

**CERTIFIED
TRANSCRIPT**

NATIONAL FEDERAL MILK MARKETING ORDER
PRICING FORMULA HEARING

DOCKET NO.: 23-J-0067; AMS-DA-23-0031

Before the Honorable Jill Clifton, Judge

---o0o---

Carmel, Indiana
November 29, 2023

---o0o---

Reported by:

MYRA A. PISH, RPR, C.S.R.
Certificate No. 11613

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

A P P E A R A N C E S:

FOR THE USDA ORDER FORMULATION AND ENFORCEMENT DIVISION,
USDA-AMS DAIRY PROGRAM:

Erin Taylor
Todd Wilson
Brian Hill
Michelle McMurtray

FOR THE MILK INNOVATION GROUP:

Charles "Chip" English
Grace Bulger

FOR THE NATIONAL MILK PRODUCERS FEDERATION:

Nicole Hancock
Brad Prowant

FOR SELECT MILK PRODUCERS, INC.:

Ryan Miltner

FOR INTERNATIONAL DAIRY FOODS ASSOCIATION:

Steve Rosenbaum

FOR THE AMERICAN FARM BUREAU FEDERATION:

Dr. Roger Cryan

FOR LAMERS DAIRY:

Mark Lamers

FOR DAIRY FARMERS OF AMERICA:

W. Todd Miller

---o0o---

(Please note: Appearances for all parties are subject to
change daily, and may not be reported or listed on
subsequent days' transcripts.)

---o0o---



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

M A S T E R I N D E X

SESSIONS

WEDNESDAY, NOVEMBER 29, 2023	PAGE
MORNING SESSION	8611
AFTERNOON SESSION	8729

---o0o---



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

M A S T E R I N D E X

WITNESSES IN CHRONOLOGICAL ORDER

WITNESSES: PAGE

Scott Werme:

(Continued)

Cross-Examination by Ms. Bulger	8611
Cross-Examination by Mr. Lamers	8620
Cross-Examination by Ms. Taylor	8623
Cross-Examination by Mr. English	8626
Redirect Examination by Ms. Hancock	8628

Johnny Hiramoto:

Direct Examination by Ms. Hancock	8631
Cross-Examination by Mr. English	8642
Cross-Examination by Mr. Miltner	8671
Cross-Examination by Ms. Taylor	8674

Brent Butcher:

Direct Examination by Mr. Prowant	8691
Cross-Examination by Mr. Rosenbaum	8709
Cross-Examination by Mr. Miltner	8747
Cross-Examination by Ms. Taylor	8753
Redirect Examination by Mr. Prowant	8759
Recross-Examination by Mr. Miltner	8765

Dr. Roger Cryan:

Testimony Read into the Record	8771
Cross-Examination by Mr. Rosenbaum	8809
Cross-Examination by Mr. Miltner	8820
Cross-Examination by Mr. English	8826

---oOo---



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

M A S T E R I N D E X

INDEX OF EXHIBITS

IN CHRONOLOGICAL ORDER:

NO.	DESCRIPTION	I.D.	EVD.
370	NMPF-43		8630
373	NMPF-56	8631	8689
374	MIG-57	8648	8690
375	MIG-56	8664	8690
376	NMPF-46	8691	8763
377	IDFA-377	8715	8769
378	IDFA-378	8716	8769
379	IDFA-379	8721	
380	IDFA-380	8728	8769
381	IDFA-381	8731	8769
382	AFBF-5	8770	
383	AFBF-5A	8770	
384	AFBF-5B	8770	

---o0o---



1 WEDNESDAY, NOVEMBER 29, 2023 -- MORNING SESSION

2 THE COURT: Let's go back on record.

3 We're back on record. It is 2023, November 29,
4 Wednesday, at approximately 8:00 in the morning.

5 We had a witness on the stand at the end of the
6 proceeding yesterday. Should that witness resume the
7 witness stand?

8 You may. Welcome back.

9 And I'd ask now that the Agricultural Marketing
10 Service return to the witness stand the record exhibits
11 that he is using, and I will give him the 301 that I have.

12 Please, again, state and spell your name.

13 THE WITNESS: Scott Werme, S-C-O-T-T, W-E-R-M-E.

14 THE COURT: You remain sworn.

15 And I have forgotten where we were. We were --
16 ah, yes, Ms. Butcher (sic).

17 You may resume cross-examination.

18 SCOTT WERME,

19 Having been previously sworn, was examined
20 and testified as follows:

21 CROSS-EXAMINATION

22 BY MS. BULGER:

23 Q. Good morning. Grace Bulger for Milk Innovation
24 Group.

25 Good morning, Mr. Werme.

26 A. Good morning.

27 THE COURT: Now, I'm saying your last name wrong,
28 aren't I?



1 MS. BULGER: It's Bulger.

2 THE COURT: Bulger.

3 MS. BULGER: B-U-L-G-E-R.

4 THE COURT: Thank you. I'm calling you by the
5 name of someone else who is going to be involved in this
6 proceeding. Bolger, B-O-L-G-E-R (sic). Thank you.

7 BY MS. BULGER:

8 Q. Mr. Werme, just to start with you, I would like to
9 start with follow-up from yesterday. We ran out of time
10 at the end of the day.

11 But I think yesterday you said that you moved two
12 to three loads out of Maine; is that correct?

13 A. Per day.

14 Q. Was that per day?

15 A. Yes.

16 Q. Yes. Thank you.

17 Where does that milk go?

18 A. It generally goes -- we get some slots in the
19 Franklin plant, DFA plant in Franklin, Mass.

20 THE COURT: You are not loud and clear. Now, you
21 may not have to move your body, but I think if you come
22 toward me just a bit, you will be more aligned with the
23 microphone. Thank you.

24 BY MS. BULGER:

25 Q. Is that -- is the DFA plant in Franklin,
26 Massachusetts --

27 A. Franklin, Mass.

28 Q. Is that a Class I plant?



1 A. It is.

2 Q. Do you have Exhibit 369 in front of you?

3 A. I do.

4 Q. So if you can look at, on page 1, Row 1194.

5 Is that the -- it's -- the plant identified on
6 Row 1194; is that the plant that --

7 A. That's correct.

8 (Court Reporter clarification.)

9 MS. BULGER: Is that the plant that the milk, the
10 two to three loads per day that --

11 THE COURT: Two or three loads what?

12 MS. BULGER: -- per day that Agri-Mark moves out
13 of Maine goes to?

14 THE WITNESS: Correct.

15 BY MS. BULGER:

16 Q. I might return to this question.

17 You say in your testimony that "if the model
18 results were adopted unchanged, the respective
19 differentials would have incentivized Maine milk to leave
20 the state for plants in Eastern Massachusetts," correct?

21 A. That's correct.

22 Q. And you have identified that the two to three
23 loads per day that you send out of Maine go to a plant in
24 Massachusetts?

25 A. They currently do. Yes.

26 Q. How much Maine milk overall would you say leaves
27 the state for plants in Eastern Massachusetts under the
28 current differentials?



1 A. I don't have the answer to that question. I can
2 only speak to Agri-Mark's supply.

3 Q. And for Agri-Mark it's two to three loads --

4 A. Two to --

5 Q. -- per day?

6 A. -- three today.

7 (Court Reporter clarification.)

8 THE WITNESS: It's two to three loads today -- a
9 day, correct.

10 THE COURT: So both of you just have to remember
11 to wait until the other's voice dies down before you
12 respond.

13 BY MS. BULGER:

14 Q. So we heard testimony from Ms. Ryll yesterday that
15 DFA proposes keeping the differential in Massachusetts
16 that we just looked at on page -- or Row 1194 on
17 Exhibit 369, and they are like the same as the
18 differential -- sorry. Let me rephrase that.

19 Returning to Row 1194, the Franklin,
20 Massachusetts, plant, the current differential is \$3.25,
21 correct?

22 A. I see that.

23 Q. Looking at the row above 1194 on Exhibit 369,
24 1190, the differential in Hampden County, Massachusetts,
25 is \$3, correct?

26 A. It is.

27 Q. Currently. Yeah.

28 So the difference between those two counties, the



1 current differential is \$0.25 per hundredweight?

2 A. Yes.

3 Q. The testimony that we heard from Ms. Ryll and the
4 DFA proposes keeping that difference the same by leaving
5 the Agawam HP Hood plant county -- in Hampden,
6 Massachusetts, County, proposing to set the differential
7 at \$4.85.

8 Do you see that?

9 A. I see that.

10 Q. And the differential for Norfolk County,
11 Massachusetts, where the Franklin plant is, at 5.10,
12 maintaining that \$0.25 difference, correct?

13 A. It is.

14 Q. The model average for those counties, the model
15 average for Norfolk, Massachusetts, where Franklin,
16 Massachusetts, is, model output was \$5.25 per
17 hundredweight, correct?

18 A. Correct.

19 Q. So that proposal moves the proposed differential
20 down, decreases from the model average result by \$0.15 --

21 A. Correct.

22 Q. -- correct?

23 Looking up at Row 1146, Cumberland, Maine, the
24 proposed differential in Proposal 19 is \$4.85 per
25 hundredweight, correct?

26 A. Correct.

27 Q. That's \$0.25 less than the proposed differential
28 of \$5.10 in Franklin, in Norfolk County, Massachusetts?



1 A. Correct.

2 Q. The model output, however, puts the Cumberland,
3 Maine, average differential at \$4.50, correct? Compared
4 to the -- sorry.

5 A. Correct.

6 Q. Thank you.

7 Compared to the Franklin model average at \$5.25,
8 so that's a \$0.75 per hundredweight difference between the
9 model averages for the Franklin location in Norfolk
10 County, Massachusetts, and Cumberland, Maine?

11 A. Let me switch back.

12 Q. Sorry, we're looking at Row 1194 and 1146, the
13 University of Wisconsin model average.

14 A. And what did you say it was?

15 Q. So the model average for Cumberland, Maine, is
16 \$4.50 per hundredweight, and for Norfolk, Massachusetts,
17 where Franklin -- Norfolk County, Massachusetts, where
18 Franklin, Massachusetts, is located, is \$5.25 was the
19 average; is that correct?

20 A. I see that.

21 Q. So National Milk's proposal, as we have
22 established, then, proposes a differential in Cumberland,
23 Maine, of \$4.85, and in Norfolk County, Massachusetts, of
24 \$5.10.

25 So National Milk's proposal proposes raising
26 Cumberland, Maine, by \$0.35, and lowers the Franklin --
27 Franklin, Massachusetts in Norfolk County, Massachusetts,
28 by \$0.15, which keeps the difference the same, correct?



1 A. Correct.

2 Q. And that's -- that difference is maintained the
3 same even though hauling costs have risen?

4 A. That's correct.

5 Q. Would you say that the hauling costs, in your
6 opinion, hauling costs for moving milk out of Maine have
7 increased such that you think that the difference between
8 the differentials in Norfolk County, Massachusetts, and
9 Cumberland, Maine, should be raised?

10 A. The hauling costs have risen, but the purpose of
11 this was to flatten the -- call it the run, from Maine and
12 out to -- out of Maine, to disincentivize the movement of
13 milk.

14 So, in fact, when DFA Agri-Mark made this change
15 to the model, we made it actually cost more for us to move
16 milk out of Maine. And that's -- and we -- and we
17 understand what we did there in terms of penalizing
18 ourselves on hauling, to leave the milk and to incentivize
19 the milk to stay in Maine. And -- and the milk would --
20 our milk, Agri-Mark milk, would either have to go to
21 Franklin, which is not our customer but DFA gives us slots
22 in there, otherwise it would have to go all the way to
23 Springfield. So -- but we want the milk to stay in Maine.

24 Q. At present, though, Agri-Mark, you said moves two
25 to three loads per day --

26 A. At present.

27 Q. -- to Massachusetts, to Franklin, Massachusetts?

28 A. That's correct.



1 Q. Wouldn't you rather the price be higher in
2 Franklin, Massachusetts, so in order to cover more of your
3 hauling costs?

4 A. But the purpose was to keep the milk in Maine, to
5 look in the future and to realize the attrition of dairy
6 farms that we're going through right now, and Agri-Mark is
7 not immune to that, and we just -- from our perspective,
8 we would share the cost of that throughout the co-op for
9 the benefit of the farmers in Maine. Which is sometimes
10 what you have to do in cooperatives, is you -- you know,
11 you have to look at the whole picture of the cooperative
12 and realize that sometimes -- it's never equal, but you
13 try and make it equitable. And so that's what we were
14 trying to do there, because our producers in Maine are
15 very important to us. And we believe those -- those two
16 fluid plants are very important to the state of Maine.

17 And so I will say that I realized the hauling
18 penalty, if you will, for this decision, but we felt that
19 the state of Maine, people of Maine, and our members in
20 Maine, superseded that additional cost that we
21 occasionally have to bear in spread throughout the co-op
22 in unrecovered hauling costs.

23 Q. So why raise the proposed differential from the
24 model average in Cumberland, Maine, from \$4.50 to \$4.85?

25 A. I think you have to look at the whole state. And
26 as you move from Portland, Maine, kind of northeast
27 through the state where the farms are located, also those
28 zones were increased, too, so that even bringing the milk



1 from where the farms are to Portland, the incentive, the
2 recovery of hauling, we have taken that away. So we
3 wanted -- it was a true effort to keep the milk in the
4 state.

5 Q. So you would rather -- as you said, you want to
6 incentivize milk to stay in Maine, you would rather
7 Agri-Mark's milk go to a Class I plant?

8 A. The Maine milk, we would rather our Maine milk go
9 to a Class I plant in Maine, that's correct.

10 Q. In your opinion, does the National Milk proposal
11 with -- sorry, let me start over, the question.

12 If at present you are moving milk two to three
13 loads per day to Massachusetts --

14 A. Correct.

15 Q. -- and the proposal maintains the existing
16 difference between the locations, the differentials at the
17 locations in Cumberland County, Maine, and Franklin,
18 Massachusetts, Norfolk County, Massachusetts, it maintains
19 the difference between the 25 --

20 A. It maintains the difference, yes.

21 Q. So what -- what impact do you think that the
22 National Milk proposal maintaining that difference will
23 have on -- do you -- do you think that the proposal will
24 be successful in -- for Agri-Mark, in maintaining your
25 milk in Maine --

26 A. We do.

27 Q. -- or increasing -- keeping your milk in Maine?

28 A. We do.



1 Q. Even though it maintains the current differential?

2 A. We do.

3 Q. All right.

4 MS. BULGER: I think that's all the questions I
5 have for you today. Thank you very much for your time.

6 THE WITNESS: Thank you.

7 MS. BULGER: Thank you, Your Honor.

8 THE COURT: Thank you, Ms. Bulger.

9 Who next will cross-examine this witness?

10 Mr. Lamers.

11 MR. LAMERS: Good morning, Mr. Werme.

12 THE WITNESS: Good morning.

13 CROSS-EXAMINATION

14 BY MR. LAMERS:

15 Q. Mark Lamers, Lamers Dairy.

16 Just a couple questions for you.

17 Are you -- you stated yesterday, if I remember
18 right, that about 75% of your member milk goes to your own
19 plants?

20 A. Correct.

21 Q. Okay. Are those plants at capacity?

22 A. No.

23 Q. So they --

24 A. Two of the cheese plants are. One cheese plant
25 and the culture plant is not at capacity. And West
26 Springfield is balancing, so it changes from day to day.

27 Q. Okay. So then the other 25% you've stated goes to
28 some Class I plants?



1 A. It goes to some Class I plants.

2 Q. Okay. The majority of that 25%?

3 A. I don't know that off the top of my head. We
4 have -- we service three Class I customers, and the rest
5 of them are IIs and IIIs and a IV.

6 Q. Okay. Do you pay your members over-order
7 premiums?

8 A. We do not.

9 Q. You do not.

10 The milk that goes to the Class I market, do you
11 charge over-order premiums for that milk?

12 A. When we can, something. It depends on the
13 customer. It depends on the location. It depends on how
14 far the milk goes.

15 Q. Are those --

16 A. The --

17 Q. -- Class I -- oh, I'm sorry.

18 A. The competitive environment at that location, too.

19 Q. Are those Class I plants dependent of your milk?

20 A. I would say, yes, they are.

21 Q. So wouldn't that enable you to command, for lack
22 of a better word, an over-order premium for that milk?

23 A. There are currently ser- -- we call them service
24 charges. There are currently some service charges in
25 place.

26 Q. Okay. One of the purposes of the AMAA,
27 Agricultural Marketing Agreement Act, is to ensure an
28 adequate supply of fluid milk to the consuming public,



1 correct?

2 A. Correct.

3 Q. When I look back at Federal Order 1 for last
4 month, I just took this off their website, it's pretty
5 even for the most part, about 30% across all classes, the
6 main classes of milk: 30% Class I, about 26% Class II,
7 and 30% Class III.

8 So looking at the volume of milk produced in the
9 Northeast, would you say that there's an adequate supply
10 of milk for the fluid market?

11 A. In the entire Northeast?

12 Q. Correct.

13 A. I would say the Class I plants are supplied.

14 Q. Then why do we need to increase Class I
15 differentials?

16 A. Because of the cost, the increased cost it takes
17 to service a lot of these Class I plants, and the demands
18 that they put on us to -- to -- for example, PI counts,
19 lower somatic cell counts. And I believe PI counts aren't
20 even in the PMO in terms of -- in terms of a regulation.
21 But we're under constant demand to lower PI counts,
22 shuffle milk out of loads. They are reviewing loads on
23 a -- on a pretty much a daily basis. They are regularly
24 looking at our FARM program for animal welfare and
25 wellbeing. All that has a cost.

26 And we do service a couple of Class I plants
27 that -- that don't take milk -- one of them doesn't take
28 milk on a weekend, so -- well, a Friday/Saturday, they



1 start taking again on Sunday but -- so there's additional
2 costs that have happened over the years to service these
3 Class I plants.

4 Q. Wouldn't it be better to handle those costs on an
5 individual basis rather than -- again, lack of a better
6 term -- taxing the entire order?

7 A. Well, we can't pick and choose between which farms
8 that we -- that we manage this to, because a lot of times
9 we're -- you know, these loads are all blended, and it's
10 hard to isolate and traffic milk with particular farms on
11 the loads into particular plants. That's a very
12 complicated thing for us. I mean, we have 550 farms over
13 seven states of a variety of sizes, from 10 cows to 4,000
14 cows. So it's -- it's very difficult to do that.

15 Q. Uh-huh. Okay.

16 MR. LAMERS: Thank you. No further questions.

17 THE WITNESS: Thank you.

18 THE COURT: Are there other questions for
19 Mr. Werme before I invite the Agricultural Marketing
20 Service questions?

21 I see none. I invite Agricultural Marketing
22 Service to question Mr. Werme.

23 CROSS-EXAMINATION

24 BY MS. TAYLOR:

25 Q. Good morning.

26 A. Good morning.

27 Q. Thank you for being here today.

28 A. Thank you for having me.



1 Q. Just a couple questions.

2 Let's start with Maine. You said numerous times
3 it's important that the milk stays in Maine. I wonder if
4 you could elaborate why Agri-Mark finds that important.

5 A. Well, having -- since I returned to the membership
6 department in 2015, I have probably made a dozen visits to
7 the state to -- to speak in front of our members up there,
8 and it -- it -- it's very important to our members up
9 there to service their population. The population in
10 Maine, we feel, wants to see the agricultural community
11 exist and do well. They actually have a state order
12 premium up there. And so realizing that farmers are
13 exiting the business pretty regularly these days, and just
14 trying to look forward, Agri-Mark feels that it's better,
15 it's a benefit to the entire co-op to have that state be
16 in balance with its -- the plants that are currently
17 there. We hope they stay there.

18 Q. And I would guess since the state is a peninsula
19 up there that -- since the state is a peninsula basically
20 up there, right?

21 A. Yes.

22 Q. So can you speak to the difficulty if the milk
23 leaves the state, trying to find other milk to come in and
24 service consumers?

25 A. That would be extremely difficult.

26 Q. Okay. The two plants in Maine -- so Maine's not
27 in the Federal Order area?

28 A. Correct.



1 Q. So are the two plants in Maine pooled?

2 A. I don't know the answer to that.

3 Q. Do you know if the milk receipts of those plants
4 are pooled?

5 A. Don't know the answer to that either.

6 Q. And how about the loads that Agri-Mark ships into
7 Federal Order 1, do you know, is that milk pooled?

8 A. Yes, it is.

9 Q. Okay. On Vermont, you mentioned you reduced the
10 differentials in Northeast Vermont to encourage milk to
11 move to Eastern -- into Massachusetts, basically.

12 A. It's -- I don't know if I would call encourage.
13 It is what it is. We move a lot of milk south.

14 Q. You state in this region there are no significant
15 delivery points.

16 So I was wondering if you could just explain what
17 you define that as?

18 A. Well, so there were a couple of larger plants up
19 in very Northern Vermont a couple of decades ago, and
20 those are no longer in existence. We have the Middlebury
21 plant in more Central Vermont. Cabot is up there. And I
22 think I mentioned yesterday that they are working probably
23 on an average of six days a week.

24 And so when we can roll the milk through those
25 areas, we do. But we currently, right now, have a lot of
26 our milk going from the very north of Vermont to West
27 Springfield. And if it can roll through Middlebury Cabot,
28 depending on how long it takes to assemble the load, if



1 it's -- if they are picking up six or seven farms, you
2 know, we'll roll it through and send -- and assign a
3 Middlebury load to go south or a Cabot load to go south.
4 But if they just pick up one farm or two farms, that --
5 that hauler's got to drive to Springfield because there's
6 nowhere else to go. We try and keep the Middlebury milk
7 in the Middlebury area just because it's the most
8 efficient thing to do.

9 Q. So the -- making a greater slope in that area
10 helps pay for some of the hauling --

11 A. Helps offset some of the hauling cost --

12 Q. Okay.

13 A. -- that's correct.

14 Q. And then --

15 THE COURT: Be sure to wait until her question is
16 finished. Thank you.

17 BY MS. TAYLOR:

18 Q. And then it seems it was basically the same
19 situation in Northern New York?

20 A. That's correct.

21 MS. TAYLOR: That's it from AMS. Thank you.

22 THE COURT: Mr. English.

23 CROSS-EXAMINATION

24 BY MR. ENGLISH:

25 Q. Good morning, Mr. Werme.

26 My name is Chip English for the Milk Innovation
27 Group.

28 A. Good morning, Mr. English.



1 Q. I want to follow up directly on the questions
2 asked by Ms. Taylor for Agricultural Marketing Service.

3 Do you still have Exhibit 369 in front of you?

4 A. Yes.

5 Q. And understanding the comment yesterday from
6 Ms. Hancock, nonetheless, if you look at that document on
7 the fourth line for Row 1146, and do you see that under
8 the next column, pool distributing and supply plants, both
9 DFA Oakhurst and Portland, and HP Hood in Portland, are
10 listed as supply plants -- Your Honor, I'm sorry -- pool
11 distributing plants, under that fourth line, fourth row,
12 1146?

13 A. I see the fourth row.

14 Q. Yes.

15 A. Yep. I see that fourth row.

16 Q. So assuming that MIG has correctly taken from
17 Order 1's data that those plants are pool distributing
18 plants, that would indicate that they are both fully
19 regulated on Order 1, correct?

20 A. Correct.

21 Q. Okay. And in order to be fully regulated under
22 Order 1, they would have to have at least 25% of the route
23 disposition in the marketing area, correct?

24 A. I don't have that kind of knowledge --

25 Q. Okay.

26 A. -- about milk marketing, I'm sorry.

27 Q. Okay. They would have to meet whatever the
28 definition is by USDA, correct?



1 A. Again --

2 (Court Reporter clarification.)

3 BY MR. ENGLISH:

4 Q. They would have to meet whatever the Order 1
5 requirement is in order to be a pool distributing plant
6 under Section 7 of that order, correct?

7 A. Again, I don't have that depth of knowledge. I'll
8 have to take your word for that.

9 Q. Do you know at least the -- that the marketing
10 area starts when you cross the Piscataquis River into New
11 Hampshire, from --

12 A. Yes.

13 Q. Yes. Okay.

14 So assuming that there is a requirement that milk
15 be shipped, the minimum amount of milk be shipped into
16 Order 1, the milk would have to be shipped, you know, into
17 Portsmouth or down in Boston, correct?

18 A. Correct.

19 Q. Thank you.

20 MR. ENGLISH: That's all I have.

21 THE COURT: I love to see Mr. English in his
22 comfort zone.

23 Ms. Hancock.

24 MS. HANCOCK: Thank you.

25 REDIRECT EXAMINATION

26 BY MS. HANCOCK:

27 Q. Good morning, Mr. Werme.

28 One -- one clarification from yesterday.



1 When you were talking with MIG's counsel
2 yesterday, she had asked you a question about whether the
3 model results were fully accounting for some of the
4 factors that you were discussing, and I thought I heard
5 you answer in the affirmative, and I just want to make
6 sure that your testimony is clear on the record.

7 Were you intending to say yesterday that the model
8 results fully accounted for the market conditions that
9 we're addressing in the differential proposal from
10 National Milk?

11 A. Yes.

12 Q. Okay. Let me -- were you saying that the model by
13 itself fully accounted for all of those market conditions
14 or were you saying that there were additional work that
15 had to be done in order to put those in context?

16 A. Maybe that was the confusion. There was
17 additional work that we felt needed to be done from the
18 model that the computers, if you will, gave us.

19 Q. Okay. And can you tell me, and you have talked a
20 little bit about some of the motivations for making sure
21 that milk stays in Maine, were there other factors or work
22 that you did on the team to make sure that the model
23 results were properly adjusted to reflect actual market
24 conditions?

25 A. We did.

26 Q. What kind of things did you do?

27 A. We looked at each of the areas, we looked at how
28 we, in reality, move milk around New England and New York,



1 and discussed further adjustments to the model that, =the
2 three of which that I testified to.

3 Q. And in your experience in working in the industry,
4 were those modifications to the model results necessary in
5 order to properly ensure that the -- that the
6 differentials were set properly?

7 A. I believe they are.

8 Q. Okay.

9 MS. HANCOCK: Your Honor, at this time we would
10 move for the admission of Exhibit 370.

11 THE COURT: Is there any objection to the
12 admission into evidence of Exhibit 370, which is also
13 NMPF-43?

14 There is none. Exhibit 370 is admitted into
15 evidence.

16 (Thereafter, Exhibit Number 370 was received
17 into evidence.)

18 THE COURT: Mr. Werme, before you step down, I
19 would like the Agricultural Marketing Service to come to
20 you and collect their originals and my 301 to give it back
21 to me on their way back. So they are looking for 53, 58,
22 366, 368, and 369.

23 MS. HANCOCK: Thank you, Mr. Werme.

24 THE COURT: Thank you. You may step down.

25 MS. HANCOCK: Your Honor, our next witness is
26 Johnny Hiramoto.

27 THE COURT: Welcome.

28 THE WITNESS: Thank you. Good morning.



1 THE COURT: Good morning.

2 Would you please state and spell your name.

3 THE WITNESS: Johnny Hiramoto, J-O-H-N-N-Y,
4 Hiramoto, H-I-R-A-M-O-T-O.

5 THE COURT: Have you previously testified in this
6 proceeding?

7 THE WITNESS: I have not. This is my first
8 testimony ever.

9 THE COURT: May you enjoy.

10 THE WITNESS: I hope so.

11 MS. HANCOCK: That sounded a little like the
12 Hunger Games.

13 THE COURT: If you raise your right hand, I'll
14 swear you in.

15 JOHNNY HIRAMOTO,

16 Being first duly sworn, was examined and
17 testified as follows:

18 MS. HANCOCK: Your Honor, if we could have the
19 next exhibit number for his testimony.

20 THE COURT: The next one is 373.

21 MS. HANCOCK: And we'll mark that on
22 Exhibit NMPF-56.

23 THE COURT: Yes. 373, Also NMPF-56.

24 (Thereafter, Exhibit Number 373 was marked
25 for identification.)

26 DIRECT EXAMINATION

27 BY MS. HANCOCK:

28 Q. Good morning, Mr. Hiramoto.



1 Would you mind providing your business address for
2 the record.

3 A. Sure. 1405 North 98th Street, Kansas City, Kansas
4 66111.

5 Q. And did you prepare Exhibit 373 in support of your
6 testimony today?

7 A. I did.

8 Q. And if you wouldn't mind providing that statement
9 for us, just being mindful of your reading speed for our
10 court reporter.

11 A. I will. I'll do my best.

12 Hello. My name is Johnny Hiramoto. I'm here on
13 behalf of Dairy Farmers of America, Inc.'s (DFA) Western
14 Area. The Western Area is one of seven fluid area
15 divisions within DFA.

16 THE COURT: A little more slowly.

17 THE WITNESS: Okay. Sorry.

18 Currently, Western Area has 203 farmer-owners in
19 California and Northern Nevada producing over 600 million
20 pounds of milk per month. Currently, the majority of the
21 milk is pooled in Federal Order 51. 100% of Western's
22 member milk is transported by either a third-party hauler
23 or by the farmer-owners themselves. Milk is delivered
24 throughout the state of California and Northern Nevada.

25 DFA also operates six manufacturing facilities in
26 California and one in Northern Nevada. These facilities
27 receive raw milk, cream, and condensed skim milk, and make
28 a variety of products including, but not limited to,



1 cheese, whey, HTST and ESL fluid milk and fluid products,
2 nonfat dry milk, whole milk powder, and other specialty
3 dairy products. All but one --

4 THE COURT: Let me just ask. Right after you
5 mentioned HTST and ESL fluid milk, rather than reading
6 "and milk products" you read, you said, "and fluid
7 products."

8 THE WITNESS: I apologize.

9 THE COURT: Does it make a difference?

10 THE WITNESS: Yeah, milk products.

11 THE COURT: Milk products. All right. Thank you.

12 THE WITNESS: Okay.

13 -- nonfat dry milk, whole milk powder, and other
14 specialty dairy products. All but one of these DFA-owned
15 facilities received raw milk from our farmer-owners.

16 For almost 25 years I have had various roles in
17 DFA, mainly in California. Currently I am the director of
18 accounting and marketing information for Western Area. My
19 duties include monthly closings, financial reporting,
20 regulatory reporting, budgets, market forecasting,
21 compilation of historical data and statistics, and I act
22 as a customer, vendor, and regulatory liaison. The best
23 thing about my work is getting to know the farmer-owners
24 and their families.

25 Understanding that I -- understanding that what I
26 can positively affect these farm families --

27 THE COURT: Start again, please.

28 THE WITNESS: Oh, sure.



1 Understanding that what I do can positively affect
2 these farm families is truly rewarding.

3 I am here today in support of Proposal 19
4 submitted by the National Milk Producers Federation (NMPF)
5 to modernize the national Federal Order pricing surface in
6 Class I differentials. My testimony will focus on the
7 price surface proposal for Northern Nevada and California.
8 Below are maps that show current, proposed, and the
9 difference between proposed and current, location
10 differentials, both nationally and the regions I will be
11 focusing on.

12 Map 1, which is Current (National); Map 2,
13 Current, which is California and Nevada; Map 3 is NMPF
14 Proposed (National); Map 4, NMPF Proposed (California and
15 Nevada); Map 5, NMPF Proposed versus California -- I'm
16 sorry -- Proposed versus Current (National); and then
17 lastly, Map 6, NMPF Proposed versus Current (California
18 and Nevada).

19 In addition to supporting the testimony of
20 Mr. Vandenheuvel of California Dairies, Inc., regarding
21 California, I would first like to discuss Northern Nevada.
22 Nevada has Class I operations in and around Las Vegas,
23 Clark County, and Reno, Washoe County. DFA operates a
24 medium-sized manufacturing plant in Fallon, Churchill
25 County.

26 THE COURT: Slow down just a bit, if you will.

27 THE WITNESS: Yes, ma'am.

28 Washoe County and Churchill County are in Northern



1 Nevada. Currently, Washoe and Churchill Counties have the
2 same differential as milk-producing counties directly to
3 the east in California. These counties in California have
4 a mix of Class I plants and manufacturing plants. It is
5 necessary to continue a similar price surface between
6 these plants in this bistate region to maintain
7 competitive equity for them relative to blend prices under
8 the California order. See Map 2.

9 Historically, Washoe and Churchill County, and
10 other counties in Northern Nevada, have followed the
11 pricing structure of Northern California. See Map 2.
12 These counties have strong and historical association with
13 Northern California.

14 Prior to November 2018, while California still
15 operated under a state order, Nevada had adopted the same
16 basic pricing structure in place in Northern California
17 for use in Northern Nevada. When California began
18 operating under the Federal Order system, Nevada, once
19 again, utilized California's pricing structure, adopting
20 the Federal Order 170 pricing differential --

21 THE COURT: Now, just so that it's clear what you
22 mean by "170," would you read that number again?

23 THE WITNESS: Sorry, \$1.70.

24 THE COURT: No, it's an order number -- oh --

25 THE WITNESS: Oh.

26 THE COURT: -- oh, wait a minute, maybe -- maybe
27 you are talking about the \$1.

28 THE WITNESS: Yeah.



1 THE COURT: Okay. So the Federal Order that you
2 are talking about is the Federal Order that includes
3 California and Nevada?

4 THE WITNESS: Yeah, Federal Order -- yeah, the
5 Federal Order price differential.

6 THE COURT: Thank you.

7 THE WITNESS: Okay.

8 -- adopting the Federal Order \$1.70 pricing
9 differential the same as Northern California.

10 Additionally, a plant in Northern Nevada has
11 consistent route distribution in Northern California. We
12 support the relationship that Northern Nevada and Northern
13 California have historically held, which continues today.
14 We believe this will continue to keep all handlers
15 competitive in both regions. The proposed value for Clark
16 County, Nevada, is \$2.90 value. Other NMPF member
17 cooperative witnesses will be providing testimony about
18 this area, and DFA agrees with the \$2.90 value and
19 recommends its adoption.

20 NMPF supports consolidation of California's \$1.60
21 and \$1.70 zones to the new \$2.50 zone. Milk and route
22 distribution in both zones moves interchangeably between
23 the zones. We also agree with Mr. Vandenheuvel's
24 testimony during the 2000 Federal Order Reform, California
25 was under -- was operating under a state order and we
26 almost assuredly did not scrutinize, as we would today,
27 the differentials assigned, as they played little to no
28 role for us.



1 Almost 19 years later, with California adopting a
2 Federal Order in November 2018, the differentials are not
3 suitable.

4 I did change that word, Your Honor.

5 THE COURT: From "were" to "are"?

6 THE WITNESS: Correct.

7 THE COURT: So we'll do that also on the record
8 copy. We're on page 6 of Exhibit 373, middle of the page.

9 So again, read -- that line begins with the number
10 "2018," just begin there, if you would.

11 THE WITNESS: Okay.

12 -- 2018, the differentials are not suitable. They
13 do not reflect accurately the cost of moving milk and
14 provided little incentive by themselves to route milk to
15 Class I plants, particularly in the large Northern and
16 Southern California urban areas. We scrambled to adjust,
17 adapt, and ultimately arrive at a price mechanism to
18 facilitate necessary milk movements.

19 Proposal 19 to modernize the national Federal
20 Order pricing surface and Class I differentials gives us
21 an opportunity to adjust to current times. We also feel
22 that the differentials assigned by the study fell short
23 for the Western region, especially in California. We
24 support Mr. Vandenheuvel's view of the relationship
25 between California's Central Valley and the major Upper
26 Midwest milk sheds of Wisconsin, Minnesota, and South
27 Dakota.

28 Regulation continues to challenge California dairy



1 producers, such as air quality, water rights, wastewater
2 disposal, and zoning, to name a few. Costs of production
3 continues -- I added the word "to."

4 THE COURT: Ah, so we're on page 7, second line,
5 we're just putting the word "to," T-O, after "continues."

6 THE WITNESS: You want me to re-read that
7 sentence?

8 THE COURT: Yes, please.

9 THE WITNESS: Costs of production continues to
10 increase, and from what I understand, it's magnified in
11 the West. Labor, feed, insurance, and utilities costs,
12 among others, are higher in California. DFA's Western
13 Area average hauling costs have nearly doubled compared to
14 2001. I have included information from Frazer,
15 specifically for California, shown in Appendix 1 below,
16 that was previously provided into the record.

17 Even being a top milk -- I'm sorry -- even being a
18 top milk producing state, moving milk is not as simple as
19 it would seem. California geographically is a very large,
20 elongated state, containing significant mountain ranges,
21 traffic at times is horrendous, particularly in the very
22 large urban areas, but increasingly in the growing urban
23 areas of the Central Valley as well. This adds
24 significant travel time, wear and tear on equipment, and
25 places additional strain on the driver pool.

26 There are few milk producers in close proximity to
27 the large Southern and Northern California urban areas,
28 which necessitates increasing longer hauls. One of our



1 contract haulers, a large milk hauling business in
2 California who has asked to remain anonymous, has provided
3 the following data, Chart 1, of the changes in its cost
4 structure. Traffic alone has increased hauler resistance,
5 and hauler rates have increased steadily for milk
6 deliveries to these plants. Also, high cost of labor,
7 insurance, and regulation among with restrictive weights
8 limits, all combine to make hauling milk demanding and
9 expensive.

10 And there's Chart 1.

11 Our farmer-owners are also dealing with increases
12 in labor costs, utilities, regulatory costs, maintenance
13 costs, feed costs, and a variety of other issues to name a
14 few. I'm sure that -- sorry -- I am sure that is probably
15 true -- and I changed the word "to" to "for."

16 THE COURT: All right.

17 THE WITNESS: F-O-R.

18 THE COURT: So we're on page 8, it's the third
19 line under the chart, and the word "to" is now "for."

20 And would you read the sentence again.

21 THE WITNESS: Okay.

22 I am sure that is probably true for farmer-owners
23 across the country, but it seems to be -- and I struck out
24 the word "a" -- apologize.

25 THE COURT: No worries. That's easy for us.

26 THE WITNESS: -- magnified in California
27 because -- and I struck out the word "of."

28 THE COURT: I see.



1 THE WITNESS: -- everything costs more in
2 California. Just because California dairy producers are
3 considered to be very "efficient" does not mean that they
4 should be penalized. Federal Order 51 was modeled after
5 the Upper Midwest, but the -- but the disparity of the
6 differentials in California compared to the Upper Midwest
7 is not equitable from the recent study, let alone to the
8 rest of the country. NMPF's proposal brings back to the
9 similar relationship between California, Nevada, to the
10 Upper Midwest.

11 In conclusion, we support NMPF's proposal of the
12 Class I differentials and the testimony of
13 Mr. Vandeneuvel. Thank you for the opportunity and the
14 time to allow me to speak.

15 And the last two pages is Appendix 1 of the
16 Frazer.

17 BY MS. HANCOCK:

18 Q. Thank you, Mr. Hiramoto.

19 If we could turn to page 5 of your testimony. You
20 were talking about the differentials and the comparison
21 between Nevada and California. And in that first
22 paragraph on page 5, about halfway through, after you have
23 listed the counties there, you said that currently Washoe
24 and Churchill Counties have the same differentials as
25 milk-producing counties directly to the east in
26 California.

27 Should that be west?

28 A. West. Yes. Thank you.



1 THE COURT: All right. We'll make that change
2 now. That's page 5, it's six lines down. We're going to
3 change "east" to "west."

4 And would you just read that sentence for us now.

5 THE WITNESS: Currently, Washoe and Churchill
6 Counties have the same differential as milk-producing
7 counties directly to the west in California.

8 BY MS. HANCOCK:

9 Q. And then if we turn to page 6, the last paragraph
10 on that page, you were talking about National Milk's
11 Proposal 19, and you state that, "We also feel that the
12 differentials assigned by the study fell short for the
13 Western region."

14 And I'm wondering if you could tell us what study
15 you are referring to there.

16 A. Nicholson and -- can't remember the other
17 gentleman's name, I'm sorry.

18 Q. Stephenson?

19 A. Stephenson. Yeah, Stephenson.

20 Q. Are you talking about the model results?

21 A. Correct. Yeah.

22 Q. Okay.

23 A. Both versions.

24 Q. I'm sorry?

25 A. Both versions.

26 Q. Meaning the May and the October?

27 A. Correct.

28 Q. Okay.



1 MS. HANCOCK: Your Honor, at this time we would
2 make Mr. Hiramoto available for cross-examination.

3 THE COURT: Thank you.

4 MR. ENGLISH: Good morning, Your Honor.

5 CROSS-EXAMINATION

6 BY MR. ENGLISH:

7 Q. Good morning, Mr. Hiramoto.

8 A. Good morning.

9 Q. My name is Chip English for the Milk Innovation
10 Group.

11 So what is the Class I utilization in California?

12 A. What do you mean?

13 Q. What -- what percent of milk produced in
14 California is processed as Class I?

15 A. That depends.

16 Q. You mean it depends on whether all milk is pooled
17 or not?

18 A. Depends on how much milk is pooled at any
19 particular month you are referring to.

20 Q. So let's take a month when all the milk is pooled,
21 or essentially all the milk is pooled.

22 What would the Class I utilization be in
23 California?

24 A. Well, prior to Federal Order, California was
25 inclusive pooling, so I don't remember exactly what the
26 number was back in October of 2018. But I -- I don't want
27 to guess.

28 Q. Well, don't guess.



1 But since you mentioned the term, and I don't
2 think it's been used yet in this Federal Order hearing,
3 what do you mean by the term "inclusive pooling"?

4 THE COURT: Uh, what --

5 MR. ENGLISH: Inclusive pooling.

6 THE COURT: Inclusive pooling. Thank you.

7 THE WITNESS: The California state order requires
8 that all milk be pooled in the state. That's what I
9 referred to as "inclusive pooling."

10 BY MR. ENGLISH:

11 Q. Is it fair to say that at that time, Class I
12 utilization was under 20%?

13 A. I think that would be fair to say.

14 Q. Okay. Would it be fair to say that milk
15 production has continued to increase in California since
16 becoming part of the Federal Order?

17 THE COURT: Did you say "increase"?

18 MR. ENGLISH: Increased. Total milk production in
19 California has continued to increase.

20 THE WITNESS: I struggle to answer that question
21 because I would need years to compare. Currently it's
22 decreased.

23 BY MR. ENGLISH:

24 Q. Is there an adequate supply of milk for fluid use
25 in California?

26 A. I would -- I would ask you to give me what
27 "adequate use" means and "adequate supply" means.

28 Q. Are you familiar with that term as used by USDA in



1 Federal Order decisions?

2 A. The reference does not come to mind.

3 Q. Do you know whether USDA has supplied, in the
4 past, or applied in the past, any reserve supply concept
5 of 25 to 30% of the milk being available for Class I?

6 A. I am not aware of that statistic, no. I
7 apologize.

8 Q. If that statistic were applied to California,
9 given at least in 2018 a less than 20% Class I
10 utilization, you would agree that there would certainly be
11 more than enough reserve supply in California, correct?

12 A. Well, being that DFA is not the largest
13 cooperative in California, without having all the numbers,
14 I cannot answer that question with -- with authority.

15 Q. All right. Thank you.

16 Nonetheless, you have 25 years of experience with
17 DFA, and mostly in California, correct?

18 A. That's correct.

19 Q. So you have testified that DFA has six
20 manufacturing facilities in California. I don't need to
21 know all the specifics, maybe just, like, by class.

22 Could you name those six facilities and which
23 class of milk they essentially produce?

24 A. I will do my best. We have two Class I plants --
25 I'm sorry, three Class I plants in Southern California;
26 one Class II plant in Southern California; we have a
27 cheese plant in the Central Valley; and we have a -- I
28 don't know what you'd call it, it's a joint venture, fluid



1 milk product in Ventura County.

2 Q. When you say three Class I plants in Southern
3 California, how do you define Southern California?

4 A. They are -- one's in Orange County, and two is in
5 L.A. County.

6 Q. And the facility in Churchill County, Nevada, is
7 that a -- what kind of plant is that?

8 A. Sorry, I got my counties kind of screwed up here.
9 Okay. That's under Fallon. That's a Class IV facility.

10 Q. And do you recall when that was built?

11 A. I want to say around 2013, 2014.

12 Q. It was built prior to there being a Federal Order
13 in California, correct?

14 A. That's correct.

15 Q. The milk that is supplied to your Class I
16 facilities, is that all milk from Dairy Farmers of
17 America?

18 A. No.

19 Q. And what about the cheese plant in the Central
20 Valley, is that 100% supplied by Dairy Farmers of America?

21 A. At most times, yes.

22 Q. When you say "at most times, yes," does that mean
23 that at some times of the year it serves as a balancing
24 facility and accepts milk from other areas, from other
25 suppliers?

26 A. I wouldn't consider that cheese plant a balancing
27 plant. There's just times where, based on milk movement,
28 that it gets supplied by a third party.



1 Q. But you, in essence, consider that to be a full
2 supply plant, basically it's a dedicated supply?

3 A. In my mind, yes.

4 Q. Thank you.

5 I do not want confidential information, but an
6 approximate percentage for the Class I plants, how much
7 milk is supplied by DFA?

8 A. Well, if you don't want confidential
9 information --

10 Q. And that's fine. If you don't even want to answer
11 generally, that's fine.

12 A. I don't.

13 Q. Fine.

14 A. Yeah.

15 Q. Sir. I think we've actually known each other for
16 a period of years --

17 A. Yes.

18 Q. -- and I also have a reputation at these hearings,
19 I don't want my clients giving it, and I don't want you to
20 give it, so that's fine.

21 A. I appreciate that.

22 Q. Does DFA operate any plants in Arizona?

23 A. Not that I'm aware of.

24 Q. Does DFA have dairy farmer members in Arizona?

25 A. The Western Area does not, so not that I am aware
26 of.

27 Q. Okay. I think there's another witness for DFA who
28 is testifying who might cover Arizona, so -- but as far as



1 you know for your area, no?

2 A. Yeah. For our -- for the Western Area of which I
3 represent, we do not have an Arizona member.

4 Q. And since you represent the Western Area, if DFA
5 had an Arizona member that shipped into California, you
6 would know about that, correct?

7 A. If it falls under our region, yes, I would.

8 Q. California is your region, right?

9 A. California -- yes, California is our region.

10 Q. So was there a red pencil -- I think there was a
11 red pencil crew for the West, correct?

12 A. I was not part of any red pencil crew.

13 Q. That's going to cover a lot of questions.

14 Did you, nonetheless, consult with
15 Mr. Vandeneuvel on the development of the California
16 position for National Milk?

17 A. Sorry, I didn't catch the beginning.

18 Q. Okay. I apologize.

19 Since you -- even though you were not on the red
20 pencil crew, did you nonetheless consult with
21 Mr. Vandeneuvel on the development of Class I
22 differentials in California?

23 A. Yes, we have had discussions.

24 Q. And what were those discussions?

25 A. Regarding the differentials that was established
26 by the -- what I will say the task force, and it was then
27 dispersed to certain areas. And Mr. Vandeneuvel was in
28 the West, represented the West.



1 Q. And do you recall any specific discussions about
2 that?

3 A. I guess I would need to know what specifics you
4 are asking for.

5 Q. About why, for instance, National Milk was seeking
6 to increase Class I differentials above that of the model
7 results.

8 A. Yeah, I was in some of those discussions.

9 MR. ENGLISH: Your Honor, I would like to have
10 another exhibit marked.

11 THE COURT: Certainly. Shall we go off record for
12 a moment?

13 MR. ENGLISH: Yes.

14 THE COURT: Let's go off record at 9:07.

15 (An off-the-record discussion took place.)

16 THE COURT: Let's go back on record.

17 We're back on record at 9:09.

18 Mr. English, I have before me MIG Exhibit
19 Number 57. I have marked it as Exhibit 374.

20 (Thereafter, Exhibit Number 374 was marked
21 for identification.)

22 MR. ENGLISH: Thank you, Your Honor.

23 So what has been marked as Exhibit 374 is, again,
24 a MIG-prepared document for selected California and Nevada
25 locations. I note on the second page, the legend, to
26 provide a basis for where the information comes from.

27 And I will note ahead of time, again, that, yes,
28 MIG prepared this document. The sources are there. I'm



1 perfectly content to accept ahead of time what I think
2 will be National Milk Producer Federation's attorney's
3 same concern from yesterday with respect to the Order 1
4 information. You know, we'll deal with it at the time of
5 admission. But I recognize that. But, again, this is a
6 document that has been prepared using information that is
7 already in the record, and the only differences, of
8 course, are calculations in the last columns.

9 We have, as you will note from yesterday, and now
10 going forward, we're trying to conform making everything
11 the same. In other words, we're not trying to omit
12 different columns or add new columns going forward, so
13 that there is sort of a consistency to the kind of
14 information that is presented.

15 THE COURT: Thank you.

16 BY MR. ENGLISH:

17 Q. So I guess part of my question, Mr. Hiramoto, is
18 going to be: At what point did you have the
19 conversations?

20 And I ask that because there was the model numbers
21 that came out, which are referenced in the columns May '21
22 estimates, October '21 estimates, and the University of
23 Wisconsin (UOW) Version 3 average that's sort of in the
24 middle of the page.

25 Then there were -- National Milk provided
26 information over a period of time to USDA, and they did so
27 in March of '23, which is the proposed Class I March '23.
28 Again, what was called -- labeled on what's Exhibit 300,



1 new proposal May 2023, and then ultimately, a new
2 submission, which is Exhibit 301, Proposal Number 19, in
3 June 2023.

4 And there are some differences, especially from --
5 I think the only differences really are between the model
6 and National Milk's numbers, but in terms of March to May.

7 And so one question I have is, at what point do
8 you recall getting involved?

9 A. With respect to Mr. Vandenheuvel, is that what you
10 are saying?

11 Q. With respect to Mr. Vandenheuvel, or for that
12 matter, in looking at any of these proposed Class I
13 differentials.

14 A. Time seems to run together these days. I want to
15 say late last quarter of 2022.

16 Q. Thank you.

17 And was it then that you concluded, or you
18 concluded in consultation with others, that the results
19 presented by the model were inadequate?

20 A. I don't know if the conclusions happened in 2022,
21 but we definitely felt that it fell short.

22 Q. In what ways did it fall short?

23 A. We feel that the study didn't feel like it
24 adequately captured costs of moving milk -- or just costs
25 of producing milk in the State of California.

26 Q. In what way in calculating Class I differentials
27 prior to this proceeding has the cost of processing milk
28 in an area played a role in the level of the Class I



1 differential for that location?

2 A. Can you ask that a different way?

3 Q. Do you know how USDA has, in the past, calculated
4 the level of Class I differentials for a particular
5 location?

6 THE COURT: A particular --

7 MR. ENGLISH: Location.

8 THE COURT: Location.

9 THE WITNESS: For myself, again, being new to
10 Federal Order, no, I do not know directly. I have some
11 understanding indirectly.

12 And, again, as I stated in our testimony, when we
13 went to Federal Order in November 2018, we had talked to,
14 I believe, USDA and other folks, that the differentials
15 fell short, but there was no way to get that changed
16 without a national hearing.

17 BY MR. ENGLISH:

18 Q. Do you understand that at least presently, the
19 Class I differentials are composed of a base differential
20 plus a value based upon location?

21 A. I have some understanding of that, yes.

22 Q. Do you understand that that difference in value
23 based upon location is based on the cost of moving milk
24 from where it is produced to where it is processed?

25 A. To my understanding that is a, that is a factor.
26 A piece of it.

27 Q. Where in the factor of setting, whether it's the
28 base or the differing value for location, does cost of



1 production figure in?

2 A. I don't know if I can answer that question.

3 Q. Okay. If you were involved in late 2022, do you
4 know what happened between March of 2023 and May of 2023
5 such that if you look at the very last set of columns,
6 difference May '23 minus March 2023, there were changes
7 proposed in what National Milk was proposing for the
8 selected counties in California, Nevada?

9 A. I think I understand your question, but can you
10 say it a different way?

11 Q. Sure. A column in the middle of the page has
12 "Proposed Class I March '23," and the column immediately
13 to the right is "New Proposal May '23."

14 We have -- and that comes from Exhibit 300,
15 Columns O and S.

16 MIG has simply done a calculation subtracting from
17 the May number, the March number, resulting in a series of
18 numbers, none of which are zero, in that next to last
19 column labeled "Difference May '23 to March '23."

20 And I'm asking whether you have knowledge as to
21 what happened there.

22 A. What I can speak to is that it was a -- we never
23 had a final number, from my understanding. I don't know
24 about any submission of the old and new that you are
25 referring to. I just know we were working on trying to
26 get to a final number, and it was a national thing. It
27 was -- you know, it started nationally, with -- again,
28 with the task force, and then to create some -- I don't



1 want to call it baseline, but to create a starting point.
2 And each area looked at their own, and we looked at the
3 West.

4 Q. Were you ever involved in conversations going
5 across groups, like, say the West and the East?

6 A. Definitely not the East. We did have a
7 conversation, and I believe you will have testimony
8 from -- I believe it's Monty for Oregon, Washington, but
9 we did have conversation, because that was part of the
10 Western group. We did have conversation that touched
11 California.

12 Q. How about conversations such with the Upper
13 Midwest?

14 A. I did not speak to anybody personally about the
15 Upper Midwest. I know I reference that in my testimony
16 because of current differentials to what the study came up
17 with.

18 Q. And compared to the Upper Midwest and what you
19 did, are you aware that, at least for Minnesota, or at
20 least parts of Minnesota, south and west of there, that
21 National Milk is proposing increases over the model
22 results?

23 A. Oh, we -- yes. Our -- I'm sorry, not "we" --
24 National Milk's proposal is above the model for
25 California. Is that what you are asking?

26 Q. Well, actually I was going a different place. I
27 know that.

28 A. Okay.



1 Q. But I was asking: Are you aware that National
2 Milk was also proposing increasing, starting just a little
3 west of the Wisconsin border with Minnesota, Minnesota,
4 then through the Dakotas, and southwest from there, that
5 National Milk is also proposing increases to the model
6 there?

7 A. I'll be honest, I didn't look at the Upper
8 Midwest. I'm very protective of California, so I -- I
9 stuck to California.

10 Q. But part of your testimony is that you were, you
11 know, believing that the model fell short in terms of
12 equity with the Upper Midwest, correct?

13 A. That's correct.

14 Q. So if National Milk raises the Upper Midwest and
15 then you say there's a concern for equity in the Upper
16 Midwest, hasn't National Milk essentially bootstrapped
17 their way into an argument for needing to increase prices
18 in the West?

19 A. So our focus was price alignment and -- and
20 basically keeping the relationship. We wanted to make
21 sure that the relationship in California and Northern
22 Nevada stayed roughly the same as to what it was going on
23 somewhat nationally.

24 And when we went to Federal Order, you know, I had
25 a lot of questions on going to Federal Order, and I kept
26 getting told, even by USDA, that it's really modeled after
27 the Upper Midwest. So we focused on the fact that if the
28 Upper Midwest was going to be X, then the Western Area



1 needed to be somewhat similar to X, if that makes any
2 sense.

3 Q. When USDA said it was modeled off of the Upper
4 Midwest, were -- were they meaning in terms of results or
5 order provisions as drafted?

6 A. From my understanding, I would say just about all
7 of it. There was no order that was -- that would come as
8 close to how California marketed milk than the Upper
9 Midwest.

10 Q. And so that would make sense that order
11 provisions, for instance, something other than inclusive
12 pooling, would look like the Upper Midwest, correct?

13 A. Yes.

14 Q. But by definition, if there is a difference in the
15 Class I utilization between the Upper Midwest and
16 California, that Class I utilization by itself, whether or
17 not the Class I differentials were the same, would result
18 in a different pay price to producers, correct?

19 A. I'm not sure what you mean.

20 Q. Well, you have talked about the need to be
21 equitable in terms of pricing between the Upper Midwest
22 and California, correct?

23 A. Yes.

24 Q. Okay. How can there be -- well, how do you define
25 equity?

26 A. Well, how I would define it would be somewhat in
27 the same relationship.

28 Q. Same relationship meaning what?



1 A. Meaning the current differential versus the
2 proposed.

3 Q. Why is that relevant to USDA in rulemaking?

4 A. With California being a state order for so long, I
5 feel that California kind of got overlooked in a lot of
6 different things because it didn't really relate to the
7 Federal Order. As I stated, when we went to Federal
8 Order, the differential was a pain point, and now we have
9 an opportunity to fix it.

10 Q. Have you done any study of the impacts on milk
11 production in California, Nevada, if National Milk
12 Proposal 19 is adopted?

13 A. No, I have not.

14 Q. You mentioned price alignment as being important.

15 If hauling costs have increased and milk also
16 moves longer distances, doesn't price alignment
17 necessarily negate recovery of hauling costs for milk that
18 is moving longer distances?

19 A. Well, what do you mean in your -- in your use of
20 price alignment?

21 Q. Well, what I think about price alignment doesn't
22 matter.

23 So let's ask: What do you mean by price
24 alignment?

25 A. We're -- we're basically trying to make sure that
26 the differentials for our Western Area doesn't fall so far
27 off that it's not capturing what we need. And, again, in
28 relationship to the Upper Midwest, it -- it didn't come



1 close, so we were -- we were making sure that the
2 relationship stays, just as we did with California and
3 Nevada.

4 Q. Okay. So I'm glad you clarified. So maybe
5 there's two different price alignments.

6 At the moment, at least, you are referring to
7 price alignment between Class I differentials in
8 California versus the Upper Midwest, correct?

9 A. Correct.

10 Q. Is there another price alignment consideration
11 that you used, which was once you get to your market and
12 have done your price alignment within the Upper Midwest, I
13 thought you testified that you also wanted to retain price
14 alignment between locations within your area?

15 A. Between which locations?

16 Q. Well, okay, Reno, Nevada, and Sacramento.

17 A. Yes. The relationship maintained with -- with
18 what our working group did. We kept the same relationship
19 that exists today and as it's being proposed by National
20 Milk.

21 Q. And, for instance, also from the Central Valley to
22 Los Angeles you are keeping the same relationship,
23 correct?

24 A. That is correct.

25 Q. You have discussed that hauling costs have doubled
26 compared to 2001, correct?

27 A. I have discussed on our average it has doubled.
28 It's probably way more than that.



1 Q. Nonetheless, your testimony for what your
2 knowledge is, is that hauling costs have doubled since
3 2001, correct?

4 A. That's correct. I can only speak to the data I
5 have.

6 Q. Okay. Do you agree that the model already
7 includes hauling and hauling increased costs in it?

8 A. From my understanding there are some hauling costs
9 in there, but from some discussions that I heard, meaning
10 I was in the room with Chuck -- I'm sorry --
11 Mr. Nicholson, the amount of traffic and various things is
12 not accounted for in the study.

13 Q. Okay. We'll get to traffic in the Grapevine.

14 A. Or a full stop if there's snow.

15 Q. I was thinking last Wednesday when I guess a truck
16 wrecked and closed the I-5 for hours.

17 Did you read about that?

18 A. I did not. But there's always something.

19 THE COURT: Mr. English, remember where you are.

20 This would be a good time for a 15-minute break.

21 And so please come back ready to go at 9:45.

22 We go off record at 9:30.

23 (Whereupon, a break was taken.)

24 THE COURT: Let's go back on record.

25 We're back on record at 9:46.

26 Mr. English, you may resume.

27 MR. ENGLISH: Thank you.

28 BY MR. ENGLISH:



1 Q. Mr. Hiramoto, before the break we were talking
2 about the model and perhaps some things that you viewed as
3 being necessary to change.

4 So what I have so far is price alignment between
5 California and the Upper Midwest, correct?

6 A. Correct.

7 Q. That is one factor.

8 And then one factor you applied was the need for,
9 in your view, price alignment within the California
10 market, also thinking about Nevada, correct?

11 A. Correct.

12 Q. And then one other factor, which we're about to
13 talk about, is deviations because of traffic, correct?

14 A. Well, depends on your question. I don't know if
15 that's correct or not.

16 Q. Okay. So we'll leave that aside for a moment.

17 So other than price alignment between California
18 and the Upper Midwest, and price alignment within the area
19 of California and the operations in Nevada, what other
20 factors were considered for making changes to the model
21 results in terms of your testimony?

22 A. Well, as I stated in my testimony, there are a lot
23 of difficulties in producing milk for our farmer-owners in
24 the state of California. Traffic is just one of them.

25 Q. Thank you. We had discussed that.

26 Are you suggesting that there aren't difficulties
27 in producing milk in other parts of the country?

28 A. No, sir. I'm suggesting -- or I'm not suggesting



1 that at all. I'm just saying based on what I see, what I
2 hear from our farmer-owners, what is going on in the state
3 of California, and compared to the model's -- or the
4 study's differential, to me, to us, it doesn't quite
5 align.

6 Q. How would you describe -- how would you
7 specifically explain to USDA when it has to issue a
8 rulemaking under legal standards, how that translates into
9 actual numbers as opposed to a feeling?

10 A. Well, luckily for me that's -- that's above my pay
11 grade.

12 Q. So another way of talking about alignment is
13 slope, that is a slope in changing Class I differentials.

14 Do you understand that concept?

15 A. I have heard of the slope, yes.

16 Q. Given increases in hauling rates, how does
17 maintaining the slope in Class I differentials in
18 California, say for instance, from the Central Valley to
19 Los Angeles, reconcile with what USDA has done in the past
20 for Class I differentials?

21 A. Well, I can't speak to what USDA has done in the
22 past, that's something I just -- I don't know. So I don't
23 know how to answer your question.

24 Q. So I think, you know, certainly in answer to a
25 question I asked, you've already suggested, and I think
26 something that you stated earlier in response to a
27 question from your -- from National Milk's attorney, you
28 agree that delivering milk to Los Angeles has special



1 challenges, correct?

2 A. Yes, delivering milk to Cali- -- to L.A. County,
3 you said, I'm sorry?

4 Q. Los Angeles County.

5 A. Los Angeles, yes. Yes, it does have its
6 challenges.

7 Q. What about Orange County, does that have its
8 challenges as well?

9 A. Yes, it does.

10 Q. And leaving all joking aside, by and large, the
11 best/worst way to get milk down to Los Angeles is down the
12 Grapevine, correct?

13 A. Yes, sir.

14 Q. And, you know, probably on the list of highways,
15 other than the Cross-Bronx in New York, that might be one
16 of the worst roads for reliability, correct?

17 A. I have never -- that's a Skylar question. She's
18 been in both areas. I unfortunately have not been in that
19 area in New York, so I can't answer that.

