Hearing Clerk Room 1081 South Building United States Department of Agriculture Washington, DC 20250

7 CFR Parts 1000, 1001, 1005, 1006, 1007, 1030, 1032, 1033, 1124, 1126, 1131, and 1135

Docket No. AO-14-A69, et al. ; DA-00-03

Milk in the Northeast and Other Marketing Areas

The Kroger Co. opposes the recommended decision issued on October 19, 2001, which revises the formula used to calculate the Class III price.

As a result of the changes contained in the recommended decision, the Class III price for the months January through September 2001 would have increased a net of \$.45/cwt. In addition the advance Class III price would have established the Class I mover from July through November 2001. The Class I price would have averaged \$.56/cwt. higher than the actual price calculated under the current formula.

Calculating the Class I skim price at the higher of the Class III or Class IV has increased the Class I price 13% compared to the formula utilized prior to 2000. Additional increases in the Class I price will have a detrimental impact on consumers and will negatively impact milk consumption.

The Kroger Co. opposes the implementation of this decision and requests the Department review alternatives, which would not lead to an increase in the price of Class I milk.

Respectfully,

John Hitchell General Manager Raw Milk Procurement The Kroger Co.