



FEDERAL MILK ORDER No. 1

Northeast Marketing Area

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TO HANDLERS OPERATING POOL SUPPLY PLANTS:

The final rule, published in the federal register April 12, 2005, amending the provisions of milk marketed in the Northeast Marketing Area, contained changes to the qualification requirements for supply plants. The changes removed some farm-direct receipt sources from the total receipts volume in the computation. Qualified shipments must equal not less than 10 (or 20) percent of the total quantity of milk that is received at the plant. The total quantity of milk that is received at the plant will no longer include farm-direct milk from unqualified producers (DFOM), producer-handlers, exempt producers, and other order producers. The change will be effective June 1, 2005.

Supply Plant Shipping Requirements

Section 1001.7(c) of the Northeast Order defines the minimum standards necessary for a plant to be considered a pool supply plant. This requires that ***fluid milk products are transferred or diverted to plants described in paragraph (a) or (b) (Pool Distributing Plants).***

For the purpose of determining whether or not a plant has met the Order requirements, the following are included as qualifying shipments to pool distributing plants.

- Bulk transfers of fluid milk products*
- Packaged transfers
- Diversions

Section 1001.7 (c)(1) and (2) state that ***such shipments must equal not less than 10 (or 20) percent of the total quantity of milk that is received at the plant or diverted from it...***

Included in “***the total quantity of milk that is received...***” are the following:

- Producer milk physically received at the plant
- Producer milk diverted
- All receipts of Section 9(c) milk
- Receipts by diversion from other pool handlers
- Receipts of bulk or packaged fluid milk products by transfer from pool plants, and nonpool plants*

Erik F. Rasmussen
MARKET ADMINISTRATOR

*Excluding condensed milk/skim milk products used for other than Class 1