



The Market Administrator's

BULLETIN

NORTHEAST MARKETING AREA

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Federal Order No. 1

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June Pool Price Calculation

The June 2025 statistical uniform price (SUP) for the Northeast Marketing Area was announced at \$20.16 per hundredweight for milk delivered to plants located in Suffolk County, Massachusetts (Boston), the pricing point for the Northeast Order. The statistical uniform price is calculated at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids. If reported at the average tests of producer pooled milk, the SUP would be \$22.62 per hundredweight. The June statistical uniform price was 57 cents per hundredweight above the May price. The June producer price differential (PPD) at Suffolk County was \$1.34 per hundredweight, an increase of 32 cents from the previous month.

Product Prices Effect

Commodity prices for June: the butter price rose 12 cents, the nonfat dry milk price increased 6 cents, dry whey was up 4 cents, and the cheese price increased 9 cents, all on a per pound basis. The commodity price changes translated to an 8-cent increase in the butterfat price, a 1-cent decrease in the nonfat solids price, a 3-cent decrease in the other solids price, and a 5-cent rise in the protein price, all on a per pound basis.

Class Prices for June: Class I, based on prices in May, rose 74 cents; Class II decreased 29 cents; Class III rose 25 cents; and Class IV increased 17 cents, all on a per hundredweight basis. With a majority of the milk utilized in the higher-priced classes, the SUP increased. Even though producer component tests set records for the month, the tests were lower than in May, reducing the total component value and resulting in a higher PPD.

The implementation of amended pricing formulas became effective with June's milk (for more information, see the May *Bulletin*). As such, the first Class I extended shelf-life adjustment was announced at \$1.38 per cwt.

Selected Statistics

The Class II utilization in the Northeast Order was the highest since order formation. Average daily deliveries per producer were the highest volume for the month of June, and Class III utilization was the second highest for the month. The average producer butterfat and protein tests set new record highs for the month of June, while the average producer other solids test tied the record for the month. ❖

Pool Summary

- A total of 7,106 producers were pooled under the Order with an average daily delivery per producer of 10,691 pounds.
- Pooled milk receipts totaled 2.279 billion pounds, a decrease of 2.4 percent from last month on an average daily basis.
- Class I usage (milk for bottling) accounted for 26.1 percent of total milk receipts, down 0.9 percentage points from May.
- The average butterfat test of producer receipts was 4.21 percent.
- The average true protein test of producer receipts was 3.19 percent.
- The average other solids test of producer receipts was 5.79 percent. ❖

Class Utilization

Pooled Milk	Percent	Pounds
Class I	26.1	593,917,238
Class II	28.6	652,559,334
Class III	31.3	712,413,598
Class IV	14.0	320,204,403
Total Pooled Milk		2,279,094,573

Producer Component Prices

	2025	2024
	\$/lb	
Protein Price	2.5328	2.0546
Butterfat Price	2.7378	3.5444
Other Solids Price	0.2914	0.2326

Class Prices

	2025	2024
	\$/cwt	
Class I	22.36	23.33
Class II	18.43	21.60
Class III	18.82	19.87
Class IV	18.30	21.08

U.S. Milk Production and Northeast Pool Volume Increase

As reported in the most recent National Agricultural Statistics Service (NASS) *Milk Production* publication, estimated U.S. milk production for the first 6 months of 2025 rose 1.6 percent from the same period in 2024, on an average dairy basis, an increase of 1.2 billion pounds. The Northeast Order pool volume increased 3.0 percent for the same time period, an increase of 328 million pounds. All percent changes from the previous year are measured on an average daily basis to account for the additional day of production in 2024 (leap year).

Milk Production

The top ten states, ranked by total production during the first 6 months, reported the same increase as the U.S. (1.6 percent). The accompanying table shows the changes along with a comparison for some selected areas. All top ten states reported increases (on an average daily basis) except California and Wisconsin. Texas had the largest increase, at 8.5 percent, and rose to the number three spot, displacing Idaho that had the second largest increase with 7.1 percent. Iowa moved from number 10 to number nine and New Mexico rose from number 11 to number 10. Washington dropped out of the top 10 to number 11 with a decrease of 5.2 percent from 2024.

