

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

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FEDERAL MILK ORDERS 124 & 131

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**ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *ADVANCED* #
September 2010**

Pacific Northwest

	<u>Class I *</u>	<u>Class II</u>	<u>Class III</u>	<u>Class IV</u>
Skim 1/	\$ 10.69	\$ 9.49	4/	4/
Butterfat 2/	\$ 2.0237	4/	4/	4/
Protein 2/			4/	
Other Solids 2/			4/	
Nonfat Solids 2/		\$ 1.0544		4/
@ 3.5% Butterfat 1/ 3/	\$ 17.40	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 17.60			

Arizona

	<u>Class I *</u>	<u>Class II</u>	<u>Class III</u>	<u>Class IV</u>
Skim 1/	\$ 11.14	\$ 9.49	4/	4/
Butterfat 2/	\$ 2.0282	4/	4/	4/
@ 3.5% Butterfat 1/ 3/	\$ 17.85	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 18.05			

Supplemental Price Data From NASS Surveys			Advance Pricing Factors 3/	
Surveys Included: 8/7/10 and 8/14/10	Average Price	Total Pounds of Product	Butterfat	\$ 2.0047
Grade AA Butter	\$ 1.8269	7,083,973	Class III Skim	\$ 8.41
Cheese 40 Lb. Blocks	\$ 1.5901	23,131,117	Class IV Skim	\$ 8.79
Cheese 500 Lb. Barrels, 38% moisture	\$ 1.5839	18,817,197	Base Skim Milk Price for Class I	\$ 8.79
Cheese, Average	\$ 1.6008	41,948,314		
Nonfat Dry Milk	\$ 1.1542	41,288,554		
Dry Whey	\$ 0.3586	20,800,964	Base Class I Price	\$ 15.50

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

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

* The FO 124 Class I price includes a Class I differential of \$1.90 per hundredweight (King County, Washington).

The FO 131 Class I price includes a Class I differential of \$2.35 per hundredweight (Maricopa County, Arizona).

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 20, 2010

James R. Daugherty
Market Administrator