

Estimated Impact of Proposal 1 - Eliminating the Producer Handler Provision
Federal Order 5 - Appalachian Marketing Area
January 2008 - March 2009

DATA RESTRICTED DUE TO IMPACT CALCULATED ON 2 HANDLERS

	Estimated Total Producer Milk Classified Value	Change in Classified Value	Change to Uniform Price	# of Handlers
Jan-08				2
Feb-08				2
Mar-08				2
Apr-08				2
May-08				2
Jun-08				2
Jul-08				2
Aug-08				2
Sep-08				2
Oct-08				2
Nov-08				2
Dec-08				2
Jan-09				2
Feb-09				2
Mar-09				1

Impact of Proposal 2 - Increasing the Exempt Plant Limit to 450,000 Pounds
Federal Order 5 - Appalachian Marketing Area
January 2008 - March 2009

DATA RESTRICTED DUE TO IMPACT CALCULATED ON 1 HANDLER

	Estimated Total Producer Milk Classified Value	Change in Classified Value	Change to Uniform Price
Jan-08			
Feb-08			
Mar-08			
Apr-08			
May-08			
Jun-08			
Jul-08			
Aug-08			
Sep-08			
Oct-08			
Nov-08			
Dec-08			
Jan-09			
Feb-09			
Mar-09			

Estimated Impact of Proposal 1 and 2 - Eliminating Producer Handler Provision and Increasing the Exempt Plant Limit to 450,000 Pounds
Federal Order 5 - Appalachian Marketing Area
January 2008 - March 2009

DATA RESTRICTED DUE TO IMPACT CALCULATED ON 1 HANDLER

	Estimated Total Producer Milk Classified Value	Change in Classified Value	Change to Uniform Price
Jan-08			
Feb-08			
Mar-08			
Apr-08			
May-08			
Jun-08			
Jul-08			
Aug-08			
Sep-08			
Oct-08			
Nov-08			
Dec-08			
Jan-09			
Feb-09			
Mar-09			

**Theoretical Effect of Proposal 1 and 2
Arizona Order (FO 131) 1/
January 2008 through March 2009**

Month/ Year	Original Pool Value	Announced Statistical Uniform Price	Modified Pool Value	Modified Statistical Uniform Price	Change	
					Pool Value	Statistical Uniform Price
Jan-08						
Feb-08						
Mar-08						
Apr-08						
May-08						
Jun-08						
Jul-08						
Aug-08						
Sep-08						
Oct-08						
Nov-08						
Dec-08						
Jan-09						
Feb-09						
Mar-09						

No plants become regulated by Proposal 1 under the Arizona Order.

No plants become exempt by Proposal 2 under the Arizona Order

1/ Proposal 1 & 2 are as follows:

Proposal 1

Remove and reserve § 1131.10.

Proposal 2

Amend § 1000.8 by revising paragraph (e)(4) to read as follows:

§ 1000.8 Nonpool plant.

(e) (4) A plant that in all markets has route disposition and packaged sales of fluid milk products to other plants of 450,000 pounds or less during the month, all of which are uniquely branded.

Requested by:
Ben Yale
Date: unknown
Item 3

Prepared by:
Market Administrator's Office
Seattle, Washington
April 2009

FMO 032 Price Calculations assuming PD exemption eliminated

DATE	FMO	ACT PPD	ACT SUP	ADJ PPD	Adj SUP	DIFF
200801	32	\$0.39	\$19.71	\$0.46	\$19.78	\$0.07
200802	32	\$1.08	\$18.11	\$1.16	\$18.19	\$0.08
200803	32	-\$1.15	\$16.85	-\$1.12	\$16.88	\$0.03
200804	32	\$0.72	\$17.48	\$0.77	\$17.53	\$0.05
200805	32	-\$1.10	\$17.08	-\$1.08	\$17.10	\$0.02
200806	32	-\$1.75	\$18.50	-\$1.72	\$18.53	\$0.03
200807	32	\$1.14	\$19.38	\$1.21	\$19.45	\$0.07
200808	32	\$1.00	\$18.32	\$1.05	\$18.37	\$0.05
200809	32	\$1.16	\$17.44	\$1.22	\$17.50	\$0.06
200810	32	-\$0.76	\$16.30	-\$0.73	\$16.33	\$0.03
200811	32	\$0.10	\$15.61	\$0.19	\$15.70	\$0.09
200812	32	-\$1.65	\$13.63	-\$1.54	\$13.74	\$0.11
200901	32	\$1.71	\$12.49	\$1.83	\$12.61	\$0.12
200902	32	\$1.07	\$10.38	\$1.12	\$10.43	\$0.05
200903	32	\$0.00	\$10.44	\$0.02	\$10.46	\$0.02

