Class I Price Surface testimony

Testimony Presented By:
Chris Hoeger
Prairie Farms Dairy, Inc.
3744 Staunton Road
Edwardsville, IL 62025

Prairie Farms Dairy supports the Milk Producers Federation Proposal for updating Class I Differentials throughout the United States

My name is Chris Hoeger. This testimony is presented in support of Proposal 19: Updating the Class I Differentials throughout the United States (US) as proposed by National Milk Producers Federation, herein referred as NMPF. This testimony is presented on behalf of Prairie Farms Dairy, Inc. (Prairie Farms), a dairy marketing cooperative owned by 668 dairy farmers. My career in the dairy industry covers over 22 years, working in various roles from Sales Representative to several Executive/Management level roles. I currently hold the title of Vice President of Procurement and Member Services. I have served on several dairy related committees with many different dairy industry organizations. I have participated on the NMPF Federal Order Task Force over the last couple of years, and I have served on the NMPF Economic Policy Committee for the last decade.

Prairie Farms is a Capper-Volstead cooperative. As of June 30, 2023, Prairie Farms membership is 668 conventional dairy farms located in Illinois, Indiana, Iowa, Kentucky, Michigan, Ohio, Minnesota, Missouri and Wisconsin. Prairie Farms is the 2nd largest fluid milk bottler in the U.S. with bottling plants primarily located in the Midwest. We operate through wholly owned subsidiaries and/or joint ventures for a total of 30 pool-distributing plants located throughout the Midwest from the Canadian border to the Mexican border. We also operate over 20 other manufacturing facilities, producing primarily Class II products, such as ice cream, cultured dairy products, and some cheese. Prairie Farms purchases approximately 20 to 30 percent of its raw milk from other entities and under various arrangements. Prairie Farms has pool-distributing plants in Federal Milk Market Orders (FMMOs) 5, 7, 30, 32, 33 and 126. The majority of our plants and milk supply are located in FMMO 32.

Milk production has continued to move farther and farther away from the population centers in the past 20 years. Growth in the West and Northwest area of the Upper Midwest (UMW) has continued this trend. We continue to see the creation of “dairy deserts” in Illinois and the Eastern half of Iowa. I refer to “dairy deserts” as areas that were once strong or had significant dairy farm numbers but now have minimal farm numbers (less than 3 farms per county) or no dairy production in the area. Prairie Farms over the years has become more dependent on supplemental milk supplies to serve the St. Louis, Missouri market, as well as other large population centers in Southern Illinois and in Missouri. This is evident by reviewing USDA’s statistical data, which shows milk production has decreased in Illinois from 1,173,396,523 pounds of milk in 2002 to 797,454,865 pounds of milk in 2022, a 32 percent decrease. Iowa

shows a similar trend with milk production dropping from 3,170,628,596 pounds in 2002 to 2,938,460,431 pounds in 2022, a nearly 8 percent decrease.

Iowa has lost milk processing capacity in its eastern half due to several plant closures during the past 20 years. For example, Swiss Valley Farms closed a cultured plant in Cedar Rapids, Iowa in 2008. Also, the Kalona Cheese plant, which produced barrel cheddar cheese in Kalona, Iowa was closed in 2014. Closing these two facilities along with other plant closures resulted in loss of markets. The unfortunate result was that producers were required to ship their milk further to reach other markets, thereby incurring additional hauling costs.

