grain</u> <i>Ibs per</i> 28 | DDGS ton 92 |
|---------------------------------------|---|-------------------|
| Phosphate | 13 | 39 |
| Potash | 9 | 30 |
| Approx. nutrient value (\$/ton) | \$32 | \$100 |

Integrating fertilizer value into feed management decisions.

Forces affecting diet decisions.

- High grain prices
- Economics of byproduct feeds.
- Low hog and chicken prices.

Should fertilizer value of manure affect feed decisions?



Questions?