20 Q. Let me assure you, you don't want to do it.

21 But bottom line is, whether it was last Wednesday
22 with the truck accident, you know, a fire, a flood, that's
23 just a terrible route to try to travel to get, whether
24 it's milk or anything else, down to Los Angeles, correct?

25 A. Yeah. I mean, just about any type of product
26 that's being shipped by truck is going through that
27 highway up and down the state.

28 Q. So given the fact that the model, from your



1 conversation with Dr. Nicholson, does not pick up traffic,
2 why wouldn't, with cost changes in 25 years, National Milk
3 say, you know what, we're going to make an adjustment and
4 have the Class I differential in Los Angeles be higher,
5 that is to say to increase the slope relative to the
6 Central Valley?

7 A. Is that what you are proposing? We'll take it. I
8 can't -- I can't answer that question. Right? It's a
9 working -- it's a working group, and we're -- we're all
10 working together. We're not trying to give an advantage
11 over one region over another.

12 Q. When selling -- so we discussed somewhat about
13 where your milk -- do you also sell milk, DFA member milk,
14 do you also sell DFA member milk to Class I operations not
15 operated by DFA?

16 A. We do.

17 Q. Have you, for such milk in California, negotiated
18 an over-order premium for the sales to that Class I
19 plant -- to those Class I plants?

20 A. We have.

21 Q. Is that pretty standard in California?

22 A. I can only speak for what crosses my desk. I
23 can't speak for Land O'Lakes or CDI.

24 Q. I am asking in your experience as to what crosses
25 your desk.

26 A. Yes.

27 Q. And how about plants in Nevada, are you also able
28 to negotiate an over-order premium for sales to plants not



1 owned by DFA in Nevada?

2 A. Yes.

3 Q. Does DFA in California and Nevada have a fuel
4 surcharge within the over-order premium, or separate from
5 that?

6 A. What do you mean by "fuel surcharge"?

7 Q. A provision within the contract that says if fuel
8 prices are higher than some standard number, that there's
9 additional charge for delivering milk to Class I?

10 A. Okay. Now that I understand that, can you re-ask
11 the original question? Sorry.

12 Q. Do -- does DFA for its sales of milk to plants not
13 owned by DFA, receive, in the contract, such a fuel
14 surcharge?

15 A. Yes and no.

16 Q. Okay. Can you tell me -- if it gets to
17 confidential information, we cut it out -- but can you
18 tell me the difference between yes and no there?

19 A. Yeah. That's confidential. Proprietary.

20 Q. To the extent you have said that you receive milk
21 from other suppliers for your Class I plants, are you
22 charged an over-order premium on that milk?

23 A. Yes.

24 Q. Let's discuss Nevada.

25 A. I'm sorry?

26 Q. Discuss Nevada.

27 A. Okay.

28 MR. ENGLISH: And, Your Honor, can I ask, we've



1 got another map just to help orient people. Some of us
2 have been involved with Nevada/California issues for a
3 long time, but not everybody, and it's not part of --

4 THE COURT: So this will get the next exhibit
5 number.

6 MR. ENGLISH: Yes, please.

7 THE COURT: All right. So our last one was 374.
8 This next one will be 375.

9 Yes, you may approach. Thank you, Mr. English.

10 So I'm marking as Exhibit 375, MIG-56, that's 5-6.
11 (Thereafter, Exhibit Number 375 was marked
12 for identification.)

13 THE COURT: If you do not yet have a copy and want
14 one, please raise your hand. They are being distributed
15 here in the room.

16 You may proceed, Mr. English.

17 MR. ENGLISH: Thank you.

18 BY MR. ENGLISH:

19 Q. So let's discuss a couple pieces here.

20 First, do you understand that the state of Nevada
21 is not part of any Federal Milk Marketing order area?

22 A. Yes, I have that understanding.

23 Q. And do you understand that whatever USDA may or
24 may not do, at the moment at least, that there is a
25 federal statute that says that Nevada shall not be part of
26 any Federal Milk Marketing Order hearing?

27 A. I don't know that verbiage, so --

28 Q. Let's start with Clark County down in the southern



1 part of the state.

2 That's where Las Vegas is, correct?

3 A. That's where what, I'm sorry?

4 Q. Las Vegas is?

5 A. I believe so, yes.

6 Q. And there are two plants in Clark County, two
7 distributing plants?

8 A. I know of one. I know of one. Are you referring
9 to Anderson as the other?

10 Q. Yes.

11 A. Then, yes. Yeah, sorry. I don't know where
12 Anderson is really at, so --

13 Q. The one you did know about, is that a DFA plant?

14 A. Yes, sir.

15 Q. And is it true that that plant has no route
16 disposition in California and, therefore, is not even
17 partially regulated?

18 A. I can't speak to that. I'm in the raw milk fluid
19 division, not in the packaged division, so I can't speak
20 to that.

21 Q. Well, wouldn't you know whether that happens,
22 because if so, that would impact pay prices to producers
23 that deliver to that plant?

24 A. Technically, yes. But when I am looking at the
25 pay prices, I -- I honestly do not go to the very last
26 page and review all the plants that is listed on the
27 statistical uniform price each month. So I don't know.

28 Q. But there's also an Anderson dairy plant in Clark



1 County. I understand you don't know if it's in Clark
2 County, but will you accept my representation it's also in
3 Clark County?

4 A. Okay.

5 Q. Do you know whether its route disposition causes
6 it to be partially regulated in California?

7 A. I don't know anything about that plant. I just
8 know there is an Anderson plant.

9 Q. Do you know anything about the milk supply for
10 either of those two plants, as to where it comes from?

11 A. Definitely not Anderson. And what I know of
12 Meadow Gold in Las Vegas is not current information. So I
13 guess the answer is, no, I do not.

14 Q. So then there are two plants in Northern Nevada:
15 One is Model Dairy, and one is your manufacturing plant,
16 correct?

17 A. That's correct.

18 Q. And your manufacturing supply plant is in
19 Churchill County?

20 A. That's correct.

21 Q. Where -- and Model Dairy is in Reno?

22 A. That's correct.

23 Q. And Reno is in Washoe County?

24 A. That's correct.

25 Q. And your Class IV operation in Churchill, does
26 that receive milk only from Nevada producers?

27 A. That's correct.

28 Q. And are most of those producers located in or



1 around Fallon?

2 A. Sorry, let me correct that. Our Fallon plant does
3 receive milk consistently from the Nevada producers, but
4 it may receive milk out of state. So I just want to be --
5 I want to clarify that.

6 Q. And do you know from what jurisdictions it
7 receives milk?

8 A. Unfortunately, I do not. I -- again, I can only
9 speak to my area. So at times it has received milk from
10 California.

11 Q. And then for Model Dairy in Reno, Washoe County,
12 do you know that that plant is fully regulated under
13 California Federal Order 51?

14 A. As of October, yes.

15 Q. Does that mean there's times when it's not fully
16 regulated?

17 A. My understanding is it could change. So I ask
18 every month.

19 Q. When you said a few moments ago not your area, is
20 California area your area, and Nevada, you just know
21 something about; is that --

22 A. That's correct. We have members in California and
23 members in Nevada, but not all Nevada.

24 Q. Are there dairy farmers -- and if you don't know,
25 I get it -- but are there dairy farmers in Nevada other
26 than in and around Clark County and in and around
27 Churchill area?

28 A. Our members are around the northern, so the



1 Churchill. I want to say there is one that was outside of
2 Churchill, but it -- I think it's in Nye County. I --
3 it's -- it's escaping my mind, but I think Mr. Stout with
4 Mountain Area can respond to whether or not they have a
5 member in Nevada.

6 THE COURT: And Nye County is N-Y-E; is that
7 correct?

8 THE WITNESS: Correct.

9 THE COURT: Thank you.

10 THE WITNESS: Sorry, I think it is Lyon County is
11 the other producer, not Nye, Lyon, L-Y-O-N.

12 MR. ENGLISH: Kind of south and west of Churchill?

13 THE WITNESS: Yeah, correct.

14 THE COURT: Thank you.

15 BY MR. ENGLISH:

16 Q. Recognizing some of the limitations you put on
17 your knowledge about Nevada, is it National Milk's
18 position that there are insufficient supplies of fluid
19 milk to serve the Nevada market?

20 A. I don't know the National Milk's position on that
21 subject.

22 Q. And your increases from the model that are
23 proposed for Nevada are based on the idea that you have
24 made the increases in California and you wish to retain
25 alignment; is that correct?

26 A. To my understanding, that is correct.

27 Q. At a time -- so back in the early 2000s, so after
28 Federal Order Reform but -- but before you built your



1 plant in Churchill, are you aware that milk from Nevada
2 dairy farmers in Northern Nevada moved in raw form to
3 Model Dairy, or moved in raw form -- it was called "over
4 the hill" -- into the Sacramento area?

5 A. Yes, I am aware of that. What I can't remember is
6 when it did happen.

7 Q. So once the plant was built in Churchill, did --
8 to the extent there was milk that moved in raw form into
9 California -- did that stop?

10 A. Yes. I don't like to add information, but I want
11 to clarify. The reason that it had struggled to move over
12 the hill was the "California Real" seal.

13 THE COURT: The California what?

14 THE WITNESS: "Real seal." A lot of the plants
15 adopted the "California Real" seal, which then plants did
16 not want milk outside of California.

17 THE COURT: So did California Real on the
18 packaging suggest that the milk was produced in
19 California?

20 THE WITNESS: That is my understanding, yes.

21 MR. ENGLISH: Thank you.

22 THE WITNESS: I was trying to avoid any further
23 questions.

24 BY MR. ENGLISH:

25 Q. It may work, it may not.

26 Nonetheless, whatever the reason, one change from
27 time of Federal Order Reform to today is that to the
28 extent milk moves into California from Northern Nevada, it



1 is doing so in packaged form from Model Dairy and not in
2 raw form from Northern Nevada farmers, correct?

3 A. Did you give me a time period?

4 Q. Well, since you built the plant in Churchill.

5 A. I can't speak for Model, but in raw form, that's
6 very limited. I'm not going to say that it never happened
7 since the plant's been built.

8 Q. All right. Since the plant's happened, it may
9 have happened in a limited area, but certainly not to the
10 extent it happened prior to the plant being built,
11 correct?

12 A. That is correct.

13 MR. ENGLISH: I thank you for your time, sir. I
14 have no further questions.

15 And I move admission, Your Honor, of Exhibits 374,
16 375, acknowledging in advance the concern that was
17 expressed yesterday by Ms. Hancock with respect to the
18 information. And to the extent people want to know, there
19 will be the witness who prepared this that people can ask
20 about that at that time. But, again, the references are
21 all there in the document.

22 THE COURT: Thank you, Mr. English.

23 Who will next -- I'll deal with your motion to
24 take exhibits in a little bit later.

25 Who will next cross-examine Mr. Hiramoto?

26 Thank you, Mr. Miltner.

27 MR MILTNER: Thank you, Your Honor.

28 //



1 CROSS-EXAMINATION

2 BY MR. MILTNER:

3 Q. Good morning, Mr. Hiramoto.

4 A. Good morning.

5 Q. Ryan Miltner representing Select Milk Producers.

6 So I have just a few questions, and I'd like to
7 start with your testimony on page 5.8 And in the first paragraph on that page you
9 stated, "Washoe County and Churchill County are in
10 Northern Nevada. Currently Washoe and Churchill Counties
11 have the same differential as milk-producing counties
12 directly to the west in California," I think you made that
13 correction.14 Which particular California counties were you
15 referring to when you came up with that sentence?16 A. It's basically all the counties that's in the
17 Central Valley that's the 1.70 zone.

18 Q. Okay.

19 A. I'm going to struggle you asking me to list every
20 county.21 Q. I don't need all of them. Give me just one or
22 two, if you have them off the top of your head there, that
23 are available readily.24 A. So we have like Sierra, Lassen. L-A-S-S-E-N,
25 sorry.

26 Q. That's okay.

27 A. Plumas, P-L-U-M-A-S.

28 Q. Okay.



1 A. Sierra, S-I-E-R-R-A.

2 Is that enough?

3 Q. Yeah, that's great. Thank you.

4 You mentioned that those counties were currently
5 at \$1.70 zone, correct?

6 A. Correct.

7 Q. And Washoe and Churchill are currently at \$1.70
8 zone, correct?

9 A. Correct.

10 Q. So if I look at what the model showed for Washoe
11 and Churchill Counties, it was \$1.90 and \$1.95,
12 respectively, and then Lassen and Sierra Counties were
13 \$1.90 and \$2.

14 So if we look just at what the model had for an
15 output for those counties, I'd like to know if that type
16 of alignment within a dime or so among those counties
17 would be -- would provide for orderly marketing, in your
18 opinion?

19 A. Well, again, if -- if those Northern Nevada and
20 the Northeast, or above Central -- slightly above Central
21 East and Northeast California counties were the same, then
22 I would say yes. But your question is a little too
23 general in the sense that you are assuming the surrounding
24 counties had no changes.

25 Q. I'm not sure I follow your -- the last part of
26 your answer. Let me rephrase mine perhaps.

27 A. Okay.

28 Q. If we focus on just the counties that you are



1 referring to in your paragraph on page 5, if those
2 counties were all assigned differentials within a dime of
3 each other, would that create issues that would be of
4 concern to DFA? Would that -- would that allow you to
5 maintain competitive equity, as you stated in your
6 paragraph?

7 A. No, it would not maintain equity of a dime either
8 direction, I believe. And I want to clarify. Not
9 necessarily to DFA, but to the industry.

10 Q. Explain the distinction you have drawn there
11 between DFA and the industry.

12 A. Well, again, our work was collaborative, so it
13 wasn't what DFA wanted. That's why I want to make that
14 distinction. You asked would it -- would it -- I'm sorry,
15 you said something about DFA, so I wanted to clarify.

16 Q. Yeah. And my point of -- of referencing DFA there
17 is that you are testifying on behalf of DFA. I didn't
18 want to put you in a position to speak for anyone other in
19 your organization.

20 A. Understood.

21 Q. So -- so anything -- so unless all of those
22 counties are exactly aligned on the -- with the same
23 differential, your opinion is that would be an issue for
24 maintaining competitive equity?

25 A. In my opinion, correct.

26 Q. Okay. Why, given the geography and distance
27 across those points, would a dime in difference upset
28 competitive equity?



1 A. I don't know if I have enough data with me today
2 to kind of -- to answer that question. Bottom line, it
3 comes to how milk is moved currently. And, yeah, I
4 just -- I just don't know how to answer that question. It
5 would -- it would cost -- it more than likely would cause
6 some distress.

7 Q. Can you give an example of the type of distress
8 that that would cause?

9 A. What comes to mind is basically route
10 distribution.

11 Q. Route distribution --

12 A. Crossing state lines.

13 Q. Can you give us any more flavor than just a
14 category?

15 A. Unfortunately, I cannot.

16 Q. Okay. Thanks.

17 MR. MILTNER: I don't have anything else.

18 THE COURT: Who else has cross-examination of this
19 witness before I ask for Agricultural Marketing Service
20 questions?

21 I see none. I welcome Agricultural Marketing
22 Service to question the witness.

23 CROSS-EXAMINATION

24 BY MS. TAYLOR:

25 Q. Good morning.

26 A. Good morning. You are scaring me.

27 Q. Oh, no, I was trying to be nice.

28 A. You've got that grin. I know the grin.



1 Q. Is that how my kids feel?

2 A. I can't speak to that.

3 Q. I always try to be pleasant and nice.

4 A. You are always pleasant.

5 Q. Okay. That's good to hear. I hope my boss is
6 listening.

7 Thank you for coming to testify today. I am going
8 to -- my first question, is there someone else that's
9 going to talk about Southern Nevada? I know you focused
10 on Northern Nevada.

11 A. Yes. Somebody from UDA.

12 Q. Okay. Then I will save those questions for them.

13 I want to go to page 6. You talk about -- and I'm
14 on the second full paragraph, so it starts "NMPF
15 supports."

16 A. Okay.

17 Q. And the second sentence: "Milk and route
18 disposition in both" -- "distribution in both zones" --
19 California, a buck 60 and buck 70 -- "moves
20 interchangeably between the zones," which is why you
21 proposed just combining those into one 2.50 zone.

22 Can you just talk a little bit more about that?

23 A. Yeah. The -- with how milk moves currently and
24 servicing customers, the difference today just didn't
25 really make sense to us.

26 Q. The \$0.10?

27 A. The \$0.10.

28 Q. Okay.



1 A. Yeah. It's because milk goes back and forth at
2 times, you know, with -- with hauling and the state trying
3 to become more green, it just -- trying to move milk the
4 right way to capture the right zone is counterproductive
5 in the industry and against how the state wants us to
6 operate. Right?

7 Q. Okay.

8 A. I mean, California, unfortunately, is not an
9 ag-friendly state, even though they may claim they are.
10 They care more about tech.

11 Q. So in California, what I'm hearing then, is
12 move -- milk often moves against the grain of the zones
13 for other reasons, for -- because of state regulation
14 or --

15 A. Well -- sorry.

16 Q. No, I mean, I'm not -- I'm not sure how to finish
17 my sentence, but I'm just trying to get onto the record of
18 why that happens in California, so then why combining
19 those zones would be appropriate.

20 A. So there's -- there's a lot of optimization --

21 Q. Uh-huh.

22 A. -- if you will, that we think about. But at the
23 end of the day we've got to get the farmer-owner's milk to
24 the customer. At the end of the day, we've got to get
25 milk to the customer. So we try to look at putting milk
26 in a zone to a customer, in the correct zone, and not go
27 backwards.

28 And, again, I'm a Federal Order newbie, right?



1 Trying to understand all that sometimes can -- not can --
2 it does give me a headache, but -- but we try to do the
3 right thing.

4 So after being in Federal Order for almost five
5 years, right, a little over four -- well, actually, no,
6 I'm sorry, it's now a little over five --

7 Q. Okay.

8 A. -- that having the zone, that 1.60, 1.70 zone just
9 didn't quite make sense.

10 Q. Okay. And you talked about, it's in your
11 statement, and you talked some with Mr. English about the
12 differentials, and I -- I remember the California hearing
13 fondly, and that the discussion about differentials for
14 California, at that time, and why those weren't changed at
15 the time of the California hearing.

16 And you talk about how they are not adequate. And
17 once you implemented -- once the Federal Orders
18 implemented, the bottom sentence says, "We scrambled to
19 adjust, adapt, and ultimately arrive at price mechanisms
20 to facilitate necessary milk movements."

21 Can you expand on that? I guess, can you first
22 start with what was the problem that you found, and then
23 what was this price mechanism solution that you then
24 implemented?

25 A. So as you heard the back-and-forth with
26 Mr. English, the hauling of milk is a huge problem in
27 California. Right? We have got high gas prices. We have
28 got traffic. We have got weight limits. And on top of



1 that, we have got the lowest differential.

2 So moving from state order to Federal Order,
3 moving milk from, let's say, the closest, Kern County,
4 down to L.A. County, it's not -- it doesn't nearly even --
5 the differential doesn't nearly even cover what it costs
6 to haul, without even talking about the amount of time.

7 And then with COVID hitting -- so, sorry, this is
8 kind of a, you asked for it, so it's a longwinded
9 answer -- but --

10 Q. Okay.

11 A. -- with COVID hitting, then hauling becomes --
12 became a lot worse. Right? Drivers no longer want to
13 work weekends. Drivers no longer want to go over the
14 hill.

15 And then just recently we have got -- and no
16 offense to anyone, I want to make that clear -- we have
17 got fast food workers making 20 bucks an hour. Okay? So
18 haulers want a raise. Everybody wants a raise. Right?

19 So how do our farmer-owners, how are -- how are
20 our farmer-owners expected to keep producing this
21 incredible product that is healthy and helps humans
22 develop and grow and stay sustainable? I mean, they can't
23 even break even.

24 So the pricing mechanism, the industry basically
25 came together. It's not just DFA, the industry came
26 together and had to have an understanding that even, yes,
27 we went to Federal Order, handlers didn't like what was
28 being suggested by their vendors, us as one of them, but



1 they came to the realization if they didn't try to at
2 least work with us, then the farmers would go out of
3 business, and, you know, we need them as much as they need
4 us.

5 So I know I'm not directly answering your
6 question, only because some of it is proprietary, so I
7 apologize.

8 But we had to come up with pricing that was -- I
9 know we've tossed this word around all day -- "equitable"
10 on both sides. Right? Our dairy farmers, our dairy
11 farmer-owners understand and knows the importance of
12 handlers, and they are not trying to put them out of
13 business. They understand they need to make a buck.

14 Well, that same respect needs to go the other way.
15 Our farmer-owners, they are not even asking to be rich,
16 they are just asking to be able to -- to at least break
17 even.

18 Q. And so can you talk about -- and I don't think
19 it's on the record yet -- prior to the Federal Order when
20 California had a state order, the provisions in the state
21 order that helped move milk that didn't get adopted in the
22 Federal Order, and kind of how that did create an issue?

23 A. Yeah, the -- and I think you are referring to the
24 transportation allowance?

25 Q. Yes.

26 A. Yeah, that was a big hole that -- that -- that
27 created issues with moving milk. So we tried to push for
28 it but --



1 Q. Can you -- I'm trying -- I want to get this on the
2 record.

3 A. Okay.

4 Q. How did that work in the state order, that it
5 provided -- that you didn't have the same problem that you
6 say you have now, or that you had when the Federal Order
7 came into effect?

8 A. Yeah, I wouldn't -- I wouldn't -- okay. So to be
9 clear, I wouldn't say we wouldn't still have somewhat of a
10 problem, but the transportation allowance at least helped
11 cover a larger portion of transportation costs. Okay? It
12 was based on miles, so it depended -- to Class I plants.
13 So depending on where the milk was coming from, as long as
14 it fell within the grid -- and, again, no offense, but if
15 there -- if the transportation allowance was lacking,
16 California -- the state of California was able to call a
17 hearing a lot quicker, and because we're regionalized,
18 than trying to get everybody together in the Federal Order
19 to call a hearing and say, hey, the pricing isn't working.

20 Q. You discussed some earlier in cross about the
21 amount of milk in California. And Mr. English asked you
22 questions about, is there a lack of milk for fluid use.
23 And I'm wondering if you could speak to whether you see
24 the differentials, do they help you? I don't know how I
25 want to say this. Does it help you decide where to
26 make -- where to allocate your milk to go? I mean,
27 there's a lot of milk in California to which you have
28 testified to, and data shows.



1 A. Well, I don't believe I said anything in my
2 testimony about a lot of milk in California.

3 Q. I guess "a lot" is a relative --

4 A. I think Mr. English said --

5 Q. -- word. Subjective.

6 A. At the end of the day, as much as we try to
7 optimize, our hands are forced on where milk is going. I
8 mean, we'll do everything we can to try to maximize, but
9 that's -- that's easier said than done.

10 Q. When you say your "hands are forced," what does
11 that mean?

12 A. Meaning the customers are fixed, in our fixed
13 location, and our farmer-owner is at a fixed location.
14 Right? Unless you can move your dairy farms or your
15 handlers to the spot you want them to, then milk is going
16 to move the way milk needs to move.

17 Does that answer your question? I don't -- maybe
18 I'm not understanding what you are asking.

19 Q. No, it does. And what I take from that is, you
20 have to supply them --

21 A. Yes.

22 Q. -- period?

23 A. So case in point, I think what you are asking is,
24 currently, right? You want to -- obviously, you would
25 love to take milk in the 1.60 zone and put it in the \$2.10
26 zone. Okay? Well, that's a lot easier said than done.
27 First of all, you got all these miles and traffic you've
28 got to get through the 1.60 to even get to the 1.70 or the



1 1.80 zone. And then go down to the Grapevine, as
2 Mr. English has even talked about, to get down to L.A.
3 County. And then -- okay, so what are you going to do,
4 spend more gas and more hauling dollars just to pass the
5 milk that's closer to go to 2.10?

6 So that's my point, is as much as you want to move
7 milk in the direction you would like, our hands are forced
8 by doing what would be more practical.

9 Does that help?

10 Q. It does.

11 And -- and I was looking at the chart, and I
12 recognize you didn't put this together, but in
13 Exhibit 374, but I do think the number differences are --
14 are accurate.

15 So I was looking at the column -- the difference
16 between what National Milk proposed and what the model
17 said, for just California. I'm just going to stick to
18 California. And it looks like it ranges anywhere from
19 \$0.45 to \$0.70 more than the model, what spit out from the
20 model. And I know you went through, what, a number of
21 factors, I think, that the committee that looked at this
22 region took into account for things that you don't think
23 the model accounted for.

24 And that is why -- as I'm understanding, that
25 those are the reasons why you would like an increase over
26 what the model said; is that accurate?

27 A. That's -- I think that's fairly accurate. But,
28 again, don't discount the relationship that we try to



1 maintain, the slope and the relationship between the
2 regions. Right?

3 Q. Between California and the Upper Midwest when you
4 say --

5 A. Between California, the Upper Midwest, and the
6 surrounding areas. Because we don't want to do things --
7 okay. I mean, California, we would love to be the
8 Southeast and have 7 and \$8 differential. I mean,
9 honestly, as a newbie, my first question is, why not hit
10 that bar? Right?

11 But as we go through the committee, and as we go
12 through our discussions, we can't damage the industry by
13 doing something that has unintended consequences. So we
14 have to level set and -- and find reasonableness where
15 it's practical and it makes sense.

16 Regardless of whether you agree or not with our
17 assessment or what we worked together on, somebody -- I
18 mean, common sense would tell you, there is an issue in
19 California. There's a huge deficit in California. It's
20 not easy to get feed. Gas is -- it just came below \$5,
21 while -- and I'm not trying to hurt any region -- but you
22 got mostly Texas with higher differentials and their gas
23 is 2-something? Doesn't make sense.

24 Anyway. I'll get off my soapbox.

25 Q. Well, you are on the stand. You get to have a
26 soapbox.

27 So when we look at the difference between -- or
28 the increase that National Milk has proposed in



1 California, I think what I'm hearing is that 45 to \$0.70,
2 depending on increase, I'm trying to kind of understand
3 why you came up with that number. And what I think I'm
4 hearing is, for that increase, it was more of alignment
5 with what they were doing in the Upper Midwest to keep
6 that aligned.

7 A. It -- yes. It was alignment, I would say, across
8 the board. Yes, we did -- we did -- and I keep saying
9 it -- and I won't throw Mr. Wilson under the bus -- but
10 when we -- during the Federal Order promulgation hearing
11 and voting in -- actually voting in Federal Order 51,
12 right? I talked to USDA, I go, "Why are we doing this,
13 you know, X, Y, and Z?"

14 Well, I kept getting told that the Upper Midwest
15 was the most similar, not exact. California is unique.
16 We are on an island, believe it or not, but it is the most
17 unique, and the Upper Midwest was the closest thing. So
18 honestly, in my mind, that stuck.

19 So every time we're looking at something related
20 to Federal Order, I kind of want to compare to the Upper
21 Midwest, if that helps.

22 But same point, the slope and the alignment has to
23 flow across or, you know, east to west, west to east,
24 Midwest to the east, Midwest to the west. I mean, it's
25 got to work. Right?

26 Q. Okay. On the next page you talked about one of
27 the reasons, one of the factors that was considered was
28 your longer hauls that you have in California.



1 Can you talk about maybe what the average haul is
2 that DFA experiences in California?

3 A. What do you mean by the "longer hauls"?

4 Q. Well, you wrote, "increasingly longer hauls," so I
5 wanted to know --

6 A. Oh.

7 Q. -- could you define -- maybe not define that, but
8 put some parameters around it. How long is that in
9 California? You kind of talked about it but --

10 A. Yeah, I don't know if I can put a number. But to
11 kind of give you an example, more and more milk is moving
12 out of the south. The San Bernardino -- I mean, there's
13 not much milk in L.A. County at all. Right?

14 The urban population is pushing out the dairy
15 farmers. Nobody wants to live next to something that
16 smells. Right? Some of the milk we have in San Jacinto
17 County, J- -- I don't know if I'm going to spell this
18 right, but I think it's J-A-C-I-N-T-O.

19 Q. You're lucky, our court reporter is from
20 California.

21 A. Oh, great.

22 So the dairies there are also starting to dwindle.
23 Right? So milk's going to have to come over the hill. So
24 that's -- that's what I mean by longer hauls. Because
25 California has become less and less ag friendly, and
26 counties are following suit. And with regulation and
27 everything, they are forcing dairy farmers, unfortunately,
28 to kind of all group, group up in the Central Valley. And



1 there's even issues starting there with, you know, water
2 issues and -- and air quality issues.

3 So there's going to be a point where, I don't
4 know, it's like watching the movie Escape from New York
5 where all the prisoners are found in New York. I feel bad
6 for farmer-owners where it seems like California wants to
7 shove them in this little corner and try to supply the
8 rest of the state.

9 Q. You also talked about hauler resistance. And I
10 wondered if you could expand on that.

11 A. Yeah, it's kind of what I mentioned with the COVID
12 issue. Haulers are being -- the drivers, and sometimes
13 the haulers -- so haulers are being picky on where they
14 want to go. They want to go to a plant that's in-and-out.
15 All right? Well, whether that's a plant that's close or
16 far, just, you know, pick up the milk and leave.

17 So on the longer distance hauls, because they
18 don't have drivers, or drivers that don't want to haul the
19 longer distance, haulers will kind of say, we don't -- we
20 don't want to do it.

21 And actually, I think we just had a hauler exit
22 California because they are just tired of it.

23 Q. Can we turn to page 8?

24 And you have a chart there. And I know this is
25 not data that you put together, so I will add that caveat
26 for you, me, and the record to reflect.

27 But I had saw a line in there. I was wondering if
28 you knew, what's the difference between a line trailer and



1 a farm pickup trailer?

2 A. That's -- yeah. I don't want to -- I don't want
3 to speak incorrectly. I -- I think I have an idea, but
4 I'm not exactly sure.

5 Q. Okay.

6 A. Sorry.

7 Q. That's okay.

8 A. There's probably somebody in here that can answer
9 that.

10 Q. If we could turn to page 4 with your maps. I
11 wanted to talk a little bit about that Southern California
12 region.

13 A. Okay.

14 Q. And it looks from the map what you proposed, that
15 \$3 zone --

16 A. Yep.

17 Q. The 2.60, what county is that, in the green?

18 A. I believe that's Kern.

19 Q. Kern County. Okay.

20 So San Bernardino is the one to the right of that?

21 A. Yes.

22 Q. So in the old surface it looks like -- or the
23 current surface, I should say, San Bernardino is 1.80
24 while L.A. is 2.10. So there's \$0.30 to help move some
25 milk into that region. But in what you proposed, it's a
26 flat \$3 amongst that region.

27 I wonder if you could talk about why you got rid
28 of the slope there.



1 A. Yeah. So \$2.10, which I think there's only -- I'm
2 sorry, the \$2, which I think there's only one producer
3 still, I'm not sure. But the \$2.10 -- or one plant,
4 sorry -- the 2.10, \$2, and the 1.80 that you are talking
5 about, it -- again, to the current state it's -- it just
6 didn't make any sense to have that segregation. It's just
7 one area, in our minds.

8 Q. Uh-huh. So it's all one area kind of like how you
9 think, how you -- you all look at the \$1.70, \$1.60 zones,
10 is the milk from there is considered kind of like one big
11 unit --

12 A. Yeah.

13 Q. -- and you move it where you need to move it?

14 A. Right.

15 Q. And you don't need more money to move it into
16 L.A.?

17 A. Well, it'll take more money to move it into L.A.

18 Q. So the compromise you all came up with was --

19 A. Thank you. Yes.

20 Q. -- to treat it as --

21 A. Don't ever say we don't need more, we'll need
22 more. Our farmers always need more.

23 Q. I'm aware.

24 And that \$3, you still move milk, though, down --
25 am I correct, you are still moving milk down from the
26 Central Valley down into that --

27 A. Yes.

28 Q. -- area?



1 A. Yeah.

2 Q. And that slope does help get that milk down there
3 that's needed?

4 A. Yeah. We do our best to stair-step, but, yeah, it
5 still does come from the Central Valley.

6 MS. TAYLOR: I think that's it from AMS. Thank
7 you.

8 THE WITNESS: Thank you.

9 MS. HANCOCK: Thank you.

10 Your Honor, we have no more questions. We would
11 just move for the admission of Exhibit 373.

12 THE COURT: Is there any objection to the
13 admission into evidence of Exhibit 373?

14 There is none. Exhibit 373 is admitted into
15 evidence.

16 (Thereafter, Exhibit Number 373 was received
17 into evidence.)

18 THE COURT: Now I'd like to address Exhibit 374,
19 which is also MIG-57.

20 Is there any objection to the admission into
21 evidence of Exhibit 374?

22 MS. HANCOCK: Your Honor, if we could just reserve
23 the same issues that we had before, that this witness
24 didn't create the document, doesn't have firsthand
25 knowledge about where all those plants are located. But
26 with that -- with that, I guess, asterisk, I don't know
27 what to call it, but with that reservation, no other
28 objection.



1 THE COURT: Thank you.

2 I see no other comments on this exhibit. I do
3 admit into evidence, with that reservation noted,
4 Exhibit 374.

5 (Thereafter, Exhibit Number 374 was received
6 into evidence.)

7 THE COURT: I think with the legend that shows
8 where the information came from, and with people's own
9 ability to do the calculations, that there's no harm in it
10 being admitted into evidence at this point, even though we
11 will welcome the future testimony about it.

12 With regard to Exhibit 375, is there any objection
13 to that being admitted into evidence?

14 There is none. Exhibit 375, which is also MIG-56,
15 is admitted into evidence.

16 (Thereafter, Exhibit Number 375 was received
17 into evidence.)

18 THE COURT: And thank you. Do you want to testify
19 often?

20 THE WITNESS: No.

21 THE COURT: Thank you.

22 Who will be the next witness.

23 MR. PROWANT: Your Honor, National Milk calls
24 Brent Butcher next.

25 THE COURT: And while Mr. Butcher is taking the
26 stand, I'm going to take a five-minute break. For all of
27 us, I'm going to check the coffee machine.

28 (Whereupon, a break was taken.)



1 THE COURT: Let's go back on record.

2 We're back on record at 10:54.

3 While off record, I marked Exhibit NMPF Number 46
4 as Exhibit 376. 376.

5 (Thereafter, Exhibit Number 376 was marked
6 for identification.)

7 THE COURT: All right. Would you state and spell
8 your name for us, please.

9 THE WITNESS: Yes, Your Honor. My first name is
10 Brent, B-R-E-N-T, last name Butcher, B-U-T-C-H-E-R.

11 THE COURT: Have you previously testified in this
12 proceeding?

13 MR. WILSON: No, Your Honor.

14 THE COURT: I'd like to swear you in.

15 BRENT BUTCHER,

16 Being first duly sworn, was examined and
17 testified as follows:

18 THE COURT: Now, let's make sure the mic is
19 comfortable for the way you want to sit as you are looking
20 at your documents and all.

21 You may proceed.

22 DIRECT EXAMINATION

23 BY MR. PROWANT:

24 Q. Good morning, Mr. Butcher.

25 A. Good morning.

26 Q. Did you prepare Exhibit 378 in anticipation of
27 your testimony here today?

28 A. I did.



1 THE COURT: 376?

2 MR. PROWANT: Oh, I apologize, 376.

3 THE COURT: 376.

4 MR. PROWANT: I wrote that incorrectly.

5 BY MR. PROWANT:

6 Q. Did you prepare Exhibit 376?

7 A. I did.

8 Q. Would you please go ahead and read that into the
9 record for us.

10 A. Yes.

11 The history of UDA. Here is who we are, what we
12 do, where we are.

13 Good morning, or good afternoon. My name is Brent
14 Butcher. I'm the director of fluid sales for United
15 Dairymen of Arizona. Founded on January 1st, 1960, United
16 Dairymen of Arizona is a Capper-Volstead cooperative
17 association, is qualified to market milk on the federal
18 milk market orders, is a member of NMPF, and supports the
19 Class I pricing differential adjustment.

20 In 1960, UDA consisted of 390 co-op members.
21 Today, our membership consists of only 36 members. Dairy
22 farming in Arizona presents a unique set of challenges
23 that make it a formidable and costly endeavor. The most
24 glaring obstacle is the arid desert climate that dominates
25 the region, resulting in scorching temperatures and water
26 scarcity. These conditions pose a significant challenge
27 to dairy farmers who require abundant water resources to
28 sustain operations.



1 Arizona is facing a severe and prolonged drought
2 that poses serious concerns about water scarcity and
3 long-term water management strategies to address the
4 crisis. These inhospitable elements test the resilience
5 of the animals, farmers, and the critical staff required
6 to operate each dairy. Yet, despite these hurdles, we
7 persist, producing a modest, but crucial supply of
8 wholesome and high-quality milk.

9 To understand the complexities and difficulties of
10 dairy farming in Arizona is to appreciate the unwavering
11 determination required to sustain this vital agricultural
12 sector in the face of adversity.

13 UDA's production output remains relatively nominal
14 with a mere 12 million pounds of milk generated daily to
15 meet the demand of our customers and consumers. To put
16 this into perspective, new dairy processing plants have
17 the capacity to single-handedly process volumes that rival
18 Arizona's entire daily production.

19 UDA is also one of the oldest dairy co-ops in
20 North America, and one of the few that still provide full
21 service to our members. Our manufacturing plant, located
22 in Tempe, Arizona, balances milk for our Class I bottlers,
23 and produces a variety of products like dairy powders,
24 cheeses, butter, powder blends, proteins, and concentrated
25 and condensed dairy products.

26 The Grand Canyon State has seen significant
27 changes over the past two decades. Most notably, Arizona
28 has seen tremendous population growth. Since 2000,



1 Arizona's population has skyrocketed from 5.16 million
2 people to over 7.35 million, a 42% increase. The Metro
3 Phoenix area has seen similar growth, and urban expansion
4 creating transportation issues -- sorry -- the Metro
5 Phoenix area has seen similar growth in urban expansion
6 creating transportation issues in delivering milk to
7 bottlers.

8 Currently, Phoenix is the tenth largest city in
9 the U.S. We bear the burdens of these changes. Our land
10 is becoming more expensive, our roads more congested, and
11 competition for resources like water, energy, and labor,
12 has become tangible, everyday obstacles. All of these
13 structural changes in competition for resources has had a
14 clear impact: Above average increased costs across the
15 board.

16 More on the UDA background. UDA was a participant
17 on the NMPF task force that addressed the Class I pricing
18 surface. We participated in the discussions of the
19 Western region group, and specifically focused on FMMO 131
20 marketing area. The objectives of UDA are consistent with
21 the NMPF proposal.

22 UDA's objectives are:

- 23 1. Follow the guidance provided by the USDSS
24 model and make adjustments where local conditions warrant
25 a change;
- 26 2. Maintain the current pricing relations among
27 competing handlers, both within the market and within
28 the -- with the surrounding states;



1 3. Establish a smooth transition of Class I
2 pricing from surrounding areas to maintain a consistent
3 slope of price changes.

4 We believe the NMPF proposal meets our objectives
5 and should be adopted by the USDA.

6 Below is a table that I want to highlight two
7 counties. County number one, Maricopa. The current model
8 is \$2.35 -- sorry, not the current model -- the current
9 price is \$2.35. The model suggests an increase to \$2.40,
10 and the proposal is \$3, which equates to a 27.6% increase.

11 I want to highlight Yuma County at the bottom of
12 the page. The current price is \$2.10, the model suggests
13 \$2.15, and the proposal, \$2.90. Percent of change is 38%.

14 THE COURT: Before you go on, Mr. Butcher, on your
15 table on page 2 of Exhibit 376, are these all of the
16 counties that are within Arizona?

17 THE WITNESS: Yes, Your Honor.

18 THE COURT: Thank you.

19 THE WITNESS: There are only two counties in
20 Order 131 marketing area that have pool plants. The
21 majority are in Maricopa County, Arizona, with two
22 distributing plants located in the Yuma, Arizona. The
23 remaining counties in Arizona have no dairy plants.

24 The proposed increase in the Class I differential
25 from the current rate in Maricopa County is 27.6%. The
26 proposed increase in the Class I differential from the
27 current rate in Yuma County is 38%. And the evidence will
28 show that the current cost to service the Class I market



1 has increased more than these percentages.

2 Other witnesses have discussed the USDSS model and
3 its functionality. UDA intends to highlight areas of
4 local deviations that would require an adjustment to the
5 model results to more accurately reflect the economic
6 conditions in FMMO 131, and these areas are as follows:

7 Weather and climate. We live in an arid climate.
8 That is our reality out in the desert. And, yes, we have
9 had this climate for as long as UDA has been in existence.
10 Lately, however, we have been experiencing record heat
11 amid decade-long drought conditions. With these hot, dry,
12 conditions come more challenges and different priorities
13 than other parts of the country, including how we utilize
14 water every single day. We have embraced a conservation
15 culture and understand the importance of living a
16 water-efficient life. The Colorado River Basin has been
17 in a prolonged drought. We are experiencing the driest
18 conditions in the basin in more than 100 years, and these
19 conditions are expected to continue well into the future.

20 The resulting reduced river flows are further
21 stressing the over-allocated Colorado River. The U.S.
22 Secretary of the Interior bases a shortage declaration on
23 the elevation of Lake Mead, which is dependent upon the
24 releases from Lake Powell. In fact, both Lake Powell and
25 Lake Mead are approaching critical elevations and will
26 require unprecedented management actions to protect
27 infrastructure in the lower Colorado River Basins.

28 A shortage on the Colorado River means a reduction



1 in the supply available to lower Colorado River water
2 users. This also means UDA pays more for water than it
3 had in the year 2000 and more than almost any other state.
4 These increased water costs also impact our dairymen and
5 their ability to produce milk to service the market. As
6 the impacts of drought persist, there will be additional
7 reductions almost certainly beyond the currently defined
8 shortage levels. Those reductions are likely to make an
9 impact on UDA's ability to meet projected future milk
10 demand.

11 Transportation, which has been highlighted several
12 times. First, some background on UDA and the process of
13 serving our customers. The majority of UDA's customers
14 and UDA's own plants are located in Western Maricopa
15 County. The vast majority of UDA's members are located in
16 Maricopa County and the collar counties surrounding the
17 Metro Phoenix area. Milk that is produced in the eastern
18 part of the Phoenix Valley must travel farther to our
19 customers, as well as to UDA's plant.

20 The distance UDA's milk needs to move from farm to
21 customer to service the market is relatively low, with
22 most farm transportation distances within 150 miles of its
23 manufacturing destination. But with urban sprawl and
24 population growth, the amount of time it takes to deliver
25 the milk has been steadily increasing.

26 UDA uses what are commonly called super tankers
27 for about 60 to 70% of its milk deliveries. We have 35
28 super tankers which hold 76 to 78,000 pounds of milk.



1 Super tankers have four axles with larger tires to absorb
2 the extra weight. UDA also has 50 regular tankers that
3 hold 48 to 49,000 pounds of milk. These super tankers
4 cost more than conventional tankers, and maintenance costs
5 can also be greater.

6 In accordance with our commitment to
7 sustainability initiatives, UDA will continue to expand
8 its fleet with the dedication to continue purchasing more
9 super tankers which reduce overall environmental impacts.

10 Since 2018, the cost of the super tanker has
11 increased by approximately 35%. Truck drivers need to
12 have heavy haul permits to transport super tankers. On
13 average, a super tanker can weigh as much as 40 to
14 44,000 pounds more than a conventional tanker. The
15 ongoing highway construction west of the Phoenix Metro
16 area has caused wait times and increased drive times
17 from -- time from the dairies. Due to population growth
18 around the Phoenix Metro area, we have seen drive times
19 continually exceed 30 minutes from 2017 drive times.

20 During rush hour traffic, we can see drive times
21 increased by one hour or more, depending on road
22 conditions. It normally takes our drivers about two and a
23 quarter to three and a quarter hours to get unloaded and
24 washed at the receiving plants.

25 However, there are times that we experience delays
26 at some of our customers due to plant construction
27 projects, labor constraints, and labor licensing
28 restrictions, lab equipment and system failures, among a



1 host of other extraneous factors.

2 Plant construction projects are more and more
3 common as they expand to meet the new population demand.
4 These construction delays can add an additional one to
5 four hours to get unloaded. With UDA's own trucks, this
6 wait time is lost productivity, and time is money.

7 With some of our contract haulers we also incur
8 demurrage charges. These demurrage charges have
9 increased --

10 THE COURT: Would you stop for just a minute to
11 spell that word?

12 THE WITNESS: Demurrage?

13 THE COURT: Yes, please. No, I think it's fine.
14 I just -- it's a word I'm not familiar with, so I'm just
15 asking you to spell it.

16 THE WITNESS: Sure. I'm just trying to find it.

17 THE COURT: So next to the last paragraph on
18 page 4, second to the last sentence -- or third to the
19 last.

20 THE WITNESS: Yes. Yes. With some of our
21 contract haulers we incurred demurrage, D-E-M-U-R-R-A-G-E.

22 THE COURT: Thank you.

23 THE WITNESS: These demurrage charges have
24 increased by over 60%. When these delays happen, the
25 drivers are forced to wait until they can be unloaded.

26 Something especially unique to Arizona is monsoon
27 season. Monsoon season typically starts in June and ends
28 in September. This unique season brings higher humidity,



1 which can lead to thunderstorms, heavy rain, hail,
2 sandstorms, high winds, and increased ponding on roadways.
3 Monsoon season is problematic for our supply chain as road
4 conditions deteriorate and can cause accidents or
5 incidents. Also, the hotter weather conditions in the
6 Phoenix Metro area cause our drive, steer, and trailer
7 tires to crack and break when we see excessive continued
8 heat conditions. These damages and repairs are costly,
9 and the heat we have seen this summer has been extreme.

10 Fuel and other costs in Arizona. Since 2000, with
11 an accentuation post-COVID 19 effect, we have seen a
12 steady increase in all the peripheral costs of servicing
13 our customers. Going back to 2017, costs like insurance,
14 repairs and maintenance, special permitting, demurrage,
15 wages, et cetera, have increased 38%. Fuel costs are in
16 addition to these cost increases.

17 Statistics from the U.S. Energy Information
18 Administration show that diesel fuel costs have risen by
19 150% over the last two decades in the western part of the
20 United States. Since 2017, fuel costs have increased by
21 80%. Due to increased time in delivering milk to our
22 customers, overall fuel usage is up, increasing our costs.

23 Changes to the economics of producing Grade A
24 milk. Dr. Erba from DFA provided testimony earlier in the
25 hearing about the current cost to produce Grade A milk in
26 the Mideast. UDA would like to add to that testimony with
27 cost factors we have experienced in Arizona.

28 The additional requirement created by the FARM



1 program adds cost to produce Grade A milk. Overhead to
2 meet the program guidelines and the management of such
3 compliance results in additional cost for Arizona
4 producers.

5 Even just to meet the requirements of the PMO,
6 many costs have increased. Construction costs for housing
7 of laborers, both internally and externally, to keep the
8 farm operational have increased. Construction costs for
9 the cow facility and calf barns have increased. The
10 milking parlor design and automation equipment has
11 increased. The on-farm milk storage area has become the
12 equivalent to what manufacturing plants invest in storage
13 capacity.

14 Multiple milk silos with the capacity to hold 36
15 to 48 hours of milk production is commonplace. The
16 constant cleaning and upkeep of equipment has resulted in
17 the increased use of chemicals and repair charges.

18 The availability of water, as previously noted,
19 has a profound impact on Arizona dairy operation. Surface
20 water for agricultural use as been restricted or, in some
21 instances, cut off entirely. Wells are in use, but the
22 costs of rehabbing them for adequate supply of water,
23 i.e., deeper or relocating wells, has increased.

24 Due to water availability issues, farms can no
25 longer depend on growing their own feed to supplement
26 their needs. Purchased feed is increasingly the dependent
27 option, and Arizona farmers are facing stiff competition
28 and increased prices to locate feedstuffs. Arizona feed



1 mainly comes from the Midwest. All aspects of
2 transportation to deliver feed via rail and truck have
3 increased, and the dynamics of locating feed has changed
4 with the vast amount of feed being exported. Now Arizona
5 dairymen are juggling many commodity feed and byproducts
6 to produce a suitable ration, and at most times, not at
7 the best nutritional value to the cows.

8 The cost of farmland in Arizona is now ranging
9 around 30 to \$40,000 per acre. The ability to expand a
10 production facility or build a new one in Arizona has
11 become increasingly difficult. New farms, if anyone is
12 willing, are now locating to more remote areas.

13 On-farm utility usage, and therefore, utility
14 costs, have also increased. Larger milk pumps are needed
15 to move the milk tonnage through the lines into storage
16 areas. Larger inline chillers are needed to keep milk
17 colder and meet the increasing demands of bottlers for
18 milk. The temperature of milk leaving UDA's farms today
19 is targeted to be 35 degrees. Milk trucks are needing to
20 be flushed out for cooling before loading. Cow comfort
21 costs have increased. Misters, fans, and constructed
22 shaded areas are an absolute necessity.

23 Dairy farming is considered a capital-intensive
24 business as compared to the full spectrum of businesses in
25 the United States. The consolidation of the banking
26 industry and increases in inflation have created a
27 difficult environment for dairymen to acquire credit. New
28 investments in current operations or new farms starting



1 out are on the decline.

2 These costs identified above are more than -- more
3 than exceed the \$2.25 cost that Dr. Erba identified. In
4 order to maintain a Grade A milk supply to service the
5 fluid market in Arizona, Class I prices need to increase
6 to the dairymen.

7 Below is some index information. The tables below
8 highlight the population in annual percentage change,
9 diesel price change, the long-term drought via the
10 standardized precipitation evapotranspiration index --

11 THE COURT: And of course you know I want you to
12 spell that.

13 THE WITNESS: Evapotranspiration,
14 E-V-A-P-O-T-R-A-N-S-P-I-R-A-T-I-O-N.

15 THE COURT: Thank you.

16 THE WITNESS: Figure 1, Arizona population from
17 2000 to 2022. In 2000, we had 5.16 million people. In
18 2022, we had 7 -- or have 7.35 million people. So 42%
19 population growth in the past 20 years from the U.S.
20 Census Bureau.

21 Figure number 2, the weekly West Coast No. 2
22 diesel retail price from 2000 to 2023. We have seen 150%
23 increase in diesel cost in the past 20 years. Source is
24 the U.S. EIA Administration for Gasoline and Diesel Fuel
25 Update.

26 Figure 3, also pulled from the same data, shows
27 the weekly West Coast No. 2 diesel retail price from 2017
28 to 2023, which shows an 80% increase in diesel costs in



1 the past six years.

2 This is the January through March 2023, long-term
3 drought average image.

4 THE COURT: And that's on page 8 of your
5 testimony.

6 THE WITNESS: Yes, Your Honor.

7 In conclusion. UDA implores the USDA to adopt
8 each of the NMPF proposals, with an emphasis on the
9 Class I pricing differential adjustment currently under
10 discussion. The need to affect higher prices on behalf of
11 Arizona dairymen is essential to combat the onslaught of
12 increased production costs in one of the fastest growing
13 population states in America. The adoption of this
14 proposal holds immense potential to address critical
15 challenges. It is a move that not only benefits our hard
16 working dairy farmers, but also supports the economic
17 stability of our communities and ensures a reliable supply
18 of high quality, wholesome milk for consumers at an
19 affordable price.

20 If Arizona cannot supply its own population, the
21 transportation costs from other states to do so will be
22 borne by the local customer. Further, the proposal aligns
23 with the evolving needs of the dairy industry. A
24 reduction in farmer income will assuredly put more dairy
25 farms out of business, a preventible outcome if this
26 common sense reform is adopted by the USDA.

27 In closing, I want to thank the USDA for holding
28 this hearing, for allowing me to testify on the issues



1 that are so integral to sustaining Arizona's milk supply,
2 and for carefully considering the adoption of each NMPF
3 proposal.

4 And with that, I look forward to your questions.

5 BY MR. PROWANT:

6 Q. Thank you, Mr. Butcher. I just wanted to follow
7 up on a few things here before we open you up for
8 cross-exam.

9 So going first to pages, let's see, III and IV,
10 you are talking about transportation, and you are talking
11 about how fuel costs have risen. And that's actually on
12 page 5, I apologize.

13 I was wondering if you have, you know, any sort of
14 numbers you can put to that. We just heard Mr. Hiramoto
15 talk about how gas in California is \$5.

16 Has Arizona experienced similar types of prices?

17 A. We pull from a very similar PADD.

18 Q. Okay.

19 A. I don't have the exact cost, but being close to
20 the West Coast, we do have a more increased diesel price
21 than other parts of the United States.

22 Q. And then continuing on page 5, you mention the
23 FARM program adds costs to produce Grade A milk.

24 I was wondering if you could just talk briefly
25 about what the FARM program is and how it adds to your
26 overhead, or your producer's overhead.

27 A. Sure. The FARM program is designed to -- to
28 really care for cow comfort and to have some sort of



1 oversight on cow comfortability. A lot of our customers
2 require this, so we enact this across all of our dairy
3 farms. And there is overhead to manage these programs and
4 manage these systems and have people on staff to manage
5 our internal FARM program.

6 Q. Okay. In turning to the next page, on page 6, you
7 mentioned that the milk leaving UDA's farms today is
8 targeted to be 35 degrees, which, that's in excess of the
9 PMO standard, correct?

10 A. Yes, it is.

11 Q. And by "in excess," I mean more strict.

12 A. Correct. Yes.

13 Q. And we have heard some testimony from other
14 witnesses about somatic cell count and bacteria counts.

15 I'm wondering if UDA's producers are also having
16 to meet heightened requirements from customers?

17 A. Yes. Our customers require lower somatic cell
18 counts as well, in addition to lower temperatures, which
19 is why we target 35 degrees. And we also consider protein
20 as well a factor to watch out for.

21 But, yes, our customers are requiring us to
22 deliver milk that is considerably lower than the current
23 PMO standard on both temperature and somatic cell
24 component.

25 Q. Thank you.

26 And then just turning to some of your tables here,
27 or figures. Can you just explain for us what the
28 evapotranspiration index is showing?



1 A. Yes. So this shows more the long-term drought
2 across the state of Arizona. Maricopa County is, in this
3 image, located in the middle of Arizona. I don't know how
4 to describe the county structure, but it's -- it's --
5 there is a considerable long-term drought, and as we can
6 kind of tell in the middle of this page --

7 THE COURT: Now, which page are you on?

8 MR. PROWANT: Mr. Butcher, I think you might be
9 talking about Figure 4 on page 8.

10 THE WITNESS: Yes.

11 BY MR. PROWANT:

12 Q. And I'm looking at Figure 1 on page 6. I
13 apologize for not being clear. There's -- it's a line
14 graph, and there's a population --

15 A. Okay.

16 Q. -- a blue line going up showing Arizona's
17 population growth in the last 22 years. And then there's
18 a green line, which, you know, has been relatively
19 stagnant and went down in 2020. And I'm just wondering
20 what's this green line showing in this evapotranspiration
21 index.

22 A. There's -- I think there's a little confusion
23 here.

24 Q. Sure.

25 A. Is on the index information aspect, down below it
26 says, "via the Standardized Precipitation
27 Evapotranspiration Index," that is referring to the
28 long-term drought image on page 8.



1 Q. Oh, understood. Okay.

2 A. But the green line, to address I think your
3 concern, is the percent of annual change in population.

4 So we can see the population increases in 2000
5 starting at 5.16. We see the blue line go up and to the
6 right, which indicates an increase in population.

7 Down below, the other, the other line -- I'm
8 colorblind, so I will take your word that it's green --
9 shows the annual percentage change. So we can see that we
10 see a spike of almost an 8% change, and then looks like
11 continuing from 2000 to 2019 we see an annual change of 2%
12 population change.

13 Q. Okay. So the green line is just showing the
14 percentage of population change, and this isn't talking
15 about rainfall or anything?

16 A. Correct.

17 Q. The evapotranspiration, that's Figure 4, showing
18 just Arizona's long-term drought?

19 A. Yes, that's correct.

20 Q. Okay. Great.

21 MR. PROWANT: That's all the questions I have.

22 Your Honor, we'd make him available for
23 cross-exam.

24 THE COURT: Very good. Thank you.

25 So since you started to talk about page 8, you
26 were trying to help us locate Maricopa County and --

27 THE WITNESS: Yes, Your Honor.

28 THE COURT: If you would go back to that.



1 THE WITNESS: Yes, Your Honor.

2 THE COURT: I see the patches are about drought,
3 not about where the population is. So I need a little
4 help.

5 THE WITNESS: That's correct. So let's -- let's
6 focus on the southwest part of Arizona, which is Yuma
7 County. And then the southwest quadrant, we can see there
8 is -- I believe to be is red, which highlights a long-term
9 drought. If we shift our focus maybe more to the center
10 of the image, which is to the right of Yuma County, we
11 will see Maricopa County, and there is a patch of what I
12 assume is red, or yellow, that highlights a drought in the
13 middle part of Maricopa County in Arizona.

14 THE COURT: Very good. So this SPEI that's
15 indicated in this chart on page 8, that goes with the
16 Standardized Precipitation Evapotranspiration Index?

17 THE WITNESS: Yes, Your Honor.

18 THE COURT: Okay, then. Thank you.

19 Who has cross-examination questions for
20 Mr. Butcher?

21 Mr. Rosenbaum.

22 CROSS-EXAMINATION

23 BY MR. ROSENBAUM:

24 Q. Steve Rosenbaum for the International Dairy Foods
25 Association.

26 If you could turn to page 2 of your report, which
27 is Hearing Exhibit 376.

28 This is the chart on which you list the current



1 Class I differentials, the Class I differentials suggested
2 or recommended by the University of Wisconsin model, and
3 the proposed Class I differentials that are part of
4 Proposal 19, correct?

5 A. Yes.

6 Q. And when you list the "model," I take it you have
7 taken the average of the two different months that were
8 covered by the University of Wisconsin model; is that
9 correct?

10 A. I'm unsure of what the -- if it took those
11 averages. I'm unsure.

12 Q. Okay. Well, they appear to, from my perspective.
13 If others see it differently, I'm sure they can correct
14 that.

15 And I think you made clear that the only counties
16 in the entire state in which there are pool plants are
17 Maricopa and Yuma Counties, correct?

18 A. Yes.

19 Q. So that the proposed Class I differentials for the
20 other counties really have no practical significance; is
21 that fair?

22 A. That is correct. Yes, sir.

23 Q. Okay. So let's just focus on Maricopa and Yuma.
24 In Maricopa, the current Class I differential is
25 \$2.35. The University of Wisconsin model suggested a
26 \$0.05 increase, correct?

27 A. Yes.

28 Q. By contrast, you -- your proposal is an increase



1 more than ten times higher than the proposed University of
2 Wisconsin increase, correct?

3 A. Ten times higher? Or I'd say 27.6%.

4 Q. Well, that's over the current.

5 But, I mean, the University of Wisconsin is
6 suggesting that the Class I differential go up by \$0.05,
7 and you are proposing that the Class I differential go up
8 by \$0.65, correct?

9 A. Okay. I agree.

10 Q. So in terms of a comparison of what the University
11 of Wisconsin is suggesting is an increase, and what you
12 are suggesting as an increase, you are suggesting an
13 increase more than ten times higher, correct?

14 A. I believe that the model is what the model is.
15 It's a baseline like we have discussed. It's not the take
16 all, end all. So we have added our own regional or state,
17 really, color, and decided that we needed to increase to
18 account for a variety of cost increases.

19 Q. And I assure you, we'll be talking about that at
20 some length --

21 A. Okay.

22 Q. -- as to your justification.

23 But I'm just trying to orient ourselves in terms
24 of magnitude of difference between what the University of
25 Wisconsin model suggested and what you have proposed.

26 And just a simple math, your \$0.65 increase is,
27 indeed, 13 times the \$0.05 increase that the University of
28 Wisconsin model suggests, just as a matter of simple math,



1 correct?

2 A. I would also point out --

3 THE COURT: Just a minute, do you have anything
4 just to multiply 5 times 13? I mean, do you need some
5 paper and a pen?

6 THE WITNESS: I haven't done paper math in quite
7 sometime, but I do have a phone.

8 THE COURT: Go ahead and use it.

9 THE WITNESS: Okay.

10 MR. ROSENBAUM: I think 5 times 13 is 65.

11 THE COURT: But he's entitled to make sure you are
12 not misleading him, Mr. Rosenbaum.

13 MR. ROSENBAUM: I would not intend to do that.

14 THE WITNESS: I would agree.

15 BY MR. ROSENBAUM:

16 Q. And -- okay. And the increase that you are
17 proposing in Yuma is \$0.80 as compared to the University
18 of Wisconsin suggested increase of \$0.05, correct?

19 A. I think we should back up just a touch, because
20 you indicated that it was my decision. I'm not sure if
21 that's an accurate representation if it was really my
22 decision. It was a group consensus.

23 Q. That's a fair correction.

24 The National Milk Producer Federation proposal is
25 one to increase the Class I differential in Yuma County by
26 \$0.80, as compared to the \$0.05 increase that the
27 University of Wisconsin model proposed, correct?

28 A. Yes.



1 Q. Okay. And by my math, that's more than -- your --
2 by my math, the National Milk Producer Federation proposal
3 is more than 15 times greater the increase proposed by the
4 University of Wisconsin model. Is that --

5 THE COURT: More than or equal to 15 --

6 MR. ROSENBAUM: More than --

7 THE COURT: -- times?

8 MR. ROSENBAUM: -- 15. Sorry.

9 THE COURT: Right.

10 BY MR. ROSENBAUM:

11 Q. It's 15.8 to do the actual math.

12 But does that sound right to you?

13 A. It sounds -- it sounds right and reasonable.

14 But I think we should also highlight that that
15 increase still doesn't cover the cost increases --

16 Q. Well --

17 A. -- themselves.

18 Q. -- as I say, we'll talk about those in a minute.

19 Once again, I'm just trying to orient ourselves what you
20 are seeking versus what the University of Wisconsin model
21 indicated.

22 The -- and just to, once again, to orient
23 ourselves, there are -- all of the manufacturing plants in
24 the state are in -- are in what county?