Furthermore, Prairie Farms closed its Peoria, Illinois fluid bottling plant in 2020. The milk processed by this plant was traditionally supplied from two main supply points – the southern Illinois and Missouri milkshed and from the northern Illinois and eastern Iowa milkshed. Milk shipped from northeast Iowa to the locations mentioned above would travel approximately 190 miles to the Peoria facility because we ship milk from central Illinois to fluid bottling facilities supplying the St. Louis metro market, as well as other southern population centers. The continued deterioration of the milk supply in central Illinois and in southeast Iowa over the past two decades and the continued closure of plants now prevents stair-stepping milk to the south. We use the term “stair-stepping” as a way to move milk efficiently in smaller steps rather than using long hauls to reach the farthest destination. For example, to get milk to Kosciusko, Mississippi, milk is moved from southern Illinois to Kosciusko. To service the southern Illinois plants, milk is moved from central Illinois to replace the local milk that went to Mississippi. In practice, we move milk from northeast Iowa, northern Illinois and southwest Wisconsin to the central Illinois plant, thus creating a series of smaller steps to move milk from the stronger milk areas to where it is needed in the south. Instead of being able to stair-step milk, Prairie Farms must now move milk from northeast Iowa to plants that are just outside the St. Louis metro market at a distance of just over 300 miles. This milk supply traditionally provided seasonal support during the fall months, but with milk produced in south central Illinois and in Missouri being pulled to plants in FMMO 5 and 7 year-round, it has become necessary for milk produced in northern Illinois and northeast Iowa to provide support not just occasionally but year-round. We have also pulled milk from northwest Iowa to supply plants in northeast Iowa as we continue to shift milk around to meet the demands of the fluid bottling plants in central and southern Illinois and central Missouri. This is verified by Table 1 that shows the change in milk production for the 28 southeastern counties in Iowa from January 2002 and January 2023.

Table 1: 28 Southeastern Counties of Iowa - January 2002 and January 2023

County Name	2002 Farms	2002 Milk Pounds	2023 Farms	2023 Milk Pounds
Appanoose	3	131,768	0	-
Benton	20	6,909,384	9	11,294,286
Cedar	10	768,208	0	-
Clinton	19	3,356,784	7	7,744,590
Davis	23	2,116,150	10	532,632
Des Moines	6	548,548	0	-
Henry	7	3,006,720	0	-
Iowa	10	1,019,015	0	-
Jackson	65	7,240,967	17	3,142,418
Jasper	9	1,261,125	0	-
Jefferson	0	-	0	-
Johnson	46	2,391,958	24	414,842
Jones	35	3,921,772	5	1,390,479
Keokuk	0	-	0	-
Lee	13	1,655,794	0	-
Linn	24	2,547,704	0	-
Louisa	0	-	0	-
Lucas	0	-	0	-
Mahaska	12	1,132,084	5	1,371,389
Marshall	0	-	0	-
Monroe	4	1,075,487	0	-
Muscatine	8	891,005	0	-
Poweshiek	6	753,689	0	-
Scott	11	1,014,593	3	324,877
Tama	12	602,374	0	-
Van Buren	11	1,186,921	8	306,144
Wapello	0	-	0	-
Washington	21	916,505	8	382,247
Wayne	0	-	0	-
Total	375	42,347,131	96	26,217,536
All Iowa Restricted Counties	26	3,225,708	34	33,132,962

This similar analysis of the 51 counties in northern and central Illinois shows the continued deterioration of milk supply that has forced increased reliance on more distant milk supplies.

Table 2: 51 Central Counties of Illinois - January 2002 and January 2023

County Name	2002 Farms	2002 Milk Pounds	2023 Farms	2023 Milk Pounds
Adams	23	4,357,468	8	449,046
Brown	4	482,966	0	-
Bureau	8	386,627	0	-
Calhoun	0	-	0	-
Cass	0	-	0	-
Champaign	0	-	0	-
Christian	0	-	0	-
Clark	0	-	0	-
Coles	8	492,890	0	-
Cumberland	15	2,153,161	4	1,201,753
Dewitt	0	-	0	-
Douglas	38	2,177,211	14	896,137
Edgar	0	-	0	-
Ford	0	-	0	-
Fulton	0	-	0	-
Greene	0	-	0	-
Grundy	0	-	0	-
Hancock	0	-	0	-
Henderson	0	-	0	-
Henry	0	-	0	-
Iroquis	18	1,864,467	0	-
Kankakee	0	-	0	-
Knox	3	387,367	0	-
La Salle	3	118,826	0	-
Livingston	12	1,488,796	4	1,311,463
Logan	0	-	0	-
Macon	0	-	0	-
Macoupin	7	949,880	0	-
Marshall	0	-	0	-
Mason	0	-	0	-
McDonough	0	-	0	-
McLean	15	1,935,138	4	12,147,887
Menard	0	-	0	-
Mercer	3	229,484	0	-
Montgomery	11	1,027,957	3	494,828
Morgan	0	-	0	-
Moultrie	20	1,209,333	4	311,189
Peoria	8	2,897,977	0	-
Piatt	0	-	0	-
Pike	0	-	0	-
Putnam	0	-	0	-
Rock Island	5	361,645	0	-
Sangamon	3	374,609	0	-
Schulyer	0	-	0	-
Scott	0	-	0	-
Shelby	18	3,624,541	4	1,175,508
Stark	0	-	0	-
Tazewell	11	1,164,583	3	1,215,000
Vermillion	0	-	0	-
Warren	0	-	0	-
Woodford	4	319,275	0	-
Total	237	13,911,781	48	3,860,422
All Illinois Restricted Counties	57	5,481,845	29	6,543,558

