

# UNITED STATES DEPARTMENT OF AGRICULTURE

## AGRICULTURAL MARKETING SERVICE

### DAIRY PROGRAMS

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FEDERAL MILK ORDERS 124 & 131

## ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *ADVANCED #* October 2006

### Pacific Northwest

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 9.62	\$ 7.06	4/	4/
Butterfat 2/	\$ 1.4397	4/	4/	4/
Protein 2/			4/	
Other Solids 2/			4/	
Nonfat Solids 2/		\$ 0.7844		4/
@ 3.5% Butterfat 1/ 3/	\$ 14.32	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 14.52			

### Arizona

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 10.07	\$ 7.06	4/	4/
Butterfat 2/	\$ 1.4442	4/	4/	4/
@ 3.5% Butterfat 1/ 3/	\$ 14.77	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 14.97			

Supplemental Price Data From NASS Surveys			Advance Pricing	
Surveys Included: 9/9/06 and 9/16/06	Average Price	Total Pounds of Product	Factors 3/	
Grade AA Butter	\$ 1.2989	7,160,819	Butterfat	\$ 1.4207
Cheese 40 Lb. Blocks	\$ 1.2761	19,235,554	Class III Skim	\$ 7.72
Cheese 500 Lb. Barrels, 38% moisture	\$ 1.3033	21,528,615	Class IV Skim	\$ 6.36
Cheese, Average	\$ 1.3063	40,764,169	Base Skim Milk Price for Class I	\$ 7.72
Nonfat Dry Milk	\$ 0.8542	29,498,687		
Dry Whey	\$ 0.3162	24,030,201	Base Class I Price	\$ 12.42

# 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: September 22, 2006

James R. Daugherty  
Market Administrator