

# **SPECIAL NOTE:**

## **Announcement of Advanced Prices and Pricing Factors for February 2007**

In light of litigation commenced in United States District Court for the Northern District of Ohio, the manufacturing allowances used to compute the Federal order minimum advance Class I and Class II prices and pricing factors in this announcement are the current manufacturing allowances, rather than the revised manufacturing allowances contained in the Interim Final Rule published in the Federal Register on December 29, 2006 (71 FR 78333-78335).

As long as the Interim Final Rule is not enjoined as a result of the litigation, Federal order minimum prices for Class III and Class IV milk for February 2007, as well as the Federal order minimum advance Class I and Class II prices and pricing factors for March 2007 and thereafter, will be computed using the revised manufacturing allowances contained in the Final Rule.

Source: USDA AMS Dairy Programs, January 19, 2007

# UNITED STATES DEPARTMENT OF AGRICULTURE

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FEDERAL MILK ORDERS 124 & 131

## ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *ADVANCED #* February 2007

### Pacific Northwest

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 11.09	\$ 8.77	4/	4/
Butterfat 2/	\$ 1.3096	4/	4/	4/
Protein 2/			4/	
Other Solids 2/			4/	
Nonfat Solids 2/		\$ 0.9744		4/
@ 3.5% Butterfat 1/ 3/	\$ 15.29	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 15.49			

### Arizona

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 11.54	\$ 8.77	4/	4/
Butterfat 2/	\$ 1.3141	4/	4/	4/
@ 3.5% Butterfat 1/ 3/	\$ 15.74	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 15.94			

Supplemental Price Data From NASS Surveys			Advance Pricing	
Surveys Included: 1/6/07 and 1/13/07	Average Price	Total Pounds of Product	Factors 3/	
Grade AA Butter	\$ 1.1905	5,764,001	Butterfat	\$ 1.2906
Cheese 40 Lb. Blocks	\$ 1.3178	18,562,464	Class III Skim	\$ 9.19
Cheese 500 Lb. Barrels, 38% moisture	\$ 1.3054	24,952,883	Class IV Skim	\$ 8.07
Cheese, Average	\$ 1.3279	43,515,347	Base Skim Milk Price for Class I	\$ 9.19
Nonfat Dry Milk	\$ 1.0461	37,334,089		
Dry Whey	\$ 0.4539	20,456,658	Base Class I Price	\$ 13.39

# Pacific Northwest (FO 124) prices milk on the basis of multiple components.

Arizona (FO 131) prices milk on the basis of butterfat and skim.

\* Subject to applicable location adjustments.

\*\* The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR § 1160.101 et seq.).

The Order requires that all persons who process and market commercially more than 3,000,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous States and the District of Columbia on a monthly basis, excluding those fluid milk products delivered to the residence of a consumer, be assessed 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

1/ Per hundredweight. 2/ Per pound. 3/ Prices at 3.5% butterfat are calculated in the following manner:

0.965 multiplied by skim price, plus 3.5 multiplied by butterfat price. 4/ Announced for the month on or before the 5th of the following month.

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