FMO 032 Price Calculations assuming 450K exemption

DATE	FMO	Actual PPD	Stat UP	Adj PPD	Stat UP	Difference
200801	32	\$0.39	\$19.71	\$0.39	\$19.71	\$0.00
200802	32	\$1.08	\$18.11	\$1.08	\$18.11	\$0.00
200803	32	-\$1.15	\$16.85	-\$1.15	\$16.85	\$0.00
200804	32	\$0.72	\$17.48	\$0.72	\$17.48	\$0.00
200805	32	-\$1.10	\$17.08	-\$1.10	\$17.08	\$0.00
200806	32	-\$1.75	\$18.50	-\$1.74	\$18.51	\$0.01
200807	32	\$1.14	\$19.38	\$1.14	\$19.38	\$0.00
200808	32	\$1.00	\$18.32	\$1.00	\$18.32	\$0.00
200809	32	\$1.16	\$17.44	\$1.17	\$17.45	\$0.01
200810	32	-\$0.76	\$16.30	-\$0.76	\$16.30	\$0.00
200811	32	\$0.10	\$15.61	\$0.10	\$15.61	\$0.00
200812	32	-\$1.65	\$13.63	-\$1.64	\$13.64	\$0.01
200901	32	\$1.71	\$12.49	\$1.71	\$12.49	\$0.00
200902	32	\$1.07	\$10.38	\$1.07	\$10.38	\$0.00
200903	32	\$0.00	\$10.44	\$0.00	\$10.44	\$0.00

FMO 032 Price Calculations assuming 450K exemption & PD Exemption eliminated

DATE	FMO	Actual PPD	Stat UP	Adj PPD	Stat UP	Difference
200801	32	\$0.39	\$19.71	\$0.46	\$19.78	\$0.07
200802	32	\$1.08	\$18.11	\$1.16	\$18.19	\$0.08
200803	32	-\$1.15	\$16.85	-\$1.12	\$16.88	\$0.03
200804	32	\$0.72	\$17.48	\$0.77	\$17.53	\$0.05
200805	32	-\$1.10	\$17.08	-\$1.08	\$17.10	\$0.02
200806	32	-\$1.75	\$18.50	-\$1.72	\$18.53	\$0.03
200807	32	\$1.14	\$19.38	\$1.21	\$19.45	\$0.07
200808	32	\$1.00	\$18.32	\$1.05	\$18.37	\$0.05
200809	32	\$1.16	\$17.44	\$1.22	\$17.50	\$0.06
200810	32	-\$0.76	\$16.30	-\$0.73	\$16.33	\$0.03
200811	32	\$0.10	\$15.61	\$0.19	\$15.70	\$0.09
200812	32	-\$1.65	\$13.63	-\$1.54	\$13.74	\$0.11
200901	32	\$1.71	\$12.49	-\$1.83	\$12.61	\$0.12
200902	32	\$1.07	\$10.38	\$1.12	\$10.43	\$0.05
200903	32	\$0.00	\$10.44	\$0.02	\$10.46	\$0.02

Producer Handler Hearing
 Change in Pool Values & Statistical Uniform Price per Proposals 1,2 & 3
 Federal Order 33-Mideast Marketing Area