Total production for the 24 selected states as reported by NASS increased 1.7 percent for the January-June period compared to the previous year. Of this group, Kansas reported the largest increase (11.4 percent), followed by South Dakota (9.4 percent). Eighteen of the 24 states reported increases.

NASS no longer reports data for several states to avoid disclosing data for individual operations. In the Northeast, these states include Connecticut, Delaware, Massachusetts, New Hampshire, New Jersey, Rhode Island, and West Virginia. The three top states contributing to the Northeast Order milkshed (New York, Pennsylvania, and Vermont) had a combined increase of 1.2 percent. New York and Pennsylvania changes are shown in the table; Vermont's increase was 0.4 percent.

Pool Volume

The total pooled volume of producer milk for the first 6 months of 2025 for the Northeast Order increased by 3.0 percent from the same period in 2024. Depooling occurred during all of the first 6 months of 2024; if this milk was included, Northeast total pooled volume for the first half of 2025 would be less than 1 percent above the prior year ❖.

Milk Production in the Top Ten States and Selected Areas, January-June, 2024 vs 2025

Rank	State	2024	2025	Percent Change*
		(million pounds)		
1	California	21,015	20,544	(1.7)
2	Wisconsin	16,283	16,191	(0.0)
3	Texas	8,366	9,027	8.5
4	Idaho	8,373	8,915	7.1
5	New York	8,070	8,174	1.8
6	Michigan	6,070	6,178	2.3
7	Minnesota	5,230	5,252	1.0
8	Pennsylvania	4,985	4,970	0.2
9	Iowa	3,030	3,029	0.5
10	New Mexico	3,027	3,026	0.5
Top Ten Total		84,449	85,306	1.6
NASS 24 Selected		109,573	110,843	1.7
Top 3 Northeast		14,307	14,394	1.2
U.S. Total		114,276	115,469	1.6

Source: NASS, *Milk Production*

* On an average daily basis to adjust for leap year.

Northeast Order Shipping Percentage Adjusted for Fall 2025

The Market Administrator received a request from a cooperative (which operates an unregulated supply plant) pooling milk on the Northeast Order to lower the percentage of milk that pool supply plants and cooperative Section 1000.9(c) handlers must deliver to Class I pool distributing plants during the months of September, October, and November. It was requested that the shipping percentages specified in Section 1001.7 (c) (2) be lowered from 20 to 10 percent for the months listed until further notice. The shipping percentage during September, October, and November from 2018 through 2024 was adjusted to 10 percent in response to similar requests. Section 1001.7 (g) of the Northeast Order states that the shipping percentages under the above provision may be increased or decreased by the Market Administrator if, after conducting an investigation and soliciting comments, the Market Administrator determines that such adjustment is necessary to encourage needed shipments or to prevent uneconomic shipments. Following receipt of the request, the Market Administrator's office sent a letter to pool handlers inviting them to submit

Northeast Order Shipping Percentage (continued from page 2)

comments, data, or views regarding the request. The office reviewed the comments received and conducted an analysis of milk volumes pooled on the Order, milk utilization, and market conditions.

Monthly pool statistics continue to present a picture of declining Class I receipts for the Northeast Order, though there had been some slowing of this trend earlier in 2020s. The Class I receipts for the most recent pool, June 2025, at 594 million pounds were the second lowest volume for the month in 25 years, with June 2024 having the lowest. At 26.1 percent, Class I utilization in June was the lowest ever Class I utilization by percent for any month since the Order's inception.

In 2000, the year in which the 20 percent fall month shipping percentages were adopted as part of Order Reform, the Class I utilization for the months of September, October, and November averaged 49.0 percent of the volume of milk pooled during those months. In 2024, Class I utilization for these same three months averaged 30.3 percent of the total pool - a drop of roughly 18.7 percentage points. In 2024, Class I receipts for the September through November period were 27.0 percent below the same period during the first year of the Northeast Order, in 2000. Current pool projections indicate a small decrease in fall-month Class I utilization compared to spring, though not

supporting a need to return to a shipping percentage higher than has been approved in recent years, at least for fall 2025.

Decision

After reviewing a variety of Northeast Order statistical data related to total pool volume, class utilization changes over time, fluid sales reports for the Order, and recent industry dynamics, together with comments submitted by parties responding to the call for comments on the cooperative's request, a reduction in the shipping percentage under Section 1001.7 (c) (2) of the Northeast Order from 20 to 10 percent for the three months of September, October, and November, is approved.

