



Dairy Farmers of America

July 15, 2009

Mr. Ken Decio
California Integrated Waste Management Board
1001 I Street
Sacramento, CA 95812

Subject: Direct Application of Coffee Grounds to Farms for the July 28, 2009
"Stakeholder Input" Opportunity

Mr. Decio:

Thank you for the opportunity to comment on potential regulatory changes and to make suggestions that would reduce unnecessary impediments to the beneficial reuse of coffee grounds. Dairy Farmers of America, Inc. ("DFA") manufacturing plant located in Ventura, California ("Plant") produces a bottled coffee beverage, would like to take this opportunity to provide input that would enable direct application of source-separated clean coffee grounds to agricultural lands. Such application has proven to be safe, efficient, and agronomically beneficial.

In the past, source-separated clean coffee grounds were managed in California similarly to the way they are managed in many other parts of the country. Coffee grounds were applied directly to farmland, providing a valuable agricultural benefit. In recent years, DFA has been required to send coffee grounds either to a landfill facility or to a compost facility. This restriction used up much of the local compost facility's limited capacity to handle food waste, required payment of tens of thousands of dollars per year in tip fees, and resulted in thousands of additional miles of truck trips, as coffee grounds went from our Plant, to the compost facility, and then to farms.

Recently, the regulatory situation in California has become even more restrictive due to the expiration of the authorization to handle food waste at the only local facility permitted to handle food waste in the Ventura area. DFA is now unable to economically recycle coffee grounds through this outlet and is currently transporting coffee grounds to landfills for disposal. This additional cost further impairs DFA's ability to manufacture its products in Ventura County and the state of California.

Anticipating this problem, approximately three (3) years ago the County of Ventura's Recycling Market Development Zone ("RMDZ") program brought together regulatory agencies and certain area businesses to seek solutions to this issue. In a meeting with the Ventura County Environmental Health Division and Mr. Mark DeBie of the California Integrated Waste Management Board ("CIWMB"), we learned that resumption of on-farm application of coffee grounds is dependant on regulatory changes at the CIWMB.

Mr. Ken Decio

July 15, 2009

Application of Coffee Grounds

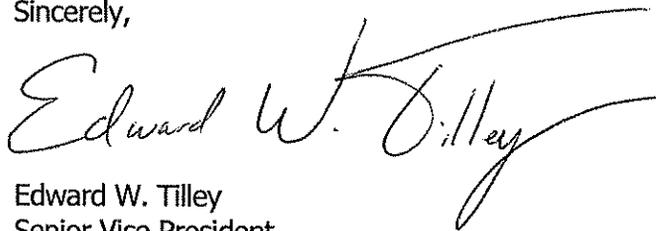
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CIWMB has repeatedly assured DFA and RMDZ staff that there would be a process for regulatory reform, and DFA would have the opportunity to participate in the process, which could redefine the classification of coffee grounds. We believe that coffee grounds should have the same status as grape pumice.

Over the last three years, the RMDZ has satisfied every request of the CIWMB by obtaining laboratory test data, testimony from farmers, support from the University of California Cooperative Extension Farm Advisor, and compiled research for review by CIWMB. All of this data shows that direct farm application of coffee grounds would not be harmful to the environment and would provide agricultural benefit to farms.

As noted in the RMDZ letter dated July 6, 2009, DFA is respectfully requesting that the CIWMB allow no further delay of action. DFA understands that there are several related issues being considered at the July 28 stakeholder process meeting; however, DFA is asking the CIWMB to please take action on the relatively simple issue of coffee ground redefinition and allow direct application of coffee grounds to farmland.

Sincerely,

A handwritten signature in cursive script that reads "Edward W. Tilley". The signature is written in black ink and is positioned above the typed name and title.

Edward W. Tilley
Senior Vice President
Operations & Business Development
Formulated Dairy Food Products

EWT/lp