	Total Pool Value	Statistical Uniform Price	Proposal 1 * Pool Value	Change in Pool Value	Proposal 1* Uniform Price	Change in Uniform Price	Proposal 2 ** Pool Value	Change in Pool Value	Proposal 2 ** Uniform Price	Change in Uniform Price	Proposal 3 *** Pool Value	Change in Pool Value	Proposal 3 *** Uniform Price	Change in Uniform Price				
Jan-08	\$311,974,700.79	\$20.25			R2	\$20.26	\$0.01				R1	\$20.25	\$0.00	\$312,521,446.26	\$546,745.47	R2	\$20.25	\$0.00
Feb-08	\$268,280,520.93	\$18.65			R1	\$18.65	\$0.00				R1	\$18.65	\$0.00				\$18.65	\$0.00
Mar-08	\$232,315,805.44	\$17.21			R2	\$17.21	\$0.00				R2	\$17.21	\$0.00	\$232,675,656.41	\$359,850.97		\$17.21	\$0.00
Apr-08	\$263,483,962.98	\$17.77			R2	\$17.78	\$0.01				R2	\$17.77	\$0.00	\$263,916,166.61	\$432,203.63		\$17.77	\$0.00
May-08	\$219,522,296.09	\$17.53			R2	\$17.53	\$0.00	\$219,173,926.45	(\$348,369.64)		R2	\$17.53	\$0.00	\$219,619,703.17	\$97,407.08		\$17.53	\$0.00
Jun-08	\$230,093,381.05	\$18.96			R2	\$18.96	\$0.00				R2	\$18.96	\$0.00	\$230,355,469.98	\$262,088.93		\$18.96	\$0.00
Jul-08	\$271,759,126.48	\$19.71			R2	\$19.72	\$0.01				R2	\$19.71	\$0.00	\$272,212,578.86	\$453,452.38		\$19.71	\$0.00
Aug-08	\$249,054,333.85	\$18.70			R1	\$18.71	\$0.01				R2	\$18.70	\$0.00	\$249,400,539.33	\$346,205.48		\$18.70	\$0.00
Sep-08	\$231,126,754.36	\$18.05			R2	\$18.06	\$0.01	\$230,973,590.69	(\$153,163.67)		R2	\$18.05	\$0.00	\$231,540,256.42	\$413,502.06		\$18.06	\$0.01
Oct-08	\$210,693,572.28	\$16.80			R2	\$16.80	\$0.00	\$210,536,061.70	(\$157,510.58)		R2	\$16.80	\$0.00	\$210,970,504.37	\$276,932.09		\$16.80	\$0.00
Nov-08	\$226,802,922.90	\$16.32			R1	\$16.33	\$0.01	\$226,658,099.21	(\$144,823.69)		R2	\$16.32	\$0.00	\$227,100,035.05	\$297,112.15		\$16.32	\$0.00
Dec-08	\$189,908,834.23	\$14.42			R2	\$14.42	\$0.00	\$189,779,413.91	(\$129,420.32)		R2	\$14.42	\$0.00	\$190,245,469.04	\$336,634.81		\$14.42	\$0.00
Jan-09	\$193,752,901.15	\$13.22			R1	\$13.23	\$0.01	\$193,622,862.87	(\$130,038.28)		R2	\$13.22	\$0.00	\$194,055,041.73	\$302,140.58		\$13.22	\$0.00
Feb-09	\$144,899,096.70	\$10.83			R1	\$10.84	\$0.01	\$144,815,012.87	(\$84,083.83)		R2	\$10.83	\$0.00	\$145,100,672.87	\$201,576.17		\$10.83	\$0.00
Mar-09	\$157,140,400.70	\$10.73			R1	\$10.73	\$0.00	\$157,017,357.15	(\$123,043.55)		R2	\$10.73	\$0.00	\$157,294,765.33	\$154,364.63		\$10.73	\$0.00

* Proposal 1 is restricted in all months, only one or two handlers involved.

** Proposal 2 is restricted in Jan-Apr 08 and Jun-Aug 08

*** Proposal 3 is restricted in Feb 08

\$312,570,200.99	\$595,500.20	\$311,925,946.06	(\$48,754.73)
\$268,750,683.46	\$470,162.53	\$268,237,618.14	(\$42,902.79)
\$232,827,312.51	\$511,507.07	\$232,164,149.34	(\$151,656.10)
\$264,018,624.60	\$534,661.62	\$263,381,504.99	(\$102,457.99)
\$219,968,072.81	\$445,776.72		
\$230,557,133.68	\$463,752.63	\$229,891,717.35	(\$201,663.70)
\$272,506,685.56	\$747,559.08	\$271,465,019.78	(\$294,106.70)
\$249,565,330.06	\$510,996.21	\$248,889,543.12	(\$164,790.73)
\$231,693,420.09	\$566,665.73		
\$211,128,014.95	\$434,442.67		
\$227,244,858.74	\$441,935.84		
\$190,374,889.36	\$466,055.13		
\$194,185,080.01	\$432,178.86		
\$145,184,756.70	\$285,660.00		
\$157,417,808.88	\$277,408.18		

