

## 1999 MILK ORDER PROVISION SUSPENSIONS.

### Southwest Plains

September 1 (63 FR46866, 9/3/98).

This action suspends, from September 1998 through August 1999, the supply plant shipping requirement that producers deliver at least one day's production of milk to a pool plant during the month before their milk is eligible for diversion to a nonpool plant.

### Texas and Eastern Colorado –

November 11 (64 FR 61199, 11/10/99).

This action suspends certain provisions of these orders until implementation of Federal order reform. This action suspends portions of the pool plant and producer milk definitions under the Texas order. In addition, this action suspends portions of the producer definition under the Eastern Colorado order, making it easier for a cooperative association to qualify milk for pooling under the order.

### Central Arizona and New Mexico West Texas

- November 11 (64 FR 61201, 11/10/99).

This action suspends certain provisions of these orders until implementation of Federal order reform. For the Central Arizona order, this action suspends the requirement that a cooperative association ship at least 50 percent of its receipts to other handler's pool plants to maintain the pool status of a manufacturing plant operated by the cooperative. For the New Mexico-West Texas order, this action suspends: (1) The requirement that milk diverted to a nonpool plant be considered a receipt at the distributing plant from which it was diverted; (2) the requirement that a cooperative association deliver at least 35 percent of its milk to pool distributing plants in order to pool a plant that the cooperative operates which is located in the marketing area and is neither a distributing plant nor a supply plant; (3) the requirement that a producer deliver one day's production to a pool plant during the months of September through January to be eligible to be diverted to a nonpool plant; (4) the provision that limits a cooperative's diversion to nonpool plants to an amount equal to the milk it caused to be delivered to and physically received at pool plants during the month; and (5) the provision that excludes from the pool, milk diverted from a pool plant to the extent that the diverted milk would cause the plant to lose its status as a pool plant.

### Central Arizona –

September 21 (64 FR 50748, 9/20/99).

This action suspends, until the implementation of Federal order reform on October 1, 1999, the requirement that a cooperative association ships at least 50 percent of its receipts to other handler pool plants to maintain pool plant status of a manufacturing plant operated by the cooperative.

### Southwest Plains –

September 1 (64 FR 48081, 9/2/99).

This action suspends a portion of the supply plant shipping standard and the producer delivery requirement of the order for the period of September 1999 through August 2000 or until Federal order reform is completed. The suspension will allow a supply plant that has been associated with the order during the months of September 1998 through January 1999 to qualify as a pool plant without shipping any milk to a pool distributing plant during the following months of September 1999 through August 2000 or until completion of Federal order reform. The action also suspends the requirement that a producer's milk must be received at a pool plant during the month before it is eligible for diversion to an unregulated manufacturing plant.

## **1989 MILK ORDER PROVISION SUSPENSIONS.**

SW Idaho – E. Oregon  
54 FR 50732, 12-11-89

This action indefinitely suspends the provisions that limit the quantity of producer milk that may be diverted from pool plants to nonpool plants by a cooperative association or other handlers.

S Illinois – Eastern Missouri  
54 FR 48078, 11-21-89

This suspension action reduces the shipping standard for pool supply plants to 25% of receipts during November 1989 through January 1990. *Suspension was made at the request of Mid-Am, a supply plant operator, due to a structural change in the market. The distributing plant its supply plant served was sold and ceased receiving milk, and the accounts of the closed distributing plant were shifted to plants regulated and located in other areas. USDA found that suspension was necessary to prevent "costly and inefficient movements of milk ...in order to pool supply plants and the milk of producers who have historically supplied the market."*

*The remaining 25% shipping requirement was later suspended, at the request of Mid-Am, because it would not be able to perform even at the 25% level for its Cabool, Missouri, supply plant without making unnecessary and uneconomic shipments to pool the milk of dairy farmers who have historically been associated with the market. DA-90-004, January 16, 1990.*

Great Basin  
54 FR 46723, 11-7-89

This action suspends for the months of October 1989 through April 1990 the "touch-base" provision that requires a dairy farmer, who was not a producer under the order in the previous month, to have at least one day's milk production received at a pool plant before such milk would be eligible for diversion.

