

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
DAIRY PROGRAMS
MILK MARKET ADMINISTRATOR

APPALACHIAN MARKETING AREA
Federal Order No. 5
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May 14, 2010

To: All Pool Handlers, Appalachian Marketing Area
From: Market Administrator, Louisville, Kentucky
Subject: **Transportation Credit Balancing Fund**

The Market Administrator has received a request to extend the payment of transportation credits for the month of June 2010 in the Appalachian Marketing Area. The Market Administrator is considering the request and, in accordance with Section 1005.82(b), is inviting written data, views, and arguments regarding the request.

The request was made by the Southern Marketing Agency (SMA). SMA believes extending the Transportation Credit Balancing Fund payment in June 2010 would provide an equitable, transparent, economically justified process for encouraging supplemental milk to move into the marketing area. SMA anticipates that the Class I use in June 2010 is expected to rival or exceed the needs in July 2010, a month when Transportation Credit payments have been made since the installation of the Transportation Credit provisions. They cite that the payments from the Transportation Credit Balancing Fund in the month of June 2010 are appropriate, are fully supported by the evidence of needed supplemental milk, provide the proper incentives and equitable cost reimbursement for those handlers securing and hauling the needed supplemental supplies, and are of market-wide benefit.

If you wish to make your views known, please submit them in writing to the Market Administrator, P.O. Box 91528, Louisville, KY 40291-0528. Comments may also be submitted by email at friedly@malouisville.com or by fax at (502) 499-8749.

Because of the time frame imposed by the order, your comments **must be received** in the Market Administrator's office on or before **May 26, 2010**.

/s/ Harold H. Friedly, Jr.

Market Administrator

HHF/jn