Pool Price Recalculations Under 3 Scenarios -- Northeast Milk Marketing Area

	2008												2009		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	dollars per hundredweight														
Scenario 1															
Actual Uniform Price*	21.11	19.54	17.89	18.55	18.18	19.56	20.61	19.50	18.90	17.44	17.09	15.06	14.14	11.75	11.56
Recalculated Uniform Price*	21.16	19.57	17.93	18.59	18.22	19.61	20.65	19.53	18.93	17.48	17.13	15.11	14.16	11.77	11.58
Difference	0.05	0.03	0.04	0.04	0.04	0.05	0.04	0.03	0.03	0.04	0.04	0.05	0.02	0.02	0.02
Scenario 2															
Actual Uniform Price*	21.11	19.54	17.89	18.55	18.18	19.56	20.61	19.50	18.90	17.44	17.09	15.06	14.14	11.75	11.56
Recalculated Uniform Price*	21.10	19.52	17.88	18.54	18.18	19.54	20.59	19.49	18.88	17.43	17.08	15.05	14.13	11.75	11.55
Difference	(0.01)	(0.02)	(0.01)	(0.01)	0.00	(0.02)	(0.02)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)	0.00	(0.01)
Scenario 3															
Actual Uniform Price*	21.11	19.54	17.89	18.55	18.18	19.56	20.61	19.50	18.90	17.44	17.09	15.06	14.14	11.75	11.56
Recalculated Uniform Price*	21.13	19.55	17.91	18.57	18.20	19.58	20.62	19.51	18.91	17.45	17.10	15.08	14.16	11.76	11.57
Difference	0.02	0.01	0.02	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.02	0.02	0.01	0.01

* Uniform Price @ 3.5% butterfat at Suffolk County, MA.

Request on Proposal #1
 Effect on FO 126 of elimination of PD provision

Month	New Pool Value	Pool Value	Change in Pool Value	Change in Statistical Uniform Price
Jan-08	\$ 181,181,966.82	\$ 180,538,353.98	\$ 643,612.84	\$ 0.01
Feb-08	\$ 149,341,329.29	\$ 148,786,537.00	\$ 554,792.29	\$ 0.01
Mar-08	\$ 120,885,996.42	\$ 120,402,106.53	\$ 483,889.89	\$ 0.01
Apr-08	\$ 198,155,606.30	\$ 197,583,658.46	\$ 571,947.84	\$ -
May-08	\$ 126,199,783.75	\$ 125,688,030.74	\$ 511,753.01	\$ -
Jun-08	\$ 123,250,316.67	\$ 122,764,946.26	\$ 485,370.41	\$ -
Jul-08	\$ 202,620,924.35	\$ 202,069,131.09	\$ 551,793.26	\$ -
Aug-08	\$ 175,836,020.99	\$ 175,272,928.87	\$ 563,092.12	\$ -
Sep-08	\$ 166,121,237.86	\$ 165,601,487.08	\$ 519,750.78	\$ -
Oct-08	\$ 101,659,419.94	\$ 101,153,368.66	\$ 506,051.28	\$ 0.01
Nov-08	\$ 166,428,283.95	\$ 165,980,343.61	\$ 447,940.34	\$ 0.01
Dec-08	\$ 94,840,416.15	\$ 94,369,006.59	\$ 471,409.56	\$ 0.01
Jan-09	\$ 149,916,064.00	\$ 149,177,738.99	\$ 738,325.01	\$ 0.01
Feb-09	\$ 112,144,086.78	\$ 111,612,429.91	\$ 531,656.87	\$ -
Mar-09	\$ 80,827,199.20	\$ 80,108,449.72	\$ 718,749.48	\$ -

