



Dairy Farmers of America

June 3, 2008

Mr. David Ikari, Chief
Dairy Marketing Branch
CALIFORNIA DEPT. OF FOOD & AGRICULTURE
1220 N Street
Sacramento, CA 95814

Dear Mr. Ikari:

Dairy Farmers of America respectfully submits the following alternative proposal as it pertains to the public hearing scheduled for July 1, 2008.

The specific changes are to the rates and miles established as transportation allowances for the four different receiving areas listed below.

Our proposal requests the following changes to section 921.2 of the Pooling Plan:

- (a) For plants located in the Bay Area receiving area... (1) From zero through 99 miles \$0.37 per CWT... (b) For plants located in the Sacramento Area receiving area... (1) From zero through 59 miles \$0.15 per CWT... (d) For plants located in the North Bay receiving area... (1) From zero through 44 miles \$0.19 per CWT... (e) For plants located in the Southern California receiving area... (1) For shipments from the Barstow Supply Area... a. From zero through 87 miles \$0.15 per CWT... (2) For shipments from all other counties... a. From zero through 87 miles \$0.15 per CWT...

The above numbers reflect higher fuel and operating costs and are based in part on published fuel costs the week of June 1, 2008. Given the extreme volatility of the current fuel situation, we may modify our request to reflect different figures than those listed above.

Sincerely,

[Handwritten signature of Gary M. Stueve]

Gary M. Stueve
V.P. Fluid Milk Operations
Dairy Farmers of America
Western Area Council