Another case for increasing the Price Surface Differentials – Disparity for dairy producers

The three Southeastern FMMOs (i.e., FMMOs 5, 6 & 7) have continued to need year-round support for supplemental milk. Another case for needing to update Class I differentials is the disparity of what price dairy producers receive in different parts of the country. For example, Prairie Farms supports its southern and southeastern plants with milk produced in central and southern Illinois and in southeastern Missouri. This milk travels an average of 326 miles to our Kosciusko, Mississippi plant. Also, Prairie Farms ships milk from central and southern Illinois to Memphis, Tennessee and to Somerset, Kentucky on a year-round basis. This milk travels an average of 257 miles and 338 miles, respectively. The Class I differentials for both Memphis and Somerset are $.90 per hundredweight higher than the Class I differentials where the milk supply originated. However, milk shipped about 300 miles from northeast Iowa to central Illinois only picks up $.25 per hundredweight in Class I differential value. Said another way, for milk traveling south to Mississippi, the current differential difference is $.90 per hundredweight whereas milk coming from northeast Iowa to Carlinville, Illinois travels about the same distance but only receives $.25 per hundredweight. Such disparity will cause (or has caused) dairy producers to question eventually whether they want to service the Class I market. Updating Class I differentials according to the NMPF proposal fairly compensates producers for some of the additional freight costs incurred.

The NMPF proposed Class I differentials have differences of $1.50 per hundredweight at Kosciusko, Mississippi; $1.05 per hundredweight at Memphis, Tennessee; and $1.15 per hundredweight at Somerset, Kentucky when compared to Class I differentials at locations in southern Illinois (Table 3). We feel the NMPF proposal would provide fair compensation to move milk to these deficit markets. Milk costs for either shipping route is about the same whether hauling milk from central Illinois to the southern markets or northeast Iowa to central Illinois; the distance and terrain are about the same. Based on extra freight that Prairie Farms pays its haulers to move milk to those markets, we estimate it costs $1.00 per hundredweight to travel 100 miles.

Table 3 - Price Surface Disparity Analysis as proposed by NMPF

County, State Milk Supply Origination		Pool Distributing Plant		Mileage Distance		Current Price Surface Difference		Proposed Price Surface Difference
Scott	MO	Kosciusko	MS	326		$ 0.90		$ 1.50
Delaware	IA	Carlinville	IL	313		$ 0.25		$ 0.70
Clinton	IL	Holland	IN	162		$ 0.30		$ 0.30
Clinton	IL	Somerset	KY	360		$ 0.90		$ 1.15
Washington	IL	Somerset	KY	338		$ 0.90		$ 1.15
Washington	IL	Memphis	TN	257		$ 0.90		$ 1.05
Livingston	IL	Carlinville	IL	152		$ 0.20		$ 0.50

Chicago Market

The packaged fluid milk needs of the Chicago metropolitan area is served by several plants located in the Upper Midwest and in the Mideast. The members of NMPF's Class I price surface committee wanted to ensure that there was price continuity for all plants that served the Chicago market. Also, we wanted to make sure no plant had a competitive advantage or competitive disadvantage when serving this large population center. Prairie Farms operates several Class I plants that serve this market. In the last 18 months, this market lost a plant located in Chemung, Illinois that was a major supplier of fluid milk. The plant closure in the summer of 2022 forced increased reliance on other plants to supply the market. As shown in Table 4, the NMPF proposal assigned Class I differentials to those plants serving the Chicago market to make sure that no plant had a competitive advantage or disadvantage relative to other plants serving this large population center and to incentivize the movement of milk to the more deficiently supplied areas.

