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LAW OFFICE OF MARVIN BESHORE

130 State Street
Harrisburg, PA 17101

Telephone: (717) 236-0781
Facsimile: (717) 236-0791

Marvin Beshore
Mbeshore@beshorelaw.com

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Via Email to irrc@irrc.state.pa.us and U.S. First Class Mail

Chairman George D. Bedwick
Pennsylvania Independent Regulatory Review Commission
333 Market Street, 14th Floor
Harrisburg, PA 17101

RECEIVED
IRRC
2017 DEC -5 A 9:47

Re: Pennsylvania Milk Marketing Board #47-17 (IRRC #3154)
Uniform System of Accounts

Dear Chairman Bedwick:

The Pennsylvania Association of Dairy Cooperatives (PADC) submits this letter in support of the Final-Form proposed regulation of the Pennsylvania Milk Marketing Board (PMMB) which amends its uniform system of accounts, 7 Pa. Code Chapters 149.43 and 149.46. The dairy farmer cooperatives which make up the PADC are: Dairy Farmers of America, Inc., Dairy Marketing Services, LLC, Lanco Dairy Farms Co-op, Inc., Land O'Lakes, Inc., and Maryland and Virginia Milk Producers' Cooperative Association, Inc. These cooperatives market the milk produced on more than half of Pennsylvania's family dairy farms. In addition, the cooperative members of PADC are the only entities which will have new reporting obligations under the proposed revisions to the PMMB's Uniform System of Accounts. This proposed final regulation is now before the Commission for consideration at the December 7, 2017 meeting.

PADC supported this rulemaking during the proposed phase and submitted comments to your office to that effect. We subsequently reviewed the comments submitted by the IRRC staff, and submitted to IRRC by other parties, and concur with the revisions that the PMMB has included in the Final-Form rulemaking presently before the Commission for consideration.

The final regulations are plainly authorized by the Milk Marketing Law, as the PMMB has explained in its filings. The regulations simply authorize collection of data from all entities marketing milk from Pennsylvania dairy farms. The regulations do not impose any new obligations on any parties, other than the PADC members, who support the regulations.

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This revision to the uniform system of accounts is important to PADC and the dairy farmers represented by its members since it will provide the PMMB with precisely the same financial information on milk marketing costs incurred by PMMB-licensed farmer cooperative milk dealers as the PMMB has long collected from licensed milk dealers which are private, proprietary businesses. The updated regulations will provide the PMMB with the information necessary to treat cooperative licensees and non-cooperative licensees uniformly, if the PMMB were to find after future hearings that current pricing or marketing regulations need fine-tuning to accomplish such equity.

We commend the PMMB staff and the Board for their efforts on this Final Rulemaking and urge Commission approval of Final Regulation 47-17.

Very truly yours,



Marvin Beshore

cc: Douglas Eberly, Esquire, PMMB Counsel
Dean Ellinwood, Dairy Farmers of America
Sharad Mathur, Dairy Marketing Services
Kai Knutson, Land O'Lakes, Inc. *{all via email}*
Kurt Williams, Lanco Dairy Farms Co-Op, Inc.
Troye Cooper, Maryland & Virginia Milk Producers Cooperative Association, Inc.
Jay Howes