DESCRIPTIONS OF THE TERMS AND CONDITIONS OF THE ORDER, AS PROPOSED, REGULATING THE HANDLING OF MILK IN THE

Upper Midwest Marketing Area

SUMMARY OF THE ORDER, AS PROPOSED TO BE AMENDED

The order, as proposed to be amended, upon which this referendum is held, will include the terms and provisions of the order currently regulating the handling of milk in the Upper Midwest Marketing Area with the following changes and modifications:

The tentative partial decision adopts, on an interim final and emergency basis, amendments to the manufacturing (make) allowances for cheese, butter, nonfat dry milk (NFDM) and dry whey powder contained in the Class III and Class IV product price formulas in all Federal milk marketing orders. Specifically, this decision proposes to adopt the following changes to the make allowances:

Cheese: from \$0.1682 per pound to \$0.2003 per pound;
Butter: from \$0.1202 per pound to \$0.1715 per pound;
NFDM: from \$0.1570 per pound to \$0.1678 per pound; and
Dry Whey: from \$0.1956 per pound to \$0.1991 per pound.

This decision also proposes increasing the butterfat yield factor in the butterfat price formula from 1.20 to 1.211.

The changes to the order are based on the record of a public hearing held in Strongsville, Ohio on February 26, 2007; a second session held in Indianapolis, Indiana on April 9, 2007; and a third session held in Pittsburgh, Pennsylvania on July 9, 2007.