Eastern Colorado  
54 FR 41437, 10-10-89

Metzger testimony, Exhibit \_\_\_\_\_

This action suspends for the months of September 1989 through February 1990 the limit on the period of automatic pool plant status for a supply plant which met pooling standards during a previous September through February. Also suspended for the month of September 1989 through August 1990 is a "touch-base" provision that requires each producers milk to be received at least three times each month at a pool distributing plant and the percentage limits on diversions, which will allow cooperative associations to divert to nonpool plants a volume of milk equal to the volume delivered to pool plant during the month. *Suspension requested by Mid-Am, supported by WDCI, because increases in milk production caused less need for supply plant milk at pool distributing plants and less need to require milk to "touch base" to serve fluid needs.*

Iowa

54 FR 40867, 10-4-89

This action suspends the 50-percent diversion limitation percentage for the months of September – November 1989.

Texas

34 FR 32951

This action continues for August 1989 through July 1990 a suspension for the 60 percent pooling standard for cooperative balancing plants, the restriction on the types of pool plants at which milk receipts are used to determine a cooperatives diversion allowance and the limits on diversions to nonpool plants. The action also continues the suspension, for the same time period, of the performance standards for pooling supply plants and the 15 percent delivery requirement that must be met for each producer for the milk of such producer to be eligible for diversion to a nonpool plant.

E South Dakota

54 FR 31799, 8-2-89

This action suspends for the months of August 1989 through February 1990 the provisions that limit the quantity of producer milk that may be diverted from pool plants by a cooperative or other handlers.

SW Idaho – E Oregon

54 FR 23456, 6-1-89

This action suspends for the months of June through November 1989 the provisions that limit the quantity of producer milk that may be diverted from pool plants to nonpool plants by a cooperative association or other handlers.

Southwest Plants

54 FR 13836, 4-6-89

This action suspends for the months of March-July 1989 the "dairy farmer for other markets" provision. *Increased milk production in adjoining (Texas) market caused Texas producer milk originating in Oklahoma to shift to the SW Plains market. "Dairy farmer for other market" provision suspended, at the request of AMPI (Southern) to accommodate pooling of this new milk on the SW Plains market.*

E. Colorado

54 FR 13667, 4-5-89

This action suspends certain provisions for the months of March through August 1989. One provision relates to the quantity of producer milk that may be moved directly from farms to nonpool manufacturing plants by a cooperative association and still be priced under the order. The other provision requires that each producer's milk be received at least three times each month at a pool distributing plant.

Southwest Plains

54 FR 12584, 3-28-89

This action suspends, for March-August 1989, the monthly requirement that each producer's milk be received at a pool plant to be eligible for diversion to nonpool plants. *Requested by Mid-Am because market milk production was increasing at a faster rate than fluid milk sales. Suspension allows milk of nearby producers to serve distributing plants and "the milk of more distant producers directly from the farm to manufacturing plants in the procurement area. Absent a suspension action, the requirement that each producer's milk be received at a pool plant one time each month will result in uneconomical and inefficient movements of milk to maintain pool status of producers who have historically been associated with the Southwest Plains market."*

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notes

Suspend or revise performance when the standards would...

Require more milk to move through pool plants than is necessary to meet the fluid or bottling requirements of the market.

Performance revisions: to encourage additional needed milk shipments to pool distributing plants or to prevent uneconomic shipments merely for the purpose of assuring that dairy farmers will continue to have their milk priced under the order and thereby receive the benefits that accrue from such pricing. 50 FR 35079 (Aug 29, 1985)

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Supply plant reduction to 25% in Iowa:

Without reduction, supply plant operators "would be required to uneconomically pump a substantial amount of milk into their supply plants and then pump the milk back out again for transport to manufacturing plant in order to keep the milk pooled.

