

Appendix D

Statement Regarding Proposal by Dairylea Cooperative Inc.

Dairylea Cooperative Inc. has proposed that manufacturing surcharges as specified on processor invoices be excluded from NASS survey prices used to set Federal order minimum prices. Excluded surcharges would be subject to maximum values.

The submitted proposal does not state the maximum surcharge values to be excluded from NASS survey prices. Data are not available to estimate projections of surcharge values. Therefore, Dairy Programs cannot perform an economic analysis of this proposal.