Request on Proposal # 2
Effect on FO 126 Increasing Exempt Plant to 450,000 lbs

Month	New Pool Value	Pool Value	Change in Pool Value	Change in Statistical Uniform Price
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No effect on any month.
FO 126 does not have any pool plants in the range of 150,000 and 450,000

Request on Proposal #1 & #2

Effect on FO 126 of elimination of PD provision & Increasing Exempt Plant to 450,000 lbs

Month	New Pool Value	Pool Value	Change in Pool Value	Change in Statistical Uniform Price
Jan-08	\$ 181,070,688.55	\$ 180,538,353.98	\$ 532,334.57	\$ 0.01
Feb-08	\$ 149,235,351.45	\$ 148,786,537.00	\$ 448,814.45	\$ -
Mar-08	\$ 120,829,690.98	\$ 120,402,106.53	\$ 427,584.45	\$ 0.01
Apr-08	\$ 198,057,936.43	\$ 197,583,658.46	\$ 474,277.97	\$ -
May-08	\$ 126,110,527.79	\$ 125,688,030.74	\$ 422,497.05	\$ -
Jun-08	\$ 123,162,268.33	\$ 122,764,946.26	\$ 397,322.07	\$ -
Jul-08	\$ 202,514,319.65	\$ 202,069,131.09	\$ 445,188.56	\$ -
Aug-08	\$ 175,741,000.38	\$ 175,272,928.87	\$ 468,071.51	\$ -
Sep-08	\$ 166,037,013.88	\$ 165,601,487.08	\$ 435,526.80	\$ -
Oct-08	\$ 101,591,454.19	\$ 101,153,368.66	\$ 438,085.53	\$ 0.01
Nov-08	\$ 166,378,936.71	\$ 165,980,343.61	\$ 398,593.10	\$ -
Dec-08	\$ 94,760,729.98	\$ 94,369,006.59	\$ 391,723.39	\$ 0.01
Jan-09	\$ 149,837,550.23	\$ 149,177,738.99	\$ 659,811.24	\$ 0.01
Feb-09	\$ 112,110,653.72	\$ 111,612,429.91	\$ 498,223.81	\$ -
Mar-09	\$ 80,774,611.01	\$ 80,108,449.72	\$ 666,161.29	\$ -

FEDERAL ORDER 30 - UPPER MIDWEST MARKETING AREA

Scenario 1*

Month	Change in Pool Value	Scenario 1 Change in Value \$ Per Cwt.	Change in PPD / Statistical UP	Announced Statistical UP
Jan-08				\$ 19.70
Feb-08				\$ 17.63
Mar-08				\$ 17.75
Apr-08				\$ 17.23
May-08				\$ 17.99
Jun-08				\$ 19.79
Jul-08				\$ 18.90
Aug-08				\$ 17.81
Sep-08				\$ 16.85
Oct-08				\$ 17.02
Nov-08				\$ 15.85
Dec-08				\$ 15.04
Jan-09				\$ 11.60
Feb-09				\$ 9.82
Mar-09				\$ 10.57

* Data restricted due to only one plant affected.

Scenario 2*

Month	Change in Pool Value	Scenario 2 Change in Value \$ Per Cwt.	Change in PPD / Statistical UP	Announced Statistical UP
Jan-08				\$ 19.70
Feb-08				\$ 17.63
Mar-08				\$ 17.75
Apr-08				\$ 17.23
May-08				\$ 17.99
Jun-08				\$ 19.79
Jul-08				\$ 18.90
Aug-08				\$ 17.81
Sep-08				\$ 16.85
Oct-08				\$ 17.02
Nov-08				\$ 15.85
Dec-08				\$ 15.04
Jan-09				\$ 11.60
Feb-09				\$ 9.82
Mar-09				\$ 10.57

* Data restricted due to only one plant affected.