Table 4: Chicago Market Analysis

City	State		Miles from Chicago		Current Price Surface		Proposed Price Surface
Cedarburg	WI		111		$ 1.75		$ 3.00
Rockford	IL		86		$ 1.75		$ 3.00
Dubuque	IA		178		$ 1.75		$ 3.00
Battle Creek	MI		170		$ 1.80		$ 3.10
Grand Rapids	MI		179		$ 1.80		$ 3.10
Holland	MI		151		$ 1.80		$ 3.10
Fort Wayne	IN		162		$ 1.80		$ 3.30
Huntington	IN		157		$ 1.80		$ 3.30
Highland	IN		32		$ 1.80		$ 3.10

The Upper Midwest price surface was reviewed by the NMPF's Class I differential subcommittee. Discussions centered around finding the right Class I price surface map to ensure a reliable milk supply as well as an equitable distribution of pool revenues. The subcommittee concluded that too much of a "slope" between Minnesota and Wisconsin would create a tremendous incentive to move milk out of Minnesota, i.e., milk that would not be part of the local supply, thus making the plants in Minnesota uncompetitive for milk supply in a tight market. A secondary goal of addressing the Class I price surface was to minimize any negative impacts on producer blend prices. With the Class I utilization averaging around 6 to 10 percent for FMMO 30, the NMPF Class I differentials proposed for the Upper Midwest would have a minimal impact on producer prices (Table 5).

Table 5: Monthly Class I Utilization for Federal Milk Marketing Order 30, 2013 to 2023

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
January	11.00%	11.40%	10.20%	9.10%	11.40%	9.90%	7.90%	10.70%	20.50%	8.50%	5.60%	
February	11.00%	12.60%	9.60%	9.20%	11.50%	8.70%	7.80%	9.40%	22.30%	8.20%	5.70%	
March	10.40%	10.80%	11.30%	11.30%	9.90%	10.00%	7.00%	9.60%	22.70%	7.70%	5.70%	
April	10.80%	11.30%	12.80%	12.80%	8.40%	9.80%	7.70%	8.20%	22.30%	8.60%	6.40%	
May	11.00%	9.90%	12.30%	8.90%	11.40%	10.00%	7.30%	7.90%	21.60%	9.50%	5.80%	
June	9.50%	9.10%	13.10%	8.60%	9.10%	7.70%	6.10%	19.50%	14.60%	6.60%	5.40%	
July	10.10%	9.80%	14.90%	9.50%	8.10%	7.20%	7.50%	21.20%	10.30%	6.00%		
August	10.60%	9.80%	13.90%	13.20%	8.30%	8.60%	7.00%	18.60%	9.70%	5.80%		
September	10.80%	10.80%	11.90%	11.90%	8.40%	10.40%	9.70%	20.00%	9.20%	6.10%		
October	11.30%	13.70%	11.10%	10.20%	12.70%	9.30%	12.20%	24.40%	14.50%	5.90%		
November	13.50%	12.40%	10.30%	15.70%	13.40%	9.20%	14.50%	23.80%	11.40%	5.70%		
December	11.10%	10.90%	10.00%	14.50%	10.60%	7.90%	12.90%	13.30%	9.80%	5.60%		Total
Average	10.93%	11.04%	11.78%	11.24%	10.27%	9.06%	8.97%	15.55%	15.74%	7.02%	5.77%	10.67%

As shown in the Table 5, Class I milk utilization in the Upper Midwest (FMMO 30) is 10.67% on average. This means for an average increase in Class I differential of $1.21 per hundredweight, the average increase to FMMO 30 blend price would be about $.13 per hundredweight This is a minor price increase for dairy producers who still bear most of the cost of transporting milk to markets.

Cost of moving milk

Prairie Farms has many plants that must be served with its member milk. With many of the sales arrangements, the milk continues to get farther away from the population centers. Prairie Farms also supplies many of its own plants located in the southern and southeastern regions of the U.S. The terms of sale impose the cost of moving this milk to markets on dairy farmers. Rather than charge members the actual cost of moving their milk, Prairie Farms charges hauling costs to its member-owners as though the milk was delivered to the plant closest to the member farm. The cooperative, through its own pay price pool of monies, pays the additional freight to move milk to the next plant. Thus, all members share in the cost of the secondary haul. Bear in mind many plants served are located in excess of 250 miles away from the milk supply. Because we serve the southern and southeastern markets on a daily basis year-round, we have a good understanding

of the cost per mile associated with moving milk. The cost of moving raw milk to our four southern and southeastern plants is approximately $5.25 per mile to $5.50 per loaded mile. With not many opportunities for back hauls, this cost is incurred solely to support those plants due to declining milk production capacities in those areas. We experience similar costs to move milk from northeast Iowa and northern Illinois to central Illinois.