25 A. Maricopa and Yuma County.

26 Q. Okay. And are all the Class I plants also in
27 those two counties?

28 A. Yes.



1 Q. Okay. And are the -- are there two Class I plants
2 in Yuma?

3 A. I believe so.

4 Q. And are they owned by the Hettinga family?

5 A. I believe so.

6 Q. Okay. And are those plants supplied by your
7 cooperative?

8 A. On occasion we might, but we have no contractual
9 obligation to send milk down there.

10 Q. And are they -- are you the only co-op in the
11 state?

12 A. I believe we are, yes.

13 Q. Okay. So by definition, then, they -- their
14 supply -- they have a non-co-op supply?

15 A. I believe that's correct.

16 Q. Okay. All right. So let's talk a bit about dairy
17 in Arizona.

18 I have to say, your testimony might be
19 characterized as something of a tale of woe.

20 A. It's pretty desolate. And I think as I
21 highlighted, we started with 390 dairy farmers, to date
22 down to 35, so --

23 Q. And I'm going to focus right on that to start
24 with.

25 A. Okay. Perfect.

26 Q. So you had 390 members in 1960 as you state,
27 correct?

28 A. Yes.



1 Q. And now you say you are down to 36, right?

2 A. Yes.

3 Q. Okay. So let's look a bit about milk in Arizona.

4 MR. ROSENBAUM: And, Your Honor, I would have a
5 document I would like to have marked.

6 THE COURT: I'm going to mark this next one as
7 377.

8 (Thereafter, Exhibit Number 377 was marked
9 for identification.)

10 THE COURT: Thank you, Mr. Rosenbaum. And what
11 other number should I reference, if any?

12 MR. ROSENBAUM: I think the practice has been when
13 I have marked a document for the first time, we just call
14 it IDFA-377 as well. That's how --

15 THE COURT: IDFA-377. All right. Good.

16 Now, I'm going to go off record so that we can
17 distribute this, and the witness can get a look at it.
18 And we'll go off record now at 11:37.

19 (An off-the-record discussion took place.)

20 THE COURT: Let's go back on record.

21 Back on record at 11:38.

22 And Exhibit 377 is also known as IDFA-377.

23 Mr. Rosenbaum, you may proceed.

24 BY MR. ROSENBAUM:

25 Q. If I could have you turn to the sixth page of this
26 document, please. That's -- which is Table -- and let me
27 just start by introducing the document. It's called Milk
28 Production, Publication of the U.S. Department of



1 Agriculture, Agricultural Marketing Service. And this is
2 dated February 13, 1961.

3 So if we turn to page 6, which is a table,
4 contains Table 7, milk cows and milk production on the
5 farms by states by various years. I would like to focus
6 on Arizona, of course, and specifically the number of
7 millions of pounds produced in Arizona in 1960, which is
8 the year you -- that UDA was formed, and the year you
9 reference in your testimony.

10 Do you see that in that year, the state, the
11 entire state, produced 461 million pounds of milk?

12 A. Yes.

13 MR. ROSENBAUM: Your Honor, I would now like to
14 mark another exhibit, which I would ask be Exhibit 378.

15 THE COURT: Yes. Thank you, Mr. Rosenbaum. Thank
16 you for giving me this.

17 All right. The one that is now being distributed
18 will be Exhibit 378.

19 (Thereafter, Exhibit Number 378 was marked
20 for identification.)

21 THE COURT: Mr. Rosenbaum, shall I also call it
22 IDFA-378?

23 MR. ROSENBAUM: Yes, I would -- yes, Your Honor.

24 THE COURT: All right. And it's being distributed
25 here in the room. If you need a copy, please raise your
26 hand.

27 And, Mr. Rosenbaum, everyone's situated. You may
28 proceed.



1 BY MR. ROSENBAUM:

2 Q. This document is -- has as the same name as the
3 previous exhibit. It's called Milk Production. Once
4 again, it's a publication of the U.S. Department of
5 Agriculture. It's now being done by the National
6 Agricultural Statistic Service. And this document is
7 dated February 22, 2023.

8 And if you would turn with me to page 7 -- excuse
9 me -- page 8, which is a document that has the heading
10 Milk Cows and Production States and United States 2021 and
11 2022. And I would like to focus on the state of Arizona,
12 of course, and the 2022 figure, which is the most recent
13 poll year figure available, obviously, since we're in
14 2023.

15 And what I see here is that in 2022, there were
16 4,772,000,000 pounds of milk produced?

17 Is that your reading as well?

18 A. Yes.

19 Q. So that milk production increased more than ten
20 times in Arizona between 1960 and 2022, rising from
21 461 million pounds to 4,800,000,000; is that correct?

22 A. Yes.

23 Q. Okay. And correct me if I'm wrong, but I believe
24 around 90% of that 4,772,000,000 pounds is UDA milk; is
25 that right?

26 A. That's probably a little high. I would probably
27 peg something closer to the 80% range.

28 Q. Well, I'll tell you how I got there.



1 A. Okay.

2 Q. Because I got there just -- I took your number
3 from your statement that says, on the first page I
4 think -- yeah, UDA production is a mere 12 million pounds
5 of milk generated daily. I took 12 million and multiplied
6 it by 365 --

7 A. Yes.

8 Q. -- and I got a number over -- a number over
9 4 billion.

10 THE COURT: Let's go off record just a moment.

11 (An off-the-record discussion took place.)

12 THE COURT: Let's go back on record.

13 We're back on record at 11:44.

14 Mr. Rosenbaum, you directed our attention to
15 Exhibit 376, page 3, and you may continue.

16 BY MR. ROSENBAUM:

17 Q. Yes. So to give you the precise numbers, I
18 multiplied 12 million, the 12 million pounds a day that
19 you referenced in your testimony, by 365, and I got
20 4,380,000,000.

21 A. Sure. We see fluctuations that range due to
22 seasonality of milk. So the 12 million is really a
23 generalized average of how much milk we typically produce.
24 However, we have to acknowledge that there are
25 fluctuations, and we see that number tick down as well.

26 Q. Okay. In any event, a large majority of the milk
27 is produced by UDA, correct?

28 A. I agree with you, yes.



1 Q. Okay. And so what I'm seeing is a tenfold
2 decrease in farmers, but a tenfold increase in production,
3 correct?

4 A. Yes, off the numbers.

5 Q. Now, that would obviously suggest that your
6 members have a lot more cows than they used to back in
7 1960, correct?

8 A. We do. And there's a multiple of reasons for
9 this, as I testified, is we're not seeing many dairy
10 farmers that want to locate in Arizona. We had over
11 126 days of heat in excess of 100 degrees just in 2023.
12 Dairy farming is very hard in Arizona.

13 So what we have done, and what we see, and we
14 follow the -- you know, very similar national average,
15 we're seeing farms reduce, cow numbers increase, one --
16 and we're seeing that a little more drastically in Arizona
17 because our farms are typically larger -- but it's really,
18 it's an act of desperation so that perhaps we can gain
19 some efficiencies of scale to survive another month, and
20 that's why we're seeing larger numbers.

21 Q. And just to compare how you are doing versus the
22 country as a whole, if we take Exhibits 377 and 378, and
23 juxtapose Table 7 in Exhibit 377 with page 8 in
24 Exhibit 378, we have already established that during that
25 timeframe Arizona milk production increased tenfold,
26 correct?

27 A. Sorry, you spoke a little quick there, so I'm not
28 entirely following which --



1 Q. I'm comparing the 461 million pounds produced in
2 1960 to the 4,472,000,000 pounds produced in 2022 in
3 Arizona, milk production in Arizona has gone up more than
4 ten times, correct?

5 A. I'd have to run -- do the math.

6 Q. Well, 461 times 10 would be 4,600,000,000, but
7 you're actually --

8 A. So slightly over.

9 Q. 4,772,000,000. So you are a little above ten
10 times as high, correct?

11 A. Yes.

12 Q. As opposed to the national averages, if we compare
13 them, which at the bottom of Table 7 in Exhibit 377, we
14 see that total U.S. milk production in 1960 was
15 122,920,000 pounds and -- state that again, I'm off --
16 total production in the United States in 1960 was
17 122,920,000,000 pounds, and in 2022 it was 226,462,000,000
18 pounds.

19 Do you see that?

20 A. I do.

21 Q. So that Arizona milk production increased tenfold
22 during this timeframe, whereas total U.S. milk production
23 didn't even double, correct?

24 A. It -- it appears that way. And I would also
25 probably highlight the population change as well in
26 Arizona. That could be a contributing factor.

27 MR. ROSENBAUM: Now, I would like to mark the next
28 document as Exhibit 379.



1 THE COURT: I agree, 379.

2 (Thereafter, Exhibit Number 379 was marked
3 for identification.)

4 THE COURT: Thank you.

5 So I'm marking this newest one as 379, and I'm
6 marking it also as IDFA-379.

7 MR. ROSENBAUM: Now --

8 THE COURT: Hold off just a moment. The copies
9 are being distributed within the room, Mr. Rosenbaum.

10 You are good to go, Mr. Rosenbaum.

11 BY MR. ROSENBAUM:

12 Q. Mr. Butcher, I searched for published information
13 as to how many cows the average dairy farm had back in
14 1960 in Arizona, and what I found is -- it doesn't appear
15 to be a published number. There is -- it was hidden from
16 me.

17 But I did find this recent article, which is what
18 Hearing Exhibit 379 is, which was written, published
19 December 7, 2021, and the author is the General Manager of
20 the Arizona Milk Producers, a woman named Tammy Baker.

21 Do you see that?

22 A. I do.

23 Q. And do you know Ms. Baker?

24 A. I can't recall.

25 Q. Okay. Are you familiar with the Arizona Milk
26 Producers? Is that an organization in the state?

27 A. I would assume so, but I'm not familiar with that.

28 Q. Okay. The first -- what I'm going to call your



1 attention to is the first sentence, which states, I'll
2 just quote it, "Arizona's dairy industry blossomed in the
3 state with the introduction of irrigation and alfalfa in
4 the early 1990s. In fact, by 19" --

5 THE COURT: Now, does that say 1900s?

6 MR. ROSENBAUM: I'm sorry, I misspoke. In the
7 1900s.

8 THE COURT: But isn't that interesting they are
9 talking about blossoming in the beginning of the 1900s.
10 So that -- but go ahead.

11 BY MR. ROSENBAUM:

12 Q. "In fact, by 1957, Arizona dairy was a \$25 million
13 business, with 372 dairy farms and an average herd size of
14 88 cows."

15 Do you see that?

16 A. I do.

17 Q. Does that sound about right for what the size was
18 back in 1960?

19 A. I don't know.

20 Q. Okay. Okay. I mean, according to -- if you look
21 back at Hearing Exhibit 377, Table 7, if you look at cow
22 numbers in Arizona in 1960, there were 50,000.

23 Do you see that?

24 A. I do.

25 Q. And you had 390 members, correct?

26 A. Yes. That was the information that was given to
27 me, yes.

28 Q. So even if all dairy farmers were UDA members at



1 that point in time -- I don't know whether they were or
2 not -- but the 50,000 cows divided by 390, that would give
3 you 128 cows per farm.

4 Do you see -- just simple math. Do you see that?

5 A. I don't dispute that. Okay.

6 Q. And to the extent that there were farmers who were
7 not DFA members, that 128 number would go down, right?
8 Because some of those cows would belong to the
9 non-members, correct?

10 A. I don't know.

11 Q. Okay. Well, just as a matter of simple math, if
12 you increase the denominator, the result is going to be
13 bigger, right? Smaller, excuse me. Increase the
14 denominator, the result is smaller, correct?

15 A. It could be. I still -- I don't --

16 Q. Okay.

17 A. -- I don't know how to answer that. I'm sorry.

18 Q. Well, let me just --

19 A. I mean --

20 Q. So we're at least clear on what I'm trying to say.

21 A. Sure.

22 Q. If you take the 50,000 cows, which is what USDA
23 tells us there were in Arizona in 1960, and you divide
24 that by the 390 UDA members in 1960, that would give you
25 an average of 128 cows per member, correct?

26 A. I agree with you on that, yes.

27 Q. And if the --

28 THE COURT: Now, I'm sorry, Mr. Rosenbaum, I'm



1 trying to keep up with you.

2 MR. ROSENBAUM: Yes.

3 THE COURT: So I'm looking at the Table 7 --

4 MR. ROSENBAUM: Yes.

5 THE COURT: -- and I'm seeing 50,000 cows.

6 MR. ROSENBAUM: 50,000 cows, exactly.

7 THE COURT: And did you say 60,000 cows?

8 MR. ROSENBAUM: No, I have always meant to say 50.

9 If I said something different, I misspoke.

10 THE COURT: Okay. Thank you. All right. Keep
11 going.

12 MR. ROSENBAUM: So -- I think I said in 1960.

13 That may be where I used the 60. But in terms of cow
14 numbers, it's 50,000.

15 BY MR. ROSENBAUM:

16 Q. And we get to 128 cows per farm by dividing the
17 50,000 cows by the 390 UDA members, okay?

18 A. Yes.

19 Q. And in that fourth grade math, 390 is the
20 denominator, correct?

21 A. I will agree with you.

22 Q. I'm not --

23 A. It was like my teacher said, you are not going to
24 have a calculator with you all the time, but, you know,
25 now we do, so --

26 Q. Yes, exactly.

27 So if, in fact, there were some additional dairy
28 farmers out there who were not members of UDA, they had



1 dairy cows of their own, that would increase the
2 denominator, which would mean that the number of cows per
3 farm would be somewhat less than 128, correct?

4 A. I -- I would be inclined to agree with you. I
5 still haven't done that math in quite some time.

6 Q. Okay. Now, today we have, if we look at -- back
7 to Exhibit 378, as of the end of 2022, we have 197,000
8 cows in Arizona, correct?

9 THE COURT: Now, you are on page 8?

10 MR. ROSENBAUM: I'm on page 8 of Hearing
11 Exhibit 378. In the column called "Milk Cows for Arizona
12 for 2022," I see 197,000 milk cows in Arizona in that
13 column.

14 BY MR. ROSENBAUM:

15 Q. Do you agree with that?

16 A. Yes, I do.

17 Q. Okay. And then if we -- we actually do have a
18 figure in this document, on which we didn't have for
19 1960 --

20 A. In which document, sorry?

21 Q. Same document we're on still. If you turn to
22 page 18, that's a document called -- a page called
23 Licensed Dairy Herds, and this document says there were 80
24 licensed dairy herds in Arizona in 2022.

25 Do you see that?

26 A. I do see -- yes, I do see that.

27 Q. And so if we simply divide the 197,000 dairy cows
28 in Arizona in 2022 by the 80 dairy farms, licensed dairy



1 farms -- licensed dairy herds I should say, that's the
2 term used by USDA -- in 2022, then we end up with 2,462
3 dairy cows per herd. Simple math, one divided by the
4 other.

5 THE COURT: There is no such thing as simple math,
6 Mr. Rosenbaum.

7 MR. ROSENBAUM: I don't have the algebraic
8 formulas that some people are using for their testimony.

9 THE COURT: But you have a head start on us.

10 BY MR. ROSENBAUM:

11 Q. In any event, 197,000 divided by 80 would give you
12 the number, average number, of cows per herd.

13 Do you agree with that approach?

14 A. Without running my own analysis and equations, I
15 mean, that would -- would not know precisely, but I don't
16 think it's unfound what you are saying.

17 Q. And that would suggest that there are -- and
18 strike that.

19 And you don't challenge my representation as
20 seeming way off, that 197,000 cows divided by 80 herds
21 gives you an average of 2,462 cows per herd?

22 A. I don't know the exact average size herd we have
23 on each farm, but I believe it would be relatively close
24 to that number.

25 Q. Okay. And -- all right. And I mean, Arizona,
26 it's fair to say, you are home to massive dairy farms,
27 correct?

28 A. Depends on what you mean by "massive," but there



1 are some pretty big farms out in West Texas and Idaho. So
2 I -- and California. I don't know what you mean by
3 "massive" though.

4 Q. Well, and I'm not suggesting those aren't massive,
5 too. They are massive, too.

6 A. Okay.

7 Q. You are at the upper edge of the -- upper end of
8 the spectrum in terms of average dairy size, right? In
9 Arizona?

10 A. My area is really -- my current specialty is
11 really focused in Arizona, so I -- I don't know how to
12 answer that question because I'm not as familiar with a
13 lot of other states. Like I said, I know there are some
14 large farms in the West Texas area and Idaho region. But
15 outside of this geographic region, I'm not an expert in --

16 Q. And I know you have mentioned 2022 being a drought
17 year for the state particularly, a drought year for the
18 state?

19 A. I think I said a prolonged drought for 100 years.

20 Q. Okay. For 100 years.

21 A. I think that's what the testimony said, yes.
22 We're in a pretty prolonged drought with -- I mean, we can
23 see with the Lake Powell, Lake Mead elevation levels that
24 it's been problematic for some time.

25 Q. But actually, cow numbers are still growing,
26 right? In the state, the cow numbers today are higher
27 than 197,000 than they were in 2022, aren't they?

28 A. That's right. And what I said, the comments just



1 a few minutes ago, it's hard to find dairy farmers in
2 Arizona. No one wants to go work in 115-degree heat. So
3 our farms are getting larger, and it's an act of
4 desperation, like I said. Urban sprawl and urban
5 population has been pushing our farms out further and
6 further away. So we have some members acquire other farms
7 to gain some efficiencies of scale and to hopefully
8 survive another month.

9 Q. But total cow numbers are up, correct? I can --
10 let me -- there's no reason to ask you to speculate.

11 A. Okay.

12 MR. ROSENBAUM: Let me ask that the next document
13 be marked as Exhibit 380.

14 THE COURT: Yes. It will be 380. Thank you.
15 Marking this as Exhibit 380.

16 (Thereafter, Exhibit Number 380 was marked
17 for identification.)

18 THE COURT: I'm also marking it as IDFA-380. And
19 let's go off record while we distribute.

20 (An off-the-record discussion took place.)

21 THE COURT: We're back on record at 12:04.

22 Please be back and ready to go at 1:05 p.m., and
23 we will then address Exhibit 380. Mr. Rosenbaum will
24 continue his cross-examination.

25 Right now we go off record at 12:04 p.m.

26 (Whereupon, the lunch recess was taken.)

27 ---o0o---

28



1 WEDNESDAY, NOVEMBER 29, 2023 - - AFTERNOON SESSION

2 THE COURT: All right. Let's go back on record.

3 We're back on record at 1:06 p.m.

4 Mr. Rosenbaum, you may proceed.

5 MR. ROSENBAUM: Thank you.

6 BY MR. ROSENBAUM:

7 Q. When we were breaking for lunch, I was -- I had
8 just gotten through marking as Exhibit 380 a document
9 entitled "Milk Production Produced by USDA, National
10 Agricultural Statistic Service," dated October 27, 2023,
11 which is, obviously, very recent.

12 And if you turn to page 3 of this document, there
13 is a heading called "Milk Cows and Production, 24 Selected
14 States, September 2022 and 2023."

15 And calling your attention to state of Arizona, do
16 you see that this indicates that as of September 2023,
17 last month, there were -- month before last rather --
18 there were 201,000 dairy cows in the state, correct?

19 A. Yes, sir.

20 Q. And that represents roughly a 2% increase from the
21 197,000 cows that are listed in Hearing Exhibit 378 as the
22 number of dairy cows in Arizona for 2022, correct?

23 A. Yes.

24 Q. Okay. Now, you have mentioned how population has
25 grown.

26 Has that -- that's led to a boom in land values
27 basically; is that right?

28 A. Yes, sir, I believe so.



1 Q. Okay. And has that -- I mean, has that been an
2 economic boom to some of your members, they were able to
3 sell their farms if they so chose at prices substantially
4 in excess of what they had paid for the land?

5 A. I think they have that option, but we would hope
6 that they would not due to the farming situation -- the
7 dairy farming situation in Arizona. But that probably is
8 an option to them.

9 Q. Has that, in fact, been an option people have
10 exercised?

11 A. I don't know.

12 Q. Okay. Have any of them sold out areas close into
13 the major cities and then built new dairy farms further
14 out?

15 A. I believe some have, but I -- I don't know
16 precisely who has or who hasn't. But I -- it is common
17 that we are starting to see some neighborhoods with urban
18 sprawl creep next door to some of our dairy farms.

19 Q. Okay. Now, let's talk about Grade A and Grade B
20 milk for a second. All right?

21 A. Okay.

22 Q. First of all, there is zero Grade B milk in the
23 state; is that correct?

24 A. Yes. Now, we may have a -- on occasion a rejected
25 load. I don't know the final disposition of a rejected
26 load. But, yes, we should have zero Grade B.

27 Q. Okay. And -- and you have a manufacturing plant,
28 correct?



1 A. Yes, we do.

2 Q. And you make a number of products there, correct?

3 A. We make a variety of different products as I
4 outlined, some powders, a little bit of cheese, different
5 types of butter, some protein products, and condensed
6 products as well.

7 Q. Okay.

8 MR. ROSENBAUM: Your Honor, I would like to mark
9 the next document as Exhibit 37- --

10 THE COURT: 381. 381 is our next one.

11 And while we're getting those distributed, let's
12 go off record at 1:10.

13 (An off-the-record discussion took place.)

14 THE COURT: We're back on record at 1:11.

15 Mr. Rosenbaum, you may proceed. I have marked the
16 document you are about to talk about as Exhibit 381, and I
17 have also labeled it IDFA-381.

18 (Thereafter, Exhibit Number 381 was marked
19 for identification.)

20 BY MR. ROSENBAUM:

21 Q. Mr. Butcher, I downloaded this document from the
22 web, and the URL is at the -- I copied the URL into the
23 document. It's a little faint, but it's at the top middle
24 of the first page, so if anyone wants to find it there
25 they can.

26 Do you recognize the document?

27 A. I do.

28 Q. And is this a document on the website of your



1 company?

2 A. I believe it is, yes.

3 Q. Okay. And the document is entitled "Product List
4 and Specifications."

5 Is this, indeed, a list of the products that your
6 company makes?

7 A. I believe this is very accurate, yes.

8 Q. So when -- let's just take as an example the -- if
9 you turn to the third page, these are not numbered, but
10 it's the third page. It says "nonfat dry milk." And then
11 underneath that product description it says, "Grade A, low
12 heat NFDM."

13 NFDM is nonfat dry milk, correct?

14 A. Yes.

15 Q. So does the term Grade A in this document indicate
16 that the milk used to make this product is from Grade A
17 certified farms?

18 A. I haven't heard Grade A certified farms, but the
19 milk it comes from would be Grade A.

20 Q. Okay. It -- when you talk about Grade A and
21 Grade B, would this be an example of a Grade A product the
22 way you use that term?

23 A. Yes, I would agree with you.

24 Q. Okay. So this is one example, we'll show some
25 more, but this is an example of a product that is not
26 obviously fluid milk, but it is -- meets Grade A
27 requirements, correct?

28 A. Yes.



1 Q. Okay. And your ability to sell this product with
2 this designation is dependent upon it coming from Grade A
3 farms, correct?

4 A. I would say yes.

5 And let's also keep in mind that I'm -- my title
6 is the director of fluid sales, so I have very little
7 interaction on some of the powders, just for clarity sake.

8 Q. Okay. Now, we go on to the -- two more pages, we
9 see milk protein concentrate, and that, too, is described
10 as a Grade A product.

11 Do you see that?

12 A. Yes, I do.

13 Q. Okay. And then two more pages we have Grade A
14 buttermilk powder, another Grade A product, correct?

15 A. Yes, sir.

16 Q. And moving on a couple pages, we have Grade A
17 condensed buttermilk.

18 Do you see that?

19 A. Yes, sir, I do.

20 Q. Also, Grade A, correct?

21 A. I would believe so, yes.

22 Q. All right. And then, keeping going, flip a page,
23 we see condensed skim, also Grade A?

24 A. Yes, sir.

25 Q. So is it reasonable to say that the costs incurred
26 to maintain Grade A status is a cost that relates to
27 products that are not merely fluid milk?

28 A. Can you state that question one more time?



1 Q. Yes. You sell all these product as being Grade A,
2 correct?

3 A. Yes.

4 Q. And you have identified certain costs that you say
5 are the costs of being Grade A, correct?

6 A. Yes, sir.

7 Q. And so these are costs that relate not just to
8 fluid milk products, but also to nonfluid milk products?

9 A. I would agree with you, yes.

10 Q. All right. Now -- and I mean, you -- I assume
11 your farmers have no intention of going back to being
12 Grade B?

13 A. I would also be inclined to agree with you. I
14 don't think -- I can't recall if we have had Grade B milk
15 in the past, though.

16 Q. Okay. And do you actually require your members to
17 be Grade A? Is that sort of a condition of membership?

18 A. Yes.

19 Q. Now, so you talk about a number of costs, and I'm
20 really going to ask, just so you know where I'm headed,
21 just sort of two questions relating to these costs.

22 One is, is it a cost that relates actually to
23 maintaining Grade A status; and B, whether it's a cost
24 that is only related to fluid milk. Okay?

25 A. Okay.

26 Q. So let's -- I mean, for example, you mention
27 construction costs for housing laborers, correct?

28 A. Yes, I mentioned that.



1 Q. Okay. And you actually, I think, mentioned the
2 PMO in connection with that, if I'm not mistaken, on
3 page 5. You mentioned the PMO explicitly, the Pasteurized
4 Milk Ordinance.

5 (Court Reporter clarification.)

6 MR. ROSENBAUM: Sorry, the Pasteurized Milk
7 Ordinance.

8 BY MR. ROSENBAUM:

9 Q. And you see the paragraph, "Even just to meet the
10 requirements of the PMO, many costs have increased," and
11 the very first one you mention is the construction costs
12 for housing of laborers.

13 Do you see that?

14 A. I do see that.

15 Q. Okay. PMO is a somewhat lengthy document. I have
16 had the fortune, or misfortune, however, to read it
17 several times in my life. I don't recall construction
18 costs or housing for laborers being covered by the PMO.

19 Are you -- do you have a different view?

20 A. I'm not an expert in the PMO. I have glanced over
21 the PMO a few times on a variety of issues, so I can't say
22 with certainty that if it is or isn't included in the PMO.

23 Q. Now, you -- you go on to talk about feed costs,
24 correct?

25 A. Yes, I do.

26 Q. Once again, under the heading "Economics of
27 Producing Grade A Milk," correct?

28 A. I would have to find it, but, yes, I do remember



1 speaking to that.

2 Q. Okay. I mean, I take it that -- I mean, do the --
3 do feed costs relate to whether the milk is Grade A or
4 not?

5 A. I don't know if it has a direct correlation. I
6 don't know. I'm not a PMO expert.

7 Q. And -- and is there anything about feed costs that
8 are different when the milk is used for fluid milk
9 purposes versus manufactured product?

10 A. I'm not a dairy nutritionist, so I -- I -- I
11 simply don't know that answer.

12 Q. Okay. By the way, you mentioned somatic cell
13 components.

14 Do you -- and you make cheese, correct?

15 A. We make a very small quantity of cheese, very
16 small.

17 Q. Let me ask you more generally. Do you -- do you
18 export any manufacturing -- start that again.

19 Do you export any manufactured products?

20 A. When you say "export," do you mean outside of the
21 United States?

22 Q. Exactly.

23 A. We do. On the fluid side, we do not. But I
24 believe a lot of our powders are exported outside of the
25 United States.

26 Q. Do any of them go to Europe?

27 A. I don't know the exact locations of where they go.

28 Q. Okay. Do you know whether there are foreign



1 countries that have set somatic cell count requirements
2 stricter than the PMO, which anyone who wants to export to
3 those countries has to meet?

4 A. Personally, I don't know. Having listened to
5 previous testimony, I have heard about it, but I -- I do
6 not know much more other than that.

7 Q. Okay. Now, another thing you mention is the -- is
8 FARM, F-A-R-M, the FARM program, correct?

9 A. Yes.

10 Q. Okay. Is that -- is compliance with that document
11 a prerequisite to being Grade A?

12 A. Grade A, I don't know, but a lot of our customers
13 require our farms to be FARM compliant.

14 Q. And do -- okay. And do those include customers of
15 your -- any of your manufactured products?

16 A. Manufactured as in the nonfat dry milk and the
17 skim milk? I don't know.

18 Q. Now, let's talk about some of the other costs you
19 mentioned. Okay. One of the -- so there are really maybe
20 two, three costs of transportation, I guess I would say.

21 One is obviously the cost of the tankers
22 themselves, correct?

23 A. Yes.

24 Q. Another is what you have to pay the driver,
25 correct?

26 A. That's one of the them, yes, sir.

27 Q. And then another would be fuel, correct?

28 A. Yes, that's an additional cost.



1 Q. And maintenance, right?

2 A. Yes, another additional cost.

3 Q. Okay. Now, did you have discussions with any of
4 the -- any of the -- either of the two University of
5 Wisconsin professors who worked on the University of
6 Wisconsin project to come up with, I think, what you have
7 described as being the model?

8 A. Did I have personal conversations with any of the
9 authors?

10 Q. Yes.

11 A. No, sir, I did not.

12 Q. Are -- not necessarily one-on-one, did you
13 participate at all in any conversations with them?

14 A. No, sir, I did not.

15 Q. Okay. I mean, did -- is it your understanding
16 that their model was designed to capture those four
17 components of transportation costs?

18 A. I don't know the parameters or the data that they
19 captured, since I was not involved in -- in a lot of that.
20 But I also don't know what it didn't capture, like the
21 excessive heat that we have or, you know, the roadway
22 exceeding 140 or 150 degrees where we see tires pop. So I
23 don't know what that model did or did not capture. That's
24 why I wanted to provide a little bit of clarity around
25 costs of repairs and maintenance and permitting and
26 demurrage, because I'm not sure what that model did or did
27 not.

28 Q. Okay. You have no reason to think, for example,



1 they didn't capture the cost of super tankers?

2 A. I don't know if they -- they did or didn't.

3 Q. I mean, did anyone -- is anyone reviewing the
4 model and thinking, well, you know, we're going to ask for
5 more, go back to them and say, hey, we think you must have
6 underestimated what tankers cost? Did you look at these
7 super tankers? Did anyone -- did anyone do that that you
8 are aware of?

9 A. Specifically the super tanker costs?

10 Q. I'm giving that as one example.

11 A. Okay. Since I was not actively involved in the
12 beginning of this process, it's hard to understand the
13 conversations and discussions that were had around
14 modeling and pricing. So it's -- it's difficult to
15 understand what is included in -- in them, in what they
16 modeled.

17 Q. I mean, it would have been easy just to ask them,
18 "Hey, did you know that there are these super tankers that
19 cost a lot more? Did you include those costs in
20 modeling?"

21 Did you suggest that that be done?

22 A. No, sir, I did not.

23 Q. Do you know if anyone did that?

24 A. No, sir, I do not.

25 Q. Okay. So I mean, it's fair to say that a
26 number -- well, before I move on to that, in terms of
27 fuel, does your cooperative charge its customers a fuel
28 surcharge when the price of diesel rises above some



1 designated level?

2 A. I think we have to take a step back, because
3 contracts have varying lengths. We may have some
4 contracts that -- that may be as short as one, two,
5 three years, and then we may have some contracts that are
6 in excess of 20 years. So it's something that we are
7 starting to consider and adding in some of our contracts,
8 but it's very difficult to change or modify contracts when
9 we may have some long-term contracts in place.

10 Q. Do you have contracts with fuel surcharges?

11 A. We have recently reviewed this, and I can't recall
12 if it was added or amended in the contract. But it's
13 something that we are beginning to review.

14 Q. And I mean, fuel is sort of a volatile cost,
15 right? Correct?

16 A. Depends on the term "volatility." But this year I
17 would probably say fuel has actually been relatively
18 stable. We have seen WTI costs typically hover around the
19 \$75 per gallon range. But historically, you know, just
20 like a lot of commodity prices, we do see some volatility.

21 Q. Over time certainly fuel costs have gone up and
22 down relatively significantly compared to other things,
23 correct?

24 A. I'm sorry, did you say they went down?

25 Q. Have gone up or down --

26 A. Okay.

27 Q. -- over time, more frequently, more rapidly than
28 other costs; is that right?



1 A. I would say that we have seen -- at least as the
2 testimony is concerned, we have seen them increase for the
3 past 20 years, so -- but I don't disagree that there are
4 times that they do come down. But historically the trend
5 line is showing that they are -- they are continuing to
6 increase.

7 Q. I mean, we have had periods recently where the
8 price of gas, of crude oil at least, we know has varied
9 between, I don't know, \$70 and \$130 something like that,
10 correct?

11 A. We have had that. We've also had, if we remember
12 April of 2020, when fuel went negative for the first time
13 with COVID. So we have seen -- we have seen volatility.
14 I'm definitely not disagreeing about the volatility
15 aspect. But I think on the long-term trend basis, we
16 continue to see that fuel continues to increase.

17 Q. I mean, considering how rarely we adjust our
18 differentials, the first time in many years for most of
19 the orders, isn't that the kind of cost best addressed by
20 being adjusted through contractual agreements with your
21 buyers as opposed to locking some assumption in place for
22 decades?

23 A. It's one way to consider it. I think there's a
24 multitude of ways that you can look at fuel costs. If --
25 if the contracts allow, and you can have an addendum or an
26 amendment, I think it's something worth considering. If
27 you don't have that option, then I think, you know, we
28 probably need to address that in the Class I price



1 differential, which is what we are doing today.

2 Q. Just by the way, somewhat relatedly, since you
3 talk a lot about -- a lot of your testimony is about
4 basically farmer cost of producing milk, correct?

5 A. Some of my testimony is, yes.

6 Q. I mean, have Class I differentials ever been based
7 upon that?

8 A. Sorry, been based upon what?

9 Q. Farmer cost of production.

10 A. I think the cost of production, and also when we
11 discuss the Grade A milk, I think there's a -- probably a
12 direct correlation between the cost to produce Grade A
13 milk. So I think some of those costs would probably be
14 associated.

15 Q. Other than to the extent that the cost related to
16 producing Grade A versus Grade B milk, have Class I
17 differentials ever been based upon cost of production
18 issues?

19 A. I -- I can't say. I just don't know.

20 Q. Now, you mention that sometimes because of issues
21 at your customer's plant, your drivers have to wait longer
22 than normal to unload the milk, correct?

23 A. Yes, sir, that's correct.

24 Q. Does -- do you charge your customers for that?

25 A. No. We -- I don't believe we charge our customers
26 for longer waiting time issues. There are times that UDA
27 gets charged by the hauler on that when it's -- when that
28 occurs, but I do not believe that we charge our customers



1 for that. And -- sorry.

2 Q. Do you know one way or the other? I mean, is that
3 part of your responsibility?

4 A. Sorry. Could you repeat that question?

5 Q. Do you -- I -- let me ask. Are you -- are your
6 job responsibilities such that you would know?

7 A. As far as delays on our customers, unloading
8 delays? Yes, I'm made aware of that because it impacts
9 our supply chain. Typically when they have delays,
10 something has gone wrong at the plant, so that plant could
11 have labor issues, or they have a pipe issue, or some sort
12 of quality issue. There's just a variety and a multitude
13 of reasons that we can see. Or some of our customers
14 experience delays. So I am made aware of hauling delays.

15 Q. But are you personally aware of whether or not any
16 of your contracts contain clauses that would cause your
17 customer to have to pay something as a result of such a
18 delay?

19 A. I do not believe we charge our customers for
20 delays like that. We, UDA, typically incurs probably some
21 demurrage costs around that.

22 Q. Has there been a time when there was insufficient
23 milk to supply your fluid milk customers?

24 A. Specifically our fluid one -- or sorry -- Class I
25 customers?

26 Q. Yes.

27 A. We do start to get very tight in the late July,
28 August, and early September time period, where we'll start



1 to see our milk deliveries delayed to some of our Class I
2 bottlers. And after those months, after we pass those,
3 you know, hotter months, we typically see our milk level
4 and time, delivery times, get back on track with a lot of
5 our customers.

6 Q. Have you ultimately been able to supply them
7 enough milk to meet their Class I needs?

8 A. That's a little bit of a tough question because
9 there are times we're delayed and they want a little more
10 milk for Class I bottling operations, and they may have to
11 wait a little more to get that milk timely. So we --
12 there are sometimes delays of our milk production getting
13 to some Class I bottlers. It doesn't happen a lot, but it
14 does happen a few times throughout the year.

15 Q. All right. You mention water, so I have a few
16 questions about water.

17 First of all, you mention --

18 A. On what page, sir?

19 Q. Well, I'm looking at page 3. I'm referring to
20 page 3, more accurately. And you -- you talk about a
21 reduction in supply available to lower Colorado River
22 water users.

23 Do you see that?

24 A. Which paragraph?

25 Q. That's the third paragraph under weather and
26 climate on page 3 of Hearing Exhibit 376.

27 A. Yes, sir. I see that.

28 Q. Okay. So are your farmers themselves Lower



1 Colorado River water users?

2 A. I believe so.

3 Q. Okay. Do you know how much of their water they
4 get that way as opposed to from well water?

5 A. I don't know that, the exact amount, no.

6 Q. And when you say UDA pays more for water than it
7 had in 2000 and more than almost any other state, are you
8 referring to literally what UDA pays for water to operate
9 its manufacturing plant?

10 A. Yes, sir, that's what that sentence is referring
11 to.

12 Q. Okay. Now, you are not suggesting, are you, that
13 the costs of operating your manufacturing plant are
14 relevant to the appropriate size of Class I differentials,
15 are you?

16 A. Sorry. Could you repeat that question one more
17 time?

18 Q. Yes. You are not suggesting that the costs of
19 operating your manufacturing plant is relevant to what the
20 Class I differentials should be, are you?

21 A. I don't think I'm making that argument in this
22 paragraph.

23 Q. Okay. And water costs, to the extent that they do
24 relate to farms as opposed to your processing plant,
25 that's a cost of producing milk, correct? In general, not
26 specific to Class I; is that right?

27 A. Yes. Because we see a lot of our -- due to our
28 supply chain, we move milk around from various farms to



1 various Class I bottling plants.

2 Q. If we can go back to the page 2 where you have
3 your proposed changes. There are -- as you discussed I
4 think at the beginning of the examination -- there are
5 Class I plants in Maricopa County and in Yuma County,
6 correct?

7 A. Yes.

8 Q. And the only -- the only Class I plants in Yuma
9 County are the two plants owned by the Hettinga family,
10 correct?

11 A. I believe that's correct. Yes.

12 Q. Which is not -- not supplied by UDA, correct?
13 Those plants are not supplied by UDA?

14 A. On occasion they will ask us for milk, but there's
15 nothing consistent that heads down there from UDA.

16 Q. Okay. So right now Yuma is at a \$0.25 lower
17 Class I differential than Maricopa, correct?

18 A. Yes.

19 Q. And under the University of Wisconsin model, that
20 \$0.25 difference would have been maintained, correct?

21 A. Yes.

22 Q. Under your proposal, that difference is reduced to
23 \$0.10, correct?

24 A. Under the NMPF proposal, yes.

25 Q. Okay. And that -- that would mean that those
26 plants would pay more into the pool, and that would be
27 shared by your members, correct?

28 A. I don't know.



1 MR. ROSENBAUM: That's all I have at this time.

2 THE COURT: Who next has cross-examination
3 questions for Mr. Butcher?

4 Thank you, Mr. Miltner.

5 MR. MILTNER: Thank you, Judge Clifton.

6 CROSS-EXAMINATION

7 BY MR. MILTNER:

8 Q. Ryan Miltner representing Select Milk Producers.

9 I wanted just to follow up on the last questions
10 that Mr. Rosenbaum asked, if I could. Actually, I want --
11 let me ask you something before I get into that.

12 On the second page of your statement where you
13 provide a little bit of background on UDA, you state --

14 A. Sorry, did you say in the second page or the --

15 Q. Second page, yeah. Page 2 of Exhibit 376.

16 So you're reciting UDA's objectives, and the
17 second is to maintain the current pricing relations among
18 competing handlers, both within the market and with the
19 surrounding states.

20 Can you expand on that and just let me know
21 what -- a little more detail about what you are trying to
22 preserve there and maintain?

23 A. Sure. So I wasn't directly involved in the
24 creation of the current or the proposed Class I price
25 differentials, but I think having been brought to that
26 group a little later, the goal was to attempt to keep
27 those current pricing relations and to keep that slope
28 consistent as possible.



1 Q. Okay. Now, turning to the questions Mr. Rosenbaum
2 had asked about Yuma County in particular.

3 Those two plants in Yuma, do you know where their
4 packaged sales are?

5 A. I do not, no.

6 Q. Okay. Do you know if one or both of those plants
7 move packaged milk back into the Phoenix area for retail
8 sale?

9 A. I don't know if they do or not.

10 Q. You have not seen any Sarah Farms labeled milk in
11 any stores in the Phoenix area?

12 A. I currently live just west of Fort Worth, Texas,
13 personally.

14 Q. Okay. I don't think they get to Texas.

15 A. Maybe not.

16 Q. If it does, it would come from El Paso.

17 So let me ask this. If you look at the current
18 differential relationship between Yuma County and Maricopa
19 County, Mr. Rosenbaum pointed out that that's currently
20 \$0.25.

21 You agree with that?

22 A. Yes, sir, I do.

23 Q. And as proposed by National Milk, that that --
24 that spread is narrowed to a dime, and so if there were
25 the packaged sales in Maricopa County from the plants in
26 Yuma, that really doesn't preserve that competitive
27 relationship, does it?

28 A. I don't know if it does or not.



1 Q. You would expect that if that plant had \$0.15 of
2 additional raw milk costs compared to its competitors in
3 Maricopa County, that would change the competitive
4 relationship, would it not?

5 A. I think there's a potential it could.

6 Q. And I believe you stated that the only other fluid
7 plants in Arizona are in Maricopa County; is that correct?

8 A. Yes, sir, that is correct.

9 Q. Do you know if a lot of packaged fluid milk comes
10 into Arizona from other states?

11 A. I don't know that. I don't know.

12 Q. So I now want to look at the differentials in
13 Arizona versus the border states in California. And if I
14 look at, say, Riverside County --

15 A. I don't have a map or this pricing in front of me.

16 MR. MILTNER: Can we provide the witness
17 Exhibit 300, Your Honor?

18 THE COURT: Yes. Easily done.

19 MR. MILTNER: I will get my computer.

20 THE COURT: You will need the yardstick.

21 MR. MILTNER: 301, Your Honor.

22 THE COURT: You still need the yardstick.

23 MR. MILTNER: If you will bear with me a second
24 while I get that spreadsheet open on my computer.

25 THE COURT: So for those not in the room, we are
26 looking at 301, which is also labeled MIG-29.

27 BY MR. MILTNER:

28 Q. I wanted to look at Riverside County, California,



1 which is Row 191.

2 Do you have that page available?

3 A. Yes, sir, I do.

4 Q. Okay. So for the purposes of our transcript,
5 let's just go across there. Riverside, California's
6 current differential is \$2 in Column I.

7 Do you see that?

8 A. Yes, I do.

9 Q. And if we move over to the Wisconsin average, the
10 model average, Column L, it's \$2.40, correct?

11 A. Yes.

12 Q. And then finally, the proposed differential under
13 Proposal 19 is \$3.

14 Do you see that?

15 A. I do see that, yes.

16 Q. Okay. Now, Yuma County, we said earlier, was
17 \$2.10 currently. So Riverside would be \$0.10 less than
18 Yuma County today, correct? Did I get that reversed?
19 Yuma County is \$0.10 higher than Riverside?

20 A. Yuma looks to be \$0.10 higher currently.

21 Q. Okay.

22 A. Based off this exhibit that's right here.

23 Q. Okay. Now, if we look at the proposed
24 differential with Yuma proposed at \$2.90 and Riverside
25 proposed at \$3, it's still a \$0.10 difference, but it's
26 flipped, so there's a \$0.20 per hundredweight change in
27 the relationship between those two adjacent counties.

28 And I wondered if -- if you think that that



1 maintains the current pricing relationship between those
2 two -- those two counties, given that they are order
3 counties between California and Arizona?

4 A. I can't say how the \$0.10 difference would impact
5 either county. I would probably leave the final decision
6 up to, in this instance, to the USDA to see what they
7 would recommend.

8 Q. Do you know as -- and I would characterize that
9 personally as a \$0.20 difference because it's flipping.
10 You said 10.

11 But would you agree that that's a \$0.20 change
12 from current to proposed?

13 A. Let's review that, sorry, one more time.

14 Q. Sure.

15 A. Because I -- I'm seeing the proposed here at Yuma
16 County as \$2.90, and then on the Riverside I'm seeing the
17 proposed as \$3 per hundredweight, so I'm showing just a
18 \$0.10 delta.

19 Q. It's a \$0.10 delta, but it's reversed, right? So
20 I'm looking at this, and I'm seeing currently Yuma \$0.10
21 higher than Riverside --

22 A. And, sorry, what column are you looking at in
23 Riverside?

24 Q. I'm actually -- it's -- you'd have to look at --

25 A. Is that column --

26 Q. It would be -- yes, it would be Column I.

27 A. All right. So there's a \$0.10 difference right
28 there, with Riverside being \$2 per hundredweight



1 currently, and Yuma being \$2.10. So it's positive right
2 now, Yuma by \$0.10. So in here, in this instance, the
3 proposed is \$2.90 for Yuma, and we're saying Riverside is
4 \$3 proposal.

5 Okay. I can see the \$0.20 delta.

6 Q. Okay. So I think we're both -- in both instances
7 there's a \$0.10 difference between the two, but the -- it
8 changes, right? It flips. So it's a -- the --

9 A. Yes.

10 Q. Okay. We're on the same page, then.

11 If the -- if the goal, if UDA's objective, which
12 you state were consistent with National Milk's, was to
13 maintain current pricing relationships, what consideration
14 and what discussion was had about that particular, you
15 know, area, and not maintaining the relationship therein?
16 I wondered if that was discussed at all.

17 A. I was probably brought in after those discussions,
18 so I inherited a lot of these pricing -- pricing protocols
19 without some direct input from myself. But then I would
20 probably, once again, say I would probably rely on the
21 USDA to maybe make that final determination on what
22 that -- if that is an even slope.

23 Q. And if we were to -- if we wanted to look at, for
24 instance, San Diego County, San Bernardino County,
25 Imperial County, same answer, you probably came in later
26 in the game to be able to offer thoughts on the specifics
27 on those -- those relationships.

28 A. Yes, sir, that is correct.



1 Q. All right.

2 MR. MILTNER: Thanks. That's all I have. Thank
3 you.

4 THE WITNESS: Appreciate it.

5 MR. MILTNER: Thank you.

6 THE COURT: Who next has questions for this
7 witness?

8 I see no one. I invite the Agricultural Marketing
9 Service to ask their questions.

10 CROSS-EXAMINATION

11 BY MS. TAYLOR:

12 Q. Good afternoon.

13 A. Hello.

14 Q. Thank you for coming to testify today. I just had
15 a few questions. I haven't -- let me see here. I think
16 you might have touched on this with Mr. Miltner, and I
17 apologize if I might not have heard the whole answer as we
18 were having a separate little discussion on something else
19 in your exhibits.

20 But currently, I think you were just discussing
21 the current difference in differentials between Yuma,
22 Maricopa, and what you have proposed it to be, so you are
23 going from a current difference of \$0.25 to a proposed
24 difference of \$0.10; is that correct?

25 A. Yes, ma'am, that's what it looks like.

26 Q. Okay. And so I was just wondering if you could
27 explain -- again, I'm sorry if you covered this before,
28 but I want to make sure I get it -- why National Milk is



1 recommending that that spread be reduced?

2 A. So I was brought in after that fact, so I
3 inherited a lot of these numbers --

4 Q. Okay.

5 A. -- so it's hard for me to opine on why some of
6 these numbers were chosen.

7 Q. Okay. I heard that answer. I guess I just didn't
8 hear the question earlier. Okay.

9 You talked some in your testimony about the super
10 tankers that I guess are becoming more prevalent in
11 Arizona.

12 A. Yes, ma'am.

13 Q. And you say they cost more.

14 And I was just wondering if you had data to put on
15 the record as to those costs that seem -- that, through
16 your testimony, seem to be unique to the Arizona region.

17 A. You know, I convened with some of the finance team
18 that we have on staff, but I don't know if I captured the
19 exact cost of the difference between a regular tanker and
20 a super tanker. I just know that they said that the cost
21 is greater to procure buy super tankers than regular
22 tankers. And that's something that we're -- I think also
23 I testified on, that we're going to continue to purchase
24 the super tankers, you know, for the foreseeable future as
25 well.

26 Q. Because they do offer you some efficiencies in
27 other areas despite the cost?

28 A. Yes. We can move more milk with less miles, and



1 we also produce less CO2 emissions. So it's a part of our
2 sustainability program as well.

3 Q. Okay. And earlier in the hearing, which weeks ago
4 at this point, we had some discussion on the UW model with
5 Dr. Nicholson, and I know we're looking forward to a
6 discussion with Dr. Stephenson on the transportation
7 aspect of that model, because I think there's still
8 questions about what was or was not accounted for on the
9 transportation side of things.

10 So when it comes to these Arizona unique
11 transportation aspects that you talk about, super tankers
12 being one of them, is it your impression that those were
13 factors that were not included in the model, not accounted
14 for in the model?

15 A. I don't -- I don't know if they were or if they
16 weren't. I know there's maybe only a handful of states
17 that have super tankers, so I just don't know what was
18 included in that model.

19 Q. Okay. Well, you talked about demurrage charges.
20 And I just want you to make it clear on the record, if you
21 can explain what those are.

22 A. Sure.

23 Q. I mean, you've said the term numerous times, but I
24 don't know there's been, like, a definition.

25 A. No, great question.

26 With some of our contracted haulers we have an
27 agreement in place that states if our hauler must wait X
28 amount of hours after arriving at their final destination,



1 that they have the ability to charge UDA a -- what we call
2 a detention or demurrage charge on an hourly basis. So
3 depending on how long the tanker waits to get unloaded, we
4 may see those charges from some of our contracted and spot
5 haulers as well.

6 Q. Okay. And I apologize, it might be in your
7 statement. Did you mention, does UDA only use contract
8 haulers or do you have some of your own? You mentioned
9 you purchase them. I don't know if you mean UDA will be
10 purchasing these tankers.

11 A. I believe we use all contract haulers; however, we
12 do own the assets, the tanks.

13 Q. Okay. Okay. You talk some about difficulty -- I
14 think there was a question with Mr. Rosenbaum about
15 difficulty meeting Class I demand. And you said sometimes
16 in late July through October, orders, you would be delayed
17 in fulfilling those orders. I think that's the -- how you
18 couched that; is that correct?

19 A. Yes, that's fair. We typically see our milk
20 decline, obviously, with the excessive heat that we
21 experience. So, you know, we try to keep our cows as
22 comfortable as possible, but when the temperatures are
23 exceeding 115 or 120 degrees, our milk production just
24 tends to drop during those hotter months, which means
25 we're obviously producing less milk.

26 And we have a -- I believe a year-round school
27 system in Arizona, so we start to see school milk tick up
28 in late -- you know, late June and early July, after a --



1 we call it the mid-summer break for school milk. And that
2 really taxes our supply chain because our milk numbers are
3 significantly lower in the summertime.

4 Q. Okay.

5 A. And if I can also note, we then see less milk
6 coming to our own campus because we have to supply milk
7 to, you know, our customers first.

8 Q. And you couch it as a delay in fulfilling orders
9 because of this dynamic.

10 But are there times where you just don't have the
11 milk? You call it a delay. I mean, does it roll over, or
12 eventually maybe there's just milk you aren't actually
13 able to provide? Do they have to go somewhere else? Do
14 you import milk in from outside the area?

15 A. We do not import milk from outside the area. It's
16 just a few weeks of the year we get really tight on milk,
17 so it's a very -- just a very tight timeframe of we're
18 managing our customer's demands while trying to supply
19 them with enough milk to run their plant.

20 Q. Okay.

21 A. And there's obviously some seasonality with that
22 as well. You know, I mean, so we have to look at
23 seasonality of milk and the demand of milk and kind of
24 adjust that or account for that in some of our supply
25 chain activities.

26 Q. Okay. And I did want to talk about, a little bit,
27 on the demand side of the equation. I know you talked a
28 lot with Mr. Rosenbaum over increases in milk production



1 in Arizona since the '60s. And there's been -- your chart
2 talks about population increases, and I think there's, if
3 I counted correctly, six fluid plants Arizona; is that
4 correct-ish?

5 A. Sounds right. I don't know the exact number, but
6 it sounds -- sounds correct.

7 Q. Do you know how much of any of those are
8 relatively new? I'm just trying to see if, you know,
9 there's some new demand in the state -- I'm assuming yes
10 since the '60s. But how relatively new, that maybe you
11 guys are all still trying to meet on the milk production
12 side?

13 A. Yeah, we have had a significant investment in
14 Arizona several years ago, so we are seeing a lot more
15 Class I bottling or Class I demand from a very new
16 facility that's in our area.

17 Q. And so even with that growth in milk production,
18 there's still some -- as an old colleague used to call
19 it -- unmet demand perhaps? Or trying to -- I know that's
20 not a real term, so I always chuckle when I hear or need
21 to say it, but, you know, you are still trying to make
22 sure your milk production and growth in the state is able
23 to meet the new demand in the state?

24 A. Correct. I think that's fair. Yes.

25 Q. Okay. On page 6, you mention Dr. Erba's testimony
26 earlier in the hearing about other costs and how he -- he
27 quantified that as \$2.25. I think there's other costs you
28 talked about maybe on the farm increases.



1 Do you have any data, UDA data -- you say yours is
2 more -- I'm just wondering if you have any specific
3 numbers to put into the record?

4 A. What I did is I -- I -- I pulled and spoke with a
5 lot of our farmers to understand some of their cost pain
6 points and some of their cost structures, but I don't know
7 the -- every farm's exact cost structure.

8 MS. TAYLOR: I think that's it from AMS. Thank
9 you.

10 THE WITNESS: Thank you.

11 THE COURT: Redirect?

12 And, Counsel, would you again identify yourself.

13 MR. PROWANT: Yeah, sorry, Your Honor. Bradley
14 Prowant on behalf of National Milk.

15 REDIRECT EXAMINATION

16 BY MR. PROWANT:

17 Q. Mr. Butcher, I just want to follow up on a few of
18 the points that have been raised on cross and in questions
19 with AMS.

20 So you mentioned that you -- you supply fluid milk
21 plants as well as your manufacturing plant in Tempe.

22 Does any of UDA's raw milk leave the state of
23 Arizona?

24 A. No, it all stays within the state.

25 Q. Okay. And so you noted that supplying your fluid
26 customers can get tight in the summer months.

27 Do you do any sort of balancing, then, as a result
28 with -- at any time during the year with your



1 manufacturing plant?

2 A. Yeah. So we have what we call a Class IV plant
3 where we make powder and butter, which helps balance a lot
4 of our customers, obviously within the Phoenix Metro area.
5 And so there are times where we see our powder and butter
6 manufacturing increase, but also simultaneously in the
7 summer months we see very little, if any, milk go through
8 our own plant. So -- so we are always seeing fluctuations
9 in what to expect into our own campus.

10 Q. So your manufacturing plant provides the balancing
11 for the state of Arizona; is that what you are saying
12 there?

13 A. Yes, I think that's very fair.

14 Q. Okay. So in the summer months when the fluid milk
15 is tight, your manufacturing plant, it sounds like there
16 might be times where it's not running at all; is that
17 fair?

18 A. Very, very little milk could be going through
19 there. Yes.

20 Q. Or at least what it is running, it's costing more
21 on a per unit basis than if it was running full.

22 A. Correct. You are running very less milk through
23 that balancing operation, which means your cost to
24 manufacture that product increases because of the less
25 volume going through there.

26 Q. And we heard a lot of talk about the growth in
27 dairy farms on a per cow basis since the '60s.

28 But even with that growth, it sounds like UDA is



1 still barely able to meet fluid demand; is that fair?

2 A. It's definitely tighter through certain parts of
3 the year than others, especially in that heat, that
4 excessive heat that we see. It does become -- it does tax
5 our raw milk supply chain.

6 Q. Okay. There were some questions about the
7 relationship between counties in California and Yuma
8 County as it relates to the proposed differentials by
9 National Milk. You just testified that none of the milk
10 that UDA -- none of the raw milk from UDA leaves the state
11 of Arizona.

12 So in that sense, none of your milk is going to
13 Riverside County, correct?

14 A. Not that I'm aware of. So I would say no.

15 Q. Okay. So any difference in the differentials
16 isn't creating a competitive advantage with Eastern
17 California, correct?

18 A. Could be, yes. Could be.

19 Q. Go ahead.

20 A. I'm not an expert when it comes to the counties in
21 California to Arizona. I really focus just on Arizona,
22 since our milk doesn't leave the state, our raw milk
23 doesn't leave the state.

24 Q. And then just generally, your experience, you
25 know, there was a lot of talk about the difference between
26 Maricopa and Yuma and the proposed differentials. In your
27 experience with the group that was developing these
28 proposed differentials, was it your perception that anyone



1 was trying to create a competitive disadvantage by use of
2 raising or changing these differentials?

3 A. So like I mentioned, I was brought on later in
4 this aspect, so I wasn't privy to a lot of the
5 conversations or the discussions that they had. But
6 having been involved in a few of those discussions, not
7 many, I think there was a clear and concise goal and a
8 collaborative effort to try and keep the transition smooth
9 all the way down to the Southeast. I think that was a --
10 the main goal was to smooth out the Class I differentials,
11 but there was no emphasis on competitive advantages or
12 disadvantages.

13 Q. You didn't, for example, talk to someone about
14 there being plants in Yuma that UDA doesn't supply, so we
15 want to somehow try to financially harm them.

16 A. No, I did not have any of those conversations.

17 Q. Okay. And it wasn't your perception that was the
18 intent or the goal with Proposal 19?

19 A. Correct. I don't think that was the goal or the
20 intent.

21 Q. Okay. Turning to page 3, you had a question about
22 water, and you wrote here that UDA pays more for water,
23 and that was in reference to your manufacturing plant.

24 A. That's one area where we pay water -- more for
25 water. I don't know the exact farm cost, what they pay
26 for water. I just -- having had discussions with some of
27 our farmers, they said they are paying more for water --

28 Q. Right.



1 A. -- as well.

2 Q. Right. So was the point with saying that UDA pays
3 more of to its manufacturing plant just sort of an example
4 of how water in Arizona is sort of a scarce resource
5 that's becoming more expensive and that impacts people
6 such as dairymen?

7 A. Yes, that's correct.

8 Q. Okay. And those dairymen are the ones producing
9 fluid milk for use in Class I?

10 A. Yes, sir, that's correct.

11 MR. PROWANT: That's all I have. Thank you.

12 We would move for admission of Exhibit 376.

13 THE COURT: Is there any objection?

14 There is none. Exhibit 376 is admitted into
15 evidence.

16 (Thereafter, Exhibit Number 376 was received
17 into evidence.)

18 THE COURT: Mr. Rosenbaum, I'm looking at 377,
19 378, and 379, 380, and 381.

20 MR. ROSENBAUM: Yes, Your Honor. I would move all
21 of those into evidence.

22 THE COURT: Is there any objection?

23 MR. PROWANT: Your Honor, we object to 379.

24 Your Honor, recognizing that this hearing has
25 different evidentiary standards, there are still some, and
26 under 7 CFR 900.8(d)(4), in order to accept an exhibit
27 into the record, there needs to be a satisfactory showing
28 of authenticity, relevance, and materiality of the



1 contents therein.

2 Mr. Butcher testified he doesn't know who this
3 author is, he's never seen this document before, he can't
4 attest to any of the contents or the authenticity of this
5 document. The proper proponent of this document would be
6 the author or someone with firsthand knowledge of the
7 contents therein.

8 So we would object to 379 on that ground.

9 THE COURT: Mr. Rosenbaum, your response?

10 MR. ROSENBAUM: Well, Your Honor, I think that the
11 document states who the author is, that it's an
12 organization, Arizona Milk Producers, discussing the facts
13 relating to milk production by Arizona Milk Producers.
14 The general manager is the author of the document, and we
15 think it would be self-authenticating on that ground.

16 THE COURT: Does anyone else want to be heard
17 before I rule?

18 Mr. Miltner.

19 MR. MILTNER: Your Honor, I had just a couple
20 quick questions for the witness given redirect from his
21 counsel.

22 THE COURT: All right. I promised someone that we
23 would take a break about now, so let me take a ten-minute
24 break, and then we'll come back and I'll hear that.

25 MR. MILTNER: Very good. Thank you.

26 THE COURT: So let's go off record around 2:13.

27 Please be back and ready to go around 2:25.

28 (Whereupon, a break was taken.)



1 THE COURT: Let's go back on record.

2 We're back on record at 2:28.

3 Mr. Rosenbaum, did you want to say something
4 before Mr. Miltner asks questions?

5 MR. ROSENBAUM: Well, Your Honor, I don't believe
6 Your Honor made a ruling on my request that my exhibits be
7 entered into evidence.

8 THE COURT: You're correct.

9 MR. ROSENBAUM: So whenever you want to take that
10 up, Your Honor.

11 THE COURT: Thank you. Thank you, Mr. Rosenbaum.
12 I'm in the middle of taking that up. The only
13 objection was to Exhibit 379.

14 And, Mr. Miltner, you may ask additional questions
15 of the witness.

16 MR. MILTNER: Thank you, again, Judge Clifton.

17 RECROSS-EXAMINATION

18 BY MR. MILTNER:

19 Q. So in response to a few questions on redirect from
20 your counsel, you indicated that UDA does not move any
21 milk across into California; is that correct?

22 A. That's correct. Yes.

23 Q. And apologize, I left something at my seat. I'll
24 return in just a second.

25 I want to talk about the two plants in Yuma County
26 for just a moment. And if -- if that plant, if either of
27 those plants in Yuma County were selling packaged milk
28 into California, into -- it really doesn't matter which



1 county, but we talked about Riverside County --

2 A. Okay.

3 Q. -- and if the price relationship between those two
4 counties changes between what we have now and what is in
5 Proposal 19 --

6 A. Between Yuma and Riverside?

7 Q. Correct.

8 -- regardless of whether UDA is supplying that
9 milk or not, it would affect the competitive relationship
10 for that handler; would you agree with that?

11 A. By \$0.10?

12 Q. Whatever the difference might be.

13 A. There's going to be a difference. Since there is
14 a difference between Riverside and Yuma, there's going to
15 be a difference. I don't know how much milk is produced
16 in Riverside and where that ends up. I just don't know.

17 Q. Okay. But as to that handler, they are
18 indifferent as to where their milk comes from, correct?

19 A. I don't know where that facility that those
20 Class I bottlers get their milk from. I don't know if
21 it's Arizona, or I don't know if it's from California. I
22 don't know.

23 Q. But the regulated price to that plant is the same
24 whether they buy from UDA or someone else, correct?

25 A. Yes.

26 Q. So if the price they pay relative to a competing
27 plant in California is changed, if the relationship
28 between those two competitors is changed by Proposal 19,



1 that does have a competitive effect, would it not?

