

July 13, 2008

Dear Mr. Krug,

I am finding it very difficult and quite confusing to work with the tables prepared for the Whey Review Committee, mostly because there is so much detail it is hard to not get bogged down in details and thus fail to discuss the main issues. To refocus our attention, I am asking you to prepare a very simple one page report that has the following information for only those months that CDFA operated the 4b whey component formula (April 2003 thru November 2007):

1. The actual total dollar value of the whey component added to the 4b price pool.
2. The actual total dollar value of the whey make allowance factor related to determining the whey contribution added to the 4b price pool.
3. The calculated total dollar impact on the pool of the inversion correction proposed in Alternative 8c as if it had been applied to each month.
4. The calculated total dollar value of applying the current 25 cent fixed factor instead of the actual formula.

In each case the main objective is to have a single total for the entire period but the addition of annual subtotals may also be instructive and would be welcomed.

Sincerely,

William C. Van Dam -- Committee Member