A trucking industry contact who works for a large trucking dealership that manages 23 locations throughout Iowa, Wisconsin, Illinois, Indiana and Ohio provided me with some costs to be considered. The cost of power units and parts for the ten years covering 2013 to 2023 showed an increase of 31 to 33 percent. Milk hauling equipment costs have continued to increase over the past decade, some of which are detailed below.

Some of the factors driving price increases in Class 8 vehicles over the last ten years include:

1. Emission systems-after treatment devices. In the last 10 years, DTNA Class 8 trucks have gone thru 4 EPA level changes.
    a. EPA14
    b. EPA17
    c. GHG21
    d. DD product Gen 5 engines
2. Collision mitigation systems.
    a. DTNA has advanced from simple ABS function, to Detroit Assurance 5.0.
        i. Adding front radar-helping maintain safer following distance
        ii. Adding side radar-helping to avoid “blind spot” collisions
        iii. Adding anti-roll stabilizers to avoid turnpike on and off ramp roll overs
        iv. Adding forward facing cameras to gain visibility to root cause of collision/accidents
        v. Adding lane keep assist to autonomously keep unit within driving lanes
        vi. Adding lane deviation notification to alert driver of drifting outside lane
3. Technology advancements.
    a. HVAC systems that create idle-free cab heating and cooling while maintaining engine starting capabilities
    b. Creature comforts, such as heated and cooled seats
    c. Auto dimming lighting, including head lamps
    d. Auto operating windshield wipers
4. Added hidden cost
    a. Material surcharges have increased.
    b. Increased transportation charges from original build plant to the final destination

On average, the cost of power units has increased by 31 to 33 percent over the last ten years. Specialized / day cab / straight-chassis truck applications have seen even higher cost increases.

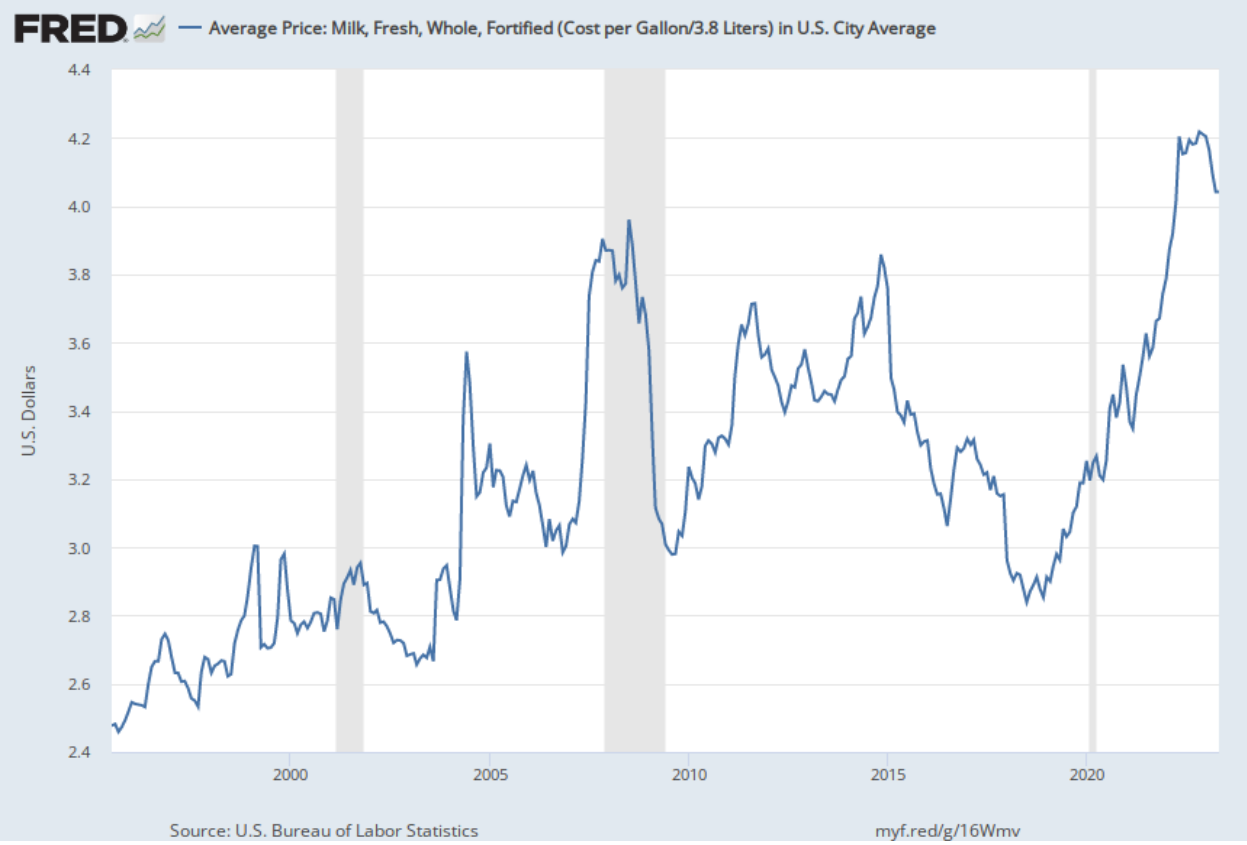
A leading seller of equipment in the Midwest and Mideast verifies that hauling equipment costs have increased significantly. These cost increases do not include the cost of drivers that have continued to be in short supply. On the positive side, fuel economy of new power units has been improved by implementing some of the technology changes over the last decade. However that has not offset the increases of **all** the costs. Tanker trailer costs have gone up dramatically in the last 20 years. For example, a 2023 Polar 6,500-gallon tanker trailer is almost double the cost of just a few years ago. Currently, a tanker trailer of that size would retail for about $91,250. These same tanker trailers were selling for $61,200 in 2020. Please see the Figures: 1 and 2 that show the quotes from 2020 and 2023.