2 A. I think there's going to be a potential \$0.10
3 difference. I think the goal of the group, though, in
4 California and the other others in our region, was to
5 create a smooth slope as much as possible. I think that
6 was the goal. But in this particular instance of a \$0.10
7 difference, it could impact it.

8 Q. Or \$0.20 difference?

9 A. Depending on how you look at it.

10 Q. Okay. And I'm glad you phrased it that way
11 because I do want to point out that at least my intent in
12 asking these questions is to draw out the effect of the
13 proposal on competitive relationships without making any
14 statement as to whether that was the intent or goal of any
15 participant.

16 But regardless of how we got to what's in
17 Proposal 19, it does have effects, correct?

18 A. It is a proposal still. I don't think it's
19 written in stone. But it could have further discussions
20 and implications.

21 MR. MILTNER: That's all I have. Thank you.

22 THE COURT: Thank you, Mr. Miltner.

23 Does anyone else want to be heard on the objection
24 before I make my ruling?

25 MR. HILL: Brian Hill, USDA, Office of the General
26 Counsel.

27 Your Honor, it is no secret that the USDA has
28 objected to the admission of documents of this type



1 earlier in the hearing, to the great consternation of much
2 of the parties. We're not going to break our streak here.
3 We are going to object for the same reasons we have
4 objected before and for the same reasons that NMPF has
5 stated just now. Thank you.

6 THE COURT: Thank you, Mr. Hill.

7 Does anyone else want to be heard before I rule?

8 All right. I'm ready to rule.

9 So how I would characterize Exhibit 379 is it's a
10 very interesting promotional material. If I were to admit
11 this into evidence, no one would be able to cross-examine
12 the author about, for example, the last sentence on page 1
13 which refers to "an adequate supply of milk in Arizona."

14 Now, that's not been determined, to my knowledge,
15 by testimony here. So the primary reason that I saw
16 Mr. Rosenbaum use it was to get some statistics to support
17 the proposition that the cow herd, the plentiful cow herd
18 within all of Arizona, is growing, and so is the supply of
19 milk. Now, he was able to establish that with his other
20 data.

21 I do reject, as an exhibit, Exhibit 379. My view
22 of rulings on the admissibility of exhibits is that both
23 admitted exhibits and rejected exhibits remain part of the
24 record, and that is so that whether an error has been
25 committed, can be reviewed.

26 So I reject 379 as an exhibit for the reasons
27 stated by counsel for NMPF and from the Office of the
28 General Counsel of the United States Department of



1 Agriculture. And as I say, it will remain part of the
2 record and available for review, just as the admitted
3 exhibits are.

4 Now, with regard to the others, there was no
5 objection. I admit into evidence Exhibit 377, which is
6 also IDFA-377.

7 (Thereafter, Exhibit Number 377 was received
8 into evidence.)

9 THE COURT: I admit into evidence Exhibit 378,
10 which is also IDFA-378.

11 (Thereafter, Exhibit Number 378 was received
12 into evidence.)

13 THE COURT: I admit into evidence Exhibit 380,
14 which is also IDFA-380.

15 (Thereafter, Exhibit Number 380 was received
16 into evidence.)

17 THE COURT: And I admit into evidence Exhibit 381,
18 which is also IDFA-381.

19 (Thereafter, Exhibit Number 381 was received
20 into evidence.)

21 THE COURT: Mr. Butcher, thank you, and you have
22 been through quite a bit.

23 THE WITNESS: Thank you so much for having me. I
24 appreciate it.

25 THE COURT: You're welcome. It was very
26 interesting testimony, including during your
27 cross-examination, and I thank you. You may step down.

28 Dr. Cryan.



1 Let's go off record.

2 (An off-the-record discussion took place.)

3 THE COURT: Let's go back on record.

4 All right. We're back on record at 2:42 p.m., and
5 while off record I labeled three exhibits. I labeled
6 AFBF-5 as Exhibit 382.

7 (Thereafter, Exhibit Number 382 was marked
8 for identification.)

9 THE COURT: AFBF-5A as Exhibit 383.

10 (Thereafter, Exhibit Number 383 was marked
11 for identification.)

12 THE COURT: And AFBF-5B, as in boy, as
13 Exhibit 384.

14 (Thereafter, Exhibit Number 384 was marked
15 for identification.)

16 THE COURT: Dr. Cryan, would you state and spell
17 your name for the record?

18 THE WITNESS: My name is Roger Cryan, R-O-G-E-R,
19 C-R-Y-A-N. I'm the chief economist for the American Farm
20 Bureau Federation, and I am here to first deliver our
21 direct testimony in support of our own proposal,
22 Proposal 22, to update the Class I differential, and then
23 to deliver direct testimony in response to Proposals 19
24 and 20.

25 THE COURT: Thank you.

26 THE WITNESS: I can begin whenever you say you are
27 ready.

28 THE COURT: All right. Very good. Have you



1 testified previously in this proceeding?

2 THE WITNESS: I have.

3 THE COURT: You remain sworn.

4 ROGER CRYAN,

5 Having been previously sworn, was examined
6 and testified as follows:

7 THE COURT: Now, are you on the clock with regard
8 to Exhibit 382?

9 THE WITNESS: As I understand I have an hour to
10 deliver the three pages of 382.

11 I believe that 383 is a response to other
12 proposals, is a separate clock, but I can be corrected if
13 Mr. Wilson has another idea.

14 MS. TAYLOR: That's the way we have done it.

15 THE WITNESS: Okay. Thank you.

16 THE COURT: You may proceed.

17 THE WITNESS: This testimony was pre-submitted in
18 September. The American Farm Bureau Federation has nearly
19 6 million members in all 50 states and Puerto Rico,
20 including many thousands of cooperative and independent
21 dairy farmers. Many of these dairy farmers are directly
22 affected by the pricing provisions of the Federal Milk
23 Marketing Orders, or FMMOs. These dairy farmers play a
24 crucial rule in the development of AFBF dairy policy.
25 Every Farm Bureau position and proposal is based
26 explicitly on that policy, developed through a grassroots
27 process in which farmers make the decisions at every step
28 of the way.



1 AFBF submitted nine proposals for consideration in
2 this hearing, and appreciates the opportunity to address
3 the four that were accepted by USDA, as well as the clear
4 direction on what may be needed to advance the rest.

5 The fundamental focus of AFBF's proposals is the
6 reduction or elimination of negative producer price
7 differentials and the depooling that they cause. We
8 believe that an orderly pool is the key to orderly
9 marketing and ensuring Federal Milk Marketing Orders
10 continue to benefit farmers, cooperatives, processors, and
11 consumers. The key to an orderly pool, in turn, is above
12 all, the proper alignment of the four class prices.

13 This statement covers AFBF Proposal 21 under
14 Category 5, Class I and Class II differentials.

15 Proposal 21. The American Farm Bureau Federation
16 proposes to update the Class II differential based on
17 current drying costs. The Class II differential was
18 developed during Order Reform to reflect the cost of
19 drying and rewetting milk to reflect the higher value of
20 Class II milk without incenting processors to dry and
21 rewet Class IV milk for Class II uses. The AFBF accepts
22 this logic and proposes to update the Class II
23 differential to \$1.56. This cost-based element of the
24 Class II price formula is out of date and no longer meets
25 the purpose of incenting the availability -- of incenting
26 the availability of Class II milk per USDA's logic at the
27 time of order reform.

28 Some processors argue that powder is not rewetted



1 for most uses so that the minimal cost of rewetting is not
2 an appropriate consideration for this calculation. For
3 this reason, to be conservative and for simplification, we
4 propose to incorporate only the cost of drying in setting
5 the Class II differential. Ideally, this would be based
6 on a recent mandatory and audited cost and yield survey.
7 In the interim, however, this could be updated using the
8 current Make Allowances for nonfat dry milk (NDM) together
9 with the current nonfat solids yield factor and updated
10 butterfat and nonfat solids tests for milk in the FMMOs.

11 The cost of drying skim milk can be calculated
12 then as \$0.1678, which is the nonfat dry milk
13 Make Allowance, times .99, which is the yield factor,
14 times 9.4121, which are the average pounds of nonfat
15 solids in a hundredweight of skim milk, times the --
16 equal -- that would equal the \$1.56 for the cost of
17 drying.

18 This 9.4121 factor is based on the 2022 average
19 nonfat solids test in the FMMOs, which was 9.03%, divided
20 by the average skim milk test, which is 100%, minus 4.06%,
21 which is the average butterfat test. This relies on the
22 butterfat test for all markets and the nonfat solids test
23 for component markets.

24 Using the butterfat test for only component
25 markets would raise the differential calculation since the
26 skim butterfat markets have the lowest butterfat tests, so
27 this calculation is conservative.

28 The original \$0.70 Class II differential was



1 nominally based on the cost of drying condensed milk and
2 rewetting it, presumably because dried and reconstituted
3 Class IV milk substituted for Class II skim condensed milk
4 first, and the differential should not be higher than the
5 cost to convert that relatively standard Class II
6 ingredient form into a Class IV form.

7 Based on the last mandatory audited survey of
8 nonfat dry manufacturing -- dry milk manufacturing costs
9 by the California Department of Food and Agriculture, the
10 energy cost of drying skim milk were about \$0.035 per
11 pound in 2016. Given that the energy costs of
12 manufacturing butter were about \$0.01 per pound, we'll
13 assume that \$0.025 of the NDM costs are direct energy
14 costs of the drying process.

15 Skim condensed milk contains about three times the
16 skim solids as skim milk, so producing a pound of NDM from
17 skim condensed milk may require roughly a third of the
18 direct energy. This suggests that the cost of producing a
19 pound of NDM from skim condensed milk may be roughly 0.8
20 cents per pound lower than the Make Allowance calculated
21 for drying skim milk, which would yield a Class II
22 differential of 1.49 per hundredweight.

23 THE COURT: That's \$1.49 per hundredweight?

24 THE WITNESS: Exactly. \$1.49 per hundredweight.

25 THE COURT: Thank you.

26 THE WITNESS: And then I have a reference to the
27 language in the rulemaking for order reform that laid out
28 the \$0.70 calculation.



1 However, we believe that the simple update using
2 the presumed cost of nonfat dry milk processing achieves
3 the original purpose of the Class II differential without
4 incenting uneconomic drying of Class IV milk for price
5 purposes alone. There's no logical reason not to include
6 condensing costs when assessing the cost of using Class IV
7 milk for Class II uses through drying, and even the simple
8 addition of powder to a processing vat.

9 Condensing costs would be faced by a Class II
10 processor acquiring milk and using it directly, or
11 condensing it as part of the process of drying it and
12 using it to pay the Class IV price.

13 Much of Class II use was once part of Class I,
14 based on the idea that it faced similar balancing
15 challenges as Class I. This substantial innovation when
16 Class II was created was to separate it from the location
17 element of the Class II differential.

18 THE COURT: Of the class?

19 THE WITNESS: Of the Class I differential.

20 However, there is a reasonable justification for
21 Class II differential as high as the minimum Class I
22 differential, which is now \$1.60 per hundredweight, and is
23 proposed by NMPF to rise to \$2.20 per hundredweight. In
24 effect, based on the historical logic of the Class II
25 differential, we would argue that the Class II
26 differential should be the lower of the minimum Class I
27 differential and the cost of drying per hundredweight.

28 The impact of the proposed change to \$1.56 will be



1 to increase the minimum order value of Class II milk by
2 \$0.86 per hundredweight, increasing the average pool value
3 in every market and reducing the likelihood of negative
4 PPDs and attendant depooling. There were 14.2 billion
5 pounds of Class II milk pooled in 2022, so that in a
6 static analysis, the value of pooled milk would be
7 increased by \$122 million. The \$1.56 differential is
8 lower than the lowest Class I differential of \$1.60, so
9 combined with the return to the higher-of Class I price
10 formula maintains Class I prices above Class II in every
11 month.

12 We support Proposal 19, in principle. This
13 proposal would significantly raise Class I differentials,
14 further ensuring that the Class I price should be
15 consistently above the Class II price at any location.

16 And I have a citation for milk component tests
17 from AMS and the last California Manufacturing Cost Annual
18 Survey from 2016.

19 And then the order language, which is as simple as
20 changing the -- striking "advanced" for Class IV, because
21 we have also proposed the elimination of Advanced Class I
22 and II pricing; and replacing the \$0.70 differential with
23 \$1.56, both for skim milk and for butterfat.

24 This change to the Class II differential should be
25 made whether or not the advanced pricing is eliminated for
26 Class II skim milk, although the changes are mutually
27 reinforcing if undertaken together.

28 Although AFBF opposes any increase in



1 manufacturers' Make Allowances under the current
2 conditions, we further propose here that if such increases
3 to the nonfat dry milk manufacturing allowance or
4 adjustments to product yield and milk composition are made
5 through this proceeding, that a corresponding increase in
6 the Class II differential be made as well.

7 In addition, if automatic updates to the
8 Make Allowances for nonfat dry milk are implemented
9 through this proceeding, the Class II differential should
10 be updated in lockstep.

11 This language referencing the Make Allowance and
12 yield was with language referencing the Make Allowance in
13 yield. However, they may be incorporated into the
14 Class IV milk and nonfat solids formula language.

15 In addition, any one-time or regular updates to
16 the component value of the Class IV milk price formula
17 should be used to adjust the component test factor in the
18 equation above.

19 That is my testimony, my direct testimony on our
20 Proposal 21. And in the interest of moving things along,
21 I will move directly into testimony in response to
22 Proposals 19 and 20, if that's all right.

23 THE COURT: It is. Thank you.

24 THE WITNESS: Thank you.

25 I will not repeat what I have just said before
26 about Farm Bureau's policy process. I will say we pre- --
27 I just testified in favor of Proposal 21. We also
28 generally support NMPF Proposal 19, which would increase



1 Class I differentials across the country, and we entirely
2 oppose the Milk Innovation Group's, the MIG Proposal 20,
3 which would reduce the current base Class I differential
4 from \$1.60 to zero.

5 I have a summary in the document of our
6 Proposal 21. I will not re-read that, except to read a
7 note, followed up from some other discussions earlier in
8 this proceeding after the original testimony was
9 submitted. I have a note about the impact of higher
10 Class II prices on depooling.

11 It has been suggested that higher Class II
12 prices -- well, increasing the Class II prices --

13 THE COURT: Now, let me stop you. You are on
14 page 2.

15 THE WITNESS: I'm on page 2.

16 THE COURT: And as you have said, what you are now
17 reading is in bold, "Note about the impact of the higher
18 Class II price on depooling"?

19 THE WITNESS: That's right.

20 THE COURT: Okay.

21 THE WITNESS: Thank you, Your Honor.

22 Increasing the Class II prices in connection with
23 eliminating advanced pricing will not cause class price
24 misalignments. It could increase the likelihood of
25 depooling Class II milk when the Class II price is above
26 the uniform price, for several reasons, including most
27 specifically the fact that much Class II use is at
28 distributing plants. Class II milk is much less



1 subject -- sorry -- is less subject to depooling based on
2 price relationships than other classes. Most importantly,
3 denying the full value of Class II price -- of Class II,
4 the full value of the Class II price -- let me restate
5 that. Correct that.

6 Most importantly, denying the full value in the
7 Class III -- Class II price undermines overall producer
8 value and increases the likelihood of the uniform price
9 being lower in Class III or IV, which is the larger and
10 more likely problem, by far, with respect to price
11 misalignment and depooling.

12 THE COURT: Now, let us make that correction on
13 the original. So we're in Exhibit 383, we're on page 2,
14 and we're in the last sentence of the paragraph that has
15 in bold, "Note about the impact of higher Class II price
16 on depooling."

17 So you have only changed a couple of words, but
18 point out to me, Dr. Cryan, which those are?

19 THE WITNESS: After where it says "full value of
20 Class II price," I would like to change that to "full
21 value in the Class II price." So "of" would be struck and
22 "in the" would be inserted.

23 THE COURT: Yes, it has been done. Thank you.

24 THE WITNESS: Thank you very much. Thank you,
25 Your Honor.

26 Regarding Proposal 19: AFBF supports NMPF's
27 proposal to update Class I differentials to reflect
28 changes since 1998. AFBF agrees with NMPF that Class I



1 prices need to be undated. Over-order prices are
2 "ephemeral," and regulated Class I prices are more
3 durable, as Jeff Sims testified. In effect, the ebbs and
4 flows of local and regional market conditions can wash
5 away a sound long-term price relationship, which may be
6 hard to re-establish.

7 Federal Milk Marketing Orders from their earliest
8 days recognized that short-term events in market
9 conditions could lead to the destruction of long-term
10 supply and demand stability. Farm policies broadly aimed
11 at providing some certainty and stability for farmers in
12 the face of natural extreme volatility.

13 THE COURT: Now, your voice is perfect. I just
14 want to make sure the speed is perfect.

15 THE WITNESS: Okay.

16 THE COURT: You're a little fast. If you will
17 slow down.

18 THE WITNESS: The current Class I differentials
19 are largely based on a 1998 analysis of the current supply
20 and demand -- of current supply and demand volumes and
21 plant locations. Even those differentials updated for
22 Southeastern markets in 2008 were only partially
23 reflective of the conditions at that time, because they
24 had to remain aligned with the rest of the country where
25 differentials remained unchanged.

26 NMPF's proposed increases are quite moderate,
27 perhaps too moderate. The Class I differential consists
28 of two parts: A minimum element reflecting the additional



1 minimum Class I value necessary to provide a hundredweight
2 of Grade A milk to the fluid market --

3 THE COURT: Would you read that again?

4 THE WITNESS: The Class I differential consists of
5 two parts: One, a minimum element reflecting the minimum
6 additional Class I value necessary to provide a
7 hundredweight of Grade A milk to the fluid market; and
8 two, the location-specific value over and above this
9 reflecting the relative difficulty at a defined cost of
10 attracting an additional hundredweight to a particular
11 location relative to location with the lowest such cost --
12 relative to the location with the lowest such cost.

13 THE COURT: So it should say "relative to the
14 location"?

15 THE WITNESS: I think it should actually say
16 "locations" because there's more than one county.

17 THE COURT: All right. Let's make that change.
18 We're at the bottom of page 2 of Exhibit 383. We're in
19 the last full paragraph, the last line of that paragraph.

20 And tell us again, Dr. Cryan, what to change.

21 THE WITNESS: I would change "relative to
22 location" to "relative to locations." So I would insert
23 an "S" after the last time "location" is used in that
24 sentence.

25 THE COURT: Thank you.

26 THE WITNESS: Thank you.

27 The current minimum Class I differential is \$1.60
28 based on longstanding economic logic, though based on



1 outdated cost assessments. This was not updated -- I'm
2 not sure that's correct. I believe it was updated at the
3 time of order reform in 1999.

4 This document has been put together over -- over
5 two months, so I -- I apologize for that. I believe that
6 is incorrect. This was updated in 1999. It's discussed
7 in more detail in our comment on Proposal 20.

8 THE COURT: So are you certain that you want to
9 strike some of these words? Do you want to say that it
10 was updated?

11 THE WITNESS: I would strike the entire sentence.

12 THE COURT: Entire sentence. All right.

13 THE WITNESS: Because this was not updated.

14 THE COURT: So the bottom of page 2, we would
15 begin with "this was not updated" and strike that entire
16 sentence which carries on over to page 3?

17 THE WITNESS: That's right. That sentence was
18 incorrect. It was updated. The minimum Class I
19 differential was \$1.04 before order reform, and it was
20 \$1.60 afterwards.

21 THE COURT: Now, do you want to leave the next
22 sentence in --

23 THE WITNESS: Yes.

24 THE COURT: -- as it relates to the first sentence
25 of the paragraph?

26 THE WITNESS: Yes, I do.

27 THE COURT: All right. Good.

28 THE WITNESS: The current location-specific values



1 are based on that 1998 analysis and are badly out of date
2 given general inflation, if nothing else, and shifting
3 milk supply locations. Strike "that analysis."

4 THE COURT: All right. We're going to strike just
5 two words there, "that analysis."

6 THE WITNESS: Yep.

7 It is critical to understand that the relative
8 Class I differentials also define the producer price
9 differentials so that the -- so the -- so that the
10 setting -- those words should be swapped.

11 THE COURT: All right. So we'll do that. We'll
12 swap "the" and "that." Do you see where it is?

13 THE WITNESS: Yeah.

14 THE COURT: All right. It is done.

15 THE WITNESS: So that the setting of a Class I
16 differential in any county not only defines the price of
17 Class I milk in that county relative to the rest of the
18 country, but also defines the price of producer milk
19 relative to the rest of the Federal Order market. In
20 fact, the setting of the Class I --

21 THE COURT: Slow yourself down a bit, Dr. Cryan,
22 please.

23 THE WITNESS: In fact, the setting of the Class I
24 differential for each county with the plant receiving
25 pooled milk on an order will affect the minimum producer
26 price for every other county receiving pooled milk.

27 The new analysis by Dr. Nicholson is done with a
28 more detailed version of the model used in 1998 and is



1 based on 2021 data. This provides a critical update to
2 the current Class I differentials, based on the same
3 principles applied to the development of those
4 differentials. See Exhibits 301 and 302.

5 Testimony by Stephen Zalar (Exhibit 308) and Joe
6 Brinker (Exhibit 358 -- 357) both presented clear evidence
7 of rising milk hauling costs. This is the critical cost
8 element of the Nicholson model, and this rising hauling
9 cost along with the shifting locations of milk production
10 and dairy product demand provide the critical foundation
11 for the update and increase in the relative Class I
12 differentials. Rising hauling costs are also demonstrated
13 by studies conducted by USDA.

14 And then I cite studies that have been conducted
15 over time by the Minneapolis Milk Market Administrator's
16 Office and the Seattle Milk Market Administrator's Office,
17 with links to the full history of those studies.

18 The Nicholson model's milk movement results -- the
19 Nicholson model's milk movement results represent an
20 efficiency maximizing lowest cost distribution of milk,
21 which is what an ideal market solution would produce. The
22 actual market would achieve a slightly less efficient
23 result. The model's relative milk value results represent
24 the efficiency-maximizing/lowest-cost relative costs of
25 delivering milk from current milk production areas to
26 consumption areas covering every county in the country.
27 The actual market solution will have a slightly higher
28 spread across the country, which means that the model



1 results are a relatively conservative foundation for the
2 Class I price surface. This is the most reasonable and
3 scientific foundation for establishing relative milk
4 values across the country.

5 NMPF witnesses indicated, and examination of the
6 numbers confirmed, that the model results are the
7 foundation of the NMPF proposal. However, it is
8 appropriate to make some adjustments based on real-world
9 circumstances, as NMPF has attempted to do.

10 And I cite an exhibit and some cross-examination
11 of witnesses who agreed with that, that the foundation
12 was -- was the model.

13 We also question whether use of the average of May
14 and October model results was an appropriate starting
15 point rather than the October results alone, which are
16 effectively the higher of the May and October results as
17 presented in some markets such as the Southeast, and to a
18 lesser extent the Northeast. Producers and processors
19 face the greatest balancing supply challenges in the
20 summer and fall. It is arguable that this should have
21 been the foundation for setting Class I location
22 differentials.

23 AFBF proposed introduction of seasonal Class I
24 differentials. This proposal was rejected, but the
25 greater difficulty of serving some markets in the late
26 summer and fall is well demonstrated by the comparison in
27 the May and October results from the analysis by
28 Dr. Stephenson or Dr. Nicholson, whoever did it, and



1 shared by NMPF. These seasonal challenges in the absence
2 of seasonal Class I pricing may be best addressed within
3 the current hearing by using the October results in
4 setting Class I differentials.

5 Again, we recognize that there should be some
6 adjustments to specific location differentials based on
7 details that better reflect fairness and efficiency than
8 the abstraction of the model. The model reflects an
9 engineering solution adopted for a centralized management
10 of the whole milk system. It is the reasonable foundation
11 for the overall analysis of efficient milk movement, but
12 this is the sort of linear optimization economics done by
13 central planners in the Soviet Union. Not that there's
14 anything wrong with that. It does not account for
15 competition -- it does not account for competition among
16 processors across the natural market, such as the
17 metropolitan area, rather it solves by allocating milk in
18 a way that fluid milk from only one plant would be
19 delivered to a particular location, and cheese from only
20 one plant would be delivered to that same location. This
21 sort of variation from the initial proposals were
22 necessary in 1999 to establish the current differentials,
23 and they are appropriate in this proceeding.

24 Some participants appear to believe that NMPF and
25 its committee have attempted to stack the deck in their
26 favor. We don't believe that that has been demonstrated.
27 But we also believe that the AMS Dairy Program has the
28 capacity to fairly evaluate these options.



1 AFBF trusts that the resulting decision from USDA
2 will be based on the model results and the rest of the
3 hearing record and will define and implement Class I
4 differentials based on fair and appropriate adjustments to
5 those results, including due consideration of the proposed
6 adjustments by NMPF.

7 I'd like to go over the maps that we have shared.
8 I don't know if we do something? Is it connected?

9 THE COURT: Oh, in order to put them on the
10 screen?

11 (An off-the-record discussion took place.)

12 THE WITNESS: Wonderful. Perfect.

13 THE COURT: Now, those of us who are looking at a
14 paper copy are looking at 384, which is also AFBF-5B, like
15 boy.

16 And, Dr. Cryan, you will be looking at your
17 computer rather than the screen; is that true?

18 THE WITNESS: Well, let me restart the slide show.

19 This was -- we put these together for our own
20 benefit to understand a little bit better what was being
21 done, but we think they provide a visual perspective. We
22 are putting out a market Intel report this week, and some
23 of these slides are being used in that.

24 These are the current Class I differentials. I
25 should point out that the color scales are not the same
26 across these -- these slides, so they take a little more
27 examination to compare. These are the current Class I
28 differentials, International Milk's proposed Class I



1 differentials --

2 THE COURT: Now, before you go on, when you say
3 "these are the current Class I differentials," you are
4 looking at Figure 1.

5 THE WITNESS: Figure 1 is -- are the current
6 Class I differentials.

7 Figure 2 are National Milk's proposed Class I
8 differentials, again, with a different color scale, but it
9 shows a rela- -- a similar -- similar shape in many ways
10 to the current ones. They are -- they are essentially an
11 update.

12 The Figure 3 shows the difference between the
13 current differentials and NMPF's proposed differentials.
14 These red counties are not decreases, they are all
15 increases, but it shows the kind of -- it's a heat map
16 that kind of shows the gradation from smaller increases to
17 larger increases. And, again, we think it's -- you know,
18 the busiest parts of these maps have always been east of
19 the Mississippi, so it's not surprising that these have
20 come out this way.

21 Here's a comparison of National Milk's proposed
22 differentials with the average of the May and October
23 estimates. As you can see, every county is within between
24 \$0.75 lower and \$1.15 higher, so I think that's a pretty
25 good indication that the model is really very
26 fundamentally the foundation for their proposals.

27 And we also have a slide that says difference
28 between NMPF proposed differentials and May model



1 estimates and --

2 THE COURT: Now you have gone on to the next
3 slide.

4 THE WITNESS: Yeah.

5 THE COURT: I'm with you now.

6 THE WITNESS: And the fifth slide out of six, they
7 don't all have figure numbers.

8 And the last one is the difference between NMPF
9 proposed differentials and October model estimates.
10 They -- the -- they are -- they are all within our
11 reasonable range, one or the other. So we just -- we
12 thought that was useful perspective, a useful
13 visualization of the proposal.

14 Again, we -- we have no reason to argue with any
15 particular county adjustment that National Milk has made,
16 and I believe that testimony by quite a number of the
17 witnesses has demonstrated logical justifications for a
18 lot of these in particular.

19 As I said earlier, when you have a metropolitan
20 market where the engineering model would suggest that
21 market should be divided up between -- between centrally
22 managed plants. But in the real world we have
23 competition, and so the plants around a city market would
24 tend to compete in the same market, and it's a reasonable
25 thing for that metropolitan market to be smoothed out.

26 So that's the maps. I'm done with the maps.
27 Thank you, Your Honor.

28 Now I'll address Proposal 20.



1 THE COURT: So now we have gone to Exhibit 383,
2 page 4, in the middle.

3 THE WITNESS: That's right. Return to page 4 in
4 the middle.

5 Proposal 20: AFBF opposes MIG's proposal to
6 reduce minimum Class I differential -- the minimum Class I
7 differential from \$1.60 to zero, and suggests that it
8 should instead be increased.

9 The current Class I differential surface lays on
10 the foundation of the minimum Class I differential of
11 \$1.60. That minimum should be updated up, not down. The
12 minimum \$1.60 Class I differential was established on
13 sound bases during Federal Order Reform. This is
14 particularly laid out in the proposed rule issued on
15 January 30, 1998. Its underlying logic was sound and its
16 application was conservative.

17 The proposed rule laid out very effectively three
18 cost elements that justified the \$1.60. However, there is
19 also a logic for its overall size, which is that the
20 Class I differential must be large enough to allow for
21 consistent hierarchy of class prices. Either or both can
22 justify the current 160 -- \$1.60 minimum, or more, but not
23 less.

24 And I cite the 1998 proposed rule.

25 Since Proposal 20 opens the scope of the hearing
26 for considering the size of the minimum Class I
27 differential -- that is it technically proposes to reduce
28 it to zero, not to eliminate it -- it would propose -- we



1 would propose, rather, that it be increased based on the
2 same logic upon which it was originally proposed in 1998.

3 There is justification for substantial increases
4 based on increases in all the costs that entered into the
5 original USDA cost estimate of \$1.60. Increases in
6 Grade A production costs, increases in marketing and
7 hauling costs, and the greater challenges of getting
8 manufacturers, especially cheese plants, to give up milk
9 for supplemental fluid needs, all argue for a higher
10 minimum Class I differential per the original rule. And
11 then there's a citation again.

12 The same logic could have supported adding another
13 \$0.60 or more to the Wisconsin model results as the
14 starting point rather than the model results based on a
15 minimum \$1.60 Class I differential.

16 MIG's proposal to reduce the minimum Class I
17 differential from \$1.60 to zero seems like a rhetorical
18 exercise designed to make the status quo, or Class I
19 differentials near the status quo, to appear like a
20 reasonable compromise relative to NMPF's proposal to fully
21 update and increase Class I differentials.

22 Taken on their face, the arguments to eliminate
23 the minimum \$1.60 Class I differential established in the
24 1998 and 1999 Federal Order Reform decisions are rooted in
25 a dismissal of the elements of that \$1.60 laid out by USDA
26 at the time. Specifically, USDA found costs associated
27 with: One, meeting the Grade A standard; two, balancing
28 supplies at bottling plants; and three, providing a basic



1 incentive to supply bottling plants over and above other
2 plants.

3 MIG's proposal is fundamentally a dismissal of the
4 Federal Milk Marketing Order itself, which has been built
5 on these objectives.

6 THE COURT: Would you re-read that sentence? You
7 left out one word that I think's important.

8 THE WITNESS: Sure.

9 MIG's proposal is fundamentally a dismissal of the
10 Federal Milk Marketing Order system itself, which has been
11 built on these objectives. Each of these three elements
12 is important to the FMMO system, in addition to the fact
13 that the Class I price alignment depends fundamentally on
14 the maintenance of a substantial minimum Class I
15 differential.

16 THE COURT: Now, you read that differently from
17 the way you wrote it.

18 THE WITNESS: I did?

19 THE COURT: Yes.

20 THE WITNESS: The second time?

21 THE COURT: No, no. You've only read this last
22 sentence once. So read it again with meaning.

23 THE WITNESS: Each of these three elements is
24 important to the FMMO system, in addition to the fact that
25 class price signal -- that class price alignment depends
26 fundamentally on the maintenance of a substantial minimum
27 Class I differential.

28 THE COURT: Thank you.



1 THE WITNESS: You're welcome. Thank you.

2 We will consider each of these four issues, the
3 three elements laid out by USDA in 1998 and the overall
4 issue of a sufficient Class I differential to maintain
5 basic price alignment.

6 Regarding the Grade A incentive. FMMOs have
7 provided and continue to provide a sound incentive to
8 producers to maintain Grade A status. Claiming that
9 there's no longer a need for a minimum Class I
10 differential because nearly all milk is Grade A is akin to
11 claiming there's no longer a need for stop signs and
12 traffic signals because there are few accidents at
13 intersections. The minimum Class I differentials should
14 not only be maintained, but increased in line with the
15 increased costs of meeting the Grade A standard and
16 consistent with NMPF's proposal based on the logic
17 presented by NMPF and selectively summarized in our
18 discussion of Proposal 19.

19 In the proposed rule for order reform, USDA set
20 the minimum Class I differential at \$1.60 per
21 hundredweight based on several enumerated costs, beginning
22 with the cost of maintaining Grade A standards.

23 Per that decision: There are several requirements
24 for producers to convert to a Grade A dairy farm and then
25 maintain it. The Grade A dairy farm -- a Grade A farm
26 requires an approved water system (typically one of the
27 greatest conversion expenses), specific facility
28 construction and plumbing requirements, certain



1 specifications on the appearance of the facilities, and
2 required equipment and facilities, and adhere to certain
3 management practices. Often this will result -- often --
4 I'm sorry -- often this will require additional labor,
5 resource, and utility expenses. It has been estimated
6 that this value may be worth approximately \$0.40 per
7 hundredweight. And that's from Federal Register,
8 Volume 63, page 4908.

9 Grade A standards have only become more exact --
10 more exacting in the meantime through a state federal
11 process of review and revision -- through a state federal
12 process of review and revision, culminating at the
13 biannual National Interstate Milk Shippers Conference.

14 And then I cite the Grade A Pasteurized Milk
15 Ordinance, which is the output of that conference, as well
16 as the document from US -- from AMS Dairy on milk for
17 manufacturing processes and its production and processing
18 recommended requirements, all of which are useful for
19 understanding the additional costs associated with
20 maintaining Grade A standard.

21 Of course, the "labor, resource and utility
22 expenses" with dairy farmers cited above rise along with
23 those of milk processors, non-feed costs in the production
24 of milk, which are closely identified with labor,
25 resource, and utility expenses, plus the cited
26 infrastructure costs have risen by 68% between 1998 and
27 2002, according to USDA estimates.

28 THE COURT: Between 1998 and?



1 THE WITNESS: 2022.

2 THE COURT: Thank you.

3 THE WITNESS: Thank you, Your Honor.

4 Based on above and applying the same 68% increase
5 to the \$0.40, \$0.40 per hundredweight cost of maintaining
6 Grade A supplies, AFBF conservatively estimates the
7 present costs of maintaining Grade A standards at \$0.67
8 per hundredweight, an increase of \$0.27 from the status
9 quo.

10 And I cite the USDA Economic Research Service Cost
11 of Production Estimates, including links for the most
12 recent estimates in the historical data.

13 Regarding the balancing incentive.

14 THE COURT: Now, just so people can keep up, we're
15 still in Exhibit 383, we're on page 6, and we have just
16 begun a new heading.

17 THE WITNESS: New heading that says "Balancing
18 Incentive."

19 Balancing incentives are a critical element of the
20 minimum Class I differential because supporting balancing
21 is a critical function of the FMMOs themselves.

22 USDA's order reform decision also stated:
23 "Traditionally, the additional portion of the Class I
24 differential reflects the marketing costs incurred in
25 supplying the Class I market. These marketing costs
26 include such things as seasonal and daily reserve
27 balancing of milk supplies, transportation to more distant
28 processing plants, shrinkage, and administrative costs,



1 and opportunity or 'give-up' charges at manufacturing milk
2 plants that service the fluid Class I markets. This value
3 has typically represented approximately \$0.60 per
4 hundredweight."

5 And I have the citation, again, for the proposed
6 rule.

7 Most of these are the same costs associated with
8 the operation of plants producing such products as cheese,
9 dry whey, butter, and nonfat dry milk powder.

10 The operators of cooperative supply plants often
11 sacrifice plant profitability of their manufacturing
12 operations in order to provide Class I and II milk
13 supplies. The costs of this supply rise as energy costs
14 and per-pound processing costs rise, and each cost should
15 be offset in the Class I price.

16 Shipping milk from distant sources imposes an even
17 larger cost of balancing Class I markets. Transportation
18 costs also rise with higher energy prices, as was
19 acknowledged in the 2020- -- in the 2006 tentative partial
20 decision on transportation credits in the Southeast and
21 Appalachian markets.

22 Manufacturing costs estimated from recent surveys
23 tend to reflect costs of plants running near capacity.
24 Processing costs of balancing plants are higher and should
25 be reflected in the Class I price. In addition, some part
26 of the costs of plant operation are associated with
27 maintaining certification to supply milk to Grade A fluid
28 milk plants, costs that are required of a plant before it



1 may be pooled in the Federal Order system.

2 Very conservatively -- that should probably say
3 "the" same percentage increase in the cost of butter and
4 powder manufacture --

5 THE COURT: Now, what word do we want there?
6 After "very conservatively"?

7 THE WITNESS: Instead of "rite," it should say
8 "the."

9 THE COURT: "The same percentage increase"?

10 THE WITNESS: Yes.

11 THE COURT: All right. So we're going to make
12 that change now. Page 6, what is it, I don't know, about
13 eight lines up, first word, instead of "rite" --

14 THE WITNESS: Right.

15 THE COURT: -- it's "the." We're with you.

16 THE WITNESS: Thank you very much.

17 THE COURT: If you'd begin again with "very
18 conservatively."

19 THE WITNESS: Certainly. Certainly.

20 Very conservatively, the same percentage increase
21 in the costs of butter and powder manufacture, which is
22 the primary form of market balancing through manufacturing
23 that is applied to Class III and IV Make Allowances,
24 should also be applied to the \$0.60 supply cost.
25 Increases in the Make Allowance or manufacturing cost data
26 since 1998 should already be applied to the \$0.60 supply
27 cost.

28 This -- the current --



1 THE COURT: You said "should already be applied"?

2 THE WITNESS: Yeah, I probably should not have
3 said "already," because I think I'm talking about what
4 we're looking at right now, so let me not say that.

5 THE COURT: Okay. Read that sentence again.

6 THE WITNESS: I'll read the sentence again.

7 Increases in the Make Allowance or manufacturing
8 cost data, since 1998, should be applied to the \$0.60
9 supply cost. The current total Make Allowance for
10 Class IV milk is \$2.17 per hundredweight of milk at the
11 3.5% butterfat test. This is -- and that's based on the
12 standard test in the current formulas, not the updated
13 formulas. This is up more than 31% from the per
14 hundredweight Make Allowance at the time of order reform,
15 which was \$1.65. Applying this increase to the \$0.60
16 handler fluid supply cost would be an increase of \$0.19.
17 Similarly, any increase in the Class IV Make Allowance
18 should be applied to this factor as well.

19 And I have the citations.

20 THE COURT: All right. And now we have gone to
21 page 7.

22 THE WITNESS: Page 7.

23 Manufacturing plants are larger and more dependent
24 on running full for profitability. This means that
25 give-up charges are higher than ever, and the cooperative
26 and the few other handlers who take on balancing
27 responsibilities are facing ever higher costs to do so.

28 In addition, shifts in milk production and



1 manufacturing consolidation have led to longer hauls to
2 Class I plants. Studies by the Minneapolis Market
3 Administrator and its Chicago predecessor concluded that
4 the weighted average hauling charge in the Upper Midwest
5 market in May 1998 was \$0.17, \$0.176 per hundredweight,
6 and the weighted average hauling charge in the Chicago
7 regional market in May 1999, the first year for which data
8 was compiled for that market, was \$0.111 per
9 hundredweight.

10 The first data for the consolidated Upper Midwest
11 market was for May 2001, and the average hauling rate was
12 \$0.171 per hundredweight.

13 By May 2006, the average weighted average for the
14 consolidated Upper Midwest market was \$0.235, \$0.065
15 higher than five years earlier, and 6 and \$0.12 higher
16 than the figures for the predecessor markets.

17 In 2022, this average hauling cost had risen to
18 \$0.4153 per hundredweight, an increase of 143% from 2001,
19 or \$0.24 per hundredweight.

20 Similarly, studies by the Seattle Market
21 Administrator showed average hauling rates rising from
22 \$0.4339 per hundredweight in 2000 to \$0.517 per
23 hundredweight in 2005, then to \$0.95 per hundredweight in
24 2022, an increase of 118%, or \$0.52 per hundredweight.

25 Based upon these studies, and the rest of this
26 hearing record, we would conservatively propose an
27 additional \$0.25 per hundredweight in the average Class I
28 assembly costs be applied to the minimum Class I



1 differential, for a total increase of 44% in the Class I
2 differential associated with the incentive to serve the
3 Class I market.

4 THE COURT: Just read again the last line of that
5 paragraph.

6 MS. TAYLOR: Your Honor, could we ask him to slow
7 down.

8 THE COURT: Oh, yes. And slow yourself down,
9 Dr. Cryan.

10 MR. HILL: Specifically on the numbers. I mean,
11 you are shooting through those numbers, and they are hard
12 to keep up with.

13 THE WITNESS: Okay. Okay. I'll read the last
14 sentence.

15 Based on these studies, and the rest of this
16 hearing record, we would conservatively propose an
17 additional \$0.25 per hundredweight in average Class I
18 assembly costs to be applied to the minimum Class I
19 differential for a total increase of \$0.44 in the Class I
20 differential associated with the incentive to serve the
21 Class I market.

22 And then, again, I -- I share the citations for
23 the milk hauling studies in the Upper Midwest market and
24 then the Pacific Northwest market from the Market
25 Administrator's offices.

26 The next heading is the "Incentive to Serve
27 Class I Customers." The last element of the minimum
28 Class I price, per the proposed rule, was the additional



1 competitive factor, estimated at \$0.60 per hundredweight,
2 based on -- based upon two price comparisons. The
3 proposed rule reported that Grade A milk received an
4 average premium above Class III in 1995 and 1996, of \$0.86
5 in Minnesota and \$0.89 in Wisconsin. By 2022, those
6 premiums were \$0.62 and \$0.84, respectively. See
7 Table 1.) This is lower than the numbers on which the
8 original \$0.60 was based, but not substantially, and
9 certainly not zero.

10 These continuing premiums are indication of the
11 necessity of a minimum Class I differential to draw milk
12 to the pool to meet Class I needs, and that they meet
13 the -- and they meet the objectives of the Act. There is
14 no call to reduce this element of the minimum Class I
15 differential.

16 And then I have Table 1. Table 1 is a --
17 essentially an updated version of Table 7 from the
18 proposed rule, the order reform. That table is on
19 page 4908, 4909 in Volume 63 of the Federal Register. And
20 I believe those numbers are comparable to those -- to the
21 numbers on Table 7.

22 Altogether, increases in the foundation for these
23 three elements justify, not a reduction of the Class I
24 differential, but an increase of approximately \$0.60.

25 THE COURT: I'm going to stop you for just a
26 minute. I just want everybody to stand up and stretch for
27 two minutes, and then we'll continue on, still on page 8.

28 We'll go off record at 3:33. Just two minutes.



1 (An off-the-record discussion took place.)

2 THE COURT: Let's go back on record.

3 We're back on record at 3:35. We're on page 8 of
4 Exhibit 383.

5 Dr. Cryan, do you remember where you were?

6 THE WITNESS: I do.

7 THE COURT: You may resume.

8 THE WITNESS: Regarding class price alignment and
9 pooling incentive.

10 (Court Reporter clarification.)

11 THE WITNESS: Finally, perhaps most fundamentally,
12 reducing the minimum Class I differential to zero would
13 effectively destroy the basic proposition that Class I
14 prices should be consistently higher than other class
15 prices, which is critical to the operation of Federal
16 Order milk pools.

17 In connection with the return to higher-of pricing
18 and the elimination of advanced pricing, the Class I
19 differentials are the key to encouraging pooling and
20 ensuring a pool draw for manufacturing plants who are
21 ready to serve the Class I market.

22 Milk prices and milk production costs are all up
23 substantially since 1998. The Class I and II
24 differentials are a fixed element in milk price formulas
25 that need regular updating. Basing this on three
26 additional elements is a reasonable approach; however, if
27 the traditional analysis did not support an increase, an
28 increase would still be appropriate to sustain the



1 critical alignment of class prices. (See the
2 above-referenced cost -- Milk Cost of Production Data,
3 which includes all milk prices.)

4 Conclusion. The minimum \$1.60 or more is a
5 critical practical element in FMMO pricing and pooling.
6 The \$1.60 minimum is not only still justified, but could
7 be increased based on increased costs associated with
8 maintaining Grade A standards of hauling milk and
9 balancing weekly seasonal supplies.

10 The argument made by MIG and pre-submitted
11 testimony by Ms. Keefe that too high a Class I
12 differential will lead to overproduction is spurious. It
13 is not too high in the current market regime in which
14 manufactured milk products clear in an open international
15 market and do not back up into government stocks.

16 The purpose of the Class I differential is to
17 ensure a fluid milk supply and orderly marketing of milk
18 overall. A higher Class I differential will do that. It
19 will not cause overproduction, per se, which doesn't
20 really exist as long as processing capacity can keep up.

21 In pre-submitted testimony for MIG, Dr. Stephenson
22 claims that because of the average shadow cost for
23 manufacturing milk is higher than the average shadow cost
24 for fluid use, that the minimum Class I differential is
25 not justified. This is a misinterpretation of his own
26 model, which assumes all milk can simply move through
27 hauling and processing without any significant
28 differentiation among uses. In fact, we have higher



1 prices for Class I because there are many challenges to
2 serving Class I use that isn't captured in the model,
3 including the critical need for steady supplies on a daily
4 and seasonal basis, higher quality standards, and the
5 inability to store fluid milk for significant amounts of
6 time.

7 I'm also curious as to how the fact that
8 Dr. Stephenson's plant nodes have limited capacity affect
9 these results. Fluid plants there are typically running
10 with slack capacity, while many manufacturing plants,
11 especially cheese plants, are running full, and their
12 plant capacity almost certainly puts more constraints on
13 his model for manufacturing milk, which could lead to
14 higher average shadow costs per additional hundredweight
15 of milk in many manufacturing locations, depending on how
16 he defines that value.

17 It is often suggested that fluid milk demand is
18 declining because of the Class I differential. Even in
19 Miami the Class I differential represents about \$0.50 per
20 gallon. The \$1.60 minimum Class I differential represents
21 less than \$0.14 per gallon.

22 And in every part of the country, the Class I
23 differential is a single consistent element of the milk
24 price. If there was a demand impact, it would be a
25 one-time shift in demand, not a long-term decline.
26 Rather, fluid milk demand has been undermined by a shift
27 away from breakfast cereals and the nutrition community's
28 inappropriate and unfortunate encouragement of consumption



1 of unappealing skim and lowfat milks rather than whole
2 milk.

3 Ultimately, MIG's proposal to cut the Class I
4 differentials by \$1.60 across the board is a proposal to
5 overturn class price alignment, create chaos in Federal
6 Milk Marketing Order, and effectively destroy the Federal
7 Milk Marketing Order system.

8 The destruction of the FMMO system may lead
9 eventually to stable market structure, but it would be one
10 that could closely resemble that of the current broiler
11 chicken industry, which integrated processors seize tight
12 control over farmers' prices and farmers' operating
13 methods. Similar results have been seen in the United
14 Kingdom and Australia, where large retailers set the milk
15 price at the long-term detriment of farmers and consumers.

16 The FMMO system as it stands today provides a
17 framework in which farmers can control their own destiny
18 through cooperative organization, and through independent
19 reliance on the terms of trade established by the orders
20 and enforced by the Market Administrator.

21 The FMMOs create a fairer world for dairy farmers
22 in the short run and a market in which farmers are better
23 encouraged to serve American and international consumers
24 in the long run. Dr. Stephenson argues that we are
25 "shackled" to the 1937 Act. Rather, the Act provides USDA
26 and the dairy -- and the industry enormous flexibility to
27 adjust and modernize the FMMOs, as we are here to do
28 today.



1 Congress has stepped in more than once to call for
2 a full overhaul in 1996, and to notably ensure the
3 sufficiency of Class I differentials in 1985 and 1999.
4 The system undoubtedly needs updating, as we have argued
5 throughout. However, proposals that would tend to
6 overthrow the entire system, such as Proposal 20, need to
7 be considered not on fine detail, but on the overall
8 impact it would have on the system.

9 I'll address some other issues based on things
10 that have come up in the course of the hearing.

11 One is regarding the cause of increased depooling.
12 In someone's earlier testimony, there was a suggestion
13 that the reason depooling is up in the Federal Milk
14 Marketing Order system is because of the addition of the
15 California market to the system. However, depooling data
16 for Federal Order 30 shows the same pattern as that in the
17 FMMO system overall. California is not causing the
18 decrease (sic) in the depooling except to the extent that
19 it's decreased the volume of milk --

20 THE COURT: Yeah, I don't know what happened to
21 the volume. Start again. Please go to the bottom of
22 page 9 and start again with that sentence "however."

23 THE WITNESS: However, depooling data for Federal
24 Order 30 shows the same pattern as that in the FMMO system
25 overall. California is not causing the increase in
26 depooling. The rise in depooling is a result of declining
27 Class I use and the falling relative value of the Class I
28 differential relative to the underlying milk prices.



1 And I will make a note now that there is an extent
2 to which California is contributing to additional
3 depooling simply because there is more milk in the system,
4 not because California is -- is subject to depooling in
5 excess to other markets.

6 And there's a graph there showing the pattern of
7 depooling in the system overall and in Order 30 alone,
8 which shows the same -- same patterns. That data is from
9 AMS.

10 Regarding exchanges. There's been a suggestion
11 that eliminating advanced higher-of Class I pricing
12 creates an unbearable loss of risk management
13 opportunities if the CME Group does not implement the
14 Class I futures and options complex. The CME Group
15 witness earlier in the hearing indicated the exchange
16 would be open to considering any new contract that would
17 serve its customers, which would be, of course, the
18 simplest and the most obvious solution to milk handlers'
19 concerns. However, if the CME Group declined to offer
20 this product, there are other exchanges that could clear
21 dairy contracts, including ICE and the Minnesota Grain
22 Exchange, or companies that could facilitate swaps such as
23 ever.ag, formerly dairy.com.

24 THE COURT: And how is ever.ag shown in your
25 testimony?

26 THE WITNESS: It is shown E-V, all -- all small
27 letters, E-V-E-R, dot, A-G. And dairy.com is all small
28 letters, D-A-I-R-Y, dot, C-O-M.



1 Regarding the difficulty of Class I and Class II
2 handlers and managing price risk, dairy farmers and many
3 other farmers, despite operating on a significantly
4 smaller scale than even a "small" dairy processing
5 business, which has up to 1150 employees according to the
6 Small Business Administration, manage myriad price risks
7 for their feed purchases, their energy costs, their milk
8 sales, their crop sales, et cetera, through the use of an
9 inter- -- through their use of an interlocking collection
10 of government risk management programs, contract pricing
11 swaps, and hedging on futures and options exchanges.

12 If the CME Group, or any exchange, were to
13 establish the long overdue set of Class I milk futures and
14 options contracts, such risk management for processing
15 operations that are several times as large as a "large"
16 dairy farm are not an unreasonable expectation of doing
17 business. The price risk faced by Class I handlers is
18 much simpler than what many farmers face, and the distance
19 of Class I futures and options would make it simple to
20 solve.

21 Finally, AFBF believes that the Edge proposal to
22 create a new Class I each lies outside of the scope of
23 this hearing.

24 And that concludes my direct testimony. I have
25 no cross for myself. So I offer my -- no direct
26 examination for myself -- so I offer myself for
27 cross-examination.

28 THE COURT: Thank you, Dr. Cryan. This is



1 extremely meaty, as you might know. What are the
2 limitations on your amount of time with us today?

3 THE WITNESS: I can stay all night.

4 THE COURT: Oh, dear.

5 THE WITNESS: I'll be here tomorrow.

6 THE COURT: You will? Well, that's good news.

7 All right. The only reason I say that, Dr. Cryan, is that
8 I don't want to stay all night.

9 THE WITNESS: I understand.

10 THE COURT: All right. Who would like to go first
11 with cross-examination, or do you need like five minutes
12 to move around before you start that five minutes? Yes.

13 Let's take a five-minute break. Please be back
14 ready to go at -- let's see, five minutes, 3:55 be back.

15 We go off record at 3:48.

16 (Whereupon, a break was taken.)

17 THE COURT: Let's go back on record.

18 We're back on record at 3:55. Who will be first
19 to cross-examine Dr. Cryan?

20 MR. ROSENBAUM: I will, Your Honor.

21 Steve Rosenbaum for the International Dairy Foods
22 Association.

23 THE COURT: You may proceed.

24 CROSS-EXAMINATION

25 BY MR. ROSENBAUM:

26 Q. Dr. Cryan, I have some questions relating to
27 Proposal 21, your proposal to increase the Class II
28 differential from its current \$0.70 to \$1.56.



1 First of all, have you done any analysis as to the
2 adequacy of the current milk supply to satisfy Class II
3 needs?

4 A. No, I have not.

5 Q. Are you aware that USDA has turned to that
6 specific question in some of its past decisions addressing
7 whether or not the Class II differential should be
8 increased?

9 A. I'm not.

10 Q. So in terms of methodology, what you propose to do
11 is to set the Class II differential equal to what you
12 calculate to be the cost of drying skim milk, correct?

13 A. Yes.

14 Q. And, indeed, that's the formula that appears on
15 page 2 of your statement, which is Hearing Exhibit 382,
16 correct?

17 A. Right.

18 Q. And you acknowledge that that's not actually the
19 methodology that was used by USDA when it last raised the
20 Class II differential to \$0.70, correct?

21 A. The -- that's correct.

22 Q. And it's not -- and there are two exceptions, if
23 you will. One is you have -- you're no longer going to
24 consider the cost of rewetting based upon the argument
25 that, in fact, you don't have to rewet in many cases,
26 correct?

27 A. That's correct.

28 Q. And are you aware that that represented roughly



1 \$0.13 of the \$0.70?

2 A. That sounds about right.

3 Q. Okay. And so the other difference in methodology
4 is that, as we just covered, initially at least, you are
5 going to rely upon the cost of drying skim milk, whereas
6 back in order reform, USDA looked to the cost of drying
7 condensed milk, correct?

8 A. That's right.

9 Q. Now, you provide a calculation that suggests that
10 that difference is actually minimal, in that you assert
11 that, you use that method, you would have a differential
12 of \$1.49, only \$0.07 less than your \$1.46, correct?

13 A. That's what I wrote.

14 Q. Okay. Do you -- are you aware that when, if you
15 look at the numbers before USDA and order reform, there
16 was actually quite a vast difference in the impact of
17 using cost of drying condensed milk versus skim milk?

18 A. I did not see that in the -- in the record.

19 Q. Okay. The -- at the time, well, let me -- I mean,
20 the cost of drying skim milk is basically the
21 Make Allowance for turning skim milk into nonfat dry milk,
22 correct?

23 A. That's right.

24 Q. Okay. And would it surprise you to learn that, in
25 fact, if you do the math, back when order reform took
26 place, the use of starting point of condensed milk
27 resulted in a Class II differential that was only 47% of
28 what the cost would have been had it used the cost to dry



1 skim milk?

2 A. I would be surprised.

3 (Court Reporter clarification.)

4 BY MR. ROSENBAUM:

5 Q. You would what?

6 A. I would be -- did you ask me would I be surprised?
7 Yes, I would be surprised.

8 Q. Okay. So let's talk a bit about -- and I am not
9 going to get into a philosophical fight over whether what
10 USDA did back then was really to set the Class II
11 differential based upon these costs or there were other
12 considerations at play. We'll deal with them in our own
13 testimony. But let's just talk about the question of
14 switching from using Class II fresh milk to make Class II
15 products as opposed to substituting powder. Okay?

16 A. Okay.

17 Q. And is it -- is it your view that it would -- and
18 I think the answer is yes -- but is it your view that it
19 would be a bad thing to set the Class II differential in a
20 manner that would encourage substantial displacement of
21 Class II milk with Class IV powder?

22 A. I believe the powder plays an important balancing
23 role in the market, and if the -- if the use of powder is
24 effective with respect to product quality and -- and
25 economics of production, it's a reasonable thing. I don't
26 think it's a bad thing. I think it's a -- I think it's --
27 it's a reasonable thing.

28 But I also think that the Class II differential,



1 there wasn't really a reason not to include condensing
2 costs in the -- in the calculation of that Class II
3 differential.

4 Q. You say there's not a reason?

5 A. There was not really a reason.

6 Q. But that's what they did, right?

7 A. That's what they did.

8 Q. Okay. So I mean, I thought you were trying to set
9 the Class II differential in a way that would not be so
10 high as to encourage substitution of powder. Is that --
11 am I mistaken about that?

12 A. The idea was to avoid encouraging uneconomical
13 substitution of skim milk for powder.

14 Q. Okay. So -- so in the real world, if you are a
15 stand alone, let's say, yogurt plant, Class II product,
16 correct?

17 A. Right.

18 Q. You are not under -- probably under any
19 circumstance actually going to be drying your own nonfat
20 dry milk, right?

21 A. I -- I'm not familiar with that. I -- I don't
22 know whether any yogurt makers have driers or not.

23 Q. Not aware that they do, correct?

24 A. I don't know that they do and I don't know that
25 they don't.

26 Q. Okay. Certainly there are many companies out
27 there, including cooperatives, of course, that do have
28 driers and they make nonfat dry milk, correct?



1 A. Yes.

2 Q. So is it fair to say that if you were to be
3 concerned about substitution of powder for Class II milk
4 in making Class II products, that you would want to
5 address how a Class II handler would go about achieving
6 that substitution if it wanted to do that; is that fair?

7 A. I'm not sure I understand the question.

8 Q. Well, I mean, you know, you could say the question
9 is what's the cost of using that Class II milk versus
10 drying it. But of course, if you don't have a drier,
11 that's not actually -- that's not the real world, right,
12 for a Class II handler? What the real world is for them
13 is, do I take the fluid milk and use it, the fluid raw
14 milk, and use it for my Class II product, or do I buy
15 powder from somebody and use that instead? Isn't that the
16 real world choice for the typical Class II standalone
17 handler?

18 A. Yes.

19 Q. Okay. And do you know what the shelf life is of
20 nonfat dry milk?

21 A. It's a Grade A product. It's relatively limited.

22 Q. Months, if properly stored?

23 A. I'm not sure. A couple months probably. I don't
24 know.

25 Q. Okay. Is it -- okay.

26 Would it surprise you if it's -- that people
27 actually store it longer than that?

28 A. No.



1 Q. Okay.

2 A. No.

3 Q. And so the -- and -- and it is fair to say that
4 the -- and we can look at some numbers -- but the price of
5 nonfat dry milk in the market does vary considerably over
6 the course of a year often, 10 or 15% at least?

7 A. What varies?

8 Q. Varies, yes.

9 A. What does?

10 Q. The cost of nonfat dry milk, just the market value
11 of nonfat dry milk.

12 A. And the Class II and Class IV milk move in
13 lockstep, especially if you eliminate advanced pricing of
14 Class II.

15 Q. Well, that's a second subject. We have had our
16 argument about that already.

17 But if we just look at historical records of
18 the -- just nonfat dry milk prices per pound, which is
19 obviously it's a surveyed product, it's part of the survey
20 that sets minimum milk prices, we can look at them every
21 month and -- more than once a month, for that matter --
22 and you can see that they do vary considerably over the
23 course of a year, correct?

24 A. They do vary.

25 Q. Okay. And so the real -- in the real world, if
26 you have more than doubled the Class II differential, the
27 real world thought process for a Class II handler is going
28 to be, presumably, well, can I buy nonfat dry milk at a --



1 when the market is flush and the price is low, and how
2 does that compare to what the Class II differential would
3 be at the time I later make my yogurt or ice cream or
4 cottage cheese, and which is better for me? I mean, isn't
5 that the thought process that people would go through?

6 A. I believe they would, and I believe that a
7 manufacturer that chooses to manage their inventory and
8 their price risk through -- through stocking inventories
9 of powder is helping -- is helping balance the market in
10 ways that other processors are not, if they simply demand
11 fluid milk every day.

12 Q. I mean, that goes, I guess, to a question I asked
13 you earlier, which is maybe you don't care whether or not
14 people make Class II products from raw milk versus milk
15 powder, in which case, the substitution is not really
16 relevant.

17 Is that where you are coming from?

18 A. I believe there are products where it -- it can be
19 done without sacrificing product quality, and I think
20 there are products where it can't be done without
21 sacrificing product quality.

22 Q. And of course, there may be, of course,
23 circumstances where it can be done, and whether you are
24 going to do it is going to depend upon the price of one
25 versus the other, correct?

26 A. The price -- the price affects decisions, right.

27 Q. And you are more than double --

28 A. Because there's some point at which price affects



1 decisions. There will be some -- again, there will be
2 some products where you could raise the Class II
3 differential to \$3, and they are still not going to use
4 powder. But there's -- but there's other products
5 where -- where the difference in the product, the
6 difference in the outcome is -- is negligible, and they
7 will make that decision. And, again, that -- that
8 contributes to the market balancing.

9 Q. And, obviously, the balance, the economic balance
10 of the choice will be different and more in favor of
11 substitution of powder if the Class II differential is
12 more than double, all other things being equal, correct?

13 A. For some -- for some processors, for some
14 products, yes.

15 Q. Now, I think -- I think in your discussion about
16 Proposals 19 and 20 there was some discussion of sort of a
17 relationship among the prices in the different classes; is
18 that right, as that being meaningful? You were, it's a
19 different context obviously, but you were talking about,
20 you know, the need for Class I price to be higher for the
21 reasons you articulate, correct?

22 A. Yes.

23 Q. I mean, so right now, the Class II differential is
24 less than half the lowest Class I differential, correct?

25 A. Yes.

26 Q. The minimum Class I differential being \$1.60 and
27 the Class II differential being \$0.70, correct?

28 A. Uh-huh. Right.



1 Q. And obviously we don't know what USDA is going to
2 do with Class I differentials. We have different views as
3 to what they ought to do. But clearly to raise the
4 Class II differential to \$1.56 would potentially create a
5 relationship between Class I and Class II prices that are
6 quite -- quite different than their current relationship,
7 correct?

8 A. It would be closer, but if the minimum Class I
9 price, the minimum Class I differential is \$2.20, then
10 there remains a substantial space, \$0.60 space between.

11 Q. On a percentage basis, they're much closer at that
12 point, correct? On an absolute basis, not so much
13 difference?

