

**UNITED STATES DEPARTMENT OF AGRICULTURE**

**AGRICULTURAL MARKETING SERVICE**

**DAIRY PROGRAMS**

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FEDERAL MILK ORDERS 124 & 131

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**ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *ADVANCED* #  
September 2009**

**Pacific Northwest**

|                         | <u>Class I *</u> | <u>Class II</u> | <u>Class III</u> | <u>Class IV</u> |
|-------------------------|------------------|-----------------|------------------|-----------------|
| Skim 1/                 | \$ 8.64          | \$ 6.95         | 4/               | 4/              |
| Butterfat 2/            | \$ 1.2836        | 4/              | 4/               | 4/              |
| Protein 2/              |                  |                 | 4/               |                 |
| Other Solids 2/         |                  |                 | 4/               |                 |
| Nonfat Solids 2/        |                  | \$ 0.7722       |                  | 4/              |
| @ 3.5% Butterfat 1/ 3/  | \$ 12.83         | 4/              | 4/               | 4/              |
| Processor Assessment ** | \$ 0.20          |                 |                  |                 |
| Total 1/                | \$ 13.03         |                 |                  |                 |

**Arizona**

|                         | <u>Class I *</u> | <u>Class II</u> | <u>Class III</u> | <u>Class IV</u> |
|-------------------------|------------------|-----------------|------------------|-----------------|
| Skim 1/                 | \$ 9.09          | \$ 6.95         | 4/               | 4/              |
| Butterfat 2/            | \$ 1.2881        | 4/              | 4/               | 4/              |
| @ 3.5% Butterfat 1/ 3/  | \$ 13.28         | 4/              | 4/               | 4/              |
| Processor Assessment ** | \$ 0.20          |                 |                  |                 |
| Total 1/                | \$ 13.48         |                 |                  |                 |

| Supplemental Price Data From NASS Surveys |               |                         | Advance Pricing Factors 3/       |           |
|---|---------------|-------------------------|----------------------------------|-----------|
| Surveys Included:<br>8/8/09 and 8/15/09   | Average Price | Total Pounds of Product | Butterfat                        | \$ 1.2646 |
| Grade AA Butter                           | \$ 1.2158     | 4,953,248               | Class III Skim                   | \$ 6.74   |
| Cheese 40 Lb. Blocks                      | \$ 1.2015     | 22,327,925              | Class IV Skim                    | \$ 6.25   |
| Cheese 500 Lb. Barrels, 38% moisture      | \$ 1.2330     | 20,783,184              | Base Skim Milk Price for Class I | \$ 6.74   |
| Cheese, Average                           | \$ 1.2311     | 43,111,109              |                                  |           |
| Nonfat Dry Milk                           | \$ 0.8695     | 45,944,909              |                                  |           |
| Dry Whey                                  | \$ 0.2938     | 20,903,208              | Base Class I Price               | \$ 10.93  |

# 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.

Released: August 21, 2009

James R. Daugherty  
Market Administrator