

**Milk is not needed at pool distributing plants in Order 1005 -
Choice: Divert to Goshen, IN or Divert to Leitchfield, KY
Load of milk produced in Rensselear, IN**

Distances: Rensselear, IN to Goshen, IN 104 miles
Rensselear, IN to Leitchfield, KY 291 miles
Goshen, IN to Louisville, KY 264 miles

EXAMPLE - ORDER 5 UNIFORM PRICES AS ANNOUNCED - LOCATION ADJUSTMENTS AS CURRENT

F.O. 5 Uniform Price, Base Zone, October 2005	\$16.48
less: location adjustment to Goshen, IN	<u>(\$1.30)</u>
Net Uniform Price applicable to Goshen, IN	\$15.18
Volume on load	<u>48,000</u> pounds
Value of load at Goshen, IN	\$7,286
Hauling Cost Rensselear, IN to Goshen, IN	<u>(\$255)</u> 104 miles @ \$2.35 per loaded mile
NET VALUE RECEIVED	\$7.032

F.O. 5 Uniform Price, Base Zone, October 2005	\$16.48
less: location adjustment to Leitchfield, KY	<u>(\$0.70)</u>
Net Uniform Price applicable to Leitchfield, KY	\$15.78
Volume on load	<u>48,000</u> pounds
Value of load at Leitchfield, KY	\$7,574
Hauling Cost Rensselear, IN to Leitchfield, KY	<u>(\$684)</u> 291 miles @ \$2.35 per loaded mile
NET VALUE RECEIVED	\$6,891

LOSS FROM BRINGING MILK TO LEITCHFIELD VS GOSHEN (\$141)

EXAMPLE - ORDER 5 UNIFORM PRICES AS ESTIMATED - LOCATION ADJUSTMENTS AS PER PROPOSAL NO. 5
(Estimate F.O. 5 uniform price increases \$0.15 per hundredweight from diversion zone-out change)

F.O. 5 Uniform Price, Base Zone, October 2005	\$16.63
less: location adjustment to Louisville, KY	(\$0.90)
less: zoned out location adjustment to Goshen, IN	<u>(\$1.08)</u> 27 10-mile increments x \$0.04 (Louisville)
Net Uniform Price applicable to Goshen, IN	\$14.65
Volume on load	<u>48,000</u> pounds
Value of load at Goshen, IN	\$7,032
Hauling Cost Rensselear, IN to Goshen, IN	<u>(\$244)</u> 104 miles @ \$2.35 per loaded mile
NET VALUE RECEIVED	\$6,788

F.O. 5 Uniform Price, Base Zone, October 2005	\$16.63
less: location adjustment to Leitchfield, KY	<u>(\$0.70)</u>
Net Uniform Price applicable to Leitchfield, KY	\$15.93
Volume on load	<u>48,000</u> pounds
Value of load at Leitchfield, KY	\$7,646
Hauling Cost Rensselear, IN to Leitchfield, KY	<u>(\$684)</u> 291 miles @ \$2.35 per loaded mile
NET VALUE RECEIVED	\$6,963

GAIN FROM BRINGING MILK TO LEITCHFIELD VS GOSHEN \$175

Date 11/12/06 Exhibit # 45
Case US Dept of Agriculture
Deponent
Reporter Danyiel Carpenter CRS File # 8916
Court Reporting Services, Inc.
888.430.1521 FAX 502.899.7976

Would Proposal 5 encourage use of supply plants outside the marketing area?**Milk in Portales, NM - 20,000,000 pounds per month, one half to be delivered to \$0.00 zone of F.O. 7 each month****All Direct Ship - Proposal 5 Location Adjustment on Diverted Milk**

		F.O. 7 blend <u>@ location</u>	<u>Value</u>
Shipped to FO 7 pool distributing plant	10,000,000	\$16.49	\$1,649,000
Diverted to Portales , NM Nonpool plant		\$16.49	
location adjustment - Proposal 5		<u>(2.54)</u>	
	10,000,000	\$13.95	<u>\$1,395,000</u>
Total Revenues			\$3,044,000

All Milk Received at Pool Supply Plant in Portales, NM. and 1/2 is Transferred To Pool Distributing Plants

		F.O. 7 blend <u>@ location</u>	<u>Value</u>
Transferred to FO 7 pool distributing plant	10,000,000	\$16.49 •	\$1,649,000
Transferred to Portales , NM Nonpool plant		\$16.49	
location adjustment as current		<u>(1.00)</u>	
	10,000,000	\$15.49	<u>\$1,549,000</u>
Total Revenues			\$3,198,000

Revenue available to operate supply plant **\$154,000**Revenue available to operate receiving and transfer supply plant per cwt. **\$1.54**

* receiving plant presumed to pay same price as for producer milk