FEDERAL ORDER 30 - UPPER MIDWEST MARKETING AREA

Scenario 3*

Month	Change in Pool Value	Scenario 3 Change in Value \$ Per Cwt.	Change in PPD / Statistical UP	Announced Statistical UP
Jan-08				\$ 19.70
Feb-08				\$ 17.63
Mar-08				\$ 17.75
Apr-08				\$ 17.23
May-08				\$ 17.99
Jun-08				\$ 19.79
Jul-08				\$ 18.90
Aug-08				\$ 17.81
Sep-08				\$ 16.85
Oct-08				\$ 17.02
Nov-08				\$ 15.85
Dec-08				\$ 15.04
Jan-09				\$ 11.60
Feb-09				\$ 9.82
Mar-09				\$ 10.57

* Data restricted due to only one plant affected.

**Theoretical Effect of Proposal 1 and 2
Pacific Northwest Order (FO 124) 1/ 2/ 3/ 4/
January 2008 through March 2009**

Month/ Year	Original Pool Value	Announced Statistical Uniform Price	Modified Pool Value	Modified Statistical Uniform Price	Change	
					Pool Value	Statistical Uniform Price
Jan-08	\$119,410,884.87	\$19.39	\$121,270,146.89	\$19.43	\$1,859,262.02	\$0.04
Feb-08	\$110,296,937.58	\$17.47	\$111,904,949.44	\$17.52	\$1,608,011.86	\$0.05
Mar-08	\$84,337,105.63	\$15.94	\$85,831,218.20	\$15.97	\$1,494,112.57	\$0.03
Apr-08	\$113,170,805.71	\$16.95	\$114,744,800.97	\$16.99	\$1,573,995.26	\$0.04
May-08	\$90,760,552.80	\$16.83	\$92,253,069.74	\$16.85	\$1,492,516.94	\$0.02
Jun-08	\$91,872,055.42	\$18.03	\$93,426,473.26	\$18.05	\$1,554,417.84	\$0.02
Jul-08	\$126,403,545.45	\$18.94	\$128,173,622.19	\$18.98	\$1,770,076.74	\$0.04
Aug-08	\$120,208,140.11	\$18.03	\$121,789,302.29	\$18.05	\$1,581,162.18	\$0.02
Sep-08	\$110,185,241.58	\$17.07	\$111,713,563.02	\$17.10	\$1,528,321.44	\$0.03
Oct-08	\$74,642,304.99	\$15.49	\$75,993,464.31	\$15.51	\$1,351,159.32	\$0.02
Nov-08	\$100,829,764.32	\$15.29	\$102,221,163.03	\$15.32	\$1,391,398.71	\$0.03
Dec-08	\$66,266,202.90	\$13.00	\$67,587,230.64	\$13.05	\$1,321,027.74	\$0.05
Jan-09	\$88,278,582.21	\$12.12	\$89,647,966.56	\$12.17	\$1,369,384.35	\$0.05
Feb-09	\$67,534,354.48	\$10.31	\$68,444,923.41	\$10.34	\$910,568.93	\$0.03
Mar-09	\$67,466,566.14	\$10.48	\$68,391,116.36	\$10.49	\$924,550.22	\$0.01

1/ Proposal 1 & 2 are as follows:

Proposal 1

Remove and reserve § 1124.10.

Proposal 2

Amend § 1000.8 by revising paragraph (e)(4) to read as follows:

§ 1000.8 Nonpool plant.

(e) (4) A plant that in all markets has route disposition and packaged sales of fluid milk products to other plants of 450,000 pounds or less during the month, all of which are uniquely branded.

2/ For the Pacific Northwest Order, three current producer-handlers would be affected by Proposal 1. The three producer handlers are:

- | | |
|---|-------------------|
| Garn L. Gilbert, et. al. (d/b/a Country Morning Farms) | Othello, WA |
| Lochmead Farms, Inc. (d/b/a Lochmead Dairy) | Junction City, OR |
| Robert J. Mallorie, et al. (d/b/a Mallorie's Dairy, Inc.) | Silverton, OR |

3/ For the Pacific Northwest Order, no plants become exempt under Proposal 2.

4/ Pooling decisions may have been different had Proposal 1 been effective.

Requested by:

Ben Yale and Ryan K. Miltner
Unknown (Yale) and April 16, 2009 (Miltner)
Item 3 (Yale) and Items 1-3 (Miltner)

Prepared by:

Market Administrator's Office
Bothell, Washington
April 2009