14 A. I don't know if \$0.60 versus \$0.90, is that -- is
15 that much closer? But, yeah, it's closer.

16 Q. Well, I'm just saying right now it is less than
17 half, and if the minimum Class I differential went up to
18 2.20, half of 2.20 is \$1.10, and you are going to be at
19 \$1.56, so that's quite a bit higher.

20 A. You can -- you can look at the numbers any way you
21 would like.

22 Q. Well, that's -- I won't -- I'm trying to -- yeah.
23 The way I'm looking at it is to answer the question, are
24 you maintaining historical relations between Class II
25 prices and Class I prices, and I think the answer is no.

26 A. If we eliminate advanced pricing for Class II and
27 Class I, they will be close. If we don't eliminate class
28 pricing for either, they will continue to move and be



1 separated. They will continue to have a proper alignment.

2 And the -- I think it's worth noting again, I
3 probably didn't make it clear enough in my testimony, that
4 Class II was, at one time, part of Class I. Most of the
5 many products in Class II, such as cream and other --
6 other soft perishable products, were part of Class I in
7 the early days of the Federal Orders. And the separation
8 was just in the recognition that over time Class II --
9 many Class II products became traded on a, you know, wider
10 area, and more -- there were more and more national --
11 nationally marketed Class II products, so there was a
12 shift to sort of a single Class II price across the whole
13 country.

14 But fundamentally, Class II was part of Class I
15 because there are similar balancing issues in Class II as
16 there are in Class I.

17 Q. Do yogurt plants not operate on a more consistent
18 basis than Class I plants?

19 A. Do they not operate?

20 Q. I think double negative. Mistake. Try again.

21 (Court Reporter clarification.)

22 BY MR. ROSENBAUM:

23 Q. Do yogurt plants tend to operate on more of a
24 seven-day a week basis than Class I plants?

25 A. I don't know, but I'm sure they operate on
26 certainly much more of a weekly basis than manufacturers
27 need to because of the perishability of the product.

28 MR. ROSENBAUM: That's all I have. Thanks.



1 THE WITNESS: Thank you.

2 THE COURT: Thank you, Mr. Rosenbaum.

3 Mr. Miltner, thank you.

4 MR. MILTNER: Thank you.

5 CROSS-EXAMINATION

6 BY MR. MILTNER:

7 Q. Dr. Cryan, I think Mr. Rosenbaum covered several
8 of the questions I had to ask. I think I may have just a
9 couple.

10 As an economist, where do you draw the line
11 between what is an uneconomical substitution and an
12 economical one?

13 A. If -- if -- if the price signals are such that
14 it's profitable to do something that makes no sense just
15 on the basis of the -- of those signals, those, you know,
16 external regulated signals, that's -- that's uneconomical.

17 Q. So if we think about the yogurt producer for
18 instance --

19 A. Uh-huh.

20 Q. -- I suppose, should the -- should Federal Order
21 pricing default or direct that processor to using fresh
22 milk or should they be ambivalent as to whether they use
23 Class II products or Class IV products to manufacture?

24 A. I think they should make the decision on the basis
25 of their demand, their product. I mean, if -- we're
26 following the same principle that was incorporated into
27 the -- into the decision in 1998 to try to have the
28 Class II price as high as it can be without -- without



1 unnecessarily incentivizing substitution of powder.

2 But again, if -- if -- if the processor chooses to
3 use powder based on seasonal fluctuations in price, then
4 that contributes to the market balancing in ways that are
5 probably good for the market. Probably help address some
6 issues of volatility in supply and demand.

7 Q. Have you done any analysis, even rough analysis,
8 to determine if there's a price point or a differential
9 point at which uneconomic substitutions might be
10 incentivized?

11 A. No. I haven't looked at case studies, for
12 example, to consider the extent to which processors are
13 already buying skim condensed for -- for -- for hauling
14 advantages or so forth. I haven't looked at that.

15 (Court Reporter clarification.)

16 THE COURT: And that was, you have not looked at
17 what Mr. Miltner asked you about?

18 THE WITNESS: That's right.

19 THE COURT: Understood.

20 MR. MILTNER: Thank you.

21 BY MR. MILTNER:

22 Q. I was hoping you might elaborate a little more on
23 why you chose to propose a differential that's calculated
24 in a manner different than that which USDA used
25 previously.

26 A. In principle, in order to substitute powder for --
27 for milk, the milk has to be dried, or condensed and
28 dried. The -- there certainly could be cases where the



1 norm is already to buy condensed milk, in which case the
2 issue could be just drying. And if that is the case,
3 there's a balance to be considered, whether at -- again,
4 it's not -- for those -- some of those cases it's not
5 necessarily a problem for the market if there's some
6 balancing being done with powder. But even if -- even if
7 the condensing costs are backed out, it still justifies an
8 increase in the differential.

9 Q. And I guess maybe you partially answered what I
10 was hoping you would address.

11 Is there a reason why, when you were making a
12 determination to update the differential, that you chose
13 to look at the entire cost of drying as opposed to just
14 using -- starting with condensed?

15 A. We're just going back to first principles about
16 Class II as a class that requires balancing for fresh
17 products, similar to Class I, and that -- that \$1.56 was a
18 reasonable differential based on drying costs.

19 Q. I'm not going to try to walk you through
20 arithmetic.

21 A. And I won't do arithmetic.

22 Q. So accept for a moment my math so we don't have to
23 go through the arithmetic.

24 If we -- if we merely took USDA's logic from
25 setting the current differential and you -- you
26 substituted out the Make Allowance for nonfat that was in
27 place in 1999 and used that which is current, but you did
28 so based on the drying of condensed rather than nonfat, in



1 other words, you started with condensed, I figured that
2 the differential would go up to about \$0.82.

3 I wondered if you have done any -- any analysis
4 about updating the differential using USDA's methodology,
5 what's articulated in the order reform decision?

6 A. I have not, but I would be happy for anybody to
7 put good evidence of condensing costs on the record so
8 that USDA can make that consideration.

9 Q. Okay.

10 A. There's still an economic logic that a processor
11 that uses powder instead of milk at some point is paying
12 for condensing. The question is, are they -- are they
13 paying for condensing anyway because it saves them money
14 on the shipment, or are they -- are they -- or is that
15 simply part of the process of drying?

16 Q. I think I asked a question like this, I hope I
17 don't repeat it identically, but is there a numerical
18 point at which you believe the differential gets too high?

19 A. I think -- I think it -- I think \$1.56 is a good
20 number. I think if the -- if the Make Allowance goes up,
21 then the Class II differential should go up with it. But
22 I think as long as it doesn't -- as long as it's not so
23 high that it incentivizes, that it creates a profitability
24 simply to replace Class II milk with Class IV powder, then
25 it's not too high.

26 Q. But you don't have an opinion on what -- when that
27 trigger is pulled?

28 A. We -- we propose the \$1.56.



1 Q. Okay.

2 A. That seems like a good number. It seems like it's
3 the principle of the original decision in 1998 was to get
4 the price as high as it could be without creating an --
5 sort of a standalone incentive to dry instead of using --
6 using milk directly. That's the same logic that \$1.56, by
7 our figure, is the highest you could go without tipping it
8 over to where folks will just dry because they can make
9 more money simply because they are drying, that their
10 costs are reduced by using powder instead of fresh milk.

11 Q. Not to put words in your mouth, I hope, but \$1.56
12 is close to that tipping point?

13 A. I mean, I -- I -- there's a -- the president of
14 the Teacher's Union will never admit that there's a bad
15 teacher, and I don't know that there's ever such a thing
16 as too high a milk price.

17 Q. You are talking to a school board president, you
18 know that?

19 A. Yeah. So, you know, maybe -- maybe if it was much
20 higher than \$1.56, it would be too high.

21 Q. And on the off chance any of my teachers get ahold
22 of this transcript, they are all fine educators.

23 A. I'm sure they are.

24 Q. If -- if the highest Make Allowances that have
25 been proposed in this hearing were adopted, it would add
26 about \$0.11, 10 to \$0.11 to powder, which --

27 A. Would add 10 to 11?

28 Q. Yeah -- well, no, the Make Allowance itself would



1 increased by 10 to \$0.11 for powder.

2 A. Per hundredweight of milk or per --

3 Q. Per pound.

4 A. Per pound. Yeah. Yeah. Okay. That's a lot.

5 That's a lot, isn't it?

6 Q. Which would be -- which would -- at \$0.11 and
7 9-point something pounds of powder per hundredweight, that
8 adds \$1 to the differential under your analysis?

9 A. So be it (indicating).

10 Q. Okay. I noticed the hand shrug as well, which
11 doesn't get picked up on the transcript.

12 So that's the result, right?

13 A. I'm shrugging.

14 THE COURT: That's not a shrug. That's like --

15 MR. MILTNER: So be it.

16 THE WITNESS: So be it, yeah.

17 THE COURT: -- so be it, yes. That's an Italian
18 thing.

19 THE WITNESS: The -- the Class II differential
20 should bear a relationship to the Make Allowance. If the
21 Class IV skim Make Allowance -- if the Make Allowance for
22 Class IV skim milk goes up, then so should the Class II
23 differential, whether we're talking about basing it on
24 full drying costs or basing it on drying condensed.
25 It's -- it still should be higher, and it still should
26 track when Make Allowances go up.

27 BY MR. MILTNER:

28 Q. And as you have proposed it, it would track the



1 full drying costs, so a change in the Make Allowance is
2 essentially a -- the Class II differential would move
3 essentially one for one with the Make Allowance on powder
4 as you have proposed it?

5 A. As we have proposed it.

6 Q. Okay. Thank you, Dr. Cryan.

7 MR. MILTNER: That's all I have.

8 THE WITNESS: Thank you, Mr. Miltner.

9 CROSS-EXAMINATION

10 BY MR. ENGLISH:

11 Q. Hello. My name is Chip English with the Milk
12 Innovation Group.

13 Hello, Dr. Cryan.

14 A. Hello, Mr. English.

15 MR. ENGLISH: Could we, before we start, provide
16 him with the Exhibit 44 from --

17 THE COURT: Did you say you need water?

18 MR. ENGLISH: I didn't say it.

19 Exhibit 44, Your Honor, was producer milk and
20 components by class and order, January 2008 through
21 April 2023.

22 THE COURT: Thank you. You may proceed.

23 MR. ENGLISH: Thank you, Your Honor.

24 And I note, I am re-organizing on the fly for two
25 reasons: First, we -- this is not a complaint, just we
26 received the testimony at 10:30 this morning, and so we're
27 scrambling to put things together; and second, two
28 preceding questioners went to Class II, I have that at the



1 end, but it makes more sense for me to re-organize and put
2 it now, so I'm re-organizing and starting with Class II.

3 THE WITNESS: And I apologize for not getting that
4 in sooner, but it was --

5 MR. ENGLISH: You know, if it had been at
6 8:00 a.m., I wouldn't have looked at it any earlier,
7 Dr. Cryan, so I understand. And, again, it was not a
8 complaint. I was just explaining why I was re-organizing,
9 and maybe that means people need to bear with me. And I
10 apologize.

11 BY MR. ENGLISH:

12 Q. I want to start where you just ended with
13 Mr. Miltner, and I think it ties together with the last
14 sentence of your testimony.

15 I think what I heard you say, in answer to the
16 question from Mr. Miltner is, if IDFA's proposal is
17 adopted, or any proposal is adopted, National Milk's or
18 IDFA's, but if IDFA's proposal is adopted to increase, for
19 instance, the Make Allowance for Class IV, that it is your
20 intent for that to have an immediate impact on your
21 proposal for Class II.

22 A. Correct.

23 Q. Is that correct?

24 A. Correct.

25 Q. So your proposal for Class II today as proposed in
26 the Hearing Notice is using the existing Make Allowance,
27 correct?

28 A. That's correct. Because it's our position there



1 should be no change in the Make Allowance unless there's
2 an audited and mandatory survey of processing costs.

3 Q. And based upon that, you are proposing \$1.56.

4 A. Class II differential.

5 Q. Correct.

6 A. That's correct.

7 Q. And in answer to your questions from Mr. Miltner,
8 you were saying that, well, no, if the Make Allowance
9 changes, I would expect that to increase based upon the
10 Make Allowance change, correct?

11 A. That's correct.

12 Q. And have you done a calculation based upon whether
13 if National Milk's proposal were adopted --

14 A. No.

15 Q. -- or you have not?

16 A. No.

17 Q. But Mr. Miltner had you, I believe, using the
18 \$0.11, which is the IDFA proposal, correct?

19 A. I am not familiar. I'm not sure. I have looked
20 at it all. But that was weeks ago and in a different
21 world.

22 Q. It was something, though -- it would increase this
23 \$1.56 by a \$1; is that correct?

24 A. That sounds about right, but I -- I -- I can't say
25 for sure. But let's say it does, let's say.

26 Q. All right. So then assuming that happens under
27 your proposal, as with the sentence at the end, rather
28 than \$1.56, it would be \$2.56, correct?



1 A. That sounds like it hits the ballpark, yeah.

2 Q. Now, in answer to your question from
3 Mr. Rosenbaum, you said, well, it's still less than the
4 Class I, but it's going to be higher than some Class I,
5 isn't it, if it's \$2.56?

6 A. Yes.

7 Q. "Yes"?

8 A. That's what the calculation would come out. I
9 don't think it's unreasonable to limit the Class II
10 differential to the minimum Class I differential. It
11 seems -- that seems like a reasonable limit in order to
12 maintain the hierarchy of prices.

13 Q. But you have now basically said under these
14 circumstances you are not going to maintain the hierarchy,
15 correct?

16 A. If -- if a full -- if the Class II differential
17 was raised above the Class I differential, you have the --
18 you do have the risk of Class II being higher in certain
19 locations. And it does seem like a reasonable thing to
20 cap the Class II differential at the Class I differential.

21 Q. So is that a modification to your statement that
22 it would be -- that there would be a cap?

23 A. That's not a modification or a proposal, but it's
24 a consideration for USDA. Our proposal is our proposal.

25 Q. So Class II milk processors are not necessarily
26 mandatory pool participants, are they?

27 A. Say it again.

28 Q. Class II processors are not necessarily mandatory



1 pool participants, are they?

2 A. Not necessarily.

3 Q. If the Class II is -- product is manufactured at a
4 Class I plant that is a regulated plant, then that
5 Class II is mandatorily regulated, correct?

6 A. In effect, yes.

7 Q. But there are standalone Class II milk processors,
8 correct?

9 A. There are.

10 Q. And those processors can pool or not pool
11 opportunistically, correct?

12 A. That's true.

13 Q. And that happens, correct?

14 A. I believe so.

15 Q. It happens today at a differential, the existing
16 differential of \$0.70, correct?

17 A. It does. It happens partly because of the
18 misalignments of prices based on advanced pricing and
19 average-of, and it happens more under the current regime
20 than it would happen under our proposals.

21 Q. Well, I do not want to revisit advanced pricing
22 and go back, you know, a month or so in testimony, or
23 eight weeks.

24 But regardless of advanced pricing, if you go to
25 \$1.56, with or without advanced pricing, you are going to
26 have opportunistic pooling, correct, of Class II?

27 A. Potentially if there's a big enough gap between
28 Class III and Class IV, yeah, you could. The blend price



1 could fall below the Class II price.

2 On the other hand, the higher Class II price would
3 increase the value in the pool, which would tend to make
4 depooling of Class III or IV less frequent.

5 Q. Class II is enough of a percentage to have that
6 happen, in your opinion?

7 A. Beg your pardon?

8 Q. Class II provides enough volume of milk on orders
9 to provide that, in your opinion?

10 A. Some markets.

11 Q. Which markets?

12 A. I'm sure you have the numbers in front of you.
13 There are markets where Class II is 25%.

14 Q. Are you aware of order provisions in Orders 30,
15 32, 126, 131, that expressly provide for month-to-month
16 unit pooling for Class II plants with Class I plants?

17 A. More of unit pooling? When you say
18 month-to-month, are you saying that they can't drop in and
19 out every month or are you saying that they can?

20 Q. I'm saying they can drop out.

21 A. Okay.

22 Q. I'm going to go to a different order in a second.

23 But are you familiar that in Orders 30, 32, 126,
24 and 131, they can -- a Class II plant can associate with a
25 Class I plant, and as long as it announces the day before
26 the month that's following, it can, in that following
27 month, either be on the pool or off the pool?

28 A. Okay.



1 Q. Are you aware of that?

2 A. I'm not aware of the specific provisions in the
3 specific orders. I'm aware of unit pooling, and it would
4 seem like a reasonable thing that in some markets it's a
5 monthly election.

6 Q. I will admit in Order 1 it's an annual election.

7 A. Okay.

8 Q. Is that -- does that resonate with you or do you
9 not know?

10 A. If you say so.

11 Q. Do you know also that there are standalone ice
12 cream facilities that routinely do not pool?

13 A. That makes sense.

14 Q. Do you know that there are standalone yogurt
15 facilities that routinely do not pool?

16 A. That the plant does not pool, or that the milk --
17 they don't receive pooled milk?

18 Q. They do not receive pooled milk.

19 A. Okay.

20 Q. Do you know that?

21 A. I don't know that.

22 Q. You said that there are some orders with 25%
23 Class II.

24 Do you know what order that is?

25 A. Off the top of my head it seems to me the Mideast
26 order has pretty high Class II use, and Arizona has pretty
27 high Class II use.

28 Q. Would it surprise you that Order 131 doesn't



1 exceed 20% Class II, 20% of Class II?

2 A. 131?

3 Q. Yes.

4 A. That's still a pretty high share.

5 Q. Now, there are, of course, as we discussed a
6 moment ago, pool distributing plants that are Class I that
7 have Class II utilization, correct?

8 A. That's correct.

9 Q. Like fluid creams, correct?

10 A. Correct.

11 Q. Such as half and half, correct?

12 A. Correct.

13 Q. Whipping cream, correct?

14 A. Presumably, yeah.

15 Q. Soft products like sour cream, correct?

16 A. Yep.

17 Q. And so any Class II utilization in those plants
18 will have a cost increase due to your proposal, correct?

19 A. Yes. Assuming there isn't already a premium.

20 Q. So Proposal 21, in addition to other proposals to
21 increase prices for Class I, will operate to squeeze even
22 more revenue from Class I plants, correct?

23 A. Sure.

24 Q. And will -- and even if the Make Allowances are
25 not increased, it will more than double the Class II
26 differential, correct?

27 A. That's the math. Two times \$0.70 is \$1.40.

28 That's more than \$1.40.



1 Q. And if it is the case that, per your proposal, if
2 the IDFA proposal is adopted, and as a result the
3 Make Allowance for Class IV goes up, and therefore the
4 Class II goes up another \$1, you're really looking at
5 almost a fourfold increase in the Class II differential,
6 correct?

7 A. More than three, yeah.

8 Q. You have further justified, based upon the issue
9 of depooling, quote: "A fundamental focus of the Farm
10 Bureau's proposal is the reduction or elimination of
11 negative producer price differentials and" --

12 THE COURT: Slow down, please. I can't even think
13 what you just said.

14 BY MR. ENGLISH:

15 Q. A fundamental focus of AFBF's proposals is the
16 reduction or elimination of the negative producer price
17 differentials and the depooling they cause. Correct?

18 A. Yes.

19 Q. Have you done any economic analysis of how your
20 proposal will impact negative PPDs?

21 A. No. If we have a hearing in January, I'll bring
22 it.

23 Q. Isn't this your time to testify on this proposal?

24 A. It is.

25 Q. Similarly, have you done any economic analysis of
26 how your proposal will impact depooling?

27 A. Same -- same answer.

28 Q. If you want to the eliminate depooling, how does



1 increasing Class II keep a standalone Class II facility in
2 the pool?

3 A. It doesn't by itself. I mean, that change
4 would -- would lead, as I said in my testimony, it would
5 lead to some Class II plants depooling more, so Class II
6 milk to be depooled more frequently. It would also tend
7 to add money to the pool to discourage Class III and IV
8 depooling.

9 Q. To the extent there's a standalone plant,
10 increasing the Class II differential by more than doubling
11 it or more than tripling it would certainly lead to more
12 thinking about the depooling, correct, for those Class II
13 standalone facilities?

14 A. Would lead to more thinking about it?

15 Q. Well, you are saying you don't know whether it's
16 going to happen because of all these other issues.

17 A. And I have already said that it's going to be --
18 it's going to -- it will lead to Class II plants depooling
19 more often. I would assume they think about it before
20 they do it.

21 Q. So let's look at Exhibit 44, which I have asked to
22 be put in front of you.

23 A. Okay.

24 Q. Let's turn to page 21.

25 A. Okay.

26 Q. And I'm just going to do a few examples.

27 But page 21, let's look at report year 2021, June,
28 Upper Midwest, and look across to the column for Class II,



1 total pounds.

2 And do you agree that is 221,046,598?

3 A. Yes.

4 THE COURT: Would you give us the number again?

5 MR. ENGLISH: 211,046,598.

6 THE WITNESS: 221.

7 MR. ENGLISH: Or 221, thank you.

8 (Court Reporter clarification.)

9 BY MR. ENGLISH:

10 Q. The month of June 2021.

11 And let's look one column over to Class III -- or
12 let's look at the Class III total pounds, so three columns
13 over.

14 THE COURT: Start again.

15 BY MR. ENGLISH:

16 Q. Let's look three columns over, same line, June
17 2021, Class III total pounds, for that month, was
18 711,830,344, correct?

19 A. Class III, total pounds, 711 million, right.

20 Q. Yes. Do you see that?

21 A. Uh-huh.

22 Q. Was that a "yes"?

23 A. Yes.

24 Q. The court reporter doesn't like "uh-huhs."

25 A. Yes.

26 Q. So let's look one month down in July of 2021.

27 A. Right.

28 Q. And the same two columns, the Class II total



1 pounds are now 95.9 million pounds, correct?

2 A. Yep.

3 Q. While the Class III pounds are now 1.464 million,
4 correct?

5 A. That's correct.

6 Q. So the Class II pounds have dropped more than
7 double, while the Class III pounds have increased, have
8 doubled, correct?

9 A. Uh-huh.

10 Q. "Yes"?

11 A. Yes.

12 Q. That certainly suggests to you that there was
13 depooling of Class II between the month of June and July,
14 correct?

15 A. Right. If you go down a couple more months,
16 there's massive depooling of Class IV as well. So
17 presumably these are months when the Class IV -- when the
18 Class IV price dropped -- I'm sorry, the Class IV price
19 went up relative to the Class III price, so that the real
20 issue was -- was less the Class II differential and more
21 the gap between III and IV.

22 Q. Well, but if you increase the Class II under your
23 theory, under those scenarios, you have actually increased
24 the opportunity that at the time there that Class II won't
25 want to pool, right? Because you have said, well, look,
26 you are going to have to pay even more than the Class IV,
27 the Class IV is lower than the Class III, why would you
28 bother pooling, correct?



1 A. If the Class II is higher than the blend, you
2 expect it to be higher than the blend, you would not pool,
3 that's correct. But I think that's happening already
4 based on advanced pricing and the fact that we have got
5 Class II tracking on Class IV. So when -- when Class IV
6 goes up, Class II goes up, and there's incentives to
7 depool as it is.

8 I mean, you are demonstrating already there's
9 already depooling of Class II milk.

10 Q. Okay.

11 A. I don't know that it's based on the differential.
12 I think it's based on the relationship between Class III
13 and Class IV.

14 Q. But if you are going to increase the add-on to the
15 Class IV, that difference between Class III and Class IV,
16 you are -- is going to exacerbate these issues if the
17 Class II differentials go up, isn't it?

18 A. I don't know how much that's going to tip the
19 balance. I don't know how much it's going to tip the
20 balance because I don't have those price numbers in front
21 of me. I -- I can only assume from the massive depooling
22 of Class IV in the following months that it was a -- that
23 it was a shift in the Class IV jumped above Class III, and
24 in this market in particular, which is a very high
25 Class III, where the blend is based on Class III, that --
26 that Class IV and Class II both were incentivized to
27 depool based on that Class III/Class IV relationship.

28 Q. Well, to the extent a Class I processor with



1 Class II use is competing against a standalone plant, the
2 opportunity for those plants that are standalone to depool
3 will put them at a competitive advantage relative to the
4 Class I plant with that usage, correct?

5 A. Yep. Yes.

6 Q. How is that equitable or fair?

7 A. That's an issue that already exists.

8 Q. But it's about to get worse if you increase the
9 Class II differential, correct?

10 A. It's an issue that already exists.

11 Q. I spoke briefly about some other products that are
12 manufactured at Class I plants, and we agreed that fluid
13 cream is one of those products that are produced at a
14 Class I plant, correct?

15 A. Yep. Typically.

16 Q. Has American Farm Bureau Federation done any study
17 of the impact of increasing the Class II differential on
18 the ability of fluid cream products to compete against
19 nondairy fluid cream products?

20 A. No, we have not.

21 Q. Are you aware that there are a significant number
22 of fluid cream products that, you know, may be chemical
23 based, may be, you know, nondairy based, but that are
24 competing with fluid cream?

25 A. I'm not aware -- I'm not aware of the range of
26 creamers. I mean, I assume you are talking about
27 so-called nondairy creamers that are full of dairy
28 ingredients like casein.



1 Q. They may have a casein in them, but they don't --
2 the casein isn't going to be Class II, is it?

3 A. Right. No.

4 Q. Okay. So there's fluid cream products that are
5 produced at Class I plants that are subject to regulation
6 for which you would increase -- double the Class II
7 differential, and they compete against nondairy creamers,
8 correct?

9 A. I don't know how -- how close to the competition
10 there is. I don't know how close to the substitute there
11 is. I don't know whether Cremora and fresh cream are
12 really something that people switch between.

13 Q. Regardless, you haven't done -- American Farm
14 Bureau Federation has not done any study --

15 A. We have not.

16 Q. -- on this issue, correct?

17 A. We have not.

18 Q. American Farm Bureau Federation doesn't own or
19 operate any Class II plants, does it?

20 A. Not directly, no.

21 Q. Indirectly?

22 A. Well, the Illinois Farm Bureau has a close
23 relationship with Prairie Farms, for example, and I
24 believe there's some other cooperative creameries that
25 have been supportive in their initiation -- in their
26 initial establishment by Farm Bureaus, by state Farm
27 Bureaus.

28 Q. But does Farm Bureau actually operate a plant?



1 A. No, we do not.

2 Q. Do you actually sell any Class II products?

3 A. No, we do not.

4 Q. All right. Re-organizing, like I said, I just
5 thought it made sense to cover Class II since that's what
6 the two prior cross-examiners did.

7 So now I will turn to Class I.

8 THE COURT: Now, before you go there, may I return
9 that particular original --

10 MR. ENGLISH: Yes.

11 THE COURT: -- to the Agricultural Marketing
12 Service?

13 MR. ENGLISH: Yes. Yes, Your Honor, I'll do it if
14 you would like.

15 THE COURT: All right. So let's take a moment to
16 return that Exhibit 44 to the Agricultural Marketing
17 Service.

18 Would you like to go off record or just make a
19 proposal and have Mr. English respond on record?

20 MS. TAYLOR: I don't mind either way.

21 THE COURT: Let's stay on record.

22 Okay. Let me ask you, Agricultural Marketing
23 Service, we only have ten minutes left.

24 MS. TAYLOR: Right.

25 THE COURT: Part of that we need to use to
26 determine what happens tomorrow. This would be a good
27 time for us to interrupt Mr. English, if he's willing.

28 MR. ENGLISH: I am more than willing. It makes



1 sense, and I will use those extra five minutes to see if I
2 can shorten it by even more than the five minutes that we
3 are losing.

4 MS. TAYLOR: I think that would be a good
5 efficient use of our ten minutes today, and that way you
6 won't be interrupted. We'll start fresh in the morning.

7 If that's okay with Dr. Cryan.

8 THE WITNESS: Yes.

9 THE COURT: Excellent. Thank you.

10 And, Mr. English, I so appreciate your
11 perspicacity and nimbleness and willingness to make all of
12 this work.

13 MR. ENGLISH: Thank you, Your Honor.

14 THE COURT: All right. What is on the agenda for
15 tomorrow?

16 Well, Dr. Cryan, we need to finish. Does he go
17 first.

18 MS. TAYLOR: So we have Mr. Geoff Vanden Heuvel
19 who will be here tomorrow. I think he flies in this
20 evening, doesn't look like he's in the room. He will be
21 here tomorrow to go on in the morning sometime. Maybe
22 I'll chat with him when I see him in the morning, and
23 Dr. Cryan, to see if it is best to put -- I'm not sure
24 what's in his statement. I don't have it. He says it's
25 rather short. Put him on first or -- and then put on
26 Dr. Cryan. I don't know Mr. Vanden Heuvel's time
27 constraint. That's why I kind of preface that.

28 But we do have him to get on sometime tomorrow



1 morning, finish Dr. Cryan's cross, and then Dr. Capps,
2 Dr. Oral Capps, is scheduled to start tomorrow afternoon.
3 And I'm sure that will take up all of tomorrow afternoon,
4 into Friday, and I'm hopeful we will finish him sometime
5 on Friday.

6 THE COURT: And how is his last name spelled?

7 MS. TAYLOR: C-A-P-P-S.

8 And then Friday would be -- depending on when he
9 finishes, we could proceed with any additional National
10 Milk witnesses that are here. So we do plan to go to
11 5 o'clock on Friday.

12 THE COURT: Yes. Now, I'm wondering which of --
13 so who did we not get to today? We had Hiramoto. We had
14 Butcher. We haven't done Mike --

15 MS. TAYLOR: Herting.

16 THE COURT: -- Herting.

17 MS. TAYLOR: And Brad Parks, who was on my list
18 from National Milk yesterday.

19 THE COURT: And I wrote down Kang?

20 MS. TAYLOR: Oh, see, I missed a bunch of names.
21 I'll let Ms. Hancock speak for National Milk, obviously.

22 THE COURT: Okay. So who was disappointed that
23 they didn't get on today?

24 MS. HANCOCK: I'm sure none of them were
25 disappointed. But, Your Honor, I mean, we'll have to
26 jockey some people around. But, I mean, it doesn't look
27 like we're getting to them tomorrow, so we'll just have to
28 figure it out.



1 We have had some people who have had to leave,
2 some people who are here and can be available if for some
3 reason we move faster.

4 THE COURT: Great. Thank you. All right. I
5 think that's enough for the on-the-record.

6 Would anyone object if we go off record now?

7 There is no objection. I'll see you all here at
8 8 o'clock tomorrow morning, and we go off record at 4:54.

9 (Whereupon, the proceedings were concluded.)

10 ---o0o---

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATE OF CALIFORNIA)
) ss
COUNTY OF FRESNO)

I, MYRA A. PISH, Certified Shorthand Reporter, do hereby certify that the foregoing pages comprise a full, true and correct transcript of my shorthand notes, and a full, true and correct statement of the proceedings held at the time and place heretofore stated.

DATED: January 7, 2024

FRESNO, CALIFORNIA

MYRA A. PISH, RPR CSR
Certificate No. 11613



<u> </u> \$	\$0.60 8791:13 8796:3 8797:24,26 8798:8,15 8801:1,8,24 8818:10,14	\$2.15 8695:13	1.80 8682:1 8687:23 8688:4
\$0.01 8774:12	\$0.62 8801:6	\$2.17 8798:10	10 8623:13 8720:6 8751:10 8815:6 8824:26,27 8825:1
\$0.025 8774:13	\$0.65 8711:8,26	\$2.20 8775:23 8818:9	100 8696:18 8719:11 8727:19,20
\$0.035 8774:10	\$0.67 8795:7	\$2.25 8703:3 8758:27	100% 8632:21 8645:20 8773:20
\$0.05 8710:26 8711:6,27 8712:18,26	\$0.70 8682:19 8684:1 8773:28 8774:28 8776:22 8809:28 8810:20 8811:1 8817:27 8830:16 8833:27	\$2.35 8695:8,9 8710:25	10:30 8826:26
\$0.065 8799:14	\$0.75 8616:8 8788:24	\$2.40 8695:9 8750:10	10:54 8691:2
\$0.07 8811:12	\$0.80 8712:17,26	\$2.50 8636:21	11 8824:27
\$0.10 8675:26,27 8746:23 8750:17,19,20,25 8751:4,18, 19,20,27 8752:2,7 8753:24 8766:11 8767:2,6	\$0.82 8823:2	\$2.56 8828:28 8829:5	1146 8615:23 8616:12 8627:7,12
\$0.11 8824:26 8825:1,6 8828:18	\$0.84 8801:6	\$2.90 8636:16,18 8695:13 8750:24 8751:16 8752:3	115 8756:23
\$0.111 8799:8	\$0.86 8776:2 8801:4	\$3 8614:25 8687:15,26 8688:24 8695:10 8750:13,25 8751:17 8752:4 8817:3	115-degree 8728:2
\$0.12 8799:15	\$0.89 8801:5	\$3.25 8614:20	1150 8808:5
\$0.13 8811:1	\$0.90 8818:14	\$4.50 8616:3,16 8618:24	118% 8799:24
\$0.14 8804:21	\$0.95 8799:23	\$4.85 8615:7,24 8616:23 8618:24	1190 8614:24
\$0.15 8615:20 8616:28 8749:1	\$1 8635:27 8825:8 8828:23 8834:4	\$40,000 8702:9	1194 8613:4,6 8614:16,19,23 8616:12
\$0.1678 8773:12	\$1.04 8782:19	\$5 8683:20 8705:15	11:37 8715:18
\$0.17 8799:5	\$1.10 8818:18	\$5.10 8615:28 8616:24	11:38 8715:21
\$0.171 8799:12	\$1.15 8788:24	\$5.25 8615:16 8616:7,18	11:44 8718:13
\$0.176 8799:5	\$1.40 8833:27,28	\$70 8741:9	12 8693:14 8718:4,5,18,22
\$0.19 8798:16	\$1.46 8811:12	\$75 8740:19	120 8756:23
\$0.20 8750:26 8751:9,11 8752:5 8767:8	\$1.49 8774:23,24 8811:12	\$8 8683:8	122,920,000 8720:15
\$0.235 8799:14	\$1.56 8772:23 8773:16 8775:28 8776:7,23 8809:28 8818:4,19 8822:17 8823:19, 28 8824:6,11,20 8828:3,23, 28 8830:25	- ----- ---o0o--- 8728:27 8844:10 ----- 0 -----	122,920,000,000 8720:17
\$0.24 8799:19	\$1.60 8636:20 8688:9 8775:22 8776:8 8778:4 8781:27 8782:20 8790:7,11, 12,18,22 8791:5,15,17,23,25 8793:20 8803:4,6 8804:20 8805:4 8817:26	0.8 8774:19	126 8719:11 8831:15,23
\$0.25 8615:1,12,27 8746:16, 20 8748:20 8753:23 8799:27 8800:17	\$1.65 8798:15	1 -----	128 8723:3,7,25 8724:16 8725:3
\$0.27 8795:8	\$1.70 8635:23 8636:8,21 8672:5,7 8688:9	1	12:04 8728:21,25
\$0.30 8687:24	\$1.90 8672:11,13	1.464 8837:3	13 8711:27 8712:4,10 8716:2
\$0.35 8616:26	\$1.95 8672:11	1.49 8774:22	131 8694:19 8695:20 8696:6 8831:15,24 8832:28 8833:2
\$0.40 8794:6 8795:5	\$122 8776:7	1.60 8677:8 8681:25,28	14.2 8776:4
\$0.4153 8799:18	\$130 8741:9	1.70 8671:17 8677:8 8681:28	140 8738:22
\$0.4339 8799:22	\$2 8672:13 8688:2,4 8750:6 8751:28		1405 8632:3
\$0.44 8800:19	\$2.10 8681:25 8688:1,3 8695:12 8750:17 8752:1		143% 8799:18
\$0.45 8682:19			15 8713:3,5,8
\$0.50 8804:19			15% 8815:6
\$0.517 8799:22			15-minute 8658:20
\$0.52 8799:24			15.8 8713:11
			150 8697:22 8738:22
			150% 8700:19 8703:22



160 8790:22	2.10 8682:5 8687:24 8688:4	8833:20 8835:24,27	36 8692:21 8701:14 8715:1
170 8635:20,22	2.20 8818:18	211,046,598 8836:5	365 8718:6,19
18 8725:22	2.50 8675:21	22 8707:17 8717:7 8770:22	366 8630:22
19 8615:24 8634:3 8637:1,19 8641:11 8650:2 8656:12 8700:11 8710:4 8722:4 8750:13 8762:18 8766:5,28 8767:17 8770:23 8776:12 8777:22,28 8779:26 8793:18 8817:16	2.60 8687:17	221 8836:6,7	368 8630:22
1900s 8722:5,7,9	20 8678:17 8703:19,23 8740:6 8741:3 8770:24 8777:22 8778:2 8782:7 8789:28 8790:5,25 8806:6 8817:16	221,046,598 8836:2	369 8613:2 8614:17,23 8627:3 8630:22
191 8750:1	20% 8643:12 8644:9 8833:1	226,462,000,000 8720:17	37- 8731:9
1937 8805:25	2000 8636:24 8693:28 8697:3 8700:10 8703:17,22 8708:4,11 8745:7 8799:22	23 8649:27 8652:6,12,13,19	370 8630:10,12,14,16
1957 8722:12	2000s 8668:27	24 8729:13	372 8722:13
1960 8692:15,20 8714:26 8716:7 8717:20 8719:7 8720:2,14,16 8721:14 8722:18,22 8723:23,24 8724:12 8725:19	2001 8638:14 8657:26 8658:3 8799:11,18	25 8619:19 8633:16 8644:5, 16 8662:2	373 8631:20,23,24 8632:5 8637:8 8689:11,13,14,16
1961 8716:2	2002 8794:27	25% 8620:27 8621:2 8627:22 8831:13 8832:22	374 8648:19,20,23 8664:7 8670:15 8682:13 8689:18,21 8690:4,5
197,000 8725:7,12,27 8726:11,20 8727:27 8729:21	2005 8799:23	26% 8622:6	375 8664:8,10,11 8670:16 8690:12,14,16
1985 8806:3	2006 8796:19 8799:13	27 8729:10	376 8691:4,5 8692:1,2,3,6 8695:15 8709:27 8718:15 8744:26 8747:15 8763:12, 14,16
1990s 8722:4	2008 8780:22 8826:20	27.6% 8695:10,25 8711:3	377 8715:7,8,22 8719:22,23 8720:13 8722:21 8763:18 8769:5,7
1995 8801:4	201,000 8729:18	29 8611:1,3 8729:1	378 8691:26 8716:14,18,19 8719:22,24 8725:7,11 8729:21 8763:19 8769:9,11
1996 8801:4 8806:2	2013 8645:11	2:13 8764:26	379 8720:28 8721:1,2,5,18 8763:19,23 8764:8 8765:13 8768:9,21,26
1998 8779:28 8780:19 8783:1,28 8790:15,24 8791:2,24 8793:3 8794:26, 28 8797:26 8798:8 8799:5 8802:23 8820:27 8824:3	2014 8645:11	2:25 8764:27	38% 8695:13,27 8700:15
1999 8782:3,6 8786:22 8791:24 8799:7 8806:3 8822:27	2015 8624:6	2:28 8765:2	380 8728:13,14,15,16,23 8729:8 8763:19 8769:13,15
1:05 8728:22	2016 8774:11 8776:18	2:42 8770:4	381 8731:10,16,18 8763:19 8769:17,19
1:06 8729:3	2017 8698:19 8700:13,20 8703:27	3	382 8770:6,7 8771:8,10 8810:15
1:10 8731:12	2018 8635:14 8637:2,10,12 8642:26 8644:9 8651:13 8698:10	3 8634:13 8649:23 8695:1 8703:26 8718:15 8729:12 8744:19,20,26 8762:21 8782:16 8788:12	383 8770:9,10 8771:11 8779:13 8781:18 8790:1 8795:15 8802:4
1:11 8731:14	2019 8708:11	3.5% 8798:11	384 8770:13,14 8787:14
1st 8692:15	2020 8707:19 8741:12	30 8698:19 8702:9 8790:15 8806:16,24 8807:7 8831:14, 23	390 8692:20 8714:21,26 8722:25 8723:2,24 8724:17, 19
<hr/> 2 <hr/>	2020- 8796:19	30% 8622:5,6,7 8644:5	3:33 8801:28
2 8634:12 8635:8,11 8694:26 8695:15 8703:21,27 8709:26 8746:2 8747:15 8778:14,15 8779:13 8781:18 8782:14 8788:7 8810:15	2021 8717:10 8721:19 8784:1 8835:27 8836:10,17, 26	300 8649:28 8652:14 8749:17	3:35 8802:3
2% 8708:11 8729:20	2022 8650:15,20 8652:3 8703:17,18 8717:11,12,15, 20 8720:2,17 8725:7,12,24, 28 8726:2 8727:16,27 8729:14,22 8773:18 8776:5 8795:1 8799:17,24 8801:5	301 8611:11 8630:20 8650:2 8749:21,26 8784:4	3:48 8809:15
2,462 8726:2,21	2023 8611:1,3 8650:1,3 8652:4,6 8703:22,28 8704:2 8717:7,14 8719:11 8729:1, 10,14,16 8826:21	302 8784:4	3:55 8809:14,18
2-something 8683:23	203 8632:18	308 8784:5	
	21 8649:21,22 8772:13,15 8777:20,27 8778:6 8809:27	31% 8798:13	
		32 8831:15,23	
		35 8697:27 8702:19 8706:8, 19 8714:22	
		35% 8698:11	
		357 8784:6	
		358 8784:6	



<u>4</u>	57 8648:19	<u>9</u>	8712:21 8732:7
4 8634:14 8687:10 8699:18 8707:9 8708:17 8718:9 8790:2,3	58 8630:21	9 8806:22	accurately 8637:13 8696:5 8744:20
4,000 8623:13	<u>6</u>	9-point 8825:7	achieve 8784:22
4,380,000,000 8718:20	6 8634:17 8637:8 8641:9 8675:13 8706:6 8707:12 8716:3 8758:25 8771:19 8795:15 8797:12 8799:15	9.03% 8773:19	achieves 8775:2
4,472,000,000 8720:2	60 8675:19 8697:27 8724:13	9.4121 8773:14,18	achieving 8814:5
4,600,000,000 8720:6	60% 8699:24	90% 8717:24	acknowledge 8718:24 8810:18
4,772,000,000 8717:16,24 8720:9	60,000 8724:7	900.8(d)(4) 8763:26	acknowledged 8796:19
4,800,000,000 8717:21	600 8632:19	95.9 8837:1	acknowledging 8670:16
4.06% 8773:20	60s 8758:1,10 8760:27	98th 8632:3	acquire 8702:27 8728:6
40 8698:13	63 8794:8 8801:19	99 8773:13	acquiring 8775:10
42% 8694:2 8703:18	65 8712:10	9:07 8648:14	acre 8702:9
44 8826:16,19 8835:21 8841:16	65 8712:10	9:09 8648:17	act 8621:27 8633:21 8719:18 8728:3 8801:13 8805:25
44% 8800:1	66111 8632:4	9:30 8658:22	actions 8696:26
44,000 8698:14	68% 8794:26 8795:4	9:45 8658:21	actively 8739:11
45 8684:1	<u>7</u>	9:46 8658:25	activities 8757:25
46 8691:3	7 8628:6 8638:4 8683:8 8703:18 8716:4 8717:8 8719:23 8720:13 8721:19 8722:21 8724:3 8763:26 8798:21,22 8801:17,21	<u>A</u>	actual 8629:23 8660:9 8713:11 8784:22,27
461 8716:11 8717:21 8720:1, 6	7.35 8694:2 8703:18	A-G 8807:27	adapt 8637:17 8677:19
47% 8811:27	70 8675:19	a.m. 8827:6	add 8649:12 8669:10 8686:25 8699:4 8700:26 8824:25,27 8835:7
48 8698:3 8701:15	70% 8697:27	ability 8690:9 8697:5,9 8702:9 8733:1 8756:1 8839:18	add-on 8838:14
49,000 8698:3	711 8836:19	above-referenced 8803:2	added 8638:3 8711:16 8740:12
4908 8794:8 8801:19	711,830,344 8836:18	absence 8786:1	addendum 8741:25
4909 8801:19	75% 8620:18	absolute 8702:22 8818:12	adding 8740:7 8791:12
4:54 8844:8	76 8697:28	absorb 8698:1	addition 8634:19 8700:16 8706:18 8775:8 8777:7,15 8792:12,24 8796:25 8798:28 8806:14 8833:20
<u>5</u>	78,000 8697:28	abstraction 8786:8	additional 8618:20 8623:1 8629:14,17 8638:25 8663:9 8697:6 8699:4 8700:28 8701:3 8724:27 8737:28 8738:2 8749:2 8765:14 8780:28 8781:6,10 8794:4, 19 8795:23 8799:27 8800:17,28 8802:26 8804:14 8807:2 8843:9
5 8634:15 8640:19,22 8641:2 8671:7 8673:1 8705:12,22 8712:4,10 8735:3 8772:14 8843:11	<u>8</u>	abundant 8692:27	additionally 8636:10
5-6 8664:10	8 8639:18 8686:23 8704:4 8707:9,28 8708:25 8709:15 8717:9 8719:23 8725:9,10 8801:27 8802:3 8844:8	accentuation 8700:11	address 8632:1 8689:18 8693:3 8704:14 8708:2 8728:23 8741:28 8772:2 8789:28 8806:9 8814:5 8821:5 8822:10
5.10 8615:11	8% 8708:10	accept 8649:1 8666:2 8763:26 8822:22	
5.16 8694:1 8703:17 8708:5	80 8725:23,28 8726:11,20	accepted 8772:3	
50 8698:2 8724:8 8771:19	80% 8700:21 8703:28 8717:27	accepts 8645:24 8772:21	
50,000 8722:22 8723:2,22 8724:5,6,14,17	88 8722:14	accident 8661:22	
51 8632:21 8640:4 8667:13 8684:11	8:00 8611:4 8827:6	accidents 8700:4 8793:12	
53 8630:21		accordance 8698:6	
550 8623:12		account 8682:22 8711:18 8757:24 8786:14,15	
		accounted 8629:8,13 8658:12 8682:23 8755:8,13	
		accounting 8629:3 8633:18	
		accurate 8682:14,26,27	



addressed 8694:17 8741:19 8786:2	8778:23 8802:18 8807:11 8815:13 8818:26 8830:18, 21,24,25 8838:4	22	amount 8628:15 8658:11 8678:6 8680:21 8697:24 8702:4 8745:5 8755:28 8809:2
addressing 8629:9 8810:6	advantage 8662:10 8761:16 8839:3	Agriculture 8716:1 8717:5 8769:1 8774:9	amounts 8804:5
adds 8638:23 8701:1 8705:23,25 8825:8	advantages 8762:11 8821:14	ahead 8648:27 8649:1 8692:8 8712:8 8722:10 8761:19	AMS 8626:21 8689:6 8759:8, 19 8776:17 8786:27 8794:16 8807:9
adequacy 8810:2	adversity 8693:12	ahold 8824:21	analysis 8726:14 8776:6 8780:19 8783:1,3,5,27 8785:27 8786:11 8802:27 8810:1 8821:7 8823:3 8825:8 8834:19,25
adequate 8621:28 8622:9 8643:24,27 8677:16 8701:22 8768:13	AFBF 8771:24 8772:1,13,21 8776:28 8779:26,28 8785:23 8787:1 8790:5 8795:6 8808:21	aimed 8780:10	Anderson 8665:9,12,28 8666:8,11
adequately 8650:24	AFBF's 8772:5 8834:15	air 8638:1 8686:2	Angeles 8657:22 8660:19,28 8661:4,5,11,24 8662:4
adhere 8794:2	AFBF-5 8770:6	akin 8793:10	animal 8622:24
adjacent 8750:27	AFBF-5A 8770:9	alfalfa 8722:3	animals 8693:5
adjust 8637:16,21 8677:19 8741:17 8757:24 8777:17 8805:27	AFBF-5B 8770:12 8787:14	algebraic 8726:7	announces 8831:25
adjusted 8629:23 8741:20	affect 8633:26 8634:1 8704:10 8766:9 8783:25 8804:8	align 8660:5	annual 8703:8 8708:3,9,11 8776:17 8832:6
adjustment 8662:3 8692:19 8696:4 8704:9 8789:15	affected 8771:22	aligned 8612:22 8673:22 8684:6 8780:24	anonymous 8639:2
adjustments 8630:1 8694:24 8777:4 8785:8 8786:6 8787:4,6	affects 8816:26,28	alignment 8654:19 8656:14, 16,20,21,24 8657:7,10,12,14 8659:4,9,17,18 8660:12 8668:25 8672:16 8684:4,7, 22 8772:12 8792:13,25 8793:5 8802:8 8803:1 8805:5 8819:1	answering 8679:5
Administration 8700:18 8703:24 8808:6	affirmative 8629:5	alignments 8657:5	anticipation 8691:26
administrative 8795:28	affordable 8704:19	aligns 8704:22	apologize 8633:8 8639:24 8644:7 8647:18 8679:7 8692:2 8705:12 8707:13 8753:17 8756:6 8765:23 8782:5 8827:3,10
Administrator 8799:3,21 8805:20	afternoon 8692:13 8729:1 8753:12 8843:2,3	allocate 8680:26	Appalachian 8796:21
Administrator's 8784:15,16 8800:25	ag 8685:25	allocating 8786:17	appearance 8794:1
admissibility 8768:22	ag-friendly 8676:9	allowance 8679:24 8680:10, 15 8773:13 8774:20 8777:3, 11,12 8797:25 8798:7,9,14, 17 8811:21 8822:26 8823:20 8824:28 8825:20,21 8826:1, 3 8827:19,26 8828:1,8,10 8834:3	appears 8720:24 8810:14
admission 8630:10,12 8649:5 8670:15 8689:11,13, 20 8763:12 8767:28	Agawam 8615:5	Allowances 8773:8 8777:1,8 8797:23 8824:24 8825:26 8833:24	Appendix 8638:15 8640:15
admit 8690:3 8768:10 8769:5,9,13,17 8824:14 8832:6	agenda 8842:14	allowing 8704:28	application 8790:16
admitted 8630:14 8689:14 8690:10,13,15 8763:14 8768:23 8769:2	agree 8636:23 8644:10 8658:6 8660:28 8683:16 8711:9 8712:14 8718:28 8721:1 8723:26 8724:21 8725:4,15 8726:13 8732:23 8734:9,13 8748:21 8751:11 8766:10 8836:2	Altogether 8801:22	applied 8644:4,8 8659:8 8784:3 8797:23,24,26 8798:1,8,18 8799:28 8800:18
adopt 8704:7	agreed 8785:11 8839:12	AMAA 8621:26	applying 8795:4 8798:15
adopted 8613:18 8635:15 8656:12 8669:15 8679:21 8695:5 8704:26 8786:9 8824:25 8827:17,18 8828:13 8834:2	agreement 8621:27 8755:27	ambivalent 8820:22	appreciates 8772:2
adopting 8635:19 8636:8 8637:1	agreements 8741:20	amended 8740:12	approach 8664:9 8726:13 8802:26
adoption 8636:19 8704:13 8705:2	agrees 8636:18 8779:28	amendment 8741:26	approaching 8696:25
advance 8670:16 8772:4	Agri-mark 8613:12 8614:3 8617:14,20,24 8618:6 8619:24 8624:4,14 8625:6	America 8632:13 8645:17, 20 8693:20 8704:13	approved 8793:26
advanced 8776:20,21,25	Agri-mark's 8614:2 8619:7	American 8770:19 8771:18 8772:15 8805:23 8839:16 8840:13,18	approximate 8646:6
	agricultural 8611:9 8621:27 8623:19,21 8624:10 8627:2 8630:19 8674:19,21 8693:11 8701:20 8716:1 8717:6 8729:10 8753:8 8841:11,16,	amid 8696:11	approximately 8611:4 8698:11 8794:6 8796:3 8801:24



April 8741:12 8826:21	articulate 8817:21	authenticity 8763:28 8764:4	back-and-forth 8677:25
area 8624:27 8626:7,9 8627:23 8628:10 8632:14,18 8633:18 8636:18 8638:13 8646:25 8647:1,2,4 8650:28 8653:2 8654:28 8656:26 8657:14 8659:18 8661:19 8664:21 8667:9,19,20,27 8668:4 8669:4 8670:9 8688:7,8,28 8694:3,5,20 8695:20 8697:17 8698:16,18 8700:6 8701:11 8727:10,14 8748:7,11 8752:15 8757:14, 15 8758:16 8760:4 8762:24 8786:17 8819:10	articulated 8823:5	author 8721:19 8764:3,6,11, 14 8768:12	backed 8822:7
areas 8625:25 8629:27 8637:16 8638:22,23,27 8645:24 8647:27 8661:18 8683:6 8695:2 8696:3,6 8702:12,16,22 8730:12 8754:27 8784:25,26	asks 8765:4	authority 8644:14	background 8694:16 8697:12 8747:13
arguable 8785:20	aspect 8707:25 8741:15 8755:7 8762:4	authors 8738:9	backwards 8676:27
argue 8772:28 8775:25 8789:14 8791:9	aspects 8702:1 8755:11	automatic 8777:7	bacteria 8706:14
argued 8806:4	assemble 8625:28	automation 8701:10	bad 8686:5 8812:19,26 8824:14
argues 8805:24	assembly 8799:28 8800:18	availability 8701:18,24 8772:25,26	badly 8783:1
argument 8654:17 8745:21 8803:10 8810:24 8815:16	assert 8811:10	average 8615:14,15,20 8616:3,7,13,15,19 8618:24 8625:23 8638:13 8649:23 8657:27 8685:1 8694:14 8698:13 8704:3 8710:7 8718:23 8719:14 8721:13 8722:13 8723:25 8726:12, 21,22 8727:8 8750:9,10 8773:14,18,20,21 8776:2 8785:13 8788:22 8799:4,6, 11,13,17,21,27 8800:17 8801:4 8803:22,23 8804:14	Baker 8721:20,23
arguments 8791:22	assessing 8775:6	average-of 8830:19	balance 8624:16 8760:3 8816:9 8817:9 8822:3 8838:19,20
arid 8692:24 8696:7	assessment 8683:17	averages 8616:9 8710:11 8720:12	balances 8693:22
arithmetic 8822:20,21,23	assessments 8782:1	avoid 8669:22 8813:12	balancing 8620:26 8645:23, 26 8759:27 8760:10,23 8775:14 8785:19 8791:27 8795:13,17,19,20,27 8796:17,24 8797:22 8798:26 8803:9 8812:22 8817:8 8819:15 8821:4 8822:6,16
Arizona 8646:22,24,28 8647:3,5 8692:15,16,22 8693:1,10,22,27 8695:16,21, 22,23 8699:26 8700:10,27 8701:3,19,27,28 8702:4,8,10 8703:5,16 8704:11,20 8705:16 8707:2,3 8709:6,13 8714:17 8715:3 8716:6,7 8717:11,20 8719:10,12,16, 25 8720:3,21,26 8721:14,20, 25 8722:12,22 8723:23 8725:8,11,12,24,28 8726:25 8727:9,11 8728:2 8729:15, 22 8730:7 8749:7,10,13 8751:3 8754:11,16 8755:10 8756:27 8758:1,3,14 8759:23 8760:11 8761:11,21 8763:4 8764:12,13 8766:21 8768:13,18 8832:26	assets 8756:12	aware 8644:6 8646:23,25 8653:19 8654:1 8669:1,5 8688:23 8739:8 8743:8,14, 15 8761:14 8810:5,28 8811:14 8813:23 8831:14 8832:1,2,3 8839:21,25	ballpark 8829:1
Arizona's 8693:18 8694:1 8705:1 8707:16 8708:18 8722:2	assign 8626:2	axles 8698:1	banking 8702:25
arrive 8637:17 8677:19	assigned 8636:27 8637:22 8641:12 8673:2	B	bar 8683:10
arriving 8755:28	associate 8831:24	B-O-L-G-E-R 8612:6	barely 8761:1
article 8721:17	association 8635:12 8692:17 8709:25 8809:22	B-R-E-N-T 8691:10	barns 8701:9
	assume 8709:12 8721:27 8734:10 8774:13 8835:19 8838:21 8839:26	B-U-L-G-E-R 8612:3	base 8651:19,28 8778:3
	assumes 8803:26	B-U-T-C-H-E-R 8691:10	based 8645:27 8651:20,23 8660:1 8668:23 8680:12 8742:6,8,17 8750:22 8771:25 8772:16 8773:5,18 8774:1,7 8775:14,24 8779:1 8780:19 8781:28 8783:1 8784:1,2 8785:8 8786:6 8787:2,4 8791:1,4,14 8793:16,21 8795:4 8798:11 8799:25 8800:15 8801:2,8 8803:7 8806:9 8810:24 8812:11 8821:3 8822:18,28 8828:3,9,12 8830:18 8834:8 8838:4,11,12,25,27 8839:23
	assuming 8627:16 8628:14 8672:23 8758:9 8828:26 8833:19	back 8611:2,3,8 8616:11 8622:3 8630:20,21 8640:8 8642:26 8648:16,17 8658:21,24,25 8668:27 8676:1 8691:1,2 8700:13 8708:28 8712:19 8715:20,21 8718:12,13 8719:6 8721:13 8722:18,21 8725:6 8728:21, 22 8729:2,3 8731:14 8734:11 8739:5 8740:2 8744:4 8746:2 8748:7 8764:24,27 8765:1,2 8770:3, 4 8802:2,3 8803:15 8809:13, 14,17,18 8811:6,25 8812:10 8822:15 8830:22	baseline 8653:1 8711:15
	assumption 8741:21		bases 8696:22 8790:13
	assure 8661:20 8711:19		basic 8635:16 8791:28 8793:5 8802:13
	assuredly 8636:26 8704:24		basically 8624:19 8625:11 8626:18 8646:2 8654:20 8656:25 8671:16 8674:9 8678:24 8729:27 8742:4 8811:20 8829:13
	asterisk 8689:26		basin 8696:16,18
	attempt 8747:26		
	attempted 8785:9 8786:25		
	attendant 8776:4		
	attention 8718:14 8722:1 8729:15		
	attest 8764:4		
	attorney 8660:27		
	attorney's 8649:2		
	attracting 8781:10		
	attrition 8618:5		
	audited 8773:6 8774:7 8828:2		
	August 8743:28		
	Australia 8805:14		



basing 8802:25 8825:23,24	blue 8707:16 8708:5	build 8702:10	calculation 8652:16 8773:2, 25,27 8774:28 8811:9 8813:2 8828:12 8829:8
Basins 8696:27	board 8684:8 8694:15 8805:4 8824:17	built 8645:10,12 8668:28 8669:7 8670:4,7,10 8730:13 8792:4,11	calculations 8649:8 8690:9
basis 8622:23 8623:5 8648:26 8741:15 8756:2 8760:21,27 8804:4 8818:11, 12 8819:18,24,26 8820:15, 24	body 8612:21	Bulger 8611:22,23 8612:1,2, 3,7,24 8613:9,12,15 8614:13 8620:4,7,8	calculator 8724:24
bear 8618:21 8694:9 8749:23 8825:20 8827:9	bold 8778:17 8779:15	bunch 8843:20	calf 8701:9
Beg 8831:7	Bolger 8612:6	burdens 8694:9	Cali- 8661:2
began 8635:17	boom 8729:26 8730:2	Bureau 8703:20 8770:20 8771:18,25 8772:15 8839:16 8840:14,18,22,28	california 8632:19,24,26 8633:17 8634:7,13,14,15,17, 20,21 8635:3,8,11,13,14,16, 17 8636:3,9,11,13,24 8637:1,16,23,28 8638:12,15, 19,27 8639:2,26 8640:2,6,9, 21,26 8641:7 8642:11,14,23, 24 8643:7,15,19,25 8644:8, 11,13,17,20,25,26 8645:3,13 8647:5,8,9,15,22 8648:24 8650:25 8652:8 8653:11,25 8654:8,9,21 8655:8,16,22 8656:4,5,11 8657:2,8 8659:5,9,17,19,24 8660:3,18 8662:17,21 8663:3 8665:16 8666:6 8667:10,13,20,22 8668:24 8669:9,12,13,15,16, 17,19,28 8671:12,14 8672:21 8675:19 8676:8,11, 18 8677:12,14,15,27 8679:20 8680:16,21,27 8681:2 8682:17,18 8683:3,5, 7,19 8684:1,15,28 8685:2,9, 20,25 8686:6,22 8687:11 8705:15 8727:2 8749:13,28 8751:3 8761:7,17,21 8765:21,28 8766:21,27 8767:4 8774:9 8776:17 8806:15,17,25 8807:2,4
begin 8637:10 8770:26 8782:15 8797:17	bootstrapped 8654:16	Bureau's 8777:26 8834:10	California's 8635:19 8636:20 8637:25 8750:5
beginning 8647:17 8722:9 8739:12 8740:13 8746:4 8793:21	border 8654:3 8749:13	Bureaus 8840:26,27	call 8617:11 8621:23 8625:12 8644:28 8653:1 8680:16,19 8689:27 8715:13 8716:21 8721:28 8756:1 8757:1,11 8758:18 8760:2 8801:14 8806:1
begins 8637:9	borne 8704:22	bus 8684:9	called 8649:28 8669:3 8697:26 8715:27 8717:3 8725:11,22 8729:13
begun 8795:16	boss 8675:5	busiest 8788:18	calling 8612:4 8729:15
behalf 8632:13 8673:17 8704:10 8759:14	Boston 8628:17	business 8624:13 8632:1 8639:1 8679:3,13 8702:24 8740:25 8722:13 8808:5,6, 17	calls 8690:23
believes 8808:21	bother 8837:28	businesses 8702:24	campus 8757:6 8760:9
believing 8654:11	bottlers 8693:22 8694:7 8702:17 8744:2,13 8766:20	Butcher 8611:16 8690:24,25 8691:10,15,24 8692:14 8695:14 8705:6 8707:8 8709:20 8721:12 8731:21 8747:3 8759:17 8764:2 8769:21 8843:14	Canyon 8693:26
belong 8723:8	bottling 8744:10 8746:1 8758:15 8791:28 8792:1	butter 8693:24 8731:5 8760:3,5 8774:12 8796:9 8797:3,21	cap 8829:20,22
benefit 8618:9 8624:15 8772:10 8787:20	bottom 8661:21 8674:2 8677:18 8695:11 8720:13 8781:18 8782:14 8806:21	butterfat 8773:10,21,22,24, 26 8776:23 8798:11	capacity 8620:21,25 8693:17 8701:13,14 8786:28 8796:23 8803:20 8804:8,10, 12
benefits 8704:15	boy 8770:12 8787:15	buttermilk 8733:14,17	
Bernardino 8685:12 8687:20,23 8752:24	Brad 8843:17	buy 8754:21 8766:24 8814:14 8815:28 8822:1	
best/worst 8661:11	Bradley 8759:13	buyers 8741:21	
biannual 8794:13	break 8658:20,23 8659:1 8678:23 8679:16 8690:26,28 8700:7 8757:1 8764:23,24, 28 8768:2 8809:13,16	buying 8821:13	
big 8679:26 8688:10 8727:1 8830:27	breakfast 8804:27	byproducts 8702:5	
bigger 8723:13	breaking 8729:7		
billion 8718:9 8776:4	Brent 8690:24 8691:10,15 8692:13	C	
bistate 8635:6	Brian 8767:25	C-A-P-P-S 8843:7	
bit 8612:22 8629:20 8634:26 8670:24 8675:22 8687:11 8714:16 8715:3 8731:4 8738:24 8744:8 8747:13 8757:26 8769:22 8783:21 8787:20 8812:8 8818:19	briefly 8705:24 8839:11	C-O-M 8807:28	
blend 8635:7 8830:28 8838:1,2,25	bring 8834:21	C-R-Y-A-N 8770:19	
blended 8623:9	bringing 8618:28	Cabot 8625:21,27 8626:3	
blends 8693:24	brings 8640:8 8699:28	calculate 8810:12	
blossomed 8722:2	Brinker 8784:6	calculated 8651:3 8773:11 8774:20 8821:23	
blossoming 8722:9	broadly 8780:10	calculating 8650:26	
	broiler 8805:10		
	brought 8747:25 8752:17 8754:2 8762:3		
	buck 8675:19 8679:13		
	bucks 8678:17		
	budgets 8633:20		