In summary, the original Class I price "slope" from the Upper Midwest to the central part of the US was sufficient at $.25 to $.30 per hundredweight as it was much cheaper to acquire and to operate milk moving equipment 20 years ago. In addition, milk was generally moving 100 to 150 miles at most. In today's world, the milk supply is located farther from plants and population centers, and most milk is traveling much farther, as much as two to three times as many miles as it was in 2000. Prairie Farms has always tried to be as efficient as possible by stair-stepping milk to the southeast region, i.e., FMMOs 5 and 7. We also use that same approach when moving supplemental milk to the central part of the Midwest from the Upper Midwest. Even when milk from the central Midwest is used to support plants located in the southeast on an everyday basis, the increase in "slope" in the range of $.90 per hundredweight to $1.30 per hundredweight, as proposed by NMPF, does not fully cover the cost of moving milk 300 miles or more. All dairy farmers need to be compensated fairly to encourage the availability of adequate milk supplies that can be used to support milk demand in distant markets.

Impact on the Consumer

One of the questions asked is, "How will this change impact the consumer?" The impact on the consumer will be minimal when considered with other reform measures within FMMOs. If retail prices follow Federal Order Class I price, our estimate is an increase of approximately $.149 per gallon for a consumer in the St. Louis, Missouri market. It will be less in the Chicago, Illinois; Des Moines, Iowa; and Minneapolis, Minnesota markets at approximately $.112 per gallon**.** This will be about a 4.25 percent increase to the consumer, assuming an average retail price of $3.50 per gallon, which is close to the average retail price for milk over the last 20 years (see graph on next page). If comparing the cost increase to the average retail price from the last two years, the impact would be 3.63 percent. As shown in Figure 1, the average milk price from 2000 to 2010 was $3.116 per gallon and the average prices from 2011 to 2022 was $3.412 per gallon. Using data from the analysis above suggests the price increase proposed by NMPF would be less than .25% annually for a 20-year period.

Figure 1. Average U.S. Retail Price for One Gallon Whole Milk



Prairie Farms expresses its appreciation to the Secretary of Agriculture and to the Dairy Division for holding this hearing. We strongly recommend the Secretary to adopt NMPF's Class I differential proposal. This will promote more orderly marketing of milk and will ensure an adequate supply of milk for Class I plants as needed to serve their markets.

