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April 5, 2005

David Ikari, Chief
Dairy Marketing Branch
California Department of Food and Agriculture
1220 N Street
Sacramento, CA 95814

Re: Alternative Proposal for May 3 & 6, 2005 Class 1 Hearing

Dear Mr. Ikari:

The Board of Directors of Western United Dairymen approved the filing of the following alternative proposal at its March 18, 2005 meeting.

Adjust the Northern California Class 1 fluid carrier price by **reducing the \$0.0031 subtraction in the formula to \$0.0011**. This would bring the Northern and Southern California Class 1 price closer to alignment by reducing the differential between the two marketing areas from the current \$0.27 per hundredweight to approximately \$0.10 per hundredweight. The Southern California price would remain unchanged. Below is the modified Northern California Stabilization plan that reflects our proposed change.

Stabilization and Marketing Plan for Market Milk for the Northern California Marketing Area

Article III, Section 300.0 (A)(3)

For all fluid carrier, not less than the price per pound computed by the formula using the Commodity Reference Price per hundredweight determined pursuant to Subparagraph (A)(4) of this Section, plus forty-six and four-tenths (\$0.464), less 3.5 times the fat price per pound determined pursuant to Subparagraph (A)(1) of this Section, all multiplied by 0.24 and divided by 87.8, and then ~~\$0.0031 per pound subtracted from the result~~ **\$0.0011 subtracted from the result**.

Thank you for your consideration of this alternative proposal.

Very truly yours,

Michael L. H. Marsh, CPA
Chief Executive Officer