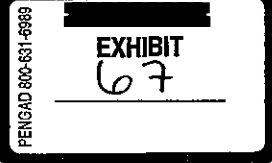


ANALYSIS OF PROPOSAL 1 – PROPOSED SECTION 1051.7(c)



JULY 2015 - CSO PRICES	PRICE LEVEL AND SOURCE
NORTHERN CA CLASS 1	\$18.42 – EX. 64, TABLE 5.A.6
CLASS 4a	\$13.03 – EX. 64, TABLE 5.D.6
CSO BLEND	\$14.78 – EX. 64, TABLE 5.C.6
CSO OVERBASE	\$14.32 – EX. 64, TABLE 5.D.6
IMPUTED RENO PLANT BLEND AT 90% CLASS 1, 10% CLASS 4a	\$17.88 = (\$18.42 X 90%) + (\$13.03 X 10%)
COOPERATIVE RECEIPTS FOR MILK DELIVERED TO RENO PLANT WITH REMAINDER RECEIVED AND PROCESSED INTO CLASS 4a PRODUCTS ASSUMING A FMMO BUT AT CSO PRICES (USING CSO CLASS PRICES)	
80% RENO RECEIPTS	\$16.91 = (\$17.88 X 80%) + (\$13.03 X 20%)
60% RENO RECEIPTS	\$15.94 = (\$17.88 X 60%) + (\$13.03 X 40%)
50% RENO RECEIPTS	\$15.46 = (\$17.88 X 50%) + (\$13.03 X 50%)
BREAKEVEN – 26.6% RENO RECEIPTS	\$14.32 = (\$17.88 X 26.6%) + (\$13.03 X 73%)
COOPERATIVE RECEIPTS FOR MILK DELIVERED TO RENO PLANT WITH REMAINDER RECEIVED AND PROCESSED INTO CLASS 4a PRODUCTS ASSUMING A FMMO BUT AT CSO PRICES (USING CSO CLASS AND OVERBASE PRICES)	
80% RENO RECEIPTS	\$17.17 = (\$17.88 X 80%) + (\$14.32 X 20%)
60% RENO RECEIPTS	\$16.46 = (\$17.88 X 60%) + (\$14.32 X 40%)
50% RENO RECEIPTS	\$16.11 = (\$17.88 X 50%) + (\$14.32 X 50%)
BREAKEVEN – 0% RENO RECEIPTS	\$14.32 = (\$17.88 X 0%) + (\$14.32 x 100%)

ANALYSIS OF PROPOSAL 1 – PROPOSED SECTION 1051.7(c)

JULY 2015 – IMPUTED FMMO PRICES	PRICE LEVEL AND SOURCE
FMMO CA CLASS I	\$18.45 – EX. 64, TABLE 5.A.6
CLASS IV	\$13.15 – EX. 64, TABLE 5.E.8
FMMO BLEND	\$15.51 – EX. 64, TABLE 5.E.8
FMMO NON-QUOTA BLEND	\$15.08 – EX. 64, TABLE 5.E.8 = (\$15.51 – (\$0.37 [quota] + \$0.09 [transport] - \$0.03 [RQA])
IMPUTED RENO PLANT BLEND AT 90% CLASS I, 10% CLASS IV [assumes that Nevada prices change to match FMMO prices]	\$ 17.92 = (\$18.45 X 90%) + (\$13.15 X 10%)
COOPERATIVE RECEIPTS FOR MILK DELIVERED TO RENO PLANT WITH REMAINDER RECEIVED AND PROCESSED INTO CLASS IV PRODUCTS ASSUMING A FMMO AND AT FMMO PRICES (USING FMMO CLASS AND IMPUTED NON-QUOTA BLEND PRICES)	
80% RENO RECEIPTS	\$17.35 = (\$17.92 X 80%) + (\$15.08 X 20%)
60% RENO RECEIPTS	\$16.78 = (\$17.92 X 60%) + (\$15.08 X 40%)
50% RENO RECEIPTS	\$16.50 = (\$17.92 X 50%) + (\$15.08 X 50%)
BREAK EVEN – 0% RENO RECEIPTS	\$15.08 = (\$17.92 X 0%) + (\$15.08 x 100%)
COOPERATIVE RECEIPTS FOR MILK DELIVERED TO RENO PLANT WITH REMAINDER RECEIVED AND PROCESSED INTO CLASS IV PRODUCTS ASSUMING A FMMO AND AT FMMO PRICES (USING FMMO CLASS AND FMMO BLEND APPLIED TO OUT-OF-STATE MILK)	
80% RENO RECEIPTS	\$17.44 = (\$17.92 X 80%) + (\$15.51 X 20%)
60% RENO RECEIPTS	\$16.96 = (\$17.92 X 60%) + (\$15.51 X 40%)
50% RENO RECEIPTS	\$16.72 = (\$17.92 X 50%) + (\$15.51 X 50%)
0% RENO RECEIPTS	\$15.51 = (\$17.92 X 0%) + (\$15.51 x 100%)