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Oct 15, 2002

TO: Hearing Clerk

Room 1083

South Building, United States Department of Agriculture

Washington, DC 20250

SUBJECT: Comments on Proposed Rule: Pacific Northwest Federal milk order

[Docket No. AO-368-A29; DA-01-06]

Dear Secretary Veneman,

We are in receipt of the proposed rule issued as a result of a hearing held on December 4 and 5, 2001. NMMF was the lead agency in requesting the hearing and along with Northwest Dairy Association and Dairy Farmers of America presented testimony in favor of a set of proposals that would in our view correctly identify those producers who should be associated with the Pacific Northwest Federal order. All parties who testified were in favor of the proposals. All parties were also in favor of the rules being applied on an emergency basis.

We believe that the proposed rules will accomplish the objective of NMMF and the other proponents. Our request had been for a "touch base" provision that required each out of area producer to deliver the same percentage of milk to Pacific Northwest pool plants as is required of producers whose milk is produced within the Pacific Northwest market area. This indicates a monthly delivery of 6 days milk (20% of 30 days) instead of the 3 days in the proposed rule. We continue to believe that the logic behind our proposal plus the need to treat all producers in a consistent manner suggests that the 6 day touch base provision is appropriate. We therefore urge you to make that one change in the decision.

We note with satisfaction that the proposed rule allows the Market Administrator the flexibility to adjust either the "touch base" days or diversion limits as needed to accomplish the objectives of the Pacific Northwest order. The hearing process is carefully constructed and insures a full and complete opportunity for all views to be heard. It is, however, a slow and cumbersome process and often lacks the ability to address issues on a timely basis. The flexibility added will allow a more timely response to changing circumstances.

Sincerely,

William C. Van Dam, CEO

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