Likewise, suspension of diversion limits to permit "efficient handling of supply plant milk that is not needed for fluid milk uses. 51 FR 33871 (9-24-86)

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Neb W Iowa revision  
51 FR 32623 (Sep 15, 1986)

Where Class I use averaged slightly less than 40% during the last half of 1985, "milk production would have to decline considerably in the last part of 1986 to justify a requirement that 60 percent of all producer milk pooled under the order be delivered to pool plants."

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Is milk needed by distributing plants available to distributing plants?  
In November 1994, USDA proposed to increase Iowa supply plant shipments from 20 to 30%, on a request by Anderson-Erickson, because the low Class III-A price caused milk to be retained for manufacturing that was needed for fluid use. 59 FR 60335, Nov 23, 1994). The proposed increase in shipments was terminated by USDA as unnecessary when a supply of milk was made available to meet A-E's requirements. DA-95-07, Dec. 19, 1994.

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So. Ill - E Mo.  
DA-95-08, 12-27-94  
Increased volume of producer milk of Prairie Farms, primary supplier to the Waukon, Iowa, distributing plant, justified reduction in supply plant shipping requirements for Mid-Am and Wisconsin Dairies, supplemental suppliers of Prairie Farms' distributing plants.

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Central Ill  
DA -95-14  
April 5, 1995

Plant closing.  
Suspend diversion limit indefinitely. A Beatrice Cheese supply plant in Preston, Iowa closed. The plant had supplied 60% of Prairie Farms' producer milk. The diversion limit was suspended because the diversion limit could not accommodate milk historically associated with the market after the closing of the supply plant.

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Central Illinois  
DA-95-09

Suspend diversion limit due to Production increase; limited (one) pool plant outlet available to accommodate producers whose milk has historically been associated with the market.

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So Ill and Central Ill

Aug 12, 1985

Suspend diversion limits, at the request of Prairie Farms, due to increased milk production, to allow continued pooling, without costly and inefficient movement of milk, of producers who have historically supplied the fluid needs of the market.

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E Colo

Nov. 19, 1986; March 30,1987

Increased milk production. Suspend diversion limits and touch base requirements, at request of Mid-Am and MEDA, to allow continued pooling without shipment of distant (Kansas and Nebraska) milk to Denver distributing plants, resulting in displacement of local distributing plant milk that would have to be hauled to manufacturing plants.

Nebraska-W Iowa

June 19, 1986

Increased production. Suspend coop shipping requirement at request of Mid-Am. W/o suspension, uneconomic movement and shift of Neb-W Iowa producer milk to other markets to keep milk pooled, causing other markets to carry reserve for Nebraska market.

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So Ill

Apr 25, 1986

Loss of Class I account by a cooperative, no fluid use outlet available. Suspend diversion limits to permit continued pooling.

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SW Plains

March 26, 1986

Fluid milk plants refuse to accept Arkansas milk due to concern of pesticide contamination in feed. Supply plant shipping requirements suspended to allow continued pooling of Arkansas producers.

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SW Plains

May 21, 1997

Foremost distributing plant in Missouri closed, eliminating a local touch-base facility for producers. Touch base requirement suspended at request of Mid-Am to avoid costly 50-mile haul and backhaul to touch base at a pool plant that did not need the milk.

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SW Plains

March 31, 1989

54 FR 13836, 4-6-89

Increased milk production in adjoining (Texas) market caused producer milk originating in Oklahoma to shift to the SW Plains market. "Dairy farmer for other market" provision suspended, at the request of AMPI (Southern) to accommodate pooling of this new milk on the SW Plains market.

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Mid-Atlantic

Oct 4444, 1993

DA-93-19

Diversion limits reduced by suspension when two large distributing plants shifted from Order 4 to Order 2 regulation in order to avoid "uneconomic and inefficient [movements of milk] to assure that producers whose milk has long been associated with the Middle Atlantic Marketing Area will continue to benefit from pooling and pricing under the order."