capital-intensive 8702:23	challenges 8661:1,6,8 8692:22 8696:12 8704:15 8775:15 8785:19 8786:1 8791:7 8804:1	chose 8730:3 8821:23 8822:12	8742:6,16 8743:24 8744:1,7, 10,13 8745:14,20,26 8746:1, 5,8,17 8747:24 8756:15
Capper-volstead 8692:16		chosen 8754:6	8758:15 8760:2 8762:10 8763:9 8766:20 8770:22
Capps 8843:1,2	chance 8824:21	Chuck 8658:10	8772:12,14,16,17,20,21,22, 24,26 8773:5,28 8774:3,5,6, 21 8775:3,4,6,7,9,12,13,15, 16,17,18,19,21,24,25,26
capture 8676:4 8738:16,20, 23 8739:1	change 8617:14 8637:4 8641:1,3 8659:3 8667:17 8669:26 8694:25 8695:13 8703:8,9 8708:3,9,10,11,12, 14 8720:25 8740:8 8749:3 8750:26 8751:11 8775:28 8776:24 8779:20 8781:17, 20,21 8797:12 8826:1 8828:1,10 8835:3	chuckle 8758:20	8776:1,5,8,9,10,13,14,15,20, 21,24,26 8777:6,9,14,16 8778:1,3,10,11,12,18,22,23, 25,27,28 8779:3,4,7,9,15,20, 21,27,28 8780:2,18,27 8781:1,4,6,27 8782:18
captured 8650:24 8738:19 8754:18 8804:2	changed 8639:15 8651:15 8677:14 8702:3 8766:27,28 8779:17	Churchill 8634:24,28 8635:1,9 8640:24 8641:5 8645:6 8666:19,25 8667:27 8668:1,2,12 8669:1,7 8670:4 8671:9,10 8672:7,11	8783:8,15,17,20,23 8784:2, 11 8785:2,21,23 8786:2,4 8787:3,24,27,28 8788:3,6,7 8790:6,9,10,12,20,21,26 8791:10,15,16,18,21,23 8792:13,14,25,27 8793:4,9, 13,20 8795:20,23,25 8796:2, 12,15,17,25 8797:23
capturing 8656:27	changing 8660:13 8762:2 8776:20	circumstance 8813:19	8798:10,17 8799:2,27,28 8800:1,3,17,18,19,21,27,28 8801:4,11,12,14,23 8802:8, 12,13,14,18,21,23 8803:1, 11,16,18,24 8804:1,2,18,19, 20,22 8805:3,5 8806:3,27 8807:11,14 8808:1,13,17,19, 22 8809:27 8810:2,7,11,20 8811:27 8812:10,14,19,21, 28 8813:2,9,15 8814:3,4,5,9, 12,14,16 8815:12,14,26,27 8816:2,14 8817:2,11,20,23, 24,26,27 8818:2,4,5,8,9,17, 24,25,26,27 8819:4,5,6,8,9, 11,12,14,15,16,18,24 8820:23,28 8822:16,17 8823:21,24 8825:19,21,22 8826:2,20,28 8827:2,19,21, 25 8828:4 8829:4,9,10,16, 17,18,20,25,28 8830:3,4,5,7, 26,28 8831:1,2,4,5,8,13,16, 24,25 8832:23,26,27 8833:1, 6,7,17,21,22,25 8834:3,4,5 8835:1,5,7,10,12,18,28 8836:11,12,17,19,28 8837:3, 6,7,13,16,17,18,19,20,22,24, 26,27 8838:1,5,6,9,12,13,15, 17,22,23,25,26,27,28 8839:1,4,9,12,14,17 8840:2, 5,6,19 8841:2,5,7
care 8676:10 8705:28 8816:13	chaos 8805:5	circumstances 8785:9 8816:23 8829:14	classes 8622:5,6 8779:2 8817:17
carefully 8705:2	characterize 8751:8 8768:9	citation 8776:16 8791:11 8796:5	clauses 8743:16
carries 8782:16	characterized 8714:19	citations 8798:19 8800:22	cleaning 8701:16
case 8681:23 8816:15 8821:11 8822:1,2 8834:1	charge 8621:11 8663:9 8739:27 8742:24,25,28 8743:19 8756:1,2 8799:4,6	cite 8784:14 8785:10 8790:24 8794:14 8795:10	clear 8612:20 8629:6 8635:21 8678:16 8680:9 8694:14 8707:13 8710:15 8723:20 8755:20 8762:7 8772:3 8784:6 8803:14 8807:20 8819:3
casein 8839:28 8840:1,2	charges 8621:24 8699:8,23 8701:17 8755:19 8756:4 8796:1 8798:25	cited 8794:22,25	
cases 8810:25 8821:28 8822:4	chart 8639:3,10,19 8682:11 8686:24 8709:15,28 8758:1	cities 8730:13	
catch 8647:17	chat 8842:22	city 8632:3 8694:8 8789:23	
category 8674:14 8772:14	check 8690:27	claim 8676:9	
caused 8698:16	cheese 8620:24 8633:1 8644:27 8645:19,26 8731:4 8736:14,15 8786:19 8791:8 8796:8 8804:11 8816:4	claiming 8793:8,11	
causing 8806:17,25	cheeses 8693:24	claims 8803:22	
caveat 8686:25	chemical 8839:22	clarification 8613:8 8614:7 8628:2,28 8735:5 8802:10 8812:3 8819:21 8821:15 8836:8	
CDI 8662:23	chemicals 8701:17	clarified 8657:4	
cell 8622:19 8706:14,17,23 8736:12 8737:1	Chicago 8799:3,6	clarify 8667:5 8669:11 8673:8,15	
Census 8703:20	chicken 8805:11	clarity 8733:7 8738:24	
center 8709:9	chief 8770:19	Clark 8634:23 8636:15 8664:28 8665:6,28 8666:1,3 8667:26	
central 8625:21 8637:25 8638:23 8644:27 8645:19 8657:21 8660:18 8662:6 8671:17 8672:20 8685:28 8688:26 8689:5 8786:13	chillers 8702:16	class 8612:28 8619:7,9 8620:28 8621:1,4,10,17,19 8622:6,7,13,14,17,26 8623:3 8634:6,22 8635:4 8637:15, 20 8640:12 8642:11,14,22 8643:11 8644:5,9,21,23,24, 25,26 8645:2,9,15 8646:6 8647:21 8648:6 8649:27 8650:12,26,28 8651:4,19 8652:12 8655:15,16,17 8657:7 8660:13,17,20 8662:4,14,18,19 8663:9,21 8666:25 8680:12 8692:19 8693:22 8694:17 8695:1,24, 26,28 8703:5 8704:9 8710:1, 3,19,24 8711:6,7 8712:25 8713:26 8714:1 8741:28	
centralized 8786:9	Chip 8626:26 8642:9 8826:11	classifying 8793:8,11	
centrally 8789:21	choice 8814:16 8817:10	claiming 8793:8,11	
cents 8774:20	choose 8623:7	claiming 8793:8,11	
cereals 8804:27	chooses 8816:7 8821:2	claiming 8793:8,11	
certainty 8735:22 8780:11		claiming 8793:8,11	
certification 8796:27		claiming 8793:8,11	
certified 8732:17,18		claiming 8793:8,11	
cetera 8700:15 8808:8		claiming 8793:8,11	
CFR 8763:26		claiming 8793:8,11	
chain 8700:3 8743:9 8745:28 8757:2,25 8761:5		claiming 8793:8,11	
challenge 8637:28 8692:26 8726:19		claiming 8793:8,11	



client 8692:24	comfort 8628:22 8702:20 8705:28	compilation 8633:21	conference 8794:13,15
clients 8646:19	comfortability 8706:1	compiled 8799:8	confidential 8646:5,8 8663:17,19
Clifton 8747:5 8765:16	comfortable 8691:19 8756:22	complaint 8826:25 8827:8	confirmed 8785:6
climate 8696:7,9 8744:26	command 8621:21	complex 8807:14	conform 8649:10
clock 8771:7,12	comment 8627:5 8782:7	complexities 8693:9	confusion 8629:16 8707:22
close 8638:26 8655:8 8657:1 8686:15 8705:19 8726:23 8730:12 8818:27 8824:12 8840:9,10,22	comments 8690:2 8727:28	compliance 8701:3 8737:10	congested 8694:10
closed 8658:16	commitment 8698:6	compliant 8737:13	Congress 8806:1
closely 8794:24 8805:10	committed 8768:25	complicated 8623:12	connected 8787:8
closer 8682:5 8717:27 8818:8,11,15	committee 8682:21 8683:11 8786:25	component 8706:24 8773:23,24 8776:16 8777:16,17	connection 8735:2 8778:22 8802:17
closest 8678:3 8684:17	commodity 8702:5 8740:20	components 8736:13 8738:17 8826:20	consensus 8712:22
closing 8704:27	common 8683:18 8699:3 8704:26 8730:16	composed 8651:19	consequences 8683:13
closings 8633:19	commonly 8697:26	composition 8777:4	conservation 8696:14
CME 8807:13,14,19 8808:12	commonplace 8701:15	compromise 8688:18 8791:20	conservative 8773:3,27 8785:1 8790:16
co-op 8618:8,21 8624:15 8692:20 8714:10	communities 8704:17	computer 8749:19,24 8787:17	conservatively 8795:6 8797:2,6,18,20 8799:26 8800:16
co-ops 8693:19	community 8624:10	computers 8629:18	considerable 8707:5
CO2 8755:1	community's 8804:27	concentrate 8733:9	considerably 8706:22 8815:5,22
Coast 8703:21,27 8705:20	companies 8807:22 8813:26	concentrated 8693:24	consideration 8657:10 8752:13 8772:1 8773:2 8787:5 8823:8 8829:24
coffee 8690:27	company 8732:1,6	concept 8644:4 8660:14	considerations 8812:12
colder 8702:17	comparable 8801:20	concern 8649:3 8654:15 8670:16 8673:4 8708:3	considered 8640:3 8659:20 8684:27 8688:10 8702:23 8806:7 8822:3
collaborative 8673:12 8762:8	compare 8643:21 8684:20 8719:21 8720:12 8787:27 8816:2	concerned 8741:2 8814:3	consisted 8692:20
collar 8697:16	compared 8616:3,7 8638:13 8640:6 8653:18 8657:26 8660:3 8702:24 8712:17,26 8740:22 8749:2	concerns 8693:2 8807:19	consistency 8649:13
colleague 8758:18	comparing 8720:1	concise 8762:7	consistent 8636:11 8694:20 8695:2 8746:15 8747:28 8752:12 8790:21 8793:16 8804:23 8819:17
collect 8630:20	comparison 8640:20 8711:10 8785:26 8788:21	concluded 8650:17,18 8799:3 8844:9	consistently 8667:3 8776:15 8802:14
collection 8808:9	comparisons 8801:2	concludes 8808:24	consists 8692:21 8780:27 8781:4
color 8711:17 8787:25 8788:8	compete 8789:24 8839:18 8840:7	conclusion 8640:11 8704:7 8803:4	consolidated 8799:10,14
Colorado 8696:16,21,27,28 8697:1 8744:21 8745:1	competing 8694:27 8747:18 8766:26 8839:1,24	conclusions 8650:20	consolidation 8636:20 8702:25 8799:1
colorblind 8708:8	competition 8694:11,13 8701:27 8786:15 8789:23 8840:9	condensed 8632:27 8693:25 8731:5 8733:17,23 8774:1,3, 15,17,19 8811:7,17,26 8821:13,27 8822:1,14,28 8823:1 8825:24	constant 8622:21 8701:16
column 8627:8 8652:11,12, 19 8682:15 8725:11,13 8750:6,10 8751:22,25,26 8835:28 8836:11	competitive 8621:18 8635:7 8636:15 8673:5,24,28 8748:26 8749:3 8761:16 8762:1,11 8766:9 8767:1,13 8801:1 8839:3	condensing 8775:6,9,11 8813:1 8822:7 8823:7,12,13	consternation 8768:1
columns 8649:8,12,21 8652:5,15 8836:12,16,28	competitors 8749:2 8766:28	condition 8734:17	constraint 8842:27
combat 8704:11		conditions 8629:8,13,24 8692:26 8694:24 8696:6,11, 12,18,19 8698:22 8700:4,5,8 8777:2 8780:4,9,23	constraints 8698:27 8804:12
combine 8639:8		conducted 8784:13,14	
combined 8776:9			
combining 8675:21 8676:18			



constructed 8702:21	cooling 8702:20	correct-ish 8758:4	cottage 8816:4
construction 8698:15,26 8699:2,4 8701:6,8 8734:27 8735:11,17 8793:28	cooperative 8618:11 8636:17 8644:13 8692:16 8714:7 8739:27 8771:20 8796:10 8798:25 8805:18 8840:24	corrected 8771:12	couch 8757:8
consult 8647:14,20	cooperatives 8618:10 8772:10 8813:27	correction 8671:13 8712:23 8779:12	couched 8756:18
consultation 8650:18	copied 8731:22	correctly 8627:16 8758:3	counsel 8629:1 8759:12 8764:21 8765:20 8767:26 8768:27,28
consumers 8624:24 8693:15 8704:18 8772:11 8805:15,23	copies 8721:8	correlation 8736:5 8742:12	count 8706:14 8737:1
consuming 8621:28	copy 8637:8 8664:13 8716:25 8787:14	cost 8617:15 8618:8,20 8622:16,25 8626:11 8637:13 8639:3,6 8650:27 8651:23, 28 8662:2 8674:5 8695:28 8698:4,10 8700:16,25,27 8701:1,3 8702:8 8703:3,23 8705:19 8711:18 8713:15 8733:26 8734:22,23 8737:21,28 8738:2 8739:1,6, 19 8740:14 8741:19 8742:4, 9,10,12,15,17 8745:25 8754:13,19,20,27 8759:5,6,7 8760:23 8762:25 8772:18 8773:1,4,6,11,16 8774:1,5, 10,18 8775:2,6,27 8776:17 8781:9,11,12 8782:1 8784:7, 9,20 8790:18 8791:5 8793:22 8795:5,10 8796:14, 17 8797:3,24,25,27 8798:8, 9,16 8799:17 8803:2,22,23 8810:12,24 8811:5,6,17,20, 28 8814:9 8815:10 8822:13 8833:18	counted 8758:3
content 8649:1	corner 8686:7	cost-based 8772:23	counterproductive 8676:4
contents 8764:1,4,7	correct 8612:12 8613:7,14, 20,21 8614:9,21,25 8615:12, 17,18,21,22,25,26 8616:1,3, 5,19,28 8617:1,4,28 8619:9, 14 8620:20 8622:1,2,12 8624:28 8626:13,20 8627:19,20,23,28 8628:6,17, 18 8637:6 8641:21,27 8644:11,17,18 8645:13,14 8647:6,11 8654:12,13 8655:12,18,22 8657:8,9,23, 24,26 8658:3,4 8659:5,6,10, 11,13,15 8661:1,12,16,24 8665:2 8666:16,17,20,22,24, 27 8667:2,22 8668:7,8,13, 25,26 8670:2,11,12 8672:5, 6,8,9 8673:25 8676:26 8688:25 8706:9,12 8708:16, 19 8709:5 8710:4,9,13,17, 22,26 8711:2,8,13 8712:1, 18,27 8714:15,27 8717:21, 23 8718:27 8719:3,7,26 8720:4,10,23 8722:25 8723:9,14,25 8724:20 8725:3,8 8726:27 8728:9 8729:18,22 8730:23,28 8731:2 8732:13,27 8733:3, 14,20 8734:2,5,27 8735:24, 27 8736:14 8737:8,22,25,27 8740:15,23 8741:10 8742:4, 22,23 8745:25 8746:6,10,11, 12,17,20,23,27 8749:7,8 8750:10,18 8752:28 8753:24 8756:18 8758:6,24 8760:22 8761:13,17 8762:19 8763:7, 10 8765:8,21,22 8766:7,18, 24 8767:17 8779:5 8782:2 8810:12,16,20,21,26,27 8811:7,12,22 8813:16,23,28 8815:23 8816:25 8817:12, 21,24,27 8818:7,12 8827:22, 23,24,27,28 8828:5,6,10,11, 18,23,28 8829:15 8830:5,8, 11,13,16,26 8833:7,8,9,10, 11,12,13,15,18,22,26 8834:6,17 8835:12 8836:18 8837:1,4,5,8,14,28 8838:3 8839:4,9,14 8840:8,16	costing 8760:20	country 8614:28 8615:14 8635:1,2,3,10,12 8640:23, 24,25 8641:6,7 8645:8 8652:8 8671:10,11,14,16 8672:4,11,12,15,16,21,24,28 8673:2,22 8685:26 8695:7, 16,19,23 8697:16 8710:15, 17,20 8713:27 8750:27 8751:2,3 8761:7,20 8766:4 8788:14
consumption 8784:26 8804:28		costly 8692:23 8700:8	countries 8737:1,3
context 8629:15 8817:19		costs 8617:3,5,6,10 8618:3, 22 8623:2,4 8638:2,9,11,13 8639:12,13 8640:1 8650:24 8656:15,17 8657:25 8658:2, 7,8 8678:5 8680:11 8694:14 8697:4 8698:4 8700:10,12, 13,15,18,20,22 8701:6,8,22 8702:14,21 8703:2,28 8704:12,21 8705:11,23 8733:25 8734:4,5,7,19,21,27 8735:10,11,18,23 8736:3,7 8737:18,20 8738:17,25 8739:9,19 8740:18,21,28 8741:24 8742:13 8743:21 8745:13,18,23 8749:2 8754:15 8758:26,27 8772:17 8774:8,11,13,14 8775:6,9 8784:7,12,24 8791:4,6,7,26 8793:15,21 8794:19,23,26 8795:7,24,25,28 8796:7,13, 14,18,22,23,24,26,28 8797:21 8798:27 8799:28 8800:18 8802:22 8803:7 8804:14 8808:7 8812:11 8813:2 8822:7,18 8823:7 8824:10 8825:24 8826:1 8828:2	country 8639:23 8640:8 8659:27 8696:13 8719:22 8778:1 8780:24 8783:18 8784:26,28 8785:4 8804:22 8819:13
continually 8698:19			counts 8622:18,19,21 8706:14,18
continue 8635:5 8636:14 8696:19 8698:7,8 8718:15 8728:24 8741:16 8754:23 8772:10 8793:7 8801:27 8818:28 8819:1			county 8614:24 8615:5,6,10, 28 8616:10,17,23,27 8617:8 8619:17,18 8634:23,25,28 8635:9 8636:16 8645:1,4,5,6 8661:2,4,7 8664:28 8665:6 8666:1,2,3,19,23 8667:11,26 8668:2,6,10 8671:9,20 8678:3,4 8682:3 8685:13,17 8687:17,19 8695:7,11,21,25, 27 8697:15,16 8707:2,4 8708:26 8709:7,10,11,13 8712:25 8713:24,25 8746:5, 9 8748:2,18,19,25 8749:3,7, 14,28 8750:16,18,19 8751:5, 16 8752:24,25 8761:8,13 8765:25,27 8766:1 8781:16 8783:16,17,24,26 8784:26 8788:23 8789:15
continued 8643:15,19 8700:7			couple 8620:16 8622:26 8624:1 8625:18,19 8664:19 8733:16 8764:19 8779:17 8814:23 8820:9 8837:15
continues 8636:13 8637:28 8638:3,5,9 8741:16			court 8611:2,14,27 8612:2,4, 20 8613:8,11 8614:7,10 8620:8 8623:18 8626:15,22 8628:2,21 8630:11,18,24,27 8631:1,5,9,13,20,23 8632:10,16 8633:4,9,11,27 8634:26 8635:21,24,26 8636:1,6 8637:5,7 8638:4,8
continuing 8705:22 8708:11 8741:5 8801:10			
contract 8639:1 8663:7,13 8699:7,21 8740:12 8756:7, 11 8807:16 8808:10			
contracted 8755:26 8756:4			
contracts 8740:3,4,5,7,8,9, 10 8741:25 8743:16 8807:21 8808:14			
contractual 8714:8 8741:20			
contrast 8710:28			
contributes 8817:8 8821:4			
contributing 8720:26 8807:2			
control 8805:12,17			
convened 8754:17			
conventional 8698:4,14			
conversation 8653:7,9,10 8662:1			
conversations 8649:19 8653:4,12 8738:8,13 8739:13 8762:5,16			
conversion 8793:27			
convert 8774:5 8793:24			



8639:16,18,25,28 8641:1 8642:3 8643:4,6,17 8648:11, 14,16 8649:15 8651:6,8 8658:19,24 8664:4,7,13 8668:6,9,14 8669:13,17 8670:22 8674:18 8685:19 8689:12,18 8690:1,7,18,21, 25 8691:1,7,11,14,18 8692:1,3 8695:14,18 8699:10,13,17,22 8703:11, 15 8704:4 8707:7 8708:24, 28 8709:2,14,18 8712:3,8,11 8713:5,7,9 8715:6,10,15,20 8716:15,21,24 8718:10,12 8721:1,4,8 8722:5,8 8723:28 8724:3,5,7,10 8725:9 8726:5,9 8728:14,18,21 8729:2 8731:10,14 8735:5 8747:2 8749:18,20,22,25 8753:6 8759:11 8763:13,18, 22 8764:9,16,22,26 8765:1, 8,11 8767:22 8768:6 8769:9, 13,17,21,25 8770:3,9,12,16, 25,28 8771:3,7,16 8774:23, 25 8775:18 8777:23 8778:13,16,20 8779:12,23 8780:13,16 8781:3,13,17,25 8782:8,12,14,21,24,27 8783:4,11,14,21 8787:9,13 8788:2 8789:2,5 8790:1 8792:6,16,19,21,28 8794:28 8795:2,14 8797:5,9,11,15,17 8798:1,5,20 8800:4,8 8801:25 8802:2,7,10 8806:20 8807:24 8808:28 8809:4,6,10,17,23 8812:3 8819:21 8820:2 8821:15,16, 19 8825:14,17 8826:17,22 8834:12 8836:4,8,14,24 8841:8,11,15,21,25 8842:9, 14 8843:6,12,16,19,22 8844:4 cover 8618:2 8646:28 8647:13 8678:5 8680:11 8713:15 8841:5 covered 8710:8 8735:18 8753:27 8811:4 8820:7 covering 8784:26 covers 8772:13 COVID 8678:7,11 8686:11 8741:13 cow 8701:9 8702:20 8705:28 8706:1 8719:15 8722:21 8724:13 8727:25,26 8728:9 8760:27 8768:17 cows 8623:13,14 8702:7 8716:4 8717:10 8719:6 8721:13 8722:14 8723:2,3,8, 22,25 8724:5,6,7,16,17 8725:1,2,8,11,12,27 8726:3, 12,20,21 8729:13,18,21,22	8756:21 crack 8700:7 cream 8632:27 8816:3 8819:5 8832:12 8833:13,15 8839:13,18,19,22,24 8840:4, 11 creameries 8840:24 creamers 8839:26,27 8840:7 creams 8833:9 create 8652:28 8653:1 8673:3 8679:22 8689:24 8762:1 8767:5 8805:5,21 8808:22 8818:4 created 8679:27 8700:28 8702:26 8775:16 creates 8807:12 8823:23 creating 8694:4,6 8761:16 8824:4 creation 8747:24 credit 8702:27 credits 8796:20 creep 8730:18 Cremora 8840:11 crew 8647:11,12,20 crisis 8693:4 critical 8693:5 8696:25 8704:14 8783:7 8784:1,7,10 8795:19,21 8802:15 8803:1, 5 8804:3 crop 8808:8 cross 8628:10 8680:20 8759:18 8808:25 8843:1 Cross-bronx 8661:15 cross-exam 8705:8 8708:23 cross-examination 8611:17, 21 8620:13 8623:23 8626:23 8642:2,5 8671:1 8674:18,23 8709:19,22 8728:24 8747:2, 6 8753:10 8769:27 8785:10 8808:27 8809:11,24 8820:5 8826:9 cross-examine 8620:9 8670:25 8768:11 8809:19 cross-examiners 8841:6 crosses 8662:22,24 Crossing 8674:12 crucial 8693:7 8771:24 crude 8741:8	Cryan 8769:28 8770:16,18 8771:4 8779:18 8781:20 8783:21 8787:16 8800:9 8802:5 8808:28 8809:7,19, 26 8820:7 8826:6,13 8827:7 8842:7,16,23,26 Cryan's 8843:1 culminating 8794:12 culture 8620:25 8696:15 Cumberland 8615:23 8616:2,10,15,22,26 8617:9 8618:24 8619:17 curious 8804:7 current 8613:28 8614:20 8615:1 8620:1 8634:8,9,12, 13,16,17 8637:21 8653:16 8656:1 8666:12 8687:23 8688:5 8694:26 8695:7,8,12, 25,27,28 8700:25 8702:28 8706:22 8709:28 8710:24 8711:4 8727:10 8747:17,24, 27 8748:17 8750:6 8751:1, 12 8752:13 8753:21,23 8772:17 8773:8,9 8777:1 8778:3 8780:18,19,20 8781:27 8782:28 8784:2,25 8786:3,22 8787:24,27 8788:3,5,10,13 8790:9,22 8797:28 8798:9,12 8803:13 8805:10 8809:28 8810:2 8818:6 8822:25,27 8830:19 customer 8617:21 8621:13 8633:22 8676:24,25,26 8697:21 8704:22 8743:17 customer's 8742:21 8757:18 customers 8621:4 8675:24 8681:12 8693:15 8697:13,19 8698:26 8700:13,22 8706:1, 16,17,21 8737:12,14 8739:27 8742:24,25,28 8743:7,13,19,23,25 8744:5 8757:7 8759:26 8760:4 8800:27 8807:17 cut 8663:17 8701:21 8805:3 <hr/> <p style="text-align: center;">D</p> <hr/>	8632:13 8633:3,14 8637:28 8640:2 8645:16,20 8646:24 8665:28 8666:15,21 8667:11,24,25 8669:2,3 8670:1 8679:10 8681:14 8685:14,27 8692:21,27 8693:6,10,16,19,23,25 8695:23 8701:19 8702:23 8704:16,23,24 8706:2 8709:24 8714:16,21 8719:9, 12 8721:13 8722:2,12,13,28 8724:27 8725:1,23,24,27,28 8726:1,3,26 8727:8 8728:1 8729:18,22 8730:7,13,18 8736:10 8760:27 8771:21, 23,24 8784:10 8786:27 8793:24,25 8794:16,22 8805:21,26 8807:21 8808:2, 4,16 8809:21 8839:27 dairy.com 8807:27 dairy.com. 8807:23 dairymen 8692:15,16 8697:4 8702:5,27 8703:6 8704:11 8763:6,8 Dakota 8637:27 Dakotas 8654:4 damage 8683:12 damages 8700:8 data 8627:17 8633:21 8639:3 8658:4 8674:1 8680:28 8686:25 8703:26 8738:18 8754:14 8759:1 8768:20 8784:1 8795:12 8797:25 8798:8 8799:7,10 8803:2 8806:15,23 8807:8 date 8714:21 8772:24 8783:1 dated 8716:2 8717:7 8729:10 day 8612:10,13,14 8613:10, 12,23 8614:5,9 8617:25 8619:13 8620:26 8676:23,24 8679:9 8681:6 8696:14 8718:18 8816:11 8831:25 days 8624:13 8625:23 8650:14 8719:11 8780:8 8819:7 deal 8649:4 8670:23 8812:12 dealing 8639:11 dear 8809:4 decade-long 8696:11 decades 8625:19 8693:27 8700:19 8741:22
---	--	---	---



December 8721:19	delivery 8625:15 8744:4	desk 8662:22,25	8750:25 8751:4,9,27 8752:7
decide 8680:25	delta 8751:18,19 8752:5	desolate 8714:20	8753:21,23,24 8754:19
decided 8711:17	demand 8622:21 8693:15 8697:10 8699:3 8756:15	desperation 8719:18 8728:4	8761:15,25 8766:12,13,14, 15 8767:3,7,8 8788:12,27
decision 8618:18 8712:20, 22 8751:5 8787:1 8793:23 8795:22 8796:20 8817:7 8820:24,27 8823:5 8824:3	8757:23,27 8758:9,15,19,23 8761:1 8780:10,20 8784:10 8804:17,24,25,26 8816:10 8820:25 8821:6	destination 8697:23 8755:28	8789:8 8811:3,10,16 8817:5, 6 8818:13 8838:15
decisions 8644:1 8771:27 8791:24 8810:6 8816:26 8817:1	demanding 8639:8	destiny 8805:17	differences 8649:7 8650:4,5 8682:13
deck 8786:25	demands 8622:17 8702:17 8757:18	destroy 8802:13 8805:6	differential 8614:15,18,20, 24 8615:1,6,10,19,24,27
declaration 8696:22	demonstrated 8784:12 8785:26 8786:26 8789:17	destruction 8780:9 8805:8	8616:3,22 8618:23 8620:1 8629:9 8635:2,20 8636:5,9 8641:6 8651:1,19 8656:1,8 8660:4 8662:4 8671:11
decline 8703:1 8756:20 8804:25	demonstrating 8838:8	detail 8747:21 8782:7 8806:7	8673:23 8678:1,5 8683:8 8692:19 8695:24,26 8704:9 8710:24 8711:6,7 8712:25 8742:1 8746:17 8748:18
declined 8807:19	demurrage 8699:8,12,21,23 8700:14 8738:26 8743:21 8755:19 8756:2	detailed 8783:28	8750:6,12,24 8770:22 8772:16,17,23 8773:5,25,28 8774:4,22 8775:3,17,19,21, 22,25,26,27 8776:7,8,22,24 8777:6,9 8778:3 8780:27
declining 8804:18 8806:26	denominator 8723:12,14 8724:20 8725:2	details 8786:7	8781:4,27 8782:19 8783:16, 24 8790:6,7,9,10,12,20,27 8791:10,15,17,23 8792:15, 27 8793:4,10,20 8795:20,24 8800:1,2,19,20 8801:11,15, 24 8802:12 8803:12,16,18, 24 8804:18,19,20,23
decrease 8719:2 8806:18	denying 8779:3,6	deteriorate 8700:4	8806:28 8809:28 8810:7,11, 20 8811:11,27 8812:11,19, 28 8813:3,9 8815:26 8816:2 8817:3,11,23,24,26,27 8818:4,9,17 8821:8,23
decreased 8643:22 8806:19	department 8624:6 8715:28 8717:4 8768:28 8774:9	determination 8693:11 8752:21 8822:12	8822:8,12,18,25 8823:2,4, 18,21 8825:8,19,23 8826:2 8828:4 8829:10,16,17,20 8830:15,16 8833:26 8834:5 8835:10 8837:20 8838:11 8839:9,17 8840:7
decreases 8615:20 8788:14	denominating 8779:3,6	determine 8821:8 8841:26	differentials 8613:19,28 8617:8 8619:16 8622:15 8625:10 8630:6 8634:6,10 8636:27 8637:2,12,20,22 8640:6,12,20,24 8641:12 8647:22,25 8648:6 8650:13, 26 8651:4,14,19 8653:16 8655:17 8656:26 8657:7 8660:13,17,20 8673:2 8677:12,13 8680:24 8683:22 8710:1,3,19 8741:18 8742:6, 17 8745:14,20 8747:25
dedicated 8646:2	denominator 8723:12,14 8724:20 8725:2	determined 8768:14	8749:12 8753:21 8761:8,15, 26,28 8762:2,10 8772:7,14 8776:13 8778:1 8779:27 8780:18,21,25 8783:8,9 8784:2,4,12 8785:22,24 8786:4,6,22 8787:4,24,28 8788:1,3,6,8,13,22,28 8789:9 8791:19,21 8793:13 8802:19,24 8805:4 8806:3 8818:2 8834:11,17 8838:17
dedication 8698:8	denying 8779:3,6	detriment 8805:15	
deeper 8701:23	depend 8701:25 8816:24	develop 8678:22	
default 8820:21	depended 8680:12	developed 8771:26 8772:18	
deficit 8683:19	dependent 8621:19 8696:23 8701:26 8733:2 8798:23	developing 8761:27	
define 8625:17 8645:3 8655:24,26 8685:7 8783:8 8787:3	depending 8625:28 8680:13 8684:2 8698:21 8756:3 8767:9 8804:15 8843:8	development 8647:15,21 8771:24 8784:3	
defined 8697:7 8781:9	depends 8621:12,13 8642:15,16,18 8659:14 8726:28 8740:16 8792:13,25	deviations 8659:13 8696:4	
defines 8783:16,18 8804:16	depool 8838:7,27 8839:2	DFA 8612:19,25 8614:15 8615:4 8617:14,21 8627:9 8632:13,15,25 8633:17 8634:23 8636:18 8644:12, 17,19 8646:7,22,24,27 8647:4 8662:13,14,15 8663:1,3,12,13 8665:13 8673:4,9,11,13,15,16,17 8678:25 8685:2 8700:24 8723:7	
definition 8627:28 8655:14 8714:13 8755:24	depoled 8835:6	DFA's 8638:12	
degrees 8702:19 8706:8,19 8719:11 8738:22 8756:23	depooling 8772:7 8776:4 8778:10,18,25 8779:1,11,16 8806:11,13,15,18,23,26 8807:3,4,7 8831:4 8834:9, 17,26,28 8835:5,8,12,18 8837:13,16 8838:9,21	DFA-OWNED 8633:14	
delay 8743:18 8757:8,11	depth 8628:7	Diego 8752:24	
delayed 8744:1,9 8756:16	describe 8660:6 8707:4	dies 8614:11	
delays 8698:25 8699:4,24 8743:7,8,9,14,20 8744:12	description 8732:11	diesel 8700:18 8703:9,22, 23,24,27,28 8705:20 8739:28	
deliver 8665:23 8697:24 8702:2 8706:22 8770:20,23 8771:10	desert 8692:24 8696:8	difference 8614:28 8615:4, 12 8616:8,28 8617:2,7 8619:16,19,20,22 8633:9 8634:9 8651:22 8652:6,19 8655:14 8663:18 8673:27 8675:24 8682:15 8683:27 8686:28 8711:24 8746:20,22	
delivered 8632:23 8786:19, 20	design 8701:10		
deliveries 8639:6 8697:27 8744:1	designated 8740:1		
delivering 8660:28 8661:2 8663:9 8694:6 8700:21 8784:25	designation 8733:2		
	designed 8705:27 8738:16 8791:18		



differentiation 8803:28	disincentivize 8617:12	8837:7 8840:6	dynamic 8757:9
differently 8710:13 8792:16	dismissal 8791:25 8792:3,9	doubled 8638:13 8657:25,27 8658:2 8815:26 8837:8	dynamics 8702:3
differing 8651:28	disparity 8640:5	doubling 8835:10	<hr/> E <hr/>
difficult 8623:14 8624:25 8702:11,27 8739:14 8740:8	dispersed 8647:27	downloaded 8731:21	E-V 8807:26
difficulties 8659:23,26 8693:9	displacement 8812:20	dozen 8624:6	E-V-A-P-O-T-R-A-N-S-P-I-R- A-T-I-O-N 8703:14
difficulty 8624:22 8756:13, 15 8781:9 8785:25 8808:1	disposal 8638:2	drafted 8655:5	E-V-E-R 8807:27
dime 8672:16 8673:2,7,27 8748:24	disposition 8627:23 8665:16 8666:5 8675:18 8730:25	drastically 8719:16	earlier 8660:26 8680:20 8700:24 8750:16 8754:8 8755:3 8758:26 8768:1 8778:7 8789:19 8799:15 8806:12 8807:15 8816:13 8827:6
direct 8631:26 8691:22 8736:5 8742:12 8752:19 8770:21,23 8774:13,18 8777:19 8808:24,25 8820:21	dispute 8723:5	draw 8767:12 8801:11 8802:20 8820:10	earliest 8780:7
directed 8718:14	distance 8673:26 8686:17, 19 8697:20 8808:18	drawn 8673:10	early 8668:27 8722:4 8743:28 8756:28 8819:7
direction 8673:8 8682:7 8772:4	distances 8656:16,18 8697:22	dried 8774:2 8821:27,28	easier 8681:9,26
directly 8627:1 8635:2 8640:25 8641:7 8651:10 8671:12 8679:5 8747:23 8771:21 8775:10 8777:21 8824:6 8840:20	distant 8795:27 8796:16	drier 8814:10	Easily 8749:18
directed 8718:14	distinction 8673:10,14	driers 8813:22,28	east 8635:3 8640:25 8641:3 8653:5,6 8672:21 8684:23, 24 8788:18
direction 8673:8 8682:7 8772:4	distress 8674:6,7	driest 8696:17	eastern 8613:20,27 8625:11 8697:17 8761:16
directly 8627:1 8635:2 8640:25 8641:7 8651:10 8671:12 8679:5 8747:23 8771:21 8775:10 8777:21 8824:6 8840:20	distribute 8715:17 8728:19	drive 8626:5 8698:16,18,19, 20 8700:6	easy 8639:25 8683:20 8739:17
director 8633:17 8692:14 8733:6	distributed 8664:14 8716:17,24 8721:9 8731:11	driver 8638:25 8737:24	ebbs 8780:3
disadvantage 8762:1	distributing 8627:8,11,17 8628:5 8665:7 8695:22 8778:28 8833:6	drivers 8678:12,13 8686:12, 18 8698:11,22 8699:25 8742:21	economic 8696:5 8704:16 8730:2 8781:28 8795:10 8817:9 8823:10 8834:19,25
disadvantages 8762:12	distribution 8636:11,22 8674:10,11 8675:18 8784:20	drop 8831:18,20	economical 8820:12
disagree 8741:3	divided 8723:23 8725:27	dropped 8837:6,18	economics 8700:23 8735:26 8786:12 8812:25
disagreeing 8741:14	dividing 8724:16	drops 8756:24	economist 8770:19 8820:10
disappointed 8843:22,25	division 8665:19	drought 8693:1 8696:11,17 8697:6 8703:9 8704:3 8707:1,5,28 8708:18 8709:2, 9,12 8727:16,17,19,22	edge 8727:7 8808:21
discount 8682:28	divisions 8632:15	dry 8633:2,13 8696:11 8732:10,13 8737:16 8772:20 8773:8,12 8774:8 8775:2 8777:3,8 8796:9 8811:21,28 8813:20,28 8814:20 8815:5, 10,11,18,28 8824:5,8	educators 8824:22
discourage 8835:7	document 8627:6 8648:24, 28 8649:6 8670:21 8689:24 8715:5,13,26,27 8717:2,6,9 8720:28 8725:18,20,21,22, 23 8728:12 8729:8,12 8731:9,16,21,23,26,28 8732:3,15 8735:15 8737:10 8764:3,5,11,14 8778:5 8782:4 8794:16	drying 8772:17,19 8773:4, 11,17 8774:1,10,14,21 8775:4,7,11,27 8810:12 8811:5,6,17,20 8813:19 8814:10 8822:2,13,18,28 8823:15 8824:9 8825:24 8826:1	effect 8680:7 8700:11 8767:1,12 8775:24 8780:3 8830:6
discuss 8634:21 8663:24,26 8664:19 8742:11	documents 8691:20 8767:28	due 8698:17,26 8700:21 8701:24 8718:21 8730:6 8745:27 8787:5 8833:18	effective 8812:24
discussed 8630:1 8657:25, 27 8659:25 8662:12 8680:20 8696:2 8711:15 8746:3 8752:16 8782:6 8833:5	dollars 8682:4	duly 8631:16 8691:16	effectively 8785:16 8790:17 8802:13 8805:6
discussing 8629:4 8753:20 8764:12	dominates 8692:24	durable 8780:3	effects 8767:17
discussion 8648:15 8677:13 8704:10 8715:19 8718:11 8728:20 8731:13 8752:14 8753:18 8755:4,6 8770:2 8787:11 8793:18 8802:1 8817:15,16	door 8730:18	duties 8633:19	efficiencies 8719:19 8728:7 8754:26
discussions 8647:23,24 8648:1,8 8658:9 8683:12 8694:18 8738:3 8739:13 8752:17 8762:5,6,26 8767:19 8778:7	dot 8807:27,28	dwindle 8685:22	efficiency 8784:20 8786:7
	double 8720:23 8816:27 8817:12 8819:20 8833:25		efficiency-maximizing/ lowest-cost 8784:24



efficient 8626:8 8640:3 8784:22 8786:11 8842:5	engineering 8786:9 8789:20	escaping 8668:3	8759:15 8785:5 8787:27 8808:26
effort 8619:3 8762:8	England 8629:28	ESL 8633:1,5	examined 8611:19 8631:16 8691:16 8771:5
EIA 8703:24	English 8626:22,24,26,28 8628:3,20,21 8642:4,6,9 8643:5,10,18,23 8648:9,13, 18,22 8649:16 8651:7,17 8658:19,26,27,28 8663:28 8664:6,9,16,17,18 8668:12, 15 8669:21,24 8670:13,22 8677:11,26 8680:21 8681:4 8682:2 8826:10,11,14,15,18, 23 8827:5,11 8834:14 8836:5,7,9,15 8841:10,13, 19,27,28 8842:10,13	essence 8646:1	examples 8835:26
EI 8748:16		essential 8704:11	exceed 8698:19 8703:3 8833:1
elaborate 8624:4 8821:22		essentially 8642:21 8644:23 8654:16 8788:10 8801:17 8826:2,3	exceeding 8738:22 8756:23
election 8832:5,6		establish 8695:1 8768:19 8786:22 8808:13	Excellent 8842:9
element 8772:23 8775:17 8780:28 8781:5 8784:8 8795:19 8800:27 8801:14 8802:24 8803:5 8804:23	enjoy 8631:9	established 8616:22 8647:25 8719:24 8790:12 8791:23 8805:19	exceptions 8810:22
elements 8693:4 8790:18 8791:25 8792:11,23 8793:3 8801:23 8802:26	enormous 8805:26	establishing 8785:3	excess 8706:8,11 8719:11 8730:4 8740:6 8807:5
elevation 8696:23 8727:23	ensure 8621:27 8630:5 8803:17 8806:2	establishment 8840:26	excessive 8700:7 8738:21 8756:20 8761:4
elevations 8696:25	ensures 8704:17	estimate 8791:5	exchange 8807:15,22 8808:12
eliminate 8790:28 8791:22 8815:13 8818:26,27 8834:28	ensuring 8772:9 8776:14 8802:20	estimated 8794:5 8796:22 8801:1	exchanges 8807:10,20 8808:11
eliminated 8776:25	entered 8765:7 8791:4	estimates 8649:22 8788:23 8789:1,9 8794:27 8795:6,11, 12	excuse 8717:8 8723:13
eliminating 8778:23 8807:11	entire 8622:11 8623:6 8624:15 8693:18 8710:16 8716:11 8782:11,12,15 8806:6 8822:13	Europe 8736:26	exercise 8791:18
elimination 8772:6 8776:21 8802:18 8834:10,16	entitled 8712:11 8729:9 8732:3	evaluate 8786:28	exercised 8730:10
elongated 8638:20	enumerated 8793:21	evapotranspiration 8703:10,13 8706:28 8707:20,27 8708:17 8709:16	exhibit 8613:2 8614:17,23 8627:3 8630:10,12,14,16 8631:19,22,24 8632:5 8637:8 8648:10,18,19,20,23 8649:28 8650:2 8652:14 8664:4,10,11 8682:13 8689:11,13,14,16,18,21 8690:2,4,5,12,14,16 8691:3, 4,5,26 8692:6 8695:15 8709:27 8715:8,22 8716:14, 18,19 8717:3 8718:15 8719:23,24 8720:13,28 8721:2,18 8722:21 8725:7, 11 8728:13,15,16,23 8729:8, 21 8731:9,16,18 8744:26 8747:15 8749:17 8750:22 8763:12,14,16,26 8765:13 8768:9,21,26 8769:5,7,9,11, 13,15,17,19 8770:6,7,9,10, 13,14 8771:8 8779:13 8781:18 8784:5,6 8785:10 8790:1 8795:15 8802:4 8810:15 8826:16,19 8835:21 8841:16
embraced 8696:14	environment 8621:18 8702:27	evening 8842:20	exhibits 8611:10 8670:15,24 8719:22 8753:19 8765:6 8768:22,23 8769:3 8770:5 8784:4
emissions 8755:1	environmental 8698:9	event 8718:26 8726:11	exist 8624:11 8803:20
emphasis 8704:8 8762:11	ephemeral 8780:2	events 8780:8	existence 8625:20 8696:9
employees 8808:5	equal 8618:12 8713:5 8773:16 8810:11 8817:12	eventually 8757:12 8805:9	existing 8619:15 8827:26 8830:15
enable 8621:21	equates 8695:10	ever.ag 8807:23,24	
enact 8706:2	equation 8757:27 8777:18	everyday 8694:12	
encourage 8625:10,12 8812:20 8813:10	equations 8726:14	everyone's 8716:27	
encouraged 8805:23	equipment 8638:24 8698:28 8701:10,16 8794:2	evidence 8630:12,15,17 8689:13,15,17,21 8690:3,6, 10,13,15,17 8695:27 8763:15,17,21 8765:7 8768:11 8769:5,8,9,12,13, 16,17,20 8784:6 8823:7	
encouragement 8804:28	equitable 8618:13 8640:7 8655:21 8679:9 8839:6	evidentiary 8763:25	
encouraging 8802:19 8813:12	equity 8635:7 8654:12,15 8655:25 8673:5,7,24,28	evolving 8704:23	
end 8611:5 8612:10 8676:23,24 8681:6 8711:16 8725:7 8726:2 8727:7 8827:1 8828:27	equivalent 8701:12	exacerbate 8838:16	
endeavor 8692:23	Erba 8700:24 8703:3	exact 8684:15 8705:19 8726:22 8736:27 8745:5 8754:19 8758:5 8759:7 8762:25 8794:9	
ended 8827:12	Erba's 8758:25	exacting 8794:10	
ends 8699:27 8766:16	error 8768:24	examination 8628:25 8631:26 8691:22 8746:4	
energy 8694:11 8700:17 8774:10,11,13,18 8796:13, 18 8808:7	Escape 8686:4		
enforced 8805:20			



<p>exists 8657:19 8839:7,10</p> <p>exit 8686:21</p> <p>exiting 8624:13</p> <p>expand 8677:21 8686:10 8698:7 8699:3 8702:9 8747:20</p> <p>expansion 8694:3,5</p> <p>expect 8749:1 8760:9 8828:9 8838:2</p> <p>expectation 8808:16</p> <p>expected 8678:20 8696:19</p> <p>expenses 8793:27 8794:5, 22,25</p> <p>expensive 8639:9 8694:10 8763:5</p> <p>experience 8630:3 8644:16 8662:24 8698:25 8743:14 8756:21 8761:24,27</p> <p>experienced 8700:27 8705:16</p> <p>experiences 8685:2</p> <p>experiencing 8696:10,17</p> <p>expert 8727:15 8735:20 8736:6 8761:20</p> <p>explain 8625:16 8660:7 8673:10 8706:27 8753:27 8755:21</p> <p>explaining 8827:8</p> <p>explicitly 8735:3 8771:26</p> <p>export 8736:18,19,20 8737:2</p> <p>exported 8702:4 8736:24</p> <p>expressed 8670:17</p> <p>expressly 8831:15</p> <p>extent 8663:20 8669:8,28 8670:10,18 8723:6 8742:15 8745:23 8785:18 8806:18 8807:1 8821:12 8835:9 8838:28</p> <p>external 8820:16</p> <p>externally 8701:7</p> <p>extra 8698:2 8842:1</p> <p>extraneous 8699:1</p> <p>extreme 8700:9 8780:12</p> <p>extremely 8624:25 8809:1</p> <hr/> <p style="text-align: center;">F</p> <hr/> <p>F-A-R-M 8737:8</p>	<p>F-O-R 8639:17</p> <p>face 8693:12 8780:12 8785:19 8791:22 8808:18</p> <p>faced 8775:9,14 8808:17</p> <p>facilitate 8637:18 8677:20 8807:22</p> <p>facilities 8632:25,26 8633:15 8644:20,22 8645:16 8794:1,2 8832:12,15 8835:13</p> <p>facility 8645:6,9,24 8701:9 8702:10 8758:16 8766:19 8793:27 8835:1</p> <p>facing 8693:1 8701:27 8798:27</p> <p>fact 8617:14 8654:27 8661:28 8696:24 8722:4,12 8724:27 8730:9 8754:2 8778:27 8783:20,23 8792:12,24 8803:28 8804:7 8810:25 8811:25 8838:4</p> <p>factor 8651:25,27 8659:7,8, 12 8706:20 8720:26 8773:9, 13,18 8777:17 8798:18 8801:1</p> <p>factors 8629:4,21 8659:20 8682:21 8684:27 8699:1 8700:27 8755:13</p> <p>facts 8764:12</p> <p>failures 8698:28</p> <p>faint 8731:23</p> <p>fair 8643:11,13,14 8710:21 8712:23 8726:26 8739:25 8756:19 8758:24 8760:13,17 8761:1 8787:4 8814:2,6 8815:3 8839:6</p> <p>fairer 8805:21</p> <p>fairly 8682:27 8786:28</p> <p>fairness 8786:7</p> <p>fall 8650:22 8656:26 8785:20,26 8831:1</p> <p>falling 8806:27</p> <p>Fallon 8634:24 8645:9 8667:1,2</p> <p>falls 8647:7</p> <p>familiar 8643:28 8699:14 8721:25,27 8727:12 8813:21 8828:19 8831:23</p> <p>families 8633:24,26 8634:2</p> <p>family 8714:4 8746:9</p>	<p>fans 8702:21</p> <p>farm 8622:24 8626:4 8633:26 8634:2 8687:1 8697:20,22 8700:28 8701:8 8705:23,25,27 8706:5 8721:13 8723:3 8724:16 8725:3 8726:23 8737:8,13 8758:28 8762:25 8770:19 8771:18,25 8772:15 8777:26 8780:10 8793:24,25 8808:16 8834:9 8839:16 8840:13,18, 22,26,28</p> <p>farm's 8759:7</p> <p>farmer 8646:24 8704:24 8742:4,9</p> <p>farmer-owner 8681:13</p> <p>farmer-owner's 8676:23</p> <p>farmer-owners 8632:18,23 8633:15,23 8639:11,22 8659:23 8660:2 8678:19,20 8679:11,15 8686:6</p> <p>farmers 8618:9 8624:12 8632:13 8645:16,20 8667:24,25 8669:2 8670:2 8679:2,10 8685:15,27 8688:22 8692:27 8693:5 8701:27 8704:16 8714:21 8719:2,10 8722:28 8723:6 8724:28 8728:1 8734:11 8744:28 8759:5 8762:27 8771:21,23,27 8772:10 8780:11 8794:22 8805:15, 17,21,22 8808:2,3,18</p> <p>farmers' 8805:12</p> <p>farming 8692:22 8693:10 8702:23 8719:12 8730:6,7</p> <p>farmland 8702:8</p> <p>farms 8618:6,27 8619:1 8623:7,10,12 8626:1,4 8681:14 8701:24 8702:11, 18,28 8704:25 8706:3,7 8716:5 8719:15,17 8722:13 8725:28 8726:1,26 8727:1, 14 8728:3,5,6 8730:3,13,18 8732:17,18 8733:3 8737:13 8745:24,28 8748:10 8760:27 8840:23</p> <p>farther 8697:18</p> <p>fast 8678:17 8780:16</p> <p>faster 8844:3</p> <p>fastest 8704:12</p> <p>favor 8777:27 8786:26 8817:10</p> <p>February 8716:2 8717:7</p>	<p>federal 8622:3 8624:27 8625:7 8632:21 8634:5 8635:18,20 8636:1,2,4,5,8, 24 8637:2,19 8640:4 8642:24 8643:2,16 8644:1 8645:12 8651:10,13 8654:24,25 8656:7 8664:21, 25,26 8667:13 8668:28 8669:27 8676:28 8677:4,17 8678:2,27 8679:19,22 8680:6,18 8684:10,11,20 8692:17 8771:22 8772:9 8780:7 8783:19 8790:13 8791:24 8792:4,10 8794:7, 10,11 8797:1 8801:19 8802:15 8805:5,6 8806:13, 16,23 8819:7 8820:20</p> <p>Federation 8634:4 8712:24 8713:2 8770:20 8771:18 8772:15 8839:16 8840:14,18</p> <p>Federation's 8649:2</p> <p>feed 8638:11 8639:13 8683:20 8701:25,26,28 8702:2,3,4,5 8735:23 8736:3,7 8808:7</p> <p>feedstuffs 8701:28</p> <p>feel 8624:10 8637:21 8641:11 8650:23 8656:5 8675:1 8686:5</p> <p>feeling 8660:9</p> <p>feels 8624:14</p> <p>fell 8637:22 8641:12 8650:21 8651:15 8654:11 8680:14</p> <p>felt 8618:18 8629:17 8650:21</p> <p>fight 8812:9</p> <p>figure 8652:1 8703:16,21,26 8707:9,12 8708:17 8717:12, 13 8725:18 8788:4,5,7,12 8789:7 8824:7 8843:28</p> <p>figured 8823:1</p> <p>figures 8706:27 8799:16</p> <p>final 8652:23,26 8730:25 8751:5 8752:21 8755:28</p> <p>finally 8750:12 8802:11 8808:21</p> <p>finance 8754:17</p> <p>financial 8633:19</p> <p>financially 8762:15</p> <p>find 8624:23 8683:14 8699:16 8721:17 8728:1 8731:24 8735:28</p>
---	--	---	---



finds 8624:4	FMOS 8771:23 8773:10,19 8793:6 8795:21 8805:21,27	framework 8805:17	gas 8677:27 8682:4 8683:20,22 8705:15 8741:8
fine 8646:10,11,13,20 8699:13 8806:7 8824:22	focus 8634:6 8654:19 8672:28 8709:6,9 8710:23 8714:23 8716:5 8717:11 8761:21 8772:5 8834:9,15	Franklin 8612:19,25,27 8614:19 8615:11,15,28 8616:7,9,17,18,26,27 8617:21,27 8618:2 8619:17	Gasoline 8703:24
finish 8676:16 8842:16 8843:1,4	focused 8654:27 8675:9 8694:19 8727:11	Frazer 8638:14 8640:16	gave 8629:18
finished 8626:16	focusing 8634:11	frequent 8831:4	general 8672:23 8721:19 8745:25 8764:14 8767:25 8768:28 8783:2
finishes 8843:9	folks 8651:14 8824:8	frequently 8740:27 8835:6	generalized 8718:23
fire 8661:22	follow 8627:1 8672:25 8694:23 8705:6 8719:14 8747:9 8759:17	fresh 8812:14 8820:21 8822:16 8824:10 8840:11 8842:6	generally 8612:18 8646:11 8736:17 8761:24 8777:28
firsthand 8689:24 8764:6	follow-up 8612:9	Friday 8843:4,5,8,11	generated 8693:14 8718:5
five-minute 8690:26 8809:13	fondly 8677:13	Friday/saturday 8622:28	gentleman's 8641:17
fix 8656:9	food 8678:17 8774:9	friendly 8685:25	Geoff 8842:18
fixed 8681:12,13 8802:24	Foods 8709:24 8809:21	front 8613:2 8624:7 8627:3 8749:15 8831:12 8835:22 8838:20	geographic 8727:15
flat 8687:26	force 8647:26 8652:28 8694:17	fuel 8663:3,6,7,13 8700:10, 15,18,20,22 8703:24 8705:11 8737:27 8739:27 8740:10,14,17,21 8741:12, 16,24	geographically 8638:19
flatten 8617:11	forced 8681:7,10 8682:7 8699:25	fulfilling 8756:17 8757:8	geography 8673:26
flavor 8674:13	forcing 8685:27	full 8646:1 8658:14 8675:14 8693:20 8702:24 8760:21 8779:3,4,6,19,20 8781:19 8784:17 8798:24 8804:11 8806:2 8825:24 8826:1 8829:16 8839:27	give 8611:11 8630:20 8643:26 8646:20 8662:10 8670:3 8671:21 8674:7,13 8677:2 8685:11 8718:17 8723:2,24 8726:11 8791:8 8836:4
fleet 8698:8	forecasting 8633:20	function 8795:21	give-up 8796:1 8798:25
flexibility 8805:26	foreign 8736:28	functionality 8696:3	giving 8646:19 8716:16 8739:10
flies 8842:19	foreseeable 8754:24	fundamental 8772:5 8834:9, 15	glad 8657:4 8767:10
flip 8733:22	forgotten 8611:15	fundamentally 8788:26 8792:3,9,13,26 8802:11 8819:14	glanced 8735:20
flipped 8750:26	form 8669:2,3,8 8670:1,2,5 8774:6 8797:22	future 8618:5 8690:11 8696:19 8697:9 8754:24	glaring 8692:24
flipping 8751:9	formed 8716:8	futures 8807:14 8808:11,13, 19	goal 8747:26 8752:11 8762:7,10,18,19 8767:3,6,14
flips 8752:8	formidable 8692:23		Gold 8666:12
flood 8661:22	formula 8772:24 8776:10 8777:14,16 8810:14	gain 8719:18 8728:7	good 8611:23,25,26 8620:11,12 8623:25,26 8626:25,28 8628:27 8630:28 8631:1,28 8642:4,7,8 8658:20 8671:3,4 8674:25, 26 8675:5 8691:24,25 8692:13 8708:24 8709:14 8715:15 8721:10 8753:12 8764:25 8770:28 8782:27 8788:25 8809:6 8821:5 8823:7,19 8824:2 8841:26 8842:4
flow 8684:23	formulas 8726:8 8798:12,13 8802:24	gallon 8740:19 8804:20,21	government 8803:15 8808:10
flows 8696:20 8780:4	Fort 8748:12	game 8752:26	Grace 8611:23
fluctuations 8718:21,25 8760:8 8821:3	fortune 8735:16	Games 8631:12	gradation 8788:16
fluid 8618:16 8621:28 8622:10 8632:14 8633:1,5,6 8643:24 8644:28 8665:18 8668:18 8680:22 8692:14 8703:5 8732:26 8733:6,27 8734:8,24 8736:8,23 8743:23,24 8749:6,9 8758:3 8759:20,25 8760:14 8761:1 8763:9 8781:2,7 8786:18 8791:9 8796:2,27 8798:16 8803:17,24 8804:5,9,17,26 8814:13 8816:11 8833:9 8839:12,18,19,22,24 8840:4	forward 8624:14 8649:10,12 8705:4 8755:5	gap 8830:27 8837:21	grade 8660:11 8700:23,25 8701:1 8703:4 8705:23 8724:19 8730:19,22,26 8732:11,15,16,18,19,20,21,
flush 8816:1	found 8677:22 8686:5 8721:14 8791:26		
flushed 8702:20	foundation 8784:10 8785:1, 3,7,11,21 8786:10 8788:26 8790:10 8801:22	G	
fly 8826:24	Founded 8692:15		
FMMO 8694:19 8696:6 8792:12,24 8803:5 8805:8, 16 8806:17,24	fourfold 8834:5		
	fourth 8627:7,11,13,15 8724:19		