Respectfully submitted,

Chris Hoeger
On behalf of Prairie Farms Dairy, Inc.
3744 Staunton Road
Edwardsville, IL 62025

Figure 1

INVOICE

KRAFT TANK CORPORATION

MAIN OFFICE
320 Kindelberger Rd, Kansas City, KS 66115
Phone: (913) 601-6999
KraftTank.com

TEXAS LOCATION*
1000 W. I-20 Service Rd., Odessa, TX 79763
Phone: (432) 897-4654

OKLAHOMA LOCATION*
5401 NE 10th St, Oklahoma City, OK 73117
Phone: (405) 438-0919

*Remit payments to Kansas City location

Invoice: **01S5056**
Invoice Date: **08/17/2020**
Deal/Packet: **1890/1**
Branch: **KC**
Department: **New**

Bill-To: [redacted]

Ship-To:

ID: 13980 Ph: 712-848-3663 P/O: Salesperson: Ryan Wagner

+ SOLD UNIT(S)

Stock Number: **11402**			Price:	$54,821.02
VIN: **1PMKR4325M1112842**				
Year: **2021**	Make: **Polar**	Model: **Non Code**		
Stock Number: **11403**			Price:	$54,821.02
VIN: **1PMKR4327M1112843**				
Year: **2021**	Make: **Polar**	Model: **Non Code**		
Stock Number: **11404**			Price:	$54,821.02
VIN: **1PMKR4329M1112844**				
Year: **2021**	Make: **Polar**	Model: **Non Code**		
Stock Number: **11405**			Price:	$54,821.02
VIN: **1PMKR4320M1112845**				
Year: **2021**	Make: **Polar**	Model: **Non Code**		
			Total Sold Unit(s):	**$219,284.08**

- TRADE-IN UNIT(S)

Stock Number: **11406**			Allowance:	($28,500.00)
VIN: **10BAB62338F0C1080**				
Year: **2008**	Make: **Brenner**	Model: **Non Code**		
Stock Number: **11407**			Allowance:	($16,000.00)
VIN: **1N9S34420YA044060**				
Year: **2000**	Make: **Nova**	Model: **Sanitary**		
Stock Number: **11408**			Allowance:	($12,000.00)
VIN: **1PMS54329Y1021980**				
Year: **2000**	Make: **Polar**	Model: **Non Code**		
Stock Number: **11409**			Allowance:	($9,500.00)
VIN: **1W9S82026N1029926**				
Year: **1992**	Make: **Walker**	Model: **Non Code**		
			Total Trade-In(s):	**($66,000.00)**
			Difference:	$153,284.08

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Figure 1

Invoice: 01S5056 Invoice Date: 08/17/2020 Customer: 13980

FET:	11402		6,376.68
	11403		6,376.68
	11404		6,376.68
	11405		6,376.68
		Total FET:	$25,506.72
		Total:	**$178,790.80**
		Net:	$178,790.80
		Balance Due:	**$178,790.80**

Terms Due: 08/17/2020

Remit Balance Due To:

Kraft Tank Corp. - Kansas City
320 Kindleberger Road
Kansas City, KS 66115

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Figure 2

---------- Forwarded message ---------
From: **Ryan Wagner** <ryan@krafttank.com>
Date: Mon, Mar 7, 2022 at 5:03 PM
Subject: KRAFT TANK CORP - NEW POLAR SRJ3 SANITARY TANDEM & TRIPLE AXLE SPECS & QUOTES
To: Dan Duitscher <danfoursdsu@gmail.com>

Good afternoon, thanks for the conversations and inquiry in regards to obtaining updated spec and pricing information on a tandem and triple axle SRJ3 sanitary milk transport trailers.

I have included the full specs for your review along with the pricing below for the two specs:

Kraft Tank Corp – New Trailer Pricing:

Option 1:

New 2023 Polar 6500 Gallon SRJ3 Tandem Axle

Trailer Sales Price: $91,266.56 per Trailer

FET Included

Option 2:
New 2023 Polar 8000 Gallon SRJ3 Triple Axle

Trailer Sales Price: $133,890.00

FET Included

**Both Units Are FOB Pick Up Polar Tank Trailer Plant