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UPPER MIDWEST MARKETING AREA

Federal Order No. 30

Agricultural Marketing Service Dairy Programs

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March 6, 2017

TO: Handlers on the Upper Midwest Order

SUBJECT: Requests to Reduce Shipping Requirements and Increase Diversion Limits

are Granted, Effective April 1, 2017

In December 2016, we received requests from the Upper Midwest Marketing Agency (UMMA) and Central Milk Producers Cooperative (CMPC) on behalf of their members to reduce shipping requirements in the Upper Midwest Order, F.O. 30, from 10% to 7.5%, pursuant to §1030.7(c), §1030.7(f) and §1030.7(g), beginning in March 2017. In addition, the requests asked for an increase in the diversion limits from 90% to 92.5% pursuant to §1030.13(d)(2) and §1030.13(d)(3).

We invited data, views, and arguments to be submitted concerning this matter. In order to be considered in the decision, they needed to be received, in writing, by this office on or before January 30, 2017. On January 27, 2017, the deadline for submitting comments in this matter was extended to March 1, 2017. We received a comment from Midwest Dairymen's Company supporting the requested changes, and comments from Dean Foods Company and Lamers Dairy, Inc. in opposition.

A copy of the industry requests, the comments received, and our notices concerning this matter can be found on our website at: <a href="https://www.fmma30.com/ShippingRequirements.html">www.fmma30.com/ShippingRequirements.html</a>.

After reviewing a variety of Upper Midwest Order data related to pool volume, class utilization changes over time, and fluid milk sales reports for the Order, and the data submitted in the requests, we believe the adjustments as requested are warranted.

Effective April 1, 2017, the requests are granted -- shipping requirements in the Upper Midwest Order are reduced from 10% to 7.5%, with a corresponding increase in the diversion limits from 90% to 92.5%.

As provided under the terms of the Upper Midwest Order in §1030.7(g), the Market Administrator may review, at his own initiative or at the request of interested parties, the need for any further adjustment or a return to original provisions.

If you have questions about this action, please contact this office.

/s/ Victor J. Halverson Market Administrator