26 8733:2,10,13,14,16,20, 23,26 8734:1,5,12,14,17,23 8735:27 8736:3 8737:11,12 8742:11,12,16 8781:2,7 8791:6,27 8793:6,8,10,15, 22,24,25 8794:9,14,20 8795:6,7 8796:27 8801:3 8803:8 8814:21	H	8677:26 8678:11 8682:4 8743:14 8784:7,8,12 8791:7 8799:4,6,11,17,21 8800:23 8803:8,27 8821:13	Hettinga 8714:4 8746:9
grain 8676:12 8807:21	H-I-R-A-M-O-T-O 8631:4	hauls 8638:28 8684:28 8685:3,4,24 8686:17 8799:1	Heuvel 8842:18
Grand 8693:26	hail 8700:1	head 8621:3 8671:22 8726:9 8832:25	Heuvel's 8842:26
Grapevine 8658:13 8661:12 8682:1	half 8817:24 8818:17,18 8833:11	headache 8677:2	hey 8680:19 8739:5,18
graph 8707:14 8807:6	halfway 8640:22	headed 8734:20	hidden 8721:15
grassroots 8771:26	Hampden 8614:24 8615:5	heading 8717:9 8729:13 8735:26 8795:16,17 8800:26	hierarchy 8790:21 8829:12, 14
great 8672:3 8685:21 8708:20 8755:25 8768:1 8844:4	Hampshire 8628:11	heads 8746:15	high 8639:6 8677:27 8700:2 8704:18 8717:26 8720:10 8775:21 8803:11,13 8813:10 8820:28 8823:18,23,25 8824:4,16,20 8832:26,27 8833:4 8838:24
greater 8626:9 8698:5 8713:3 8754:21 8785:25 8791:7	Hancock 8627:6 8628:23,24, 26 8630:9,23,25 8631:11,18, 21,27 8640:17 8641:8 8642:1 8670:17 8689:9,22 8843:21,24	healthy 8678:21	high-quality 8693:8
greatest 8785:19 8793:27	hand 8631:13 8664:14 8716:26 8825:10 8831:2	hear 8660:2 8675:5 8754:8 8758:20 8764:24	higher 8618:1 8638:12 8662:4 8663:8 8683:22 8699:28 8704:10 8711:1,3, 13 8727:26 8750:19,20 8751:21 8772:19 8774:4 8778:9,11,17 8779:15 8784:27 8785:16 8788:24 8791:9 8796:18,24 8798:25, 27 8799:15 8802:14 8803:18,23,28 8804:4,14 8817:20 8818:19 8824:20 8825:25 8829:4,18 8831:2 8838:1,2
green 8676:3 8687:17 8707:18,20 8708:2,8,13	handful 8755:16	heard 8614:14 8615:3 8629:4 8658:9 8660:15 8677:25 8705:14 8706:13 8732:18 8737:5 8753:17 8754:7 8760:26 8764:16 8767:23 8768:7 8827:15	higher-of 8776:9 8802:17 8807:11
grid 8680:14	handle 8623:4	hearing 8643:2 8651:16 8664:26 8676:11 8677:12,15 8680:17,19 8684:1,4,10 8700:25 8704:28 8709:27 8721:18 8722:21 8725:10 8729:21 8744:26 8755:3 8758:26 8763:24 8768:1 8772:2 8786:3 8787:3 8790:25 8799:26 8800:16 8806:10 8807:15 8808:23 8810:15 8824:25 8827:26 8834:21	highest 8824:7,24
grin 8674:28	handlers 8636:14 8678:27 8679:12 8681:15 8694:27 8747:18 8798:26 8808:2,17	hearings 8646:18	highlight 8695:6,11 8696:3 8703:8 8713:14 8720:25
ground 8764:8,15	handlers' 8807:18	heat 8696:10 8700:8,9 8719:11 8728:2 8732:12 8738:21 8756:20 8761:3,4 8788:15	highlighted 8697:11 8714:21
group 8611:24 8626:27 8642:10 8653:10 8657:18 8662:9 8685:28 8694:19 8712:22 8747:26 8761:27 8767:3 8807:13,14,19 8808:12 8826:12	hands 8681:7,10 8682:7	heavy 8698:12 8700:1	highlights 8709:8,12
Group's 8778:2	happen 8669:6 8699:24 8744:13,14 8830:20 8831:6 8835:16	hedging 8808:11	highway 8661:27 8698:15
groups 8653:5	happened 8623:2 8650:20 8652:4,21 8670:6,8,9,10 8806:20	heightened 8706:16	highways 8661:14
grow 8678:22	happening 8838:3	held 8636:13	hill 8669:4,12 8678:14 8685:23 8767:25 8768:6 8800:10
growing 8638:22 8701:25 8704:12 8727:25 8768:18	happy 8823:6	helped 8679:21 8680:10	Hiramoto 8630:26 8631:3,4, 15,28 8632:12 8640:18 8642:2,7 8649:17 8659:1 8670:25 8671:3 8705:14 8843:13
grown 8729:25	hard 8623:10 8704:15 8719:12 8728:1 8739:12 8754:5 8780:6 8800:11	helping 8816:9	historical 8633:21 8635:12 8775:24 8795:12 8815:17 8818:24
growth 8693:28 8694:3,5 8697:24 8698:17 8703:19 8707:17 8758:17,22 8760:26,28	harm 8690:9 8762:15	helps 8626:10,11 8678:21 8684:21 8760:3	historically 8635:9 8636:13 8740:19 8741:4
guess 8624:18 8642:27,28 8648:3 8649:17 8658:15 8666:13 8677:21 8681:3 8689:26 8737:20 8754:7,10 8816:12 8822:9	haul 8678:6 8685:1 8686:18 8698:12	herd 8722:13 8726:3,12,21, 22 8768:17	history 8692:11 8784:17
guidance 8694:23	hauler 8632:22 8639:4,5 8686:9,21 8742:27 8755:27	herds 8725:23,24 8726:1,20	hit 8683:9
guidelines 8701:2	hauler's 8626:5	Herting 8843:15,16	
guys 8758:11	haulers 8639:1 8678:18 8686:12,13,19 8699:7,21 8755:26 8756:5,8,11		
	hauling 8617:3,5,6,10,18 8618:3,17,22 8619:2 8626:10,11 8638:13 8639:1, 8 8656:15,17 8657:25 8658:2,7,8 8660:16 8676:2		



<p>hits 8829:1</p> <p>hitting 8678:7,11</p> <p>hold 8697:28 8698:3 8701:14 8721:8</p> <p>holding 8704:27</p> <p>holds 8704:14</p> <p>hole 8679:26</p> <p>home 8726:26</p> <p>honest 8654:7</p> <p>honestly 8665:25 8683:9 8684:18</p> <p>Honor 8620:7 8627:10 8630:9,25 8631:18 8637:4 8642:1,4 8648:9,22 8663:28 8670:15,27 8689:10,22 8690:23 8691:9,13 8695:17 8704:6 8708:22,27 8709:1, 17 8715:4 8716:13,23 8731:8 8749:17,21 8759:13 8763:20,23,24 8764:10,19 8765:5,6,10 8767:27 8778:21 8779:25 8789:27 8795:3 8800:6 8809:20 8826:19,23 8841:13 8842:13 8843:25</p> <p>Hood 8615:5 8627:9</p> <p>hope 8624:17 8631:10 8675:5 8730:5 8823:16 8824:11</p> <p>hopeful 8843:4</p> <p>hoping 8821:22 8822:10</p> <p>horrendous 8638:21</p> <p>host 8699:1</p> <p>hot 8696:11</p> <p>hotter 8700:5 8744:3 8756:24</p> <p>hour 8678:17 8698:20,21 8771:9</p> <p>hourly 8756:2</p> <p>hours 8658:16 8698:23 8699:5 8701:15 8755:28</p> <p>housing 8701:6 8734:27 8735:12,18</p> <p>hover 8740:18</p> <p>HP 8615:5 8627:9</p> <p>HTST 8633:1,5</p> <p>huge 8677:26 8683:19</p> <p>humans 8678:21</p>	<p>humidity 8699:28</p> <p>hundredweight 8615:1,17, 25 8616:8,16 8750:26 8751:17,28 8773:15 8774:22,23,24 8775:22,23, 27 8776:2 8781:1,7,10 8793:21 8794:7 8795:5,8 8796:4 8798:10,14 8799:5,9, 12,18,19,22,23,24,27 8800:17 8801:1 8804:14 8825:2,7</p> <p>Hunger 8631:12</p> <p>hurdles 8693:6</p> <p>hurt 8683:21</p> <hr/> <p style="text-align: center;">I</p> <hr/> <p>I-5 8658:16</p> <p>i.e. 8701:23</p> <p>ice 8807:21 8816:3 8832:11</p> <p>Idaho 8727:1,14</p> <p>idea 8668:23 8687:3 8771:13 8775:14 8813:12</p> <p>ideal 8784:21</p> <p>Ideally 8773:5</p> <p>identically 8823:17</p> <p>identification 8631:25 8648:21 8664:12 8691:6 8715:9 8716:20 8721:3 8728:17 8731:19 8770:8,11, 15</p> <p>identified 8613:5,22 8703:2, 3 8734:4 8794:24</p> <p>identify 8759:12</p> <p>IDFA 8828:18 8834:2</p> <p>IDFA's 8827:16,18</p> <p>IDFA-377 8715:14,15,22 8769:6</p> <p>IDFA-378 8716:22 8769:10</p> <p>IDFA-379 8721:6</p> <p>IDFA-380 8728:18 8769:14</p> <p>IDFA-381 8731:17 8769:18</p> <p>II 8622:6 8644:26 8772:14, 16,17,20,21,22,24,26 8773:5,28 8774:3,5,21 8775:3,7,9,13,16,17,21,24, 25 8776:1,5,10,15,22,24,26 8777:6,9 8778:10,11,12,18, 22,25,27,28 8779:3,4,7,15, 20,21 8796:12 8802:23 8808:1 8809:27 8810:2,7,11,</p>	<p>20 8811:27 8812:10,14,19, 21,28 8813:2,9,15 8814:3,4, 5,9,12,14,16 8815:12,14,26, 27 8816:2,14 8817:2,11,23, 27 8818:4,5,24,26 8819:4,5, 8,9,11,12,14,15 8820:23,28 8822:16 8823:21,24 8825:19,22 8826:2,28 8827:2,21,25 8828:4 8829:9, 16,18,20,25,28 8830:3,5,7, 26 8831:1,2,5,8,13,16,24 8832:23,26,27 8833:1,7,17, 25 8834:4,5 8835:1,5,10,12, 18,28 8836:28 8837:6,13,20, 22,24 8838:1,5,6,9,17,26 8839:1,9,17 8840:2,6,19 8841:2,5</p> <p>III 8622:7 8705:9 8779:7,9 8797:23 8801:4 8830:28 8831:4 8835:7 8836:11,12, 17,19 8837:3,7,19,21,27 8838:12,15,23,25</p> <p>III/CLASS 8838:27</p> <p>IIIS 8621:5</p> <p>IIS 8621:5</p> <p>Illinois 8840:22</p> <p>image 8704:3 8707:3,28 8709:10</p> <p>immediately 8652:12</p> <p>immense 8704:14</p> <p>immune 8618:7</p> <p>impact 8619:21 8665:22 8694:14 8697:4,9 8701:19 8751:4 8767:7 8775:28 8778:9,17 8779:15 8804:24 8806:8 8811:16 8827:20 8834:20,26 8839:17</p> <p>impacts 8656:10 8697:6 8698:9 8743:8 8763:5</p> <p>Imperial 8752:25</p> <p>implement 8787:3 8807:13</p> <p>implemented 8677:17,18,24 8777:8</p> <p>implications 8767:20</p> <p>implores 8704:7</p> <p>import 8757:14,15</p> <p>importance 8679:11 8696:15</p> <p>important 8618:15,16 8624:3,4,8 8656:14 8792:7, 12,24 8812:22</p> <p>importantly 8779:2,6</p>	<p>imposes 8796:16</p> <p>impression 8755:12</p> <p>in-and-out 8686:14</p> <p>inability 8804:5</p> <p>inadequate 8650:19</p> <p>inappropriate 8804:28</p> <p>Inc.'s 8632:13</p> <p>incenting 8772:20,25 8775:4</p> <p>incentive 8619:1 8637:14 8792:1 8793:6,7 8795:13,18 8800:2,20,26 8802:9 8824:5</p> <p>incentives 8795:19 8838:6</p> <p>incentivize 8617:18 8619:6</p> <p>incentivized 8613:19 8821:10 8838:26</p> <p>incentivizes 8823:23</p> <p>incentivizing 8821:1</p> <p>incidents 8700:5</p> <p>inclined 8725:4 8734:13</p> <p>include 8633:19 8737:14 8739:19 8775:5 8795:26 8813:1</p> <p>included 8638:14 8735:22 8739:15 8755:13,18</p> <p>includes 8636:2 8658:7 8803:3</p> <p>including 8632:28 8696:13 8769:26 8771:20 8778:26 8787:5 8795:11 8804:3 8807:21 8813:27</p> <p>inclusive 8642:25 8643:3,5, 6,9 8655:11</p> <p>income 8704:24</p> <p>incorporate 8773:4</p> <p>incorporated 8777:13 8820:26</p> <p>incorrect 8782:6,18</p> <p>incorrectly 8687:3 8692:4</p> <p>increase 8622:14 8638:10 8643:15,17,19 8648:6 8654:17 8662:5 8682:25 8683:28 8684:2,4 8694:2 8695:9,10,24,26 8700:12 8703:5,23,28 8708:6 8710:26,28 8711:2,11,12,13, 17,26,27 8712:16,18,25,26 8713:3,15 8719:2,15 8723:12,13 8725:1 8729:20 8741:2,6,16 8760:6 8776:1,</p>
---	--	---	---



28 8777:5,28 8778:24 8784:11 8791:21 8795:4,8 8797:3,9,20 8798:15,16,17 8799:18,24 8800:1,19 8801:24 8802:27,28 8806:25 8809:27 8822:8 8827:18 8828:9,22 8831:3 8833:18, 21 8834:5 8837:22 8838:14 8839:8 8840:6	information 8633:18 8638:14 8646:5,9 8648:26 8649:4,6,14,26 8663:17 8666:12 8669:10 8670:18 8690:8 8700:17 8703:7 8707:25 8721:12 8722:26	interesting 8722:8 8768:10 8769:26	8825:21,22 8827:19 8830:28 8831:4 8834:3 8835:7 8837:16,17,18,21,26,27 8838:5,13,15,22,23,26,27
increased 8617:7 8618:28 8622:16 8639:4,5 8643:18 8656:15 8658:7 8694:14 8696:1 8697:4 8698:11,16, 21 8699:9,24 8700:2,15,20, 21 8701:6,8,9,11,17,23,28 8702:3,14,21 8704:12 8705:20 8717:19 8719:25 8720:21 8735:10 8776:7 8790:8 8791:1 8793:14,15 8803:7 8806:11 8810:8 8825:1 8833:25 8837:7,23	infrastructure 8696:27 8794:26	interior 8696:22	
increases 8639:11 8653:21 8654:5 8660:16 8668:22,24 8700:16 8702:26 8708:4 8711:18 8713:15 8757:28 8758:2,28 8760:24 8777:2 8779:8 8780:26 8788:15,16, 17 8791:3,4,5,6 8797:25 8798:7 8801:22	ingredient 8774:6	interlocking 8808:9	J
increasing 8619:27 8638:28 8654:2 8697:25 8700:22 8702:17 8776:2 8778:12,22 8835:1,10 8839:17	ingredients 8839:28	internal 8706:5	J- 8685:17
increasingly 8638:22 8685:4 8701:26 8702:11	inherited 8752:18 8754:3	internally 8701:7	J-A-C-I-N-T-O 8685:18
incredible 8678:21	inhospitable 8693:4	international 8709:24 8787:28 8803:14 8805:23 8809:21	J-O-H-N-N-Y 8631:3
incur 8699:7	initial 8786:21 8840:26	interrupt 8841:27	Jacinto 8685:16
incurred 8699:21 8733:25 8795:24	initially 8811:4	interrupted 8842:6	January 8692:15 8704:2 8790:15 8826:20 8834:21
incurs 8743:20	initiation 8840:25	intersections 8793:13	Jeff 8780:3
independent 8771:20 8805:18	initiatives 8698:7	Interstate 8794:13	job 8743:6
index 8703:7,10 8706:28 8707:21,25,27 8709:16	inline 8702:16	introducing 8715:27	jockey 8843:26
indicating 8825:9	innovation 8611:23 8626:26 8642:9 8775:15 8778:2 8826:12	introduction 8722:3 8785:23	Joe 8784:5
indication 8788:25 8801:10	input 8752:19	inventories 8816:8	Johnny 8630:26 8631:3,15 8632:12
indifferent 8766:18	insert 8781:22	inventory 8816:7	joint 8644:28
indirectly 8651:11 8840:21	inserted 8779:22	invest 8701:12	joking 8661:10
individual 8623:5	instance 8648:5 8655:11 8657:21 8660:18 8751:6 8752:2,24 8767:6 8820:18 8827:19	investment 8758:13	Judge 8747:5 8765:16
industry 8630:3 8673:9,11 8676:5 8678:24,25 8683:12 8702:26 8704:23 8722:2 8805:11,26	instances 8701:21 8752:6	investments 8702:28	juggling 8702:5
inflation 8702:26 8783:2	insufficient 8668:18 8743:22	invite 8623:19,21 8753:8	July 8743:27 8756:16,28 8836:26 8837:13
	insurance 8638:11 8639:7 8700:13	involved 8612:5 8650:8 8652:3 8653:4 8664:2 8738:19 8739:11 8747:23 8762:6	jumped 8838:23
	integral 8705:1	irrigation 8722:3	June 8650:3 8699:27 8756:28 8835:27 8836:10,16 8837:13
	integrated 8805:11	island 8684:16	jurisdictions 8667:6
	Intel 8787:22	isolate 8623:10	justification 8711:22 8775:20 8791:3
	intend 8712:13	issue 8660:7 8673:23 8679:22 8683:18 8686:12 8743:11,12 8793:4 8822:2 8834:8 8837:20 8839:7,10 8840:16	justifications 8789:17
	intending 8629:7	issued 8790:14	justified 8790:18 8803:6,25 8834:8
	intends 8696:3	issues 8639:13 8664:2 8673:3 8679:27 8686:1,2 8689:23 8694:4,6 8701:24 8704:28 8735:21 8742:18, 20,26 8743:11 8793:2 8806:9 8819:15 8821:6 8835:16 8838:16	justifies 8822:7
	intent 8762:18,20 8767:11, 14 8827:20	Italian 8825:17	justify 8790:22 8801:23
	intention 8734:11	IV 8621:5 8645:9 8666:25 8705:9 8760:2 8772:21 8774:3,6 8775:4,6,12 8776:20 8777:14,16 8779:9 8797:23 8798:10,17 8812:21 8815:12 8820:23 8823:24	juxtapose 8719:23
	inter- 8808:9		K
	interaction 8733:7		Kang 8843:19
	interchangeably 8636:22 8675:20		Kansas 8632:3
	interest 8777:20		Keefe 8803:11
			keeping 8614:15 8615:4 8619:27 8654:20 8657:22 8733:22



Kern 8678:3 8687:18,19	8796:17 8798:23	limited 8632:28 8670:6,9 8804:8 8814:21	long 8625:28 8656:4 8664:3 8680:13 8685:8 8696:9 8756:3 8803:20 8805:24 8808:13 8823:22 8831:25
key 8772:8,11 8802:19	largest 8644:12 8694:8	limits 8639:8 8677:28	long-term 8693:3 8703:9 8704:2 8707:1,5,28 8708:18 8709:8 8740:9 8741:15 8780:5,9 8804:25 8805:15
kids 8675:1	Las 8634:22 8665:2,4 8666:12	linear 8786:12	longer 8625:20 8638:28 8656:16,18 8678:12,13 8684:28 8685:3,4,24 8686:17,19 8701:25 8742:21,26 8772:24 8793:9, 11 8799:1 8810:23 8814:27
kind 8618:26 8627:24 8629:26 8645:7,8 8649:13 8656:5 8668:12 8674:2 8678:8 8679:22 8684:2,20 8685:9,11,28 8686:11,19 8688:8,10 8707:6 8741:19 8757:23 8788:15,16 8842:27	Lassen 8671:24 8672:12	lines 8641:2 8674:12 8702:15 8797:13	
Kingdom 8805:14	lastly 8634:17	links 8784:17 8795:11	
knew 8686:28	late 8650:15 8652:3 8743:27 8756:16,28 8785:25	list 8661:14 8671:19 8709:28 8710:6 8732:3,5 8843:17	
knowledge 8627:24 8628:7 8652:20 8658:2 8668:17 8689:25 8764:6 8768:14	lays 8790:9	listed 8627:10 8640:23 8665:26 8729:21	
L	learn 8811:24	listened 8737:4	longstanding 8781:28
L-A-S-S-E-N 8671:24	leave 8613:19 8617:18 8659:16 8686:16 8751:5 8759:22 8761:22,23 8782:21 8844:1	listening 8675:6	longwinded 8678:8
L-Y-O-N 8668:11	leaves 8613:26 8624:23 8761:10	literally 8745:8	looked 8614:16 8629:27 8653:2 8682:21 8811:6 8821:11,14,16 8827:6 8828:19
L.A. 8645:5 8661:2 8678:4 8682:2 8685:13 8687:24 8688:16,17	leaving 8615:4 8661:10 8702:18 8706:7	live 8685:15 8696:7 8748:12	Los 8657:22 8660:19,28 8661:4,5,11,24 8662:4
lab 8698:28	led 8729:26 8799:1	living 8696:15	losing 8842:3
labeled 8649:28 8652:19 8731:17 8748:10 8749:26 8770:5	left 8765:23 8792:7 8841:23	load 8625:28 8626:3 8730:25,26	loss 8807:12
labor 8638:11 8639:6,12 8694:11 8698:27 8743:11 8794:4,21,24	legal 8660:8	loading 8702:20	lost 8699:6
laborers 8701:7 8734:27 8735:12,18	legend 8648:25 8690:7	loads 8612:12 8613:10,11, 23 8614:3,8 8617:25 8619:13 8622:22 8623:9,11 8625:6	lot 8622:17 8623:8 8625:13, 25 8647:13 8654:25 8656:5 8659:22 8669:14 8676:20 8678:12 8680:17,27 8681:2, 3,26 8706:1 8719:6 8727:13 8736:24 8737:12 8738:19 8739:19 8740:20 8742:3 8744:4,13 8745:27 8749:9 8752:18 8754:3 8757:28 8758:14 8759:5 8760:3,26 8761:25 8762:4 8789:18 8825:4,5
lack 8621:21 8623:5 8680:22	length 8711:20	local 8694:24 8696:4 8704:22 8780:4	loud 8612:20
lacking 8680:15	lengths 8740:3	locate 8701:28 8708:26 8719:10	love 8628:21 8681:25 8683:7
laid 8774:27 8790:14,17 8791:25 8793:3	lengthy 8735:15	located 8616:18 8618:27 8666:28 8689:25 8693:21 8695:22 8697:14,15 8707:3	low 8697:21 8732:11 8816:1
Lake 8696:23,24,25 8727:23	less 8785:18	locating 8702:3,12	lower 8622:19,21 8696:27 8697:1 8706:17,18,22 8744:21,28 8746:16 8757:3 8774:20 8775:26 8776:8 8779:9 8788:24 8801:7 8837:27
Lamers 8620:10,11,14,15 8623:16	let alone 8640:7	location 8616:9 8621:13,18 8634:9 8651:1,5,7,8,20,23, 28 8681:13 8775:16 8776:15 8781:11,12,14,22,23 8785:21 8786:6,19,20	lowers 8616:26
land 8662:23 8694:9 8729:26 8730:4	letters 8807:27,28	location-specific 8781:8 8782:28	lowest 8678:1 8773:26 8776:8 8781:11,12 8784:20 8817:24
language 8774:27 8776:19 8777:11,12,14	level 8650:28 8651:4 8683:14 8740:1 8744:3	locations 8619:16,17 8648:25 8657:14,15 8736:27 8780:21 8781:16,22 8783:3 8784:9 8804:15 8829:19	lowfat 8805:1
large 8637:15 8638:19,22,27 8639:1 8661:10 8718:26 8727:14 8790:20 8805:14 8808:15	levels 8697:8 8727:23	locking 8741:21	luckily 8660:10
largely 8780:19	liaison 8633:22	lockstep 8777:10 8815:13	
larger 8625:18 8680:11 8698:1 8702:14,16 8719:17, 20 8728:3 8779:9 8788:17	licensed 8725:23,24,28 8726:1	logic 8772:22,26 8775:24 8781:28 8790:15,19 8791:2, 12 8793:16 8822:24 8823:10 8824:6	
	licensing 8698:27	logical 8775:5 8789:17	
	lies 8808:22		
	life 8696:16 8735:17 8814:19		
	likelihood 8776:3 8778:24 8779:8		
	limit 8829:9,11		
	limitations 8668:16 8809:2		



lucky 8685:19	8773:8,13 8774:20 8777:1,8, 11,12 8779:12 8780:14	8749:15 8788:15	massive 8726:26,28 8727:3, 4,5 8837:16 8838:21
lunch 8728:26 8729:7	8781:17 8785:8 8791:18	maps 8634:8 8687:10	material 8768:10
Lyon 8668:10,11	8797:11,23,25 8798:7,9,14, 17 8807:1 8808:19 8811:21	8787:7 8788:18 8789:26	materiality 8763:28
M	8812:14 8813:28 8816:3,14	March 8649:27 8650:6	math 8711:26,28 8712:6
machine 8690:27	8817:7 8819:3 8820:24	8652:4,6,12,17,19 8704:2	8713:1,2,11 8720:5 8723:4, 11 8724:19 8725:5 8726:3,5
made 8617:14,15 8624:6	8822:26 8823:8,20 8824:8, 24,28 8825:20,21,26 8826:1, 3 8827:19,26 8828:1,8,10	Maricopa 8695:7,21,25	8811:25 8822:22 8833:27
8668:24 8671:12 8710:15	8831:3 8833:24 8834:3	8697:14,16 8707:2 8708:26	matter 8650:12 8656:22
8743:8,14 8765:6 8776:25	8841:18 8842:11	8709:11,13 8710:17,23,24	8711:28 8723:11 8765:28
8777:4,6 8789:15 8803:10	makers 8813:22	8713:25 8746:5,17 8748:18, 25 8749:3,7 8753:22	8815:21
8841:5	makes 8655:1 8683:15	8761:26	maximize 8681:8
magnified 8638:10 8639:26	8732:6 8820:14 8827:1	mark 8620:15 8631:21	maximizing 8784:20
magnitude 8711:24	8832:13 8841:28	8715:6 8716:14 8720:27	Mead 8696:23,25 8727:23
main 8622:6 8762:10	making 8626:9 8629:20	8731:8	Meadow 8666:12
Maine 8612:12 8613:13,19, 23,26 8615:23 8616:3,10,15, 23,26 8617:6,9,11,12,16,19, 23 8618:4,9,14,16,19,20,24, 26 8619:6,8,9,17,25,27	8649:10 8657:1 8659:20	marked 8631:24 8648:10,19, 20,23 8664:11 8691:3,5	meaning 8641:26 8655:4,28
8624:2,3,10,26 8625:1	8678:17 8745:21 8767:13	8715:5,8,13 8716:19 8721:2	8656:1 8658:9 8681:12
8629:21	8814:4 8822:11	8728:13,16 8731:15,18	8792:22
Maine's 8624:26	manage 8623:8 8706:3,4	8770:7,10,14	meaningful 8817:18
maintain 8635:6 8673:5,7	8808:6 8816:7	market 8621:10 8622:10	means 8643:27 8696:28
8683:1 8694:26 8695:2	managed 8789:22	8629:8,13,23 8633:20	8697:2 8756:24 8760:23
8703:4 8733:26 8747:17,22	management 8693:3	8657:11 8659:10 8668:19	8784:28 8798:24 8827:9
8752:13 8793:4,8,25	8696:26 8701:2 8786:9	8692:17,18 8694:27 8695:28	meant 8724:8
8829:12,14	8794:3 8807:12 8808:10,14	8697:5,21 8703:5 8747:18	meantime 8794:10
maintained 8617:2 8657:17	manager 8721:19 8764:14	8776:3 8780:4,8 8781:2,7	meaty 8809:1
8746:20 8793:14	managing 8757:18 8808:2	8783:19 8784:15,16,21,22, 27 8786:16 8787:22	mechanism 8637:17
maintaining 8615:12	mandatorily 8830:5	8789:20,21,23,24,25	8677:23 8678:24
8619:22,24 8660:17 8673:24	mandatory 8773:6 8774:7	8795:25 8797:22 8799:2,5,7, 8,11,14,20 8800:3,21,23,24	mechanisms 8677:19
8734:23 8752:15 8793:22	8828:2 8829:26,28	8802:21 8803:13,15 8805:9, 20,22 8806:15 8812:23	medium-sized 8634:24
8794:20 8795:5,7 8796:27	manner 8812:20 8821:24	8815:5,10 8816:1,9 8817:8	meet 8627:27 8628:4
8803:8 8818:24	manufacture 8760:24	8821:4,5 8822:5 8838:24	8693:15 8697:9 8699:3
maintains 8619:15,18,20	8797:4,21 8820:23	marketed 8655:8 8819:11	8701:2,5 8702:17 8706:16
8620:1 8751:1 8776:10	manufactured 8736:9,19	marketing 8611:9 8621:27	8735:9 8737:3 8744:7
maintenance 8639:12	8737:15,16 8803:14 8830:3	8623:19,21 8627:2,23,26	8758:11,23 8761:1 8801:12, 13
8698:4 8700:14 8738:1,25	8839:12	8628:9 8630:19 8633:18	meeting 8756:15 8791:27
8792:14,26	manufacturer 8816:7	8664:21,26 8672:17	8793:15
major 8637:25 8730:13	manufacturers 8791:8	8674:19,21 8694:20 8695:20	meets 8695:4 8732:26
majority 8621:2 8632:20	8819:26	8716:1 8753:8 8771:23	8772:24
8695:21 8697:13,15 8718:26	manufacturers' 8777:1	8772:9 8780:7 8791:6	member 8620:18 8632:22
make 8618:13 8629:5,22	manufacturing 8632:25	8792:4,10 8795:24,25	8636:16 8647:3,5 8662:13, 14 8668:5 8692:18 8723:25
8632:27 8633:9 8639:8	8634:24 8635:4 8644:20	8803:17 8805:6,7 8806:14	members 8618:19 8621:6
8641:1 8642:2 8654:20	8666:15,18 8693:21 8697:23	8841:11,16,22	8624:7,8 8646:24 8667:22, 23,28 8692:20,21 8693:21
8655:10 8656:25 8662:3	8701:12 8713:23 8730:27	markets 8773:22,23,25,26	8697:15 8714:26 8719:6
8673:13 8675:25 8677:9	8736:18 8745:9,13,19	8780:22 8785:17,25 8796:2, 17,21 8799:16 8807:5	8722:25,28 8723:7,24
8678:16 8679:13 8680:26	8759:21 8760:1,6,10,15	8831:10,11,13 8832:4	8724:17,28 8728:6 8730:2
8683:23 8688:6 8691:18	8762:23 8763:3 8774:8,12	marking 8664:10 8721:5,6	8734:16 8746:27 8771:19
8692:23 8694:24 8697:8	8776:17 8777:3 8794:17	8728:15,18 8729:8	membership 8624:5
8708:22 8712:11 8731:2,3	8796:1,11,22 8797:22,25	Mass 8612:19,27	8692:21 8734:17
8732:16 8736:14,15 8752:21	8798:7,23 8799:1 8802:20	Massachusetts 8612:26	
8753:28 8755:20 8758:21	8803:23 8804:10,13,15	8613:20,24,27 8614:15,20, 24 8615:6,11,15,16,28	
8760:3 8767:24 8771:27	map 8634:12,13,14,15,17	8616:10,16,17,18,23,27	
	8635:8,11 8664:1 8687:14	8617:8,27 8618:2 8619:13, 18 8625:11	



<p>mention 8705:22 8734:26 8735:11 8737:7 8742:20 8744:15,17 8756:7 8758:25</p> <p>mentioned 8625:9,22 8633:5 8643:1 8656:14 8672:4 8686:11 8706:7 8727:16 8729:24 8734:28 8735:1,3 8736:12 8737:19 8756:8 8759:20 8762:3</p> <p>mere 8693:14 8718:4</p> <p>method 8811:11</p> <p>methodology 8810:10,19 8811:3 8823:4</p> <p>methods 8805:13</p> <p>Metro 8694:2,4 8697:17 8698:15,18 8700:6 8760:4</p> <p>metropolitan 8786:17 8789:19,25</p> <p>Miami 8804:19</p> <p>mic 8691:18</p> <p>microphone 8612:23</p> <p>mid-summer 8757:1</p> <p>middle 8637:8 8649:24 8652:11 8707:3,6 8709:13 8731:23 8765:12 8790:2,4</p> <p>Middlebury 8625:20,27 8626:3,6,7</p> <p>Mideast 8700:26 8832:25</p> <p>Midwest 8637:26 8640:5,6, 10 8653:13,15,18 8654:8,12, 14,16,27,28 8655:4,9,12,15, 21 8656:28 8657:8,12 8659:5,18 8683:3,5 8684:5, 14,17,21,24 8702:1 8799:4, 10,14 8800:23 8835:28</p> <p>MIG 8627:16 8648:18,28 8652:16 8778:2 8803:10,21</p> <p>MIG's 8629:1 8790:5 8791:16 8792:3,9 8805:3</p> <p>MIG-29 8749:26</p> <p>MIG-56 8664:10 8690:14</p> <p>MIG-57 8689:19</p> <p>MIG-PREPARED 8648:24</p> <p>Mike 8843:14</p> <p>miles 8680:12 8681:27 8697:22 8754:28</p> <p>milk 8611:23 8612:17 8613:9,19,26 8617:6,13,16, 18,19,20,23 8618:4,28 8619:3,6,7,8,10,12,22,25,27 8620:18 8621:10,11,14,19, 22,28 8622:6,8,10,22,27,28 8623:10 8624:3,22,23 8625:3,7,10,13,24,26 8626:6,26 8627:26 8628:14, 15,16 8629:10,21,28 8632:20,21,22,23,27 8633:1, 2,5,6,10,11,13,15 8634:4 8636:21 8637:13,14,18,26 8638:17,18,26 8639:1,5,8 8642:9,13,16,18,20,21 8643:8,14,18,24 8644:5,23 8645:1,15,16,24,27 8646:7 8647:16 8648:5 8649:2,25 8650:24,25,27 8651:23 8652:7 8653:21 8654:2,5,14, 16 8655:8 8656:10,11,15,17 8657:20 8659:23,27 8660:28 8661:2,11,24 8662:2,13,14, 17 8663:9,12,20,22 8664:21, 26 8665:18 8666:9,26 8667:3,4,7,9 8668:19 8669:1,8,16,18,28 8671:5 8674:3 8675:17,23 8676:1,3, 12,23,25 8677:20,26 8678:3 8679:21,27 8680:13,21,22, 26,27 8681:2,7,15,16,25 8682:5,7,16 8683:28 8685:11,13,16 8686:16 8687:25 8688:10,24,25 8689:2 8690:23 8692:17,18 8693:8,14,22 8694:6 8697:5, 9,17,20,25,27,28 8698:3 8700:21,24,25 8701:1,11,14, 15 8702:14,15,16,18,19 8703:4 8704:18 8705:1,23 8706:7,22 8712:24 8713:2 8714:9 8715:3,27 8716:4,11 8717:3,10,16,19,24 8718:5, 22,23,26 8719:25 8720:3,14, 21,22 8721:20,25 8725:11, 12 8729:9,13 8730:20,22 8732:10,13,16,19,26 8733:9, 27 8734:8,14,24 8735:4,6,27 8736:3,8 8737:16,17 8742:4, 11,13,16,22 8743:23 8744:1, 3,7,10,11,12 8745:25,28 8746:14 8747:8 8748:7,10, 23 8749:2,9 8753:28 8754:28 8756:19,23,25,27 8757:1,2,5,6,11,12,14,15,16, 19,23,28 8758:11,17,22 8759:14,20,22 8760:7,14,18, 22 8761:5,9,10,12,22 8763:9 8764:12,13 8765:21,27 8766:9,15,18,20 8768:13,19 8771:22 8772:9,19,20,21,26 8773:8,10,11,12,15,20 8774:1,3,8,10,15,16,17,19, 21 8775:2,4,7,10 8776:1,5,6, 16,23,26 8777:3,4,8,14,16 8778:2,25,28 8780:7 8781:2, 7 8783:3,17,18,25,26 8784:7,9,15,16,18,19,20,23, 25 8785:3 8786:10,11,17,18 8789:15 8791:8 8792:4,10</p>	<p>8793:10 8794:13,14,16,23, 24 8795:27 8796:1,9,12,16, 27,28 8798:10,28 8800:23 8801:3,11 8802:16,22,24 8803:2,3,8,14,17,23,26 8804:5,13,15,17,23,26 8805:2,6,7,14 8806:13,19,28 8807:3,18 8808:7,13 8810:2, 12 8811:5,7,17,20,21,26 8812:1,14,21 8813:13,20,28 8814:3,9,13,14,20 8815:5, 10,11,12,18,20,28 8816:11, 14 8820:22 8821:27 8822:1 8823:11,24 8824:6,10,16 8825:2,22 8826:11,19 8829:25 8830:7 8831:8 8832:16,17,18 8835:6 8838:9 8843:10,18,21</p> <p>milk's 8616:21,25 8641:10 8650:6 8653:24 8660:27 8668:17,20 8685:23 8752:12 8787:28 8788:7,21 8827:17 8828:13</p> <p>milk-producing 8635:2 8640:25 8641:6 8671:11</p> <p>milking 8701:10</p> <p>milks 8805:1</p> <p>million 8632:19 8693:14 8694:1,2 8703:17,18 8716:11 8717:21 8718:4,5, 18,22 8720:1 8722:12 8771:19 8776:7 8836:19 8837:1,3</p> <p>millions 8716:7</p> <p>Miltner 8670:26,27 8671:2,5 8674:17 8747:4,5,7,8 8749:16,19,21,23,27 8753:2, 5,16 8764:18,19,25 8765:4, 14,16,18 8767:21,22 8820:3, 4,6 8821:17,20,21 8825:15, 27 8826:7,8 8827:13,16 8828:7,17</p> <p>mind 8632:1,8 8644:2 8646:3 8668:3 8674:9 8684:18 8733:5 8841:20</p> <p>mindful 8632:9</p> <p>minds 8688:7</p> <p>mine 8672:26</p> <p>minimal 8773:1 8811:10</p> <p>minimum 8628:15 8775:21, 26 8776:1 8780:28 8781:1,5, 27 8782:18 8783:25 8790:6, 10,11,12,22,26 8791:10,15, 16,23 8792:14,26 8793:9,13, 20 8795:20 8799:28 8800:18,27 8801:11,14 8802:12 8803:4,6,24</p>	<p>8804:20 8815:20 8817:26 8818:8,9,17 8829:10</p> <p>Minneapolis 8784:15 8799:2</p> <p>Minnesota 8637:26 8653:19, 20 8654:3 8801:5 8807:21</p> <p>minus 8652:6 8773:20</p> <p>minute 8635:26 8699:10 8712:3 8713:18 8801:26</p> <p>minutes 8698:19 8728:1 8801:27,28 8809:11,12,14 8841:23 8842:1,2,5</p> <p>misalignment 8779:11</p> <p>misalignments 8778:24 8830:18</p> <p>misfortune 8735:16</p> <p>misinterpretation 8803:25</p> <p>misleading 8712:12</p> <p>missed 8843:20</p> <p>Mississippi 8788:19</p> <p>misspoke 8722:6 8724:9</p> <p>Mistake 8819:20</p> <p>mistaken 8735:2 8813:11</p> <p>Misters 8702:21</p> <p>mix 8635:4</p> <p>model 8613:17 8615:14,16, 20 8616:2,7,9,13,15 8617:15 8618:24 8629:3,7,12,18,22 8630:1,4 8641:20 8648:6 8649:20 8650:5,19 8653:21, 24 8654:5,11 8658:6 8659:2, 20 8661:28 8666:15,21 8667:11 8668:22 8669:3 8670:1,5 8672:10,14 8682:16,19,20,23,26 8694:24 8695:7,8,9,12 8696:2,5 8710:2,6,8,25 8711:14,25,28 8712:27 8713:4,20 8738:7,16,23,26 8739:4 8746:19 8750:10 8755:4,7,13,14,18 8783:28 8784:8,28 8785:6,12,14 8786:8 8787:2 8788:25,28 8789:9,20 8791:13,14 8803:26 8804:2,13</p> <p>model's 8660:3 8784:18,19, 23</p> <p>modeled 8640:4 8654:26 8655:3 8739:16</p> <p>modeling 8739:14,20</p> <p>moderate 8780:26,27</p> <p>modernize 8634:5 8637:19</p>
--	--	---



8805:27	8674:3	needed 8629:17 8655:1 8689:3 8702:14,16 8711:17 8772:4	non-co-op 8714:14
modest 8693:7	movement 8617:12 8645:27 8784:18,19 8786:11	needing 8654:17 8702:19	non-feed 8794:23
modification 8829:21,23	movements 8637:18 8677:20	negate 8656:17	non-members 8723:9
modifications 8630:4	moves 8613:12 8615:19 8617:24 8636:22 8656:16 8669:28 8675:19,23 8676:12	negative 8741:12 8772:6 8776:3 8819:20 8834:11,16, 20	nondairy 8839:19,23,27 8840:7
modify 8740:8	movie 8686:4	negligible 8817:6	nonetheless 8627:6 8644:16 8647:14,20 8658:1 8669:26
moment 8648:12 8657:6 8659:16 8664:24 8718:10 8721:8 8765:26 8822:22 8833:6 8841:15	moving 8617:6 8619:12 8637:13 8638:18 8650:24 8651:23 8656:18 8678:2,3 8679:27 8685:11 8688:25 8733:16 8777:20	negotiate 8662:28	nonfat 8633:2,13 8732:10,13 8737:16 8773:8,9,10,12,14, 19,22 8774:8 8775:2 8777:3, 8,14 8796:9 8811:21 8813:19,28 8814:20 8815:5, 10,11,18,28 8822:26,28
moments 8667:19	multiple 8701:14 8719:8	negotiated 8662:17	nonfluid 8734:8
money 8688:15,17 8699:6 8823:13 8824:9 8835:7	multiplied 8718:5,18	neighborhoods 8730:17	Norfolk 8615:10,15,28 8616:9,16,17,23,27 8617:8 8619:18
monsoon 8699:26,27 8700:3	multiply 8712:4	Nevada 8632:19,24,26 8634:7,13,15,18,21,22 8635:1,10,15,17,18 8636:3, 10,12,16 8640:9,21 8645:6 8648:24 8652:8 8654:22 8656:11 8657:3,16 8659:10, 19 8662:27 8663:1,3,24,26 8664:20,25 8666:14,26 8667:3,20,23,25 8668:5,17, 19,23 8669:1,2,28 8670:2 8671:10 8672:19 8675:9,10	norm 8822:1
month 8622:4 8632:20 8642:19,20 8665:27 8667:18 8719:19 8728:8 8729:17 8776:11 8815:21 8830:22 8831:19,26,27 8836:10,17, 26 8837:13	multitude 8741:24 8743:12	Nevada/california 8664:2	normal 8742:22
month-to-month 8831:15,18	mutually 8776:26	newbie 8676:28 8683:9	north 8625:26 8632:3 8693:20
monthly 8633:19 8832:5	myriad 8808:6	newest 8721:5	northeast 8618:26 8622:9, 11 8625:10 8672:20,21 8785:18
months 8710:7 8744:2,3 8756:24 8759:26 8760:7,14 8782:5 8814:22,23 8837:15, 17 8838:22	N	news 8809:6	northern 8625:19 8626:19 8632:19,24,26 8634:7,21,28 8635:10,11,13,16,17 8636:9, 10,11,12 8637:15 8638:27 8654:21 8666:14 8667:28 8669:2,28 8670:2 8671:10 8672:19 8675:10
Monty 8653:8	N-Y-E 8668:6	NFDM 8732:12,13	Northwest 8800:24
morning 8611:1,4,23,25,26 8620:11,12 8623:25,26 8626:25,28 8628:27 8630:28 8631:1,28 8642:4,7,8 8671:3,4 8674:25,26 8691:24,25 8692:13 8826:26 8842:6,21,22 8843:1	named 8721:20	nice 8674:27 8675:3	notably 8693:27 8806:2
motion 8670:23	names 8843:20	Nicholson 8641:16 8658:11 8662:1 8755:5 8783:27 8784:8,18,19 8785:28	note 8648:25,27 8649:9 8757:5 8778:7,9,17 8779:15 8807:1 8826:24
motivations 8629:20	narrowed 8748:24	night 8809:3,8	noted 8690:3 8701:18 8759:25
mountain 8638:20 8668:4	national 8616:21,25 8619:10,22 8629:10 8634:4, 5,12,14,16 8637:19 8641:10 8647:16 8648:5 8649:2,25 8650:6 8651:16 8652:7,26 8653:21,24 8654:1,5,14,16 8656:11 8657:19 8660:27 8662:2 8668:17,20 8682:16 8683:28 8690:23 8712:24 8713:2 8717:5 8719:14 8720:12 8729:9 8748:23 8752:12 8753:28 8759:14 8761:9 8788:7,21 8789:15 8794:13 8819:10 8827:17 8828:13 8843:9,18,21	nimbleness 8842:11	Notice 8827:26
mourning 8844:8	nationally 8634:10 8652:27 8654:23 8819:11	NMPF 8634:4,13,14,15,17 8636:16,20 8675:14 8691:3 8692:18 8694:17,21 8695:4 8704:8 8705:2 8746:24 8768:4,27 8775:23 8777:28 8779:28 8785:5,7,9 8786:1, 24 8787:6 8788:28 8789:8 8793:17	noticed 8825:10
mouth 8824:11	natural 8780:12 8786:16	NMPF's 8640:8,11 8779:26 8780:26 8788:13 8791:20 8793:16	noting 8819:2
move 8612:21 8617:15 8618:26 8625:11,13 8629:28 8630:10 8669:11 8670:15 8676:3,12 8679:21 8681:14, 16 8682:6 8687:24 8688:13, 15,17,24 8689:11 8697:20 8702:15 8704:15 8739:26 8745:28 8748:7 8750:9 8754:28 8763:12,20 8765:20 8777:21 8803:26 8809:12 8815:12 8818:28 8826:2 8844:3	NDM 8773:8 8774:13,16,19	NMPF-43 8630:13	November 8611:1,3 8635:14 8637:2 8651:13 8729:1
moved 8612:11 8669:2,3,8	necessarily 8656:17 8673:9 8738:12 8822:5 8829:25,28 8830:2	NMPF-56 8631:22,23	number 8630:16 8631:19,24 8635:22,24 8637:9 8642:26 8648:19,20 8650:2 8652:17, 23,26 8663:8 8664:5,11 8682:13,20 8684:3 8685:10 8689:16 8690:5,16 8691:3,5 8695:7 8703:21 8715:8,11 8716:6,19 8718:2,8,25 8721:2,15 8723:7 8725:2
	necessitates 8638:28	nodes 8804:8	
	necessity 8702:22 8801:11	nominal 8693:13	
		nominally 8774:1	



8726:12,24 8728:16 8729:22 8731:2,18 8734:19 8739:26 8758:5 8763:16 8769:7,11, 15,19 8770:7,10,14 8789:16 8823:20 8824:2 8836:4 8839:21 numbered 8732:9 numbers 8644:13 8649:20 8650:6 8652:18 8660:9 8705:14 8718:17 8719:4,15, 20 8722:22 8724:14 8727:25,26 8728:9 8754:3,6 8757:2 8759:3 8785:6 8789:7 8800:10,11 8801:7, 20,21 8811:15 8815:4 8818:20 8831:12 8838:20 numerical 8823:17 numerous 8624:2 8755:23 nutrition 8804:27 nutritional 8702:7 nutritionist 8736:10 Nye 8668:2,6,11	off-the-record 8648:15 8715:19 8718:11 8728:20 8731:13 8770:2 8787:11 8802:1 offense 8678:16 8680:14 offer 8752:26 8754:26 8807:19 8808:25,26 Office 8767:25 8768:27 8784:16 offices 8800:25 offset 8626:11 8796:15 oil 8741:8 oldest 8693:19 omit 8649:11 on-farm 8701:11 8702:13 on-the-record 8844:5 one's 8645:4 one-on-one 8738:12 one-time 8777:15 8804:25 ongoing 8698:15 onslaught 8704:11 open 8705:7 8749:24 8803:14 8807:16 opens 8790:25 operate 8646:22 8676:6 8693:6 8745:8 8819:17,19, 23,25 8833:21 8840:19,28 operated 8635:15 8662:15 operates 8632:25 8634:23 operating 8635:18 8636:25 8745:13,19 8805:12 8808:3 operation 8666:25 8701:19 8760:23 8796:8,26 8802:15 operational 8701:8 operations 8634:22 8659:19 8662:14 8692:28 8702:28 8744:10 8796:12 8808:15 operators 8796:10 opine 8754:5 opinion 8617:6 8619:10 8672:18 8673:23,25 8823:26 8831:6,9 opportunistic 8830:26 opportunistically 8830:11 opportunities 8807:13 opportunity 8637:21	8640:13 8656:9 8772:2 8796:1 8837:24 8839:2 oppose 8778:2 opposed 8660:9 8720:12 8741:21 8745:4,24 8812:15 8822:13 opposes 8776:28 8790:5 optimization 8676:20 8786:12 optimize 8681:7 option 8701:27 8730:5,8,9 8741:27 options 8786:28 8807:14 8808:11,14,19 Oral 8843:2 Orange 8645:4 8661:7 order 8618:2 8622:3 8623:6 8624:11,27 8625:7 8627:17, 19,21,22 8628:4,5,6,16 8629:15 8630:5 8632:21 8634:5 8635:8,15,18,20,24 8636:1,2,4,5,8,24,25 8637:2, 20 8640:4 8642:24 8643:2,7, 16 8644:1 8645:12 8649:3 8651:10,13 8654:24,25 8655:5,7,10 8656:4,7,8 8664:21,26 8667:13 8668:28 8669:27 8676:28 8677:4 8678:2,27 8679:19,20,21,22 8680:4,6,18 8684:10,11,20 8695:20 8703:4 8751:2 8763:26 8772:18,27 8774:27 8776:1,19 8782:3,19 8783:19,25 8787:9 8790:13 8791:24 8792:4,10 8793:19 8795:22 8796:12 8797:1 8798:14 8801:18 8802:16 8805:6,7 8806:14,16,24 8807:7 8811:6,15,25 8820:20 8821:26 8823:5 8826:20 8829:11 8831:14,22 8832:6,24,26,28 orderly 8672:17 8772:8,11 8803:17 orders 8677:17 8692:18 8741:19 8756:16,17 8757:8 8771:23 8772:9 8780:7 8805:19 8819:7 8831:8,14, 23 8832:3,22 Ordinance 8735:4,7 8794:15 Oregon 8653:8 organization 8673:19 8721:26 8764:12 8805:18 orient 8664:1 8711:23 8713:19,22	original 8663:11 8773:28 8775:3 8778:8 8779:13 8791:5,10 8801:8 8824:3 8841:9 originally 8791:2 originals 8630:20 other's 8614:11 outcome 8704:25 8817:6 outdated 8782:1 outlined 8731:4 output 8615:16 8616:2 8672:15 8693:13 8794:15 over-allocated 8696:21 over-order 8621:6,11,22 8662:18,28 8663:4,22 8780:1 overdue 8808:13 overhaul 8806:2 overhead 8701:1 8705:26 8706:3 overlooked 8656:5 overproduction 8803:12,19 oversight 8706:1 overthrow 8806:6 overturn 8805:5 owned 8663:1,13 8714:4 8746:9
O		P	
O'LAKES 8662:23 Oakhurst 8627:9 object 8763:23 8764:8 8768:3 8844:6 objected 8767:28 8768:4 objection 8630:11 8689:12, 20,28 8690:12 8763:13,22 8765:13 8767:23 8769:5 8844:7 objective 8752:11 objectives 8694:20,22 8695:4 8747:16 8792:5,11 8801:13 obligation 8714:9 obstacle 8692:24 obstacles 8694:12 obvious 8807:18 occasion 8714:8 8730:24 8746:14 occasionally 8618:21 occurs 8742:28 October 8641:26 8642:26 8649:22 8667:14 8729:10 8756:16 8785:14,15,16,27 8786:3 8788:22 8789:9	original 8663:11 8773:28 8775:3 8778:8 8779:13 8791:5,10 8801:8 8824:3 8841:9 originally 8791:2 originals 8630:20 other's 8614:11 outcome 8704:25 8817:6 outdated 8782:1 outlined 8731:4 output 8615:16 8616:2 8672:15 8693:13 8794:15 over-allocated 8696:21 over-order 8621:6,11,22 8662:18,28 8663:4,22 8780:1 overdue 8808:13 overhaul 8806:2 overhead 8701:1 8705:26 8706:3 overlooked 8656:5 overproduction 8803:12,19 oversight 8706:1 overthrow 8806:6 overturn 8805:5 owned 8663:1,13 8714:4 8746:9	order 8618:2 8622:3 8623:6 8624:11,27 8625:7 8627:17, 19,21,22 8628:4,5,6,16 8629:15 8630:5 8632:21 8634:5 8635:8,15,18,20,24 8636:1,2,4,5,8,24,25 8637:2, 20 8640:4 8642:24 8643:2,7, 16 8644:1 8645:12 8649:3 8651:10,13 8654:24,25 8655:5,7,10 8656:4,7,8 8664:21,26 8667:13 8668:28 8669:27 8676:28 8677:4 8678:2,27 8679:19,20,21,22 8680:4,6,18 8684:10,11,20 8695:20 8703:4 8751:2 8763:26 8772:18,27 8774:27 8776:1,19 8782:3,19 8783:19,25 8787:9 8790:13 8791:24 8792:4,10 8793:19 8795:22 8796:12 8797:1 8798:14 8801:18 8802:16 8805:6,7 8806:14,16,24 8807:7 8811:6,15,25 8820:20 8821:26 8823:5 8826:20 8829:11 8831:14,22 8832:6,24,26,28 orderly 8672:17 8772:8,11 8803:17 orders 8677:17 8692:18 8741:19 8756:16,17 8757:8 8771:23 8772:9 8780:7 8805:19 8819:7 8831:8,14, 23 8832:3,22 Ordinance 8735:4,7 8794:15 Oregon 8653:8 organization 8673:19 8721:26 8764:12 8805:18 orient 8664:1 8711:23 8713:19,22	P P-L-U-M-A-S 8671:27 p.m. 8728:22,25 8729:3 8770:4 Pacific 8800:24 packaged 8665:19 8670:1 8748:4,7,25 8749:9 8765:27 packaging 8669:18 PADD 8705:17 pages 8640:15 8705:9 8733:8,13,16 8771:10 paid 8730:4 pain 8656:8 8759:5 paper 8712:5,6 8787:14 paragraph 8640:22 8641:9 8671:8 8673:1,6 8675:14 8699:17 8735:9 8744:24,25 8745:22 8779:14 8781:19 8782:25 8800:5



parameters 8685:8 8738:18	penalized 8640:4	8686:16	8789:22,23 8791:8,28
pardon 8831:7	penalizing 8617:17	picked 8825:11	8792:1,2 8795:28 8796:2,8, 10,23,24,28 8798:23 8799:2
Parks 8843:17	penalty 8618:18	picking 8626:1	8802:20 8804:9,10,11
parlor 8701:10	pencil 8647:10,11,12,20	pickup 8687:1	8819:17,18,23,24 8831:16
part 8622:5 8643:16 8647:12 8649:17 8653:9 8654:10 8664:3,21,25 8665:1	peninsula 8624:18,19	picky 8686:13	8833:6,17,22 8835:5,18 8839:2,12 8840:5,19
8672:25 8697:18 8700:19 8709:6,13 8710:3 8743:3 8755:1 8768:23 8769:1 8775:11,13 8796:25 8804:22 8815:19 8819:4,6,14 8823:15 8841:25	people 8618:19 8664:1 8670:18,19 8694:2 8703:17, 18 8706:4 8726:8 8730:9 8763:5 8795:14 8814:26 8816:5,14 8827:9 8840:12 8843:26 8844:1,2	picture 8618:11	play 8771:23 8812:12
partial 8796:19	people's 8690:8	piece 8651:26	played 8636:27 8650:28
partially 8665:17 8666:6 8780:22 8822:9	per-pound 8796:14	pieces 8664:19	plays 8812:22
participant 8694:16 8767:15	percent 8642:13 8695:13 8708:3	pipe 8743:11	pleasant 8675:3,4
participants 8786:24 8829:26 8830:1	percentage 8646:6 8703:8 8708:9,14 8797:3,9,20 8818:11 8831:5	Piscataquis 8628:10	plentiful 8768:17
participate 8738:13	percentages 8696:1	place 8621:25 8635:16 8648:15 8653:26 8715:19 8718:11 8728:20 8731:13 8740:9 8741:21 8755:27 8770:2 8787:11 8802:1 8811:26 8822:27	Plumas 8671:27
participated 8694:18	perception 8761:28 8762:17	places 8638:25	plumbing 8793:28
parties 8768:2	perfect 8714:25 8780:13,14 8787:12	plan 8843:10	PMO 8622:20 8701:5 8706:9,23 8735:2,3,10,15, 18,20,21,22 8736:6 8737:2
partly 8830:17	perfectly 8649:1	planners 8786:13	point 8649:18 8650:7 8653:1 8656:8 8673:16 8681:23 8682:6 8684:22 8686:3 8690:10 8712:2 8723:1 8755:4 8763:2 8767:11 8779:18 8785:15 8787:25 8791:14 8811:26 8816:28 8818:12 8821:8,9 8823:11, 18 8824:12
parts 8653:20 8659:27 8696:13 8705:21 8761:2 8780:28 8781:5 8788:18	period 8646:16 8649:26 8670:3 8681:22 8743:28	plant 8612:19,25,28 8613:5, 6,9,23 8614:20 8615:5,11 8619:7,9 8620:24,25 8625:21 8628:5 8634:24 8636:10 8644:26,27 8645:7, 19,26,27 8646:2 8662:19 8665:13,15,23,28 8666:7,8, 15,18 8667:2,12 8669:1,7 8670:4,10 8686:14,15 8688:3 8693:21 8697:19 8698:26 8699:2 8730:27 8742:21 8743:10 8745:9,13, 19,24 8749:1 8757:19 8759:21 8760:1,2,8,10,15 8762:23 8763:3 8765:26 8766:23,27 8780:21 8783:24 8786:18,20 8796:11,26,28 8804:8,12 8813:15 8830:4 8831:24,25 8832:16 8835:9 8839:1,4,14 8840:28	pointed 8748:19
party 8645:28	periods 8741:7	plant's 8670:7,8	points 8625:15 8673:27 8759:6,18
Paso 8748:16	peripheral 8700:12	plants 8613:20,27 8618:16 8620:19,21,24,28 8621:1,19 8622:13,17,26 8623:3,11 8624:16,26 8625:1,3,18 8627:8,10,11,17,18 8635:4,6 8637:15 8639:6 8644:24,25 8645:2 8646:6,22 8662:19, 27,28 8663:12,21 8665:6,7, 26 8666:10,14 8669:14,15 8680:12 8689:25 8693:16 8695:20,22,23 8697:14 8698:24 8701:12 8710:16 8713:23,26 8714:1,6 8746:1, 5,8,9,13,26 8748:3,6,25 8749:7 8758:3 8759:21 8762:14 8765:25,27 8778:28	policies 8780:10
pass 8682:4 8744:2	perishability 8819:27		policy 8771:24,26 8777:26
past 8644:4 8651:3 8660:19, 22 8693:27 8703:19,23 8704:1 8734:15 8741:3 8810:6	perishable 8819:6		poll 8717:13
Pasteurized 8735:3,6 8794:14	permits 8698:12		ponding 8700:2
patch 8709:11	permitting 8700:14 8738:25		pool 8627:8,10,17 8628:5 8638:25 8695:20 8710:16 8746:26 8772:8,11 8776:2 8801:12 8802:20 8829:26 8830:1,10 8831:3,27 8832:12,15,16 8833:6 8835:2,7 8837:25 8838:2
patches 8709:2	persist 8693:7 8697:6		pooled 8625:1,4,7 8632:21 8642:16,18,20,21 8643:8 8776:5,6 8783:25,26 8797:1 8832:17,18
pattern 8806:16,24 8807:6	personal 8738:8		pooling 8642:25 8643:3,5,6, 9 8655:12 8802:9,19 8803:5 8830:26 8831:16,17 8832:3 8837:28
patterns 8807:8	personally 8653:14 8737:4 8743:15 8748:13 8751:9		pools 8802:16
pay 8621:6 8626:10 8655:18 8660:10 8665:22,25 8737:24 8743:17 8746:26 8762:24,25 8766:26 8775:12 8837:26	perspective 8618:7 8693:16 8710:12 8787:21 8789:12		pop 8738:22
paying 8762:27 8823:11,13	perspicacity 8842:11		population 8624:9 8685:14 8693:28 8694:1 8697:24
pays 8697:2 8745:6,8 8762:22 8763:2	philosophical 8812:9		
peg 8717:27	Phoenix 8694:3,5,8 8697:17, 18 8698:15,18 8700:6 8748:7,11 8760:4		
pen 8712:5	phone 8712:7		
	phrased 8767:10		
	PI 8622:18,19,21		
	pick 8623:7 8626:4 8662:1		



