

Exhibit No. _____

Premier Milk Inc.

Emergency Hearing Testimony Caused by Hurricane Irma

Florida Federal Milk Marketing Order 1006

(7 CFR Part 1006)

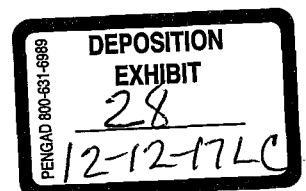
December 12, 2017

Embassy Suites, Tampa, FL

(AMS-DA-17-0068; AO-18-0008)

My name is Thomas Pittman, I am the General Manager and Treasurer of Premier Milk Inc. My business address is 1531 SE 36th Avenue, Ocala, FL 34471. Premier Milk is a Capper-Volstead cooperative association qualified to market milk on the Federal Milk Marketing Orders. Premier Milk markets almost all of its milk on the Florida Federal Milk Marketing Order 1006 every month, with occasional sales in the Southeast Milk Marketing Order 1007.

Premier Milk is here today to provide testimony in support of Proposals Number 1 and 2, as listed in the Notice of Hearing, a request to install temporary emergency provisions in the Florida Federal Milk Marketing Order which would offer reimbursement to handlers of milk regulated under the Order who experienced abnormal milk marketing costs because of the effect of Hurricane Irma in the state of Florida.



During the month of September, Premier Milk was shipping almost all of their milk to TG Lee Dairy in Orange City, FL. We have three members who reside near Myakka City, FL, which is just south of Tampa. We also have 8 members who reside in Lafayette and Suwannee Counties in north central Florida and we had four members who reside in southeast part of GA. All of the members' milk are shipped on a daily basis and was marketed on the Florida Federal Milk Marketing Order in the September 2017.

During the period of Sept 7 – 9, we started experiencing delays in delivering milk to TG Lee Orange City from the Myakka City, FL area. Trucks delivering milk had to travel heavily congested roads while trying to make delivery times. The heavily congested roads were caused by people who were evacuating the southern part of Florida during this time. TG Lee Orange City announced that they would close their plant on Saturday, September 9th at 6 am and would not unload any more milk after that time. The plant would remain closed until late Tuesday afternoon on September 12th. The plant could only operate on generator power until Wednesday morning, so the only thing that they could do was unload milk on late Tuesday, September 12th. They could not process milk any further until the power was fully restored to the plant, which occurred on Wednesday, September 13th.

When Premier Milk was given notice that TG Lee Dairy was closing on Saturday morning, it took steps to minimize any dumping of milk and tried to find other outlets. All other processing plants in FL were closing down in FL as well. We were able to shift milk from our Georgia dairy

farms and some of our Florida dairy farms to Southeastern Cheese in Uniontown, Alabama during this time. We were not able to move much milk from the Myakka City area due to lack of drivers who wanted to be home with their families to prepare for the storms themselves. We worked with Dakin Dairy Farms, a small family owned processor to skim off the butterfat from milk and dump the skim milk. They were limited in the volume of milk they could process due to loss of power at their plant and their plant size restrictions. The marketing losses suffered by the members of Premier Milk for those few days had a significant impact on their pay prices. Couple the marketing losses with the losses that the farms had from structural damage and loss of milk production, most of the members have not been able to pay all of their bills over the last two months.

Premier Milk had marketing losses in three different areas. Some milk was dumped, some milk was marketed to Southeastern Cheese in Uniontown, Alabama, and some milk was skimmed and the butterfat sold to private owned processor.

Exhibit _____ shows the losses in each of the different areas. Premier Milk marketed eight loads of milk to Southeastern Cheese during this time and suffered losses of \$33,408.88.

Premier Milk had to dump 188,176 lbs of milk and most of this dumped milk was attributed to a road that led to the farm was washed out by a flooding river and was repaired three days later. The net loss of the dumped milk was \$31,976.70. Eleven loads of milk were delivered to a small family owned processor who skimmed off the butterfat and dumped the skim milk. The milk sold to Dakin Dairy Farms was done in order to create some empty milk trailers so that some of the Premier Milk members could keep milking their cows. The net loss of this

transaction was \$42,782.22. The total loss created from Hurricane Irma for Premier Milk was \$108,167.79.

One of the main purposes of the Federal Milk Marketing Order program is to ensure a supply of milk for fluid consumption and help provide orderly marketing of milk. Hurricane Irma and the after effects of the hurricane, cause chaotic conditions because of extended closure of milk processing plants throughout the state of Florida. The financial losses incurred by the dairy producers from the storm continue to plague them yet today. Premier Milk and its members, first would like to thank the Secretary of Agriculture to consider this request, and now would like the Secretary to issue an expedited decision on Proposals 1 and 2 for Federal Milk Marketing Order 1006.

This concludes my testimony and now will answer any questions.