

April 20, 2005

Hearing Clerk U.S. Department of Agriculture STOP 9200 – Room 1031 1400 Independence Avenue, SW Washington, D.C. 20250-9200

Re: Milk In The Upper Midwest Marketing Area, Recommended Decision. Docket No. AO-361-A39: DA-04-03B.

Alto Dairy Cooperative submits, on behalf of Alto Dairy Cooperative and Foremost Farms USA Cooperative ("Alto *et al*"), the following comments and/or exceptions to the recommended decision of the Upper Midwest Marketing Area published February 22, 2006.

Alto Dairy is a 100-year-old member owned cooperative serving dairy producers throughout Wisconsin and Michigan's Upper Peninsula. It manufactures cheese and value-added dairy products at two state-of-the art facilities located in Waupun, WI and Black Creek, WI. Alto Dairy Cooperative has pooled its members on Federal Order #30, the Upper Midwest Marketing Area, and Federal Order #33, the Mideast Marketing Area.

Foremost Farms USA Cooperative representing 3700 milk producers located in Wisconsin, Minnesota, Iowa, Illinois, Indiana, Ohio and Michigan owns and operates dairy manufacturing facilities in Wisconsin, Iowa and Minnesota as well as two distributing plants in Wisconsin. Foremost Farms USA also supplies Grade A milk to other distributing plants in Federal Orders 5, 30, 32, and 33.

Alto et al is concerned with the following recommended wording;

§ 1030.13 Producer Milk (2) Producer milk qualified pursuant to ____.13 of any other Federal Order and continuously pooled in any Federal Order for the previous six months shall not be included in the computation of the 125 or 135 percent limitation;

If a Grade A producer was pooled for the prior six months on another federal order that has limited depooling, and the handler opted to depool the producer for a limited time, with the

limited time the producer was depooled not comprising a full calendar month, is this producer "continuously pooled"? In this situation, the producer would have been pooled on another Federal Order for the prior six months, but not 100 percent pooled.

The term "continuously" is now subject to the interpretation of the Market Administrator. Alto *et al* does not feel the phrase "continuously pooled" means that the producer had to have all receipts pooled on any Federal Order each month with no allowance for limited depooling. Limited depooling is part of the recommended decision. There was no discussion during the hearing addressing this situation.

Alto et al would propose the wording to be changed to:

§ 1030.13 Producer Milk (2) Producer milk qualified pursuant to ____.13 of any other Federal Order and pooled in any other Federal Order for the previous six months shall not be included in the computation of the 125 or 135 percent limitation;

Respectfully submitted,

Richard R. Scheuerman President and Chief Executive Officer Alto Dairy Cooperative

Joseph W. Weis Vice President – Consumer Products Division Foremost Farms USA Cooperative