8698:17 8699:3 8703:8,16, 19 8704:13,20 8707:14,17 8708:3,4,6,12,14 8709:3 8720:25 8728:5 8729:24 8758:2	precise 8718:17	16 8830:28 8831:1,2 8834:11,16 8837:18,19 8838:20	processing 8650:27 8693:16 8745:24 8775:2,8 8794:17 8795:28 8796:14,24 8803:20,27 8808:4,14 8828:2
portion 8680:11 8795:23	precisely 8726:15 8730:16	prices 8635:7 8654:17 8663:8 8665:22,25 8677:27 8701:28 8703:5 8704:10 8705:16 8730:3 8740:20 8772:12 8776:10 8778:10, 12,22 8780:1,2 8790:21 8796:18 8802:14,15,22 8803:1,3 8804:1 8805:12 8806:28 8815:18,20 8817:17 8818:5,25 8829:12 8830:18 8833:21	processor 8775:10 8820:21 8821:2 8823:10 8838:28
Portland 8618:26 8619:1 8627:9	premium 8621:22 8624:12 8662:18,28 8663:4,22 8801:4 8833:19	pricing 8634:5 8635:11,16, 19,20 8636:8 8637:20 8655:21 8678:24 8679:8 8680:19 8692:19 8694:17,26 8695:2 8704:9 8739:14 8747:17,27 8749:15 8751:1 8752:13,18 8771:22 8776:22,25 8778:23 8786:2 8802:17,18 8803:5 8807:11 8808:10 8815:13 8818:26,28 8820:21 8830:18,21,24,25 8838:4	processors 8772:10,20,28 8785:18 8786:16 8794:23 8805:11 8816:10 8817:13 8821:12 8829:25,28 8830:7, 10
Portsmouth 8628:17	premiums 8621:7,11 8801:6,10	primary 8768:15 8797:22	procure 8754:21
pose 8692:26	prepare 8632:5 8691:26 8692:6	principle 8776:12 8820:26 8821:26 8824:3	produce 8644:23 8697:5 8700:25 8701:1 8702:6 8705:23 8718:23 8742:12 8755:1 8784:21
poses 8693:2	prepared 8648:28 8649:6 8670:19	principles 8784:3 8822:15	produced 8622:8 8642:13 8651:24 8669:18 8697:17 8716:7,11 8717:16 8718:27 8720:1,2 8729:9 8766:15 8839:13 8840:5
position 8647:16 8668:18,20 8673:18 8771:25 8827:28	prerequisite 8737:11	prior 8635:14 8642:24 8645:12 8650:27 8670:10 8679:19 8841:6	producer 8649:2 8668:11 8688:2 8712:24 8713:2 8772:6 8779:7 8783:8,18,25 8820:17 8826:19 8834:11,16
positive 8752:1	present 8617:24,26 8619:12 8795:7	priorities 8696:12	producer's 8705:26
positively 8633:26 8634:1	presented 8649:14 8650:19 8784:6 8785:17 8793:17	prisoners 8686:5	producers 8618:14 8634:4 8638:1,26 8640:2 8655:18 8665:22 8666:26,28 8667:3 8671:5 8701:4 8706:15 8721:20,26 8747:8 8764:12, 13 8785:18 8793:8,24
post-covid 8700:11	presently 8651:18	privy 8762:4	produces 8693:23
potential 8704:14 8749:5 8767:2	presents 8692:22	problem 8677:22,26 8680:5, 10 8779:10 8822:5	producing 8632:19 8638:18 8650:25 8659:23,27 8678:20 8693:7 8700:23 8735:27 8742:4,16 8745:25 8756:25 8763:8 8774:16,18 8796:8
potentially 8818:4 8830:27	preserve 8747:22 8748:26	problematic 8700:3 8727:24	product 8645:1 8661:25 8678:21 8732:3,11,16,21,25 8733:1,10,14 8734:1 8736:9 8760:24 8777:4 8784:10 8807:20 8812:24 8813:15 8814:14,21 8815:19 8816:19,21 8817:5 8819:27 8820:25 8830:3
pound 8774:11,12,16,19,20 8815:18 8825:3,4	president 8824:13,17	proceed 8664:16 8691:21 8715:23 8716:28 8729:4 8731:15 8771:16 8809:23 8826:22 8843:9	production 8638:2,9 8643:15,18 8652:1 8656:11 8693:13,18 8701:15 8702:10 8704:12 8715:28 8716:4 8717:3,10,19 8718:4 8719:2, 25 8720:3,14,16,21,22 8729:9,13 8742:9,10,17 8744:12 8756:23 8757:28 8758:11,17,22 8764:13 8784:9,25 8791:6 8794:17, 23 8795:11 8798:28 8802:22
pounds 8632:20 8693:14 8697:28 8698:3,14 8716:7, 11 8717:16,21,24 8718:4,18 8720:1,2,15,17,18 8773:14 8776:5 8825:7 8836:1,12,17, 19 8837:1,3,6,7	presumed 8775:2	proceedings 8844:9	
powder 8633:2,13 8693:24 8733:14 8760:3,5 8772:28 8775:8 8796:9 8797:4,21 8812:15,21,22,23 8813:10, 13 8814:3,15 8816:9,15 8817:4,11 8821:1,3,26 8822:6 8823:11,24 8824:10, 26 8825:1,7 8826:3	pretty 8622:4,23 8624:13 8662:21 8714:20 8727:1,22 8788:24 8832:26 8833:4	process 8693:17 8697:12 8739:12 8771:27 8774:14 8775:11 8777:26 8794:11,12 8815:27 8816:5 8823:15	
powders 8693:23 8731:4 8733:7 8736:24	prevalent 8754:10	processed 8642:14 8651:24	
Powell 8696:24 8727:23	preventible 8704:25	processes 8794:17	
PPDS 8776:4 8834:20	previous 8717:3 8737:5		
practical 8682:8 8683:15 8710:20 8803:5	previously 8611:19 8631:5 8638:16 8691:11 8701:18 8771:1,5 8821:25		
practice 8715:12	price 8618:1 8634:7 8635:5 8636:5 8637:17 8654:19 8655:18 8656:14,16,20,21, 23 8657:5,7,10,12,13 8659:4,9,17,18 8665:27 8677:19,23 8695:3,9,12 8703:9,22,27 8704:19 8705:20 8739:28 8741:8,28 8747:24 8766:3,23,26 8772:6,24 8775:4,12 8776:9, 14,15 8777:16 8778:18,23, 25,26 8779:2,3,4,7,8,10,15, 20,21 8780:5 8783:8,16,18, 26 8785:2 8792:13,25 8793:5 8796:15,25 8800:28 8801:2 8802:8,24 8804:24 8805:5,15 8808:2,6,17 8815:4 8816:1,8,24,26,28 8817:20 8818:9 8819:12 8820:13,28 8821:3,8 8824:4,		
practices 8794:3			
Prairie 8840:23			
pre- 8777:26			
pre-submitted 8771:17 8803:10,21			
preceding 8826:28			
precipitation 8703:10 8707:26 8709:16			



8803:2 8812:25 productivity 8699:6 products 8632:28 8633:1,3, 6,7,10,11,14 8693:23,25 8731:2,3,5,6 8732:5 8733:27 8734:8 8736:19 8737:15 8796:8 8803:14 8812:15 8814:4 8816:14,18,20 8817:2,4,14 8819:5,6,9,11 8820:23 8822:17 8833:15 8839:11,13,18,19,22 8840:4 8841:2 professors 8738:5 profitability 8796:11 8798:24 8823:23 profitable 8820:14 profound 8701:19 program 8622:24 8701:1,2 8705:23,25,27 8706:5 8737:8 8755:2 8786:27 programs 8706:3 8808:10 project 8738:6 projected 8697:9 projects 8698:27 8699:2 prolonged 8693:1 8696:17 8727:19,22 promised 8764:22 promotional 8768:10 promulgation 8684:10 proper 8764:5 8772:12 8819:1 properly 8629:23 8630:5,6 8814:22 proponent 8764:5 proposal 8615:19,24 8616:21,25 8619:10,15,22, 23 8629:9 8634:3,7 8637:19 8640:8,11 8641:11 8650:1,2 8652:13 8653:24 8656:12 8694:21 8695:4,10,13 8704:14,22 8705:3 8710:4, 28 8712:24 8713:2 8746:22, 24 8750:13 8752:4 8762:18 8766:5,28 8767:13,17,18 8770:21,22 8771:25 8772:13,15 8776:12,13 8777:20,27,28 8778:2,6 8779:26,27 8782:7 8785:7, 24 8789:13,28 8790:5,25 8791:16,20 8792:3,9 8793:16,18 8805:3,4 8806:6 8808:21 8809:27 8827:16, 17,18,21,25 8828:13,18,27 8829:23,24 8833:18,20	8834:1,2,10,20,23,26 8841:19 proposals 8704:8 8770:23 8771:12 8772:1,5 8777:22 8786:21 8788:26 8806:5 8817:16 8830:20 8833:20 8834:15 propose 8773:4 8777:2 8790:28 8791:1 8799:26 8800:16 8810:10 8821:23 8823:28 proposed 8615:19,24,27 8618:23 8634:8,9,14,15,16, 17 8636:15 8649:27 8650:12 8652:7,12 8656:2 8657:19 8668:23 8675:21 8682:16 8683:28 8687:14,25 8695:24,26 8710:3,19 8711:1,25 8712:27 8713:3 8746:3 8747:24 8748:23 8750:12,23,24,25 8751:12, 15,17 8752:3 8753:22,23 8761:8,26,28 8775:23,28 8776:21 8780:26 8785:23 8787:5,28 8788:7,13,21,28 8789:9 8790:14,17,24 8791:2 8793:19 8796:5 8800:28 8801:3,18 8824:25 8825:28 8826:4,5 8827:25 proposes 8614:15 8615:4 8616:22,25 8772:16,22 8790:27 proposing 8615:6 8652:7 8653:21 8654:2,5 8662:7 8711:7 8712:17 8828:3 proposition 8768:17 8802:13 proprietary 8663:19 8679:6 protect 8696:26 protective 8654:8 protein 8706:19 8731:5 8733:9 proteins 8693:24 protocols 8752:18 provide 8648:26 8672:17 8693:20 8738:24 8747:13 8749:16 8757:13 8781:1,6 8784:10 8787:21 8793:7 8796:12 8811:9 8826:15 8831:9,15 provided 8637:14 8638:16 8639:2 8649:25 8680:5 8694:23 8700:24 8793:7 providing 8632:1,8 8636:17 8780:11 8791:28	provision 8663:7 provisions 8655:5,11 8679:20 8771:22 8831:14 8832:2 Prowant 8690:23 8691:23 8692:2,4,5 8705:5 8707:8,11 8708:21 8759:13,14,16 8763:11,23 proximity 8638:26 public 8621:28 publication 8715:28 8717:4 published 8721:12,15,18 Puerto 8771:19 pull 8705:17 pulled 8703:26 8759:4 8823:27 pumps 8702:14 purchase 8754:23 8756:9 Purchased 8701:26 purchases 8808:7 purchasing 8698:8 8756:10 purpose 8617:10 8618:4 8772:25 8775:3 8803:16 purposes 8621:26 8736:9 8750:4 8775:5 push 8679:27 pushing 8685:14 8728:5 put 8622:18 8629:15 8668:16 8673:18 8679:12 8681:25 8682:12 8685:8,10 8686:25 8693:15 8704:24 8705:14 8754:14 8759:3 8782:4 8787:9,19 8823:7 8824:11 8826:27 8827:1 8835:22 8839:3 8842:23,25 puts 8616:2 8804:12 putting 8638:5 8676:25 8787:22	question 8613:16 8614:1 8619:11 8623:22 8626:15 8629:2 8643:20 8644:14 8649:17 8650:7 8652:2,9 8659:14 8660:23,25,27 8661:17 8662:8 8663:11 8672:22 8674:2,4,22 8675:8 8679:6 8681:17 8683:9 8727:12 8733:28 8743:4 8744:8 8745:16 8754:8 8755:25 8756:14 8762:21 8785:13 8810:6 8812:13 8814:7,8 8816:12 8818:23 8823:12,16 8827:16 8829:2 questioners 8826:28 questions 8620:4,16 8623:16,18,20 8624:1 8627:1 8647:13 8654:25 8669:23 8670:14 8671:6 8674:20 8675:12 8680:22 8689:10 8705:4 8708:21 8709:19 8734:21 8744:16 8747:3,9 8748:1 8753:6,9,15 8755:8 8759:18 8761:6 8764:20 8765:4,14,19 8767:12 8809:26 8820:8 8828:7 quick 8719:27 8764:20 quicker 8680:17 quo 8791:18,19 8795:9 quote 8722:2 8834:9
<hr/> R <hr/>			
R-O-G-E-R 8770:18			
rail 8702:2			
rain 8700:1			
rainfall 8708:15			
raise 8618:23 8631:13 8664:14 8678:18 8716:25 8773:25 8776:13 8817:2 8818:3			
raised 8617:9 8759:18 8810:19 8829:17			
raises 8654:14			
raising 8616:25 8762:2			
ran 8612:9			
range 8717:27 8718:21 8740:19 8789:11 8839:25			
ranges 8638:20 8682:18			
ranging 8702:8			
rapidly 8740:27			
rarely 8741:17			



rate 8695:25,27 8799:11	recall 8645:10 8648:1 8650:8 8721:24 8734:14 8735:17 8740:11	RECROSS-EXAMINATION 8765:17	regional 8711:16 8780:4 8799:7
rates 8639:5 8660:16 8799:21	receipts 8625:3	red 8647:10,11,12,19 8709:8,12 8788:14	regionalized 8680:17
ration 8702:6	receive 8632:27 8663:13,20 8666:26 8667:3,4 8832:17, 18	redirect 8628:25 8759:11,15 8764:20 8765:19	regions 8634:10 8636:15 8683:2
raw 8632:27 8633:15 8665:18 8669:2,3,8 8670:2,5 8749:2 8759:22 8761:5,10, 22 8814:13 8816:14	received 8630:16 8633:15 8667:9 8689:16 8690:5,16 8763:16 8769:7,11,15,19 8801:3 8826:26	reduce 8698:9 8719:15 8778:3 8790:6,27 8791:16 8801:14	Register 8794:7 8801:19
re-ask 8663:10	receives 8667:7	reduced 8625:9 8696:20 8746:22 8754:1 8824:10	regular 8698:2 8754:19,21 8777:15 8802:25
re-establish 8780:6	receiving 8698:24 8783:24, 26	reducing 8776:3 8802:12	regularly 8622:23 8624:13
re-organize 8827:1	recent 8640:7 8717:12 8721:17 8729:11 8773:6 8795:12 8796:22	reduction 8696:28 8704:24 8744:21 8772:6 8801:23 8834:10,16	regulated 8627:19,21 8665:17 8666:6 8667:12,16 8766:23 8780:2 8820:16 8830:4,5
re-organizing 8826:24 8827:2,8 8841:4	recently 8678:15 8740:11 8741:7	reductions 8697:7,8	regulation 8622:20 8637:28 8639:7 8676:13 8685:26 8840:5
re-read 8638:6 8778:6 8792:6	recess 8728:26	reference 8644:2 8653:15 8715:11 8716:9 8762:23 8774:26	regulatory 8633:20,22 8639:12
read 8633:6 8635:22 8637:9 8639:20 8641:4 8658:17 8692:8 8735:16 8778:6 8781:3 8792:16,21,22 8798:5,6 8800:4,13	reciting 8747:16	referenced 8649:21 8718:19	rehabbing 8701:22
readily 8671:23	recognition 8819:8	references 8670:20	reinforcing 8776:27
reading 8632:9 8633:5 8717:17 8778:17	recognize 8649:5 8682:12 8731:26 8786:5	referencing 8673:16 8777:11,12	reject 8768:21,26
ready 8658:21 8728:22 8764:27 8768:8 8770:27 8802:21 8809:14	recognized 8780:8	referred 8643:9	rejected 8730:24,25 8768:23 8785:24
real 8669:12,14,15,17 8758:20 8789:22 8813:14 8814:11,12,16 8815:25,27 8837:19	recognizing 8668:16 8763:24	referring 8641:15 8642:19 8652:25 8657:6 8665:8 8671:15 8673:1 8679:23 8707:27 8744:19 8745:8,10	rela- 8788:9
real-world 8785:8	recommend 8751:7	refers 8768:13	relate 8656:6 8734:7 8736:3 8745:24
reality 8629:28 8696:8	recommended 8710:2 8794:18	reflect 8629:23 8637:13 8686:26 8696:5 8772:18,19 8779:27 8786:7 8796:23	related 8684:19 8734:24 8742:15
realization 8679:1	recommending 8754:1	reflected 8796:25	relatedly 8742:2
realize 8618:5,12	recommends 8636:19	reflecting 8780:28 8781:5,9	relates 8733:26 8734:22 8761:8 8782:24
realized 8618:17	reconcile 8660:19	reflective 8780:23	relating 8734:21 8764:13 8809:26
realizing 8624:12	reconstituted 8774:2	reflects 8786:8 8795:24	relations 8694:26 8747:17, 27 8818:24
reason 8669:11,26 8728:10 8738:28 8768:15 8773:3 8775:5 8789:14 8806:13 8809:7 8813:1,4,5 8822:11 8844:3	record 8611:2,3,10 8629:6 8632:2 8637:7 8638:16 8648:11,14,16,17 8649:7 8658:22,24,25 8676:17 8679:19 8680:2 8686:26 8691:1,2,3 8692:9 8696:10 8715:16,18,20,21 8718:10, 12,13 8728:19,21,25 8729:2, 3 8731:12,14 8754:15 8755:20 8759:3 8763:27 8764:26 8765:1,2 8768:24 8769:2 8770:1,3,4,5,17 8787:3 8799:26 8800:16 8801:28 8802:2,3 8809:15, 17,18 8811:18 8823:7 8841:18,19,21 8844:6,8	reform 8636:24 8668:28 8669:27 8704:26 8772:18,27 8774:27 8782:3,19 8790:13 8791:24 8793:19 8795:22 8798:14 8801:18 8811:6,15, 25 8823:5	relationship 8636:12 8637:24 8640:9 8654:20,21 8655:27,28 8656:28 8657:2, 17,18,22 8682:28 8683:1 8748:18,27 8749:4 8750:27 8751:1 8752:15 8761:7 8766:3,9,27 8780:5 8817:17 8818:5,6 8825:20 8838:12, 27 8840:23
reasonable 8713:13 8733:25 8775:20 8785:2 8786:10 8789:11,24 8791:20 8802:26 8812:25,27 8822:18 8829:11,19 8832:4	records 8815:17	regard 8690:12 8769:4 8771:7	relationships 8752:13,27 8767:13 8779:2
reasonableness 8683:14	recovery 8619:2 8656:17	regime 8803:13 8830:19	relative 8635:7 8662:5 8681:3 8766:26 8781:9,11, 12,13,21,22 8783:7,17,19 8784:11,23,24 8785:3 8791:20 8806:27,28 8837:19 8839:3
reasons 8676:13 8682:25 8684:27 8719:8 8743:13 8768:3,4,26 8778:26 8817:21 8826:25		region 8625:14 8635:6 8637:23 8641:13 8647:7,8,9 8662:11 8682:22 8683:21 8687:12,25,26 8692:25 8694:19 8727:14,15 8754:16 8767:4	



releases 8696:24	reputation 8646:18	result 8615:20 8655:17 8723:12,14 8743:17 8759:27 8784:23 8794:3 8806:26 8825:12 8834:2	rising 8717:20 8784:7,8,12 8799:21
relevance 8763:28	request 8765:6	resulted 8701:16 8811:27	risk 8807:12 8808:2,10,14, 17 8816:8 8829:18
relevant 8656:3 8745:14,19 8816:16	require 8692:27 8696:4,26 8706:2,17 8734:16 8737:13 8774:17 8794:4	resulting 8652:17 8692:25 8696:20 8787:1	risks 8808:6
reliability 8661:16	required 8693:5,11 8794:2 8796:28	results 8613:18 8629:3,8,23 8630:4 8641:20 8648:7 8650:18 8653:22 8655:4 8659:21 8696:5 8701:3 8784:18,19,23 8785:1,6,14, 15,16,27 8786:3 8787:2,5 8791:13,14 8804:9 8805:13	rite 8797:7,13
reliable 8704:17	requirement 8628:5,14 8700:28	resume 8611:6,17 8658:26 8802:7	rival 8693:17
reliance 8805:19	requirements 8701:5 8706:16 8732:27 8735:10 8737:1 8793:23,28 8794:18	retail 8703:22,27 8748:7	river 8628:10 8696:16,20,21, 27,28 8697:1 8744:21 8745:1
relies 8773:21	requires 8643:7 8793:26 8822:16	retailers 8805:14	Riverside 8749:14,28 8750:5,17,19,24 8751:16,21, 23,28 8752:3 8761:13 8766:1,6,14,16
relocating 8701:23	requiring 8706:21	retain 8657:13 8668:24	road 8698:21 8700:3
rely 8752:20 8811:5	Research 8795:10	return 8611:10 8613:16 8765:24 8776:9 8790:3 8802:17 8841:8,16	roads 8661:16 8694:10
remain 8611:14 8639:2 8768:23 8769:1 8771:3 8780:24	resemble 8805:10	returned 8624:5	roadway 8738:21
remained 8780:25	reservation 8689:27 8690:3	Returning 8614:19	roadways 8700:2
remaining 8695:23	reserve 8644:4,11 8689:22 8795:26	revenue 8833:22	Roger 8770:18 8771:4
remains 8693:13 8818:10	resilience 8693:4	reversed 8750:18 8751:19	role 8636:28 8650:28 8812:23
remember 8614:10 8620:17 8641:16 8642:25 8658:19 8669:5 8677:12 8735:28 8741:11 8802:5	resistance 8639:4 8686:9	review 8665:26 8740:13 8751:13 8769:2 8794:11,12	roles 8633:16
remote 8702:12	resonate 8832:8	reviewed 8740:11 8768:25	roll 8625:24,27 8626:2 8757:11
Reno 8634:23 8657:16 8666:21,23 8667:11	resource 8763:4 8794:5,21, 25	revising 8622:22 8739:3	room 8658:10 8664:15 8716:25 8721:9 8749:25 8842:20
repair 8701:17	resources 8692:27 8694:11, 13	revision 8794:11,12	rooted 8791:24
repairs 8700:8,14 8738:25	respect 8649:3 8650:9,11 8670:17 8679:14 8779:10 8812:24	revisit 8830:21	Rosenbaum 8709:21,23,24 8712:10,12,13,15 8713:6,8, 10 8715:4,10,12,23,24 8716:13,15,21,23,27 8717:1 8718:14,16 8720:27 8721:7, 9,10,11 8722:6,11 8723:28 8724:2,4,6,8,12,15 8725:10, 14 8726:6,7,10 8728:12,23 8729:4,5,6 8731:8,15,20 8735:6,8 8747:1,10 8748:1, 19 8756:14 8757:28 8763:18,20 8764:9,10 8765:3,5,9,11 8768:16 8809:20,21,25 8812:4 8819:22,28 8820:2,7 8829:3
repeat 8743:4 8745:16 8777:25 8823:17	respective 8613:18	rewarding 8634:2	rough 8821:7
rephrase 8614:18 8672:26	respond 8614:12 8668:4 8841:19	rewet 8772:21 8810:25	roughly 8654:22 8729:20 8774:17,19 8810:28
replace 8823:24	response 8660:26 8764:9 8765:19 8770:23 8771:11 8777:21	rewetted 8772:28	route 8627:22 8636:11,21 8637:14 8661:23 8665:15 8666:5 8674:9,11 8675:17
replacing 8776:22	responsibilities 8743:6 8798:27	rewetting 8772:19 8773:1 8774:2 8810:24	routinely 8832:12,15
report 8709:26 8787:22 8835:27	responsibility 8743:3	rhetorical 8791:17	row 8613:4,6 8614:16,19,23 8615:23 8616:12 8627:7,11,
reported 8801:3	rest 8621:4 8640:8 8686:8 8772:4 8780:24 8783:17,19, 8787:2 8799:25 8800:15	rich 8679:15	
reporter 8613:8 8614:7 8628:2 8632:10 8685:19 8735:5 8802:10 8812:3 8819:21 8821:15 8836:8,24	restart 8787:18	Rico 8771:19	
reporting 8633:19,20	restate 8779:4	rid 8687:27	
represent 8647:3,4 8784:19, 23	restricted 8701:20	rights 8638:1	
representation 8666:2 8712:21 8726:19	restrictions 8698:28	rise 8775:23 8794:22 8796:13,14,18 8806:26	
represented 8647:28 8796:3 8810:28	restrictive 8639:7	risen 8617:3,10 8700:18 8705:11 8794:26 8799:17	
representing 8671:5 8747:8		rises 8739:28	
represents 8729:20 8804:19,20			



13,15 8750:1	school 8756:26,27 8757:1 8824:17	8779:14 8781:24 8782:11, 12,16,17,22,24 8792:6,22 8798:5,6 8800:14 8806:22 8827:14 8828:27	shifting 8783:2 8784:9
rule 8764:17 8768:7,8 8771:24 8790:14,17,24 8791:10 8793:19 8796:6 8800:28 8801:3,18	scientific 8785:3	separate 8663:4 8753:18 8771:12 8775:16	shifts 8798:28
rulemaking 8656:3 8660:8 8774:27	scope 8790:25 8808:22	separated 8819:1	shipment 8823:14
ruling 8765:6 8767:24	scorching 8692:25	separation 8819:7	shipped 8628:15,16 8647:5 8661:26
rulings 8768:22	Scott 8611:13,18	September 8699:28 8729:14,16 8743:28 8771:18	Shippers 8794:13
run 8617:11 8650:14 8720:5 8757:19 8805:22,24	scrambled 8637:16 8677:18	ser- 8621:23	Shipping 8796:16
running 8726:14 8760:16, 20,21,22 8796:23 8798:24 8804:9,11	scrambling 8826:27	series 8652:17	ships 8625:6
rush 8698:20	screen 8787:10,17	serve 8668:19 8800:2,20,26 8802:21 8805:23 8807:17	shooting 8800:11
Ryan 8671:5 8747:8	screwed 8645:8	serves 8645:23	short 8637:22 8641:12 8650:21,22 8651:15 8654:11 8740:4 8805:22 8842:25
Ryll 8614:14 8615:3	scrutinize 8636:26	service 8611:10 8621:4,23, 24 8622:17,26 8623:2,20,22 8624:9,24 8627:2 8630:19 8674:19,22 8693:21 8695:28 8697:5,21 8703:4 8716:1 8717:6 8729:10 8753:9 8795:10 8796:2 8841:12,17, 23	short-term 8780:8
S	seal 8669:12,14,15	servicing 8675:24 8700:12	shortage 8696:22,28 8697:8
S-C-O-T-T 8611:13	searched 8721:12	serving 8697:13 8785:25 8804:2	shorten 8842:2
S-I-E-R-R-A 8672:1	season 8699:27,28 8700:3	SESSION 8611:1 8729:1	shove 8686:7
Sacramento 8657:16 8669:4	seasonal 8785:23 8786:1,2 8795:26 8803:9 8804:4 8821:3	set 8615:6 8630:6 8652:5 8683:14 8692:22 8737:1 8793:19 8805:14 8808:13 8810:11 8812:10,19 8813:8	show 8634:8 8695:28 8700:18 8732:24 8787:18
sacrifice 8796:11	seasonality 8718:22 8757:21,23	sets 8815:20	showed 8672:10 8799:21
sacrificing 8816:19,21	seat 8765:23	setting 8651:27 8773:4 8783:10,15,20,23 8785:21 8786:4 8822:25	showing 8706:28 8707:16, 20 8708:13,17 8741:5 8751:17 8763:27 8807:6
sake 8733:7	Seattle 8784:16 8799:20	seven-day 8819:24	shown 8638:15 8807:24,26
sale 8748:8	secret 8767:27	severe 8693:1	shows 8680:28 8690:7 8703:26,28 8707:1 8708:9 8788:9,12,15,16 8806:16,24 8807:8
sales 8662:18,28 8663:12 8692:14 8733:6 8748:4,25 8808:8	Secretary 8696:22	shackled 8805:25	shrinkage 8795:28
San 8685:12,16 8687:20,23 8752:24	Section 8628:6	shaded 8702:22	shrug 8825:10,14
sandstorms 8700:2	sector 8693:12	shadow 8803:22,23 8804:14	shrugging 8825:13
Sarah 8748:10	seeking 8648:5 8713:20	shape 8788:9	shuffle 8622:22
satisfactory 8763:27	segregation 8688:6	share 8618:8 8800:22 8833:4	sic 8611:16 8612:6 8806:18
satisfy 8810:2	seize 8805:11	shared 8746:27 8786:1 8787:7	side 8736:23 8755:9 8757:27 8758:12
save 8675:12	Select 8671:5 8747:8	sheds 8637:26	sides 8679:10
saves 8823:13	selected 8648:24 8652:8 8729:13	shelf 8814:19	Sierra 8671:24 8672:1,12
scale 8719:19 8728:7 8788:8 8808:4	selectively 8793:17	shift 8709:9 8804:25,26 8819:12 8838:23	signal 8792:25
scales 8787:25	self-authenticating 8764:15		signals 8793:12 8820:13,15, 16
scarce 8763:4	sell 8662:13,14 8730:3 8733:1 8734:1 8841:2		significance 8710:20
scarcity 8692:26 8693:2	selling 8662:12 8765:27		significant 8625:14 8638:20, 24 8692:26 8693:26 8758:13 8803:27 8804:5 8839:21
scaring 8674:26	send 8613:23 8626:2 8714:9		significantly 8740:22 8757:3 8776:13 8808:3
scenarios 8837:23	sense 8655:2,10 8672:23 8675:25 8677:9 8683:15,18, 23 8688:6 8704:26 8761:12 8820:14 8827:1 8832:13 8841:5 8842:1		signs 8793:11
scheduled 8843:2	sentence 8638:7 8639:20 8641:4 8671:15 8675:17 8676:17 8677:18 8699:18 8722:1 8745:10 8768:12		



silos 8701:14	8784:22,27	Southeast 8683:8 8762:9 8785:17 8796:20	Springfield 8617:23 8620:26 8625:27 8626:5
similar 8635:5 8640:9 8655:1 8684:15 8694:3,5 8705:16,17 8719:14 8775:14 8788:9 8805:13 8819:15 8822:17	slope 8626:9 8660:13,15,17 8662:5 8683:1 8684:22 8687:28 8689:2 8695:3 8747:27 8752:22 8767:5	Southeastern 8780:22	spurious 8803:12
Similarly 8798:17 8799:20 8834:25	slots 8612:18 8617:21	southern 8637:16 8638:27 8644:25,26 8645:2,3 8664:28 8675:9 8687:11	squeeze 8833:21
simple 8638:18 8711:26,28 8723:4,11 8726:3,5 8775:1,7 8776:19 8808:19	slow 8634:26 8780:17 8783:21 8800:6,8 8834:12	southwest 8654:4 8709:6,7	stability 8704:17 8780:10,11
simpler 8808:18	slowly 8632:16	Soviet 8786:13	stable 8740:18 8805:9
simplest 8807:18	small 8736:15,16 8807:26, 27 8808:4,6	space 8818:10	stack 8786:25
simplification 8773:3	smaller 8723:13,14 8788:16 8808:4	speak 8614:2 8624:7,22 8640:14 8652:22 8653:14 8658:4 8660:21 8662:22,23 8665:18,19 8667:9 8670:5 8673:18 8675:2 8680:23 8687:3 8843:21	staff 8693:5 8706:4 8754:18
simply 8652:16 8725:27 8736:11 8803:26 8807:3 8816:10 8823:15,24 8824:9	smells 8685:16	speaking 8736:1	stagnant 8707:19
Sims 8780:3	smooth 8695:1 8762:8,10 8767:5	special 8660:28 8700:14	stair-step 8689:4
simultaneously 8760:6	smoothed 8789:25	specialty 8633:2,14 8727:10	stand 8611:5,7,10 8683:25 8690:26 8801:26 8813:15
single 8696:14 8804:23 8819:12	snow 8658:14	specific 8648:1 8745:26 8759:2 8786:6 8793:27 8810:6 8832:2,3	standalone 8814:16 8824:5 8830:7 8832:11,14 8835:1,9, 13 8839:1,2
single-handedly 8693:17	so-called 8839:27	specifically 8638:15 8660:7 8694:19 8716:6 8739:9 8743:24 8778:27 8791:26 8800:10	standard 8662:21 8663:8 8706:9,23 8774:5 8791:27 8793:15 8794:20 8798:12
sir 8646:15 8659:28 8661:13 8665:14 8670:13 8710:22 8729:19,28 8733:15,19,24 8734:6 8737:26 8738:11,14 8739:22,24 8742:23 8744:18,27 8745:10 8748:22 8749:8 8750:3 8752:28 8763:10	soapbox 8683:24,26	specifications 8732:4 8794:1	standardized 8703:10 8707:26 8709:16
sit 8691:19	soft 8819:6 8833:15	specifc 8644:21 8648:3 8752:26	standards 8660:8 8763:25 8793:22 8794:9 8795:7 8803:8 8804:4
situated 8716:27	sold 8730:12	spectrum 8702:24 8727:8	stands 8805:16
situation 8626:19 8730:6,7	solids 8773:9,10,15,19,22 8774:16 8777:14	speculate 8728:10	start 8612:8,9 8619:11 8623:1 8624:2 8633:27 8664:28 8671:7 8677:22 8714:23 8715:27 8726:9 8736:18 8743:27,28 8756:27 8806:21,22 8809:12 8826:15 8827:12 8836:14 8842:6 8843:2
sixth 8715:25	solution 8677:23 8784:21,27 8786:9 8807:18	speed 8632:9 8780:14	started 8652:27 8708:25 8714:21 8823:1
size 8722:13,17 8726:22 8727:8 8745:14 8790:19,26	solve 8808:20	SPEI 8709:14	starting 8653:1 8654:2 8685:22 8686:1 8702:28 8708:5 8730:17 8740:7 8785:14 8791:14 8811:26 8822:14 8827:2
sizes 8623:13	solves 8786:17	spell 8611:12 8631:2 8685:17 8691:7 8699:11,15 8703:12 8770:16	starts 8628:10 8675:14 8699:27
skim 8632:27 8733:23 8737:17 8773:11,15,20,26 8774:3,10,15,16,17,19,21 8776:23,26 8805:1 8810:12 8811:5,17,20,21 8812:1 8813:13 8821:13 8825:21,22	somatic 8622:19 8706:14, 17,23 8736:12 8737:1	spelled 8843:6	state 8611:12 8613:20,27 8618:16,19,25,27 8619:4 8624:7,11,15,18,19,23 8625:14 8631:2 8632:24 8635:15 8636:25 8638:18,20 8641:11 8643:7,8 8650:25 8656:4 8659:24 8660:2 8661:27 8664:20 8665:1 8667:4 8674:12 8676:2,5,9, 13 8678:2 8679:20 8680:4, 16 8686:8 8688:5 8691:7 8693:26 8697:3 8707:2 8710:16 8711:16 8713:24
Skyilar 8661:17	someone's 8806:12	spend 8682:4	
skyrocketed 8694:1	sooner 8827:4	spike 8708:10	
slack 8804:10	sort 8649:13,23 8705:13,28 8734:17,21 8740:14 8743:11 8759:27 8763:3,4 8786:12, 21 8817:16 8819:12 8824:5	spit 8682:19	
slide 8787:18 8788:27 8789:3,6	sound 8713:12 8722:17 8780:5 8790:13,15 8793:7	spoke 8719:27 8759:4 8839:11	
slides 8787:23,26	sounded 8631:11	spot 8681:15 8756:4	
slightly 8672:20 8720:8	sounds 8713:13 8758:5,6 8760:15,28 8811:2 8828:24 8829:1	sprawl 8697:23 8728:4 8730:18	
	sour 8833:15	spread 8618:21 8748:24 8754:1 8784:28	
	Source 8703:23	spreadsheet 8749:24	
	sources 8648:28 8796:16		
	south 8625:13 8626:3 8637:26 8653:20 8668:12 8685:12		



8714:11,26 8716:10,11 8717:11 8720:15 8721:26 8722:3 8727:17,18,26 8729:15,18 8730:23 8733:28 8745:7 8747:13 8752:12 8758:9,22,23 8759:22,24 8760:11 8761:10,22,23 8770:16 8794:10,11 8840:26	stiff 8701:27	submitted 8634:4 8772:1 8778:9	suppliers 8645:25 8663:21
stated 8620:17,27 8651:12 8656:7 8659:22 8660:26 8671:9 8673:5 8749:6 8768:5,27 8795:22	stocking 8816:8	substantial 8775:15 8791:3 8792:14,26 8812:20 8818:10	supplies 8668:18 8791:28 8795:6,27 8796:13 8803:9 8804:3
statement 8632:8 8677:11 8718:3 8747:12 8756:7 8767:14 8772:13 8810:15 8829:21 8842:24	stocks 8803:15	substantially 8730:3 8801:8 8802:23	supply 8614:2 8621:28 8622:9 8627:8,10 8643:24, 27 8644:4,11 8646:2 8666:9, 18 8681:20 8686:7 8693:7 8697:1 8700:3 8701:22 8703:4 8704:17,20 8705:1 8714:14 8743:9,23 8744:6, 21 8745:28 8757:2,6,18,24 8759:20 8761:5 8762:14 8768:13,18 8780:10,19,20 8783:3 8785:19 8792:1 8796:10,13,27 8797:24,26 8798:9,16 8803:17 8810:2 8821:6
states 8623:13 8694:28 8700:20 8702:25 8704:13,21 8705:21 8716:5 8717:10 8720:16 8722:1 8727:13 8729:14 8736:21,25 8747:19 8749:10,13 8755:16,27 8764:11 8768:28 8771:19	stone 8767:19	substitute 8821:26 8840:10	supplying 8759:25 8766:8 8795:25
static 8776:6	stop 8658:14 8669:9 8699:10 8778:13 8793:11 8801:25	substituted 8774:3 8822:26	support 8632:5 8634:3 8636:12 8637:24 8640:11 8768:16 8770:21 8776:12 8777:28 8802:27
statistic 8644:6,8 8717:6 8729:10	storage 8701:11,12 8702:15	substituting 8812:15	supported 8791:12
statistical 8665:27	store 8804:5 8814:27	substitution 8813:10,13 8814:3,6 8816:15 8817:11 8820:11 8821:1	supporting 8634:19 8795:20
statistics 8633:21 8700:17 8768:16	stored 8814:22	substitutions 8821:9	supportive 8840:25
status 8733:26 8734:23 8791:18,19 8793:8 8795:8	stores 8748:11	subtracting 8652:16	supports 8636:20 8675:15 8692:18 8704:16 8779:26
statute 8664:25	Stout 8668:3	successful 8619:24	suppose 8820:20
stay 8617:19,23 8619:6 8624:17 8678:22 8809:3,8 8841:21	strain 8638:25	sufficiency 8806:3	surcharge 8663:4,6,14 8739:28
stayed 8654:22	strategies 8693:3	sufficient 8793:4	surcharges 8740:10
stays 8624:3 8629:21 8657:2 8759:24	streak 8768:2	suggest 8669:18 8719:5 8726:17 8739:21 8789:20	surface 8634:5,7 8635:5 8637:20 8687:22,23 8694:18 8701:19 8785:2 8790:9
steadily 8639:5 8697:25	Street 8632:3	suggested 8660:25 8678:28 8710:1,25 8711:25 8712:18 8778:11 8804:17	surprise 8811:24 8814:26 8832:28
steady 8700:12 8804:3	stressing 8696:21	suggesting 8659:26,28 8711:6,11,12 8727:4 8745:12,18	surprised 8812:2,6,7
steer 8700:6	stretch 8801:26	suggestion 8806:12 8807:10	surprising 8788:19
step 8630:18,24 8740:2 8769:27 8771:27	strict 8706:11	suggests 8695:9,12 8711:28 8774:18 8790:7 8811:9 8837:12	surrounding 8672:23 8683:6 8694:28 8695:2 8697:16 8747:19
Stephen 8784:5	stricter 8737:2	suit 8685:26	survey 8773:6 8774:7 8776:18 8815:19 8828:2
Stephenson 8641:18,19 8755:6 8785:28 8803:21 8805:24	strike 8726:18 8782:9,11,15 8783:3,4	suitable 8637:3,12 8702:6	surveyed 8815:19
Stephenson's 8804:8	striking 8776:20	summarized 8793:17	surveys 8796:22
stepped 8806:1	strong 8635:12	summary 8778:5	survive 8719:19 8728:8
Steve 8709:24 8809:21	struck 8639:23,27 8779:21	summer 8700:9 8759:26 8760:7,14 8785:20,26	sustain 8692:28 8693:11 8802:28
stick 8682:17	structural 8694:13	summertime 8757:3	sustainability 8698:7 8755:2
	structure 8635:11,16,19 8639:4 8707:4 8759:7 8805:9	Sunday 8623:1	
	structures 8759:6	super 8697:26,28 8698:1,3, 9,10,12,13 8739:1,7,9,18 8754:9,20,21,24 8755:11,17	
	struggle 8643:20 8671:19	superseded 8618:20	
	struggled 8669:11	supplement 8701:25	
	stuck 8654:9 8684:18	supplemental 8791:9	
	studies 8784:13,14,17 8799:2,20,25 8800:15,23 8821:11	supplied 8622:13 8644:3 8645:15,20,28 8646:7 8714:6 8746:12,13	
	study 8637:22 8640:7 8641:12,14 8650:23 8653:16 8656:10 8658:12 8839:16 8840:14		
	study's 8660:4		
	subject 8668:21 8779:1 8807:4 8815:15 8840:5		
	Subjective 8681:5		
	submission 8650:2 8652:24		



sustainable 8678:22	Tammy 8721:20	8650:6 8654:11 8655:4,21 8659:21 8711:10,23 8724:13 8727:8 8739:26 8805:19 8810:10	thousands 8771:20
sustaining 8705:1	tangible 8694:12	terrible 8661:23	throw 8684:9
swap 8783:12	tanker 8698:10,13,14 8739:9 8754:19,20 8756:3	test 8693:4 8773:19,20,21, 22,24 8777:17 8798:11,12	thunderstorms 8700:1
swapped 8783:10	tankers 8697:26,28 8698:1, 2,3,4,9,12 8737:21 8739:1,6, 7,18 8754:10,21,22,24 8755:11,17 8756:10	testified 8611:20 8630:2 8631:5,17 8644:19 8657:13 8680:28 8691:11,17 8719:9 8754:23 8761:9 8764:2 8771:1,6 8777:27 8780:3	tick 8718:25 8756:27
swaps 8807:22 8808:11	tanks 8756:12	testify 8675:7 8690:18 8704:28 8753:14 8834:23	ties 8827:13
swear 8631:14 8691:14	target 8706:19	testifying 8646:28 8673:17	tight 8743:27 8757:16,17 8759:26 8760:15 8805:11
switch 8616:11 8840:12	targeted 8702:19 8706:8	testimony 8613:17 8614:14 8615:3 8629:6 8631:8,19 8632:6 8634:6,19 8636:17, 24 8640:12,19 8651:12 8653:7,15 8654:10 8658:1 8659:21,22 8671:7 8681:2 8690:11 8691:27 8700:24,26 8704:5 8706:13 8714:18 8716:9 8718:19 8726:8 8727:21 8737:5 8741:2 8742:3,5 8754:9,16 8758:25 8768:15 8769:26 8770:21,23 8771:17 8777:19,21 8778:8 8784:5 8789:16 8803:11,21 8806:12 8807:25 8808:24 8812:13 8819:3 8826:26 8827:14 8830:22 8835:4	tighter 8761:2
switching 8812:14	task 8647:26 8652:28 8694:17	testify 8675:7 8690:18 8704:28 8753:14 8834:23	time 8612:9 8620:5 8630:9 8638:24 8640:14 8642:1 8643:11 8648:27 8649:1,4, 26 8650:14 8658:20 8664:3 8668:27 8669:27 8670:3,13, 20 8677:14,15 8678:6 8684:19 8697:24 8698:17 8699:6 8700:21 8715:13 8723:1 8724:24 8725:5 8727:24 8733:28 8740:21,27 8741:12,18 8742:26 8743:22,28 8744:4 8745:17 8747:1 8751:13 8759:28 8772:27 8780:23 8781:23 8782:3 8784:15 8791:26 8792:20 8798:14 8804:6 8809:2 8811:19 8816:3 8819:4,8 8834:23 8837:24 8841:27 8842:26
sworn 8611:14,19 8631:16 8691:16 8771:3,5	tasking 8757:2	testimony 8613:17 8614:14 8615:3 8629:6 8631:8,19 8632:6 8634:6,19 8636:17, 24 8640:12,19 8651:12 8653:7,15 8654:10 8658:1 8659:21,22 8671:7 8681:2 8690:11 8691:27 8700:24,26 8704:5 8706:13 8714:18 8716:9 8718:19 8726:8 8727:21 8737:5 8741:2 8742:3,5 8754:9,16 8758:25 8768:15 8769:26 8770:21,23 8771:17 8777:19,21 8778:8 8784:5 8789:16 8803:11,21 8806:12 8807:25 8808:24 8812:13 8819:3 8826:26 8827:14 8830:22 8835:4	timeframe 8719:25 8720:22 8757:17
system 8635:18 8698:28 8756:27 8786:10 8792:10, 12,24 8793:26 8797:1 8805:7,8,16 8806:4,6,8,14, 15,17,24 8807:3,7	tax 8761:4	testimony 8613:17 8614:14 8615:3 8629:6 8631:8,19 8632:6 8634:6,19 8636:17, 24 8640:12,19 8651:12 8653:7,15 8654:10 8658:1 8659:21,22 8671:7 8681:2 8690:11 8691:27 8700:24,26 8704:5 8706:13 8714:18 8716:9 8718:19 8726:8 8727:21 8737:5 8741:2 8742:3,5 8754:9,16 8758:25 8768:15 8769:26 8770:21,23 8771:17 8777:19,21 8778:8 8784:5 8789:16 8803:11,21 8806:12 8807:25 8808:24 8812:13 8819:3 8826:26 8827:14 8830:22 8835:4	timely 8744:11
switching 8812:14	taxes 8757:2	tests 8773:10,26 8776:16	times 8623:8 8624:2 8637:21 8638:21 8645:21, 22,23,27 8667:9,15 8676:2 8697:12 8698:16,18,19,20, 25 8702:6 8711:1,3,13,27 8712:4,10 8713:3,7 8717:20 8720:4,6,10 8735:17,21 8741:4 8742:26 8744:4,9,14 8755:23 8757:10 8760:5,16 8773:13,14,15 8774:15 8808:15 8833:27
sworn 8611:14,19 8631:16 8691:16 8771:3,5	taxing 8623:6	Texas 8683:22 8727:1,14 8748:12,14	tip 8838:18,19
system 8635:18 8698:28 8756:27 8786:10 8792:10, 12,24 8793:26 8797:1 8805:7,8,16 8806:4,6,8,14, 15,17,24 8807:3,7	Taylor 8623:24 8626:17,21 8627:2 8674:24 8689:6 8753:11 8759:8 8771:14 8800:6 8841:20,24 8842:4, 18 8843:7,15,17,20	theory 8837:23	tiping 8824:7,12
systems 8706:4	teacher 8724:23 8824:15	thing 8623:12 8626:8 8633:23 8652:26 8677:3 8684:17 8726:5 8737:7 8789:25 8812:19,25,26,27 8824:15 8825:18 8829:19 8832:4	tired 8686:22
<hr/>	Teacher's 8824:14	things 8629:26 8656:6 8658:11 8659:2 8682:22 8683:6 8705:7 8740:22 8755:9 8777:20 8795:26 8806:9 8817:12 8826:27	tires 8698:1 8700:7 8738:22
<hr/>	teachers 8824:21	think's 8792:7	title 8733:5
T	team 8629:22 8754:17	thinking 8658:15 8659:10 8739:4 8835:12,14	today 8614:6,8 8620:5 8623:27 8632:6 8634:3 8636:13,26 8657:19 8669:27 8674:1 8675:7,24 8691:27 8692:21 8702:18 8706:7 8725:6 8727:26 8742:1 8750:18 8753:14 8805:16,28 8809:2 8827:25 8830:15 8842:5 8843:13,23
T-O 8638:5	tear 8638:24	third-party 8632:22	
table 8695:6,15 8715:26 8716:3,4 8719:23 8720:13 8722:21 8724:3 8801:7,16, 17,18,21	tech 8676:10	thought 8629:4 8657:13 8789:12 8813:8 8815:27 8816:5 8841:5	
tables 8703:7 8706:26	technically 8665:24 8790:27	thoughts 8752:26	
takes 8622:16 8625:28 8697:24 8698:22	tells 8723:23		
taking 8623:1 8690:25 8765:12	Tempe 8693:22 8759:21		
tale 8714:19	temperature 8702:18 8706:23		
talk 8659:13 8675:9,13,22 8677:16 8679:18 8685:1 8687:11,27 8705:15,24 8708:25 8713:18 8714:16 8730:19 8731:16 8732:20 8734:19 8735:23 8737:18 8742:3 8744:20 8755:11 8756:13 8757:26 8760:26 8761:25 8762:13 8765:25 8812:8,13	temperatures 8692:25 8706:18 8756:22		
talked 8629:19 8651:13 8655:20 8677:10,11 8682:2 8684:12,26 8685:9 8686:9 8754:9 8755:19 8757:27 8758:28 8766:1	ten 8711:1,3,13 8717:19 8720:4,9 8841:23 8842:5		
talking 8629:1 8635:27 8636:2 8640:20 8641:10,20 8659:1 8660:12 8678:6 8688:4 8705:10 8707:9 8708:14 8711:19 8722:9 8798:3 8817:19 8824:17 8825:23 8839:26	ten-minute 8764:23		
talks 8758:2	tend 8789:24 8796:23 8806:5 8819:23 8831:3 8835:6		
	tenfold 8719:1,2,25 8720:21		
	tentative 8796:19		
	tenth 8694:8		
	term 8623:6 8643:1,3,28 8726:2 8732:15,22 8740:16 8755:23 8758:20		
	terms 8617:17 8622:20		



told 8654:26 8684:14	trucks 8699:5 8702:19	underlying 8790:15 8806:28	unreasonable 8808:16 8829:9
tomorrow 8809:5 8841:26 8842:15,19,21,28 8843:2,3, 27 8844:8	true 8619:3 8639:15,22 8665:15 8787:17 8830:12	undermined 8804:26	unrecovered 8618:22
tonnage 8702:15	trusts 8787:1	undermines 8779:7	unsure 8710:10,11
top 8621:3 8638:17,18 8671:22 8677:28 8731:23 8832:25	turn 8640:19 8641:9 8686:23 8687:10 8709:26 8715:25 8716:3 8717:8 8725:21 8729:12 8732:9 8772:11 8835:24 8841:7	underneath 8732:11	unwavering 8693:10
tossed 8679:9	turned 8810:5	understand 8617:17 8638:10 8651:18,22 8652:9 8660:14 8663:10 8664:20,23 8666:1 8677:1 8679:11,13 8684:2 8693:9 8696:15 8739:12,15 8759:5 8771:9 8783:7 8787:20 8809:9 8814:7 8827:7	UOW 8649:23
total 8643:18 8720:14,16,22 8728:9 8798:9 8800:1,19 8836:1,12,17,19,28	turning 8706:6,26 8748:1 8762:21 8811:21	understanding 8627:5 8633:25 8634:1 8651:11,21, 25 8652:23 8655:6 8658:8 8664:22 8667:17 8668:26 8669:20 8678:26 8681:18 8682:24 8738:15 8794:19	update 8703:25 8770:22 8772:16,22 8775:1 8779:27 8784:1,11 8788:11 8791:21 8822:12
touch 8712:19	type 8661:25 8672:15 8674:7 8767:28	understood 8673:20 8708:1 8821:19	updated 8773:7,9 8777:10 8780:21 8782:1,2,6,10,13, 15,18 8790:11 8798:12 8801:17
touched 8653:10 8753:16	types 8705:16 8731:5	undertaken 8776:27	updates 8777:7,15
tough 8744:8	typical 8814:16	undoubtedly 8806:4	updating 8802:25 8806:4 8823:4
track 8744:4 8825:26,28	typically 8699:27 8718:23 8719:17 8740:18 8743:9,20 8744:3 8756:19 8793:26 8796:3 8804:9 8839:15	uneconomic 8775:4 8821:9	upkeep 8701:16
tracking 8838:5		uneconomical 8813:12 8820:11,16	upper 8637:25 8640:5,6,10 8653:12,15,18 8654:7,12,14, 15,27,28 8655:3,8,12,15,21 8656:28 8657:8,12 8659:5, 18 8683:3,5 8684:5,14,17,20 8727:7 8799:4,10,14 8800:23 8835:28
trade 8805:19	U	unfortunate 8804:28	upset 8673:27
traded 8819:9		unfound 8726:16	urban 8637:16 8638:22,27 8685:14 8694:3,5 8697:23 8728:4 8730:17
traditional 8802:27	U.S. 8694:9 8696:21 8700:17 8703:19,24 8715:28 8717:4 8720:14,22	uniform 8665:27 8778:26 8779:8	URL 8731:22
Traditionally 8795:23	UDA 8675:11 8692:11,20 8693:19 8694:16,20 8696:3, 9 8697:2,12,26 8698:2,7 8700:26 8704:7 8716:8 8717:24 8718:4,27 8722:28 8723:24 8724:17,28 8742:26 8743:20 8745:6,8 8746:12, 13,15 8747:13 8756:1,7,9 8759:1 8760:28 8761:10 8762:14,22 8763:2 8765:20 8766:8,24	unintended 8683:13	usage 8700:22 8702:13 8839:4
traffic 8623:10 8638:21 8639:4 8658:11,13 8659:13, 24 8662:1 8677:28 8681:27 8698:20 8793:12	UDA's 8693:13 8694:22 8697:9,13,14,15,19,20 8699:5 8702:18 8706:7,15 8747:16 8752:11 8759:22	Union 8786:13 8824:14	USDA 8627:28 8643:28 8644:3 8649:26 8651:3,14 8654:26 8655:3 8656:3 8660:7,19,21 8664:23 8684:12 8695:5 8704:7,26, 27 8723:22 8726:2 8729:9 8751:6 8752:21 8767:25,27 8772:3 8784:13 8787:1 8791:5,25,26 8793:3,19 8794:27 8795:10 8805:25 8810:5,19 8811:6,15 8812:10 8818:1 8821:24 8823:8 8829:24
trailer 8686:28 8687:1 8700:6	Uh-huh 8623:15 8676:21 8688:8 8817:28 8820:19 8836:21 8837:9	unique 8684:15,17 8692:22 8699:26,28 8754:16 8755:10	USDA's 8772:26 8795:22 8822:24 8823:4
transcript 8750:4 8824:22 8825:11	uh-huhs 8836:24	unit 8688:11 8760:21 8831:16,17 8832:3	USDSS 8694:23 8696:2
transition 8695:1 8762:8	ultimately 8637:17 8650:1 8677:19 8744:6 8805:3	United 8692:14,15 8700:20 8702:25 8705:21 8717:10 8720:16 8736:21,25 8768:28 8805:13	users 8697:2 8744:22 8745:1
translates 8660:8	unappealing 8805:1	University 8616:13 8649:22 8710:2,8,25 8711:1,5,10,24, 27 8712:17,27 8713:4,20 8738:4,5 8746:19	utilities 8638:11 8639:12
transport 8698:12	unbearable 8807:12	unload 8742:22	utility 8702:13 8794:5,21,25
transportation 8679:24 8680:10,11,15 8694:4,6 8697:11,22 8702:2 8704:21 8705:10 8737:20 8738:17 8755:6,9,11 8795:27 8796:17,20	unchanged 8613:18 8780:25	unloaded 8698:23 8699:5,25 8756:3	
transported 8632:22	unchanged 8613:18 8780:25	unloading 8743:7	
travel 8638:24 8661:23 8697:18	undated 8780:1	unmet 8758:19	
treat 8688:20	underestimated 8739:6	unnecessarily 8821:1	
tremendous 8693:28		unprecedented 8696:26	
trend 8741:4,15			
trigger 8823:27			
tripling 8835:11			
truck 8658:15 8661:22,26 8698:11 8702:2			



<p>utilization 8642:11,22 8643:12 8644:10 8655:15,16 8833:7,17</p> <p>utilize 8696:13</p> <p>utilized 8635:19</p> <p>UW 8755:4</p> <hr/> <p style="text-align: center;">V</p> <hr/> <p>Valley 8637:25 8638:23 8644:27 8645:20 8657:21 8660:18 8662:6 8671:17 8685:28 8688:26 8689:5 8697:18</p> <p>values 8729:26 8782:28 8785:4</p> <p>Vanden 8842:18,26</p> <p>Vandenheuvel 8634:20 8640:13 8647:15,21,27 8650:9,11</p> <p>Vandenheuvel's 8636:23 8637:24</p> <p>variation 8786:21</p> <p>varied 8741:8</p> <p>varies 8815:7,8</p> <p>variety 8623:13 8632:28 8639:13 8693:23 8711:18 8731:3 8735:21 8743:12</p> <p>vary 8815:5,22,24</p> <p>varying 8740:3</p> <p>vast 8697:15 8702:4 8811:16</p> <p>vat 8775:8</p> <p>Vegas 8634:22 8665:2,4 8666:12</p> <p>vendor 8633:22</p> <p>vendors 8678:28</p> <p>Ventura 8645:1</p> <p>venture 8644:28</p> <p>verbiage 8664:27</p> <p>Vermont 8625:9,10,19,21,26</p> <p>version 8649:23 8783:28 8801:17</p> <p>versions 8641:23,25</p> <p>versus 8634:15,16,17 8656:1 8657:8 8713:20 8719:21 8736:9 8742:16 8749:13 8811:17 8814:9 8816:14,25 8818:14</p>	<p>view 8637:24 8659:9 8735:19 8768:21 8812:17,18</p> <p>viewed 8659:2</p> <p>views 8818:2</p> <p>visits 8624:6</p> <p>visual 8787:21</p> <p>visualization 8789:13</p> <p>vital 8693:11</p> <p>voice 8614:11 8780:13</p> <p>volatile 8740:14</p> <p>volatility 8740:16,20 8741:13,14 8780:12 8821:6</p> <p>volume 8622:8 8760:25 8794:8 8801:19 8806:19,21 8831:8</p> <p>volumes 8693:17 8780:20</p> <p>voting 8684:11</p> <hr/> <p style="text-align: center;">W</p> <hr/> <p>W-E-R-M-E 8611:13</p> <p>wages 8700:15</p> <p>wait 8614:11 8626:15 8635:26 8698:16 8699:6,25 8742:21 8744:11 8755:27</p> <p>waiting 8742:26</p> <p>waits 8756:3</p> <p>walk 8822:19</p> <p>wanted 8619:3 8654:20 8657:13 8673:13,15 8685:5 8687:11 8705:6 8738:24 8747:9 8749:28 8752:23 8814:6</p> <p>warrant 8694:24</p> <p>wash 8780:4</p> <p>washed 8698:24</p> <p>Washington 8653:8</p> <p>Washoe 8634:23,28 8635:1, 9 8640:23 8641:5 8666:23 8667:11 8671:9,10 8672:7, 10</p> <p>wastewater 8638:1</p> <p>watch 8706:20</p> <p>watching 8686:4</p> <p>water 8638:1 8686:1 8692:25,27 8693:2,3 8694:11 8696:14 8697:1,2,4 8701:18,20,22,24 8744:15,</p>	<p>16,22 8745:1,3,4,6,8,23 8762:22,24,25,26,27 8763:4 8793:26 8826:17</p> <p>water-efficient 8696:16</p> <p>ways 8650:22 8741:24 8788:9 8816:10 8821:4</p> <p>wear 8638:24</p> <p>weather 8696:7 8700:5 8744:25</p> <p>web 8731:22</p> <p>website 8622:4 8731:28</p> <p>Wednesday 8611:1,4 8658:15 8661:21 8729:1</p> <p>week 8625:23 8787:22 8819:24</p> <p>weekend 8622:28</p> <p>weekends 8678:13</p> <p>weekly 8703:21,27 8803:9 8819:26</p> <p>weeks 8755:3 8757:16 8828:20 8830:23</p> <p>weigh 8698:13</p> <p>weight 8677:28 8698:2</p> <p>weighted 8799:4,6,13</p> <p>weights 8639:7</p> <p>welfare 8622:24</p> <p>wellbeing 8622:25</p> <p>wells 8701:21,23</p> <p>Werme 8611:13,18,25 8612:8 8620:11 8623:19,22 8626:25 8628:27 8630:18,23</p> <p>west 8620:25 8625:26 8638:11 8640:27,28 8641:3, 7 8647:11,28 8653:3,5,20 8654:3,18 8668:12 8671:12 8684:23,24 8698:15 8703:21,27 8705:20 8727:1, 14 8748:12</p> <p>western 8632:13,14,18 8633:18 8637:23 8638:12 8641:13 8646:25 8647:2,4 8653:10 8654:28 8656:26 8694:19 8697:14 8700:19</p> <p>Western's 8632:21</p> <p>why 8633:1 8796:9</p> <p>Whipping 8833:13</p> <p>wholesome 8693:8 8704:18</p> <p>wider 8819:9</p>	<p>willingness 8842:11</p> <p>Wilson 8684:9 8691:13 8771:13</p> <p>winds 8700:2</p> <p>Wisconsin 8616:13 8637:26 8649:23 8654:3 8710:2,8,25 8711:2,5,11,25,28 8712:18, 27 8713:4,20 8738:5,6 8746:19 8750:9 8791:13 8801:5</p> <p>witnesses 8636:17 8696:2 8706:14 8785:5,11 8789:17 8843:10</p> <p>woe 8714:19</p> <p>woman 8721:20</p> <p>wondered 8686:10 8750:28 8752:16 8823:3</p> <p>Wonderful 8787:12</p> <p>wondering 8625:16 8641:14 8680:23 8686:27 8705:13,24 8706:15 8707:19 8753:26 8754:14 8759:2 8843:12</p> <p>word 8621:22 8628:8 8637:4 8638:3,5 8639:15,19,24,27 8679:9 8681:5 8699:11,14 8708:8 8792:7 8797:5,13</p> <p>words 8649:11 8779:17 8782:9 8783:5,10 8823:1 8824:11</p> <p>work 8629:14,17,21 8633:23 8669:25 8673:12 8678:13 8679:2 8680:4 8684:25 8728:2 8842:12</p> <p>worked 8683:17 8738:5</p> <p>workers 8678:17</p> <p>working 8625:22 8630:3 8652:25 8657:18 8662:9,10 8680:19 8704:16</p> <p>world 8789:22 8805:21 8813:14 8814:11,12,16 8815:25,27 8828:21</p> <p>worries 8639:25</p> <p>worse 8678:12 8839:8</p> <p>worst 8661:16</p> <p>worth 8741:26 8748:12 8794:6 8819:2</p> <p>wrecked 8658:16</p> <p>written 8721:18 8767:19</p> <p>wrong 8611:27 8717:23 8743:10 8786:14</p>
---	---	--	--



wrote 8685:4 8692:4
8762:22 8792:17 8811:13
8843:19

WTI 8740:18

Y

yardstick 8749:20,22

year 8645:23 8697:3 8716:8,
10 8717:13 8727:17 8740:16
8744:14 8757:16 8759:28
8761:3 8799:7 8815:6,23
8835:27

year-round 8756:26

years 8623:2 8633:16
8637:1 8643:21 8644:16
8646:16 8662:2 8677:5
8696:18 8703:19,23 8704:1
8707:17 8716:5 8727:19,20
8740:5,6 8741:3,18 8758:14
8799:15

yellow 8709:12

yesterday 8611:6 8612:9,11
8614:14 8620:17 8625:22
8627:5 8628:28 8629:2,7
8649:3,9 8670:17 8843:18

yield 8773:6,9,13 8774:21
8777:4,12,13

yogurt 8813:15,22 8816:3
8819:17,23 8820:17 8832:14

York 8626:19 8629:28
8661:15,19 8686:4,5

Yuma 8695:11,22,27 8709:6,
10 8710:17,23 8712:17,25
8713:25 8714:2 8746:5,8,16
8748:2,3,18,26 8750:16,18,
19,20,24 8751:15,20 8752:1,
2,3 8753:21 8761:7,26
8762:14 8765:25,27 8766:6,
14

Z

Zalar 8784:5

zone 8628:22 8636:21
8671:17 8672:5,8 8675:21
8676:4,26 8677:8 8681:25,
26 8682:1 8687:15

zones 8618:28 8636:21,22,
23 8675:18,20 8676:12,19
8688:9

zoning 8638:2

