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June 11, 2019

Robert N. Barley, Chairman c/o Douglas L. Eberly, Esq. Pennsylvania Milk Marketing Board Room 110, Agriculture Bldg. 2301 North Cameron Street Harrisburg, PA 17110

> PADC's Request Pertaining To Scheduling of the Cooperative Milk RE:

Procurement Cost Hearing

Dear Chairman Barley and Members of the Board:

The Pennsylvania Association of Milk Dealers would like to provide feedback on the June 7, 2019 letter submitted to you by the Pennsylvania Association of Dairy Cooperatives.

For a number of reasons, PAMD's professional staff, including counsel and accountants, believe the Board should stay the course with the schedule that PADC indicated the Board was considering for the continuation of the procurement hearing.

Counsel, experts and potentially dealer lay witnesses have a very full schedule for PMMB hearings and workshops for which we are already starting to prepare. Among other things, PAMD must prepare for a workshop in August that involves significant cost replacement issues. In addition, we understand there will likely be a hearing in September regarding the Over Order Premium, which will involve quick turnaround should briefing be required before price day for October. We then have six cost replacement hearings that are expected to take place in October and November with the potential for post-hearing briefing to follow. We also expect to participate at some level in the upcoming in-store handling hearing scheduled for October. The Milk Dealers strongly support the Board's plan to return the cost replacement hearings to the traditional schedule in the Fall.

In addition, due to ongoing changes at Herbein & Co., we will not have Dave Stonesifer as a resource during August and September. The vast majority of responsibility for the current Fall schedule will fall on Ron Mong. In addition, the undersigned will be managing numerous witnesses and briefings and I do not believe it is feasible to add another hearing. Since Friday, we have given consideration to what needs to be covered when the hearing reconvenes and we

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believe the implementation portion of the hearing will take at least two days. In particular, we anticipate the need to present a number of lay witnesses to discuss the impact of the proposals on their businesses, in addition to expert accounting testimony.

Accordingly, on behalf of PAMD, I respectfully urge the Board to stay the course with respect to its original plan, as articulated in PADC's June 7th letter, to tentatively schedule the continuation of the Procurement Hearing for February 2020. Thank you for your consideration of PAMD's circumstances.

Respectfully submitted,

BAKER, DONELSON, BEARMAN, CALDWELL & BERKOWITZ, PC

Wendy M. Yoviene