The reduction in the shipping percentage to 10 percent will apply to September-November for year 2025 only. The impending changes in market dynamics brought on by regional processing expansion in the Northeast market warrant limiting the shipping percent change to a year. As provided under the terms of the Northeast Order under Section 1001.7 (g), the Market Administrator may review the need for any further adjustment on his own initiative or at the request of interested parties. For additional information, copies of the requests, comments, and the decision, see the links on our webpage at www.fmmone.com ❖

Pool Summary for All Federal Orders, January - June, 2024 - 2025

Federal Order		Total Producer Milk*			Producer Price Differential#		Statistical Uniform Price#		
Number	Name	2024	2025	Change [^]	2024	2025	2024	2025	
		pounds			percent	dollars per hundredweight			
1	Northeast	13,525,890,399	13,855,163,131	3.0	3.41	1.58	20.33	20.58	
5	Appalachian	2,678,169,029	2,573,746,029	(3.4)	N/A	N/A	21.69	22.34	
6	Florida	1,274,482,749	1,251,924,545	(1.2)	N/A	N/A	23.63	24.11	
7	Southeast	1,814,045,553	1,796,672,326	(0.4)	N/A	N/A	22.13	22.78	
30	Upper Midwest	15,911,614,482	13,938,470,092	(11.9)	0.32	0.18	17.24	19.18	
32	Central	7,581,098,763	7,513,326,440	(0.3)	1.44	0.31	18.36	19.31	
33	Mideast	8,455,922,245	10,198,386,571	21.3	1.92	0.73	18.84	19.73	
51	California	12,214,032,368	15,632,573,036	28.7	1.31	0.42	18.23	19.42	
124	Pacific Northwest	3,645,470,808	3,606,958,022	(0.5)	1.77	0.25	18.69	19.25	
126	Southwest	6,473,898,736	7,023,786,515	9.1	2.03	0.97	18.95	19.97	
131	Arizona	2,244,438,121	2,299,043,017	3.0	N/A	N/A	19.69	20.00	
All Market Total/Average		75,819,063,253	79,690,049,724	5.7	1.74	0.63	19.80	20.61	

Price at designated order location. Simple average.

[^] Adjusted for leap year.

N/A = Not applicable.

* Data may not be comparable to previous years due to significant volumes of milk not pooled on federal orders.

RETURN SERVICE REQUESTED

FIRST CLASS MAIL

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Computation of Producer Price Differential and Statistical Uniform Price*

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

		Product Pounds	Price per cwt. / lb.	Component Value	Total Value
Class I	Skim Milk	579,184,334	\$13.65	\$79,058,661.59	
	Butterfat	14,732,904	2.6240	38,659,140.10	
Less:	Location Adjustment to Handlers			(4,347,209.64)	\$113,370,592.05
Class II	Butterfat	37,922,571	2.7448	104,089,872.86	
	Nonfat Solids	57,645,350	1.0156	58,544,617.42	162,634,490.28
Class III	Butterfat	30,777,723	2.7378	84,263,250.00	
	Protein	22,747,628	2.5328	57,615,192.18	
	Other Solids	41,200,380	0.2914	12,005,790.73	153,884,232.91
Class IV	Butterfat	12,465,132	2.7378	34,127,038.40	
	Nonfat Solids	28,829,697	1.0037	28,936,366.86	63,063,405.26
Total Classified Value					\$492,952,720.50
Add:	Value for 60(e) through 60(i)				2,266,178.43
	Other Source Receipts	414,556			
Total Pool Value					\$495,218,898.93
Less:	Value of Producer Butterfat	95,898,330	2.7378	(262,550,447.88)	
	Value of Producer Protein	72,656,656	2.5328	(184,024,778.32)	
	Value of Producer Other Solids	131,859,191	0.2914	(38,423,768.30)	(484,998,994.50)
Total PPD Value before Adjustments					\$10,219,904.43
Add:	Location Adjustment to Producers				20,312,600.22
	One-half Unobligated Balance - Producer Settlement Fund				996,432.51
Less:	Producer Settlement Fund - Reserve				(983,514.73)
Total Pool Milk & PPD Value					\$30,545,422.43
	Producer Price Differential		\$1.34		
	Statistical Uniform Price		\$20.16		