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United States Department of Agriculture STOP 9200 – Room 1083 1400 Independence Avenue, S.W. Washington, D.C. 20250-9200

Attention: Hearing Clerk

As a representative of BC-USA a cheese manufacturer in Pennsylvania, I want to file comments relative to the pooling standards of the Northeast Order.

The current method used in determining if a supply plant has met a performance standard by examining the total amount of milk received at the plant and the amount of those receipts shipped to distributing plants needs to be addressed for the following reasons:

- As a supply plant procures additional milk to offset the milk it transfers or diverts to distributing plants, the additional milk receipts become included in the plant's total milk receipts. This increases the quantity of milk that must be transferred or diverted by the supply plant to distributing plants to meet the performance standard for pooling purposes.
- 2) This multiplying effect puts an undue burden on cheese manufacturers to buy additional milk for the sole purpose of meeting the qualification standards.
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- 3) This additional milk purchased from cooperatives has already been qualified for pooling by the cooperative in their total receipts used to determine the amount of milk they must ship to meet supply plant performance requirements.

Adoption of Proposal 8 would address this by excluding pre-qualified cooperative milk from the volume of receipts upon which a supply plant must make shipments in order to be designated as a pool supply plant. Excluding milk received from producers not eligible to be pooled on the Northeast Order from the performance standards for supply plants has been adopted in the pooling provisions of other Federal Orders. The supply plant performance standard should be based on the amount of milk produced by dairy farmers that is pooled through association with the supply plant, regardless of whether or not it was diverted from the plant.

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Nancy T. Henry U Director of Materials Management





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