

The Market Administrator's

BULLETIN

NORTHEAST MARKETING AREA

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Federal Order No. 1

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February Pool Price Calculation

The February 2025 statistical uniform price (SUP) for the Northeast Marketing Area was announced at \$21.64 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 \$25.19 per hundredweight. The February statistical uniform price was 17 cents per hundredweight below the January price. The February producer price differential (PPD) at Suffolk County was \$1.46 per hundredweight, a decrease of 1 cent from the previous month.

Product Prices Effect

Commodity prices for February: the butter price fell 11 cents, the nonfat dry milk price decreased 5 cents, dry whey was down 6 cents, and the cheese price increased 2 cents with the block price and barrel prices raising 2 cents, all on a per pound basis. The commodity price changes translated to a 13-cent decrease in the butterfat price, a 4-cent decrease in the nonfat solids price, a 6-cent decrease in the other solids price, and a 21-cent rise in the protein price, all on a per pound basis.

Class Prices for February: Class I, based on prices in January, rose 89 cents; Class II decreased 50 cents; Class III was down 16 cents; and Class IV fell 83 cents, all on a per hundredweight basis. An increase in the Class I price and decreases in all other class prices caused the statistical uniform price to experience a moderate drop from the previous month. Due to the Class IV price being the lowest class price of the month, and a decrease in both butterfat and other solids prices, the PPD was only 1 cent lower than January.

Selected Statistics

The average daily deliveries per producer was the largest volume since the creation of the Order; the Class II and Class III volumes were the second highest volumes for the Northeast Order for the month of February. The average producer butterfat and protein tests set new record highs for the month, with the average butterfat test tying the order record. The average other solids test set a new record high for the Order. ❖

Pool Summary

- A total of 7,307 producers were pooled under the Order with an average daily delivery per producer of 10,372 pounds.
- Pooled milk receipts totaled 2.122 billion pounds, an increase of 1.5 percent from last month on an average daily basis.
- Class I usage (milk for bottling) accounted for 28.6 percent of total milk receipts, down 1.4 percentage points from January.
- The average butterfat test of producer receipts was 4.45 percent.
- The average true protein test of producer receipts was 3.31 percent.
- The average other solids test of producer receipts was 5.80 percent. ❖

Class Utilization

Pooled Milk	Percent	Pounds
Class I	28.6	608,068,818
Class II	26.4	559,712,828
Class III	28.8	610,867,425
Class IV	16.2	343,473,456
Total Pooled Milk		2,122,122,527

Producer Component Prices

	2025	2024
	\$/lb	
Protein Price	2.5337	1.2255
Butterfat Price	2.8186	3.1031
Other Solids Price	0.4799	0.2738

Class Prices

	2025	2024
	\$/cwt	
Class I	24.52	21.24
Class II	21.08	20.53
Class III	20.18	16.08
Class IV	19.90	19.85

U.S. Milk Production

Total milk production in the United States declined in 2024, decreasing around 443 million pounds; for comparison, in 2023 milk production was relatively unchanged falling only 52 million pounds. Milk production in the top ten milk-producing states slightly decreased (0.1 percent) when compared to 2023. The accompanying table shows the top ten states ranked by their total 2024 production and comparisons to the selected 24 states total and the 2024 U.S. total for production, cows, and milk production per cow (MPC) as reported by the USDA's National Agricultural Statistics Service (NASS).

Top Ten Rankings

For the first time in four years there were changes in the rankings in the top ten states in total milk production. Texas rose to third place, Idaho dropped to fourth, Washington moved up to ninth, Iowa entered the group at ten, and New Mexico dropped out of the top ten to number eleven. Texas reported the largest year-to-year increase in production of the top ten at 2.6 percent on a daily average basis, an increase of 472 million pounds. All percent changes are measured on a daily average basis to account for 2024 being a leap year. Iowa had the second largest increase from the previous year at 1.3 percent, with a 91-million-pound increase in volume. Three of the top ten states reported a decrease from 2023; California fell the most at 1.8 percent, followed by Minnesota at 1.3 percent, and Pennsylvania at 1.1 percent.

Of the NASS selected 24 states, eleven reported decreases from the prior year. New Mexico reported the largest decline (11.2 percent) of the group, followed by Oregon and Arizona at 4.3 percent and 2.9 percent, respectively. Once again, the largest increase reported by this group was South Dakota with 10.0 percent, followed by Texas and Utah. The selected 24 states in total accounted for 96.0 percent of the U.S. total milk production in 2024, up a slight 0.15 percent from the prior year.

Northeast Production

Milk production in the Northeast milkshed (the area from which milk is traditionally pooled by handlers selling into the marketing area) decreased 0.8 percent in 2024 and accounted for 14.2 percent of national milk production. The milkshed state reporting the largest growth was Maine with 0.1 percent. West Virginia reported the largest decline of the milkshed (12.2 percent), followed by Rhode Island with 10.7 percent, and Maryland with 3.5 percent. The combined New England states reported a drop of 1.9

Top Ten States Ranked by Milk Production, 2024

Rank	State	2023 million pounds	2024	Percent Change	2024	
					Cows 1,000 head	MPC# pounds
1	California	40,900	40,283	(1.8)	1,708	23,585
2	Wisconsin	32,123	32,351	0.4	1,269	25,493
3	Texas	16,565	17,037	2.6	657	25,932
4	Idaho	16,827	17,023	0.9	671	25,370
5	New York	16,060	16,102	0.0	630	25,559
6	Michigan	12,055	12,124	0.3	438	27,680
7	Minnesota	10,498	10,392	(1.3)	444	23,405
8	Pennsylvania	9,859	9,782	(1.1)	465	21,037
9	Washington	6,227	6,248	0.1	259	24,124
10	Iowa	5,923	6,014	1.3	243	24,749
	Top Ten Total	167,037	167,356	(0.1)	6,784	24,669
	NASS 24 Total	216,851	216,747	(0.3)	8,897	24,362
	U.S. Total	226,311	225,868	(0.5)	9,342	24,178

Source: NASS, *Milk Production*.

Milk Produced per Cow.

percent while the three largest contributing states to the Northeast Order (New York, Pennsylvania, and Vermont) reported a combined decrease of 0.6 percent from 2023. Comparatively, total milk pooled on the Northeast Order decreased 1.4 percent in 2024.

Cow Numbers and Production per Cow

Nationally, the number of milk cows decreased 0.4 percent in 2024. The number of states showing declining cow numbers totaled 28. Ten states reported increases and the remainder had no change. Of those with increasing cow numbers, four were in the top ten states (Texas, Idaho, Washington, & Iowa). South Dakota reported the largest percentage increase (9.2 percent) and grew to 213,000 head; Oklahoma had the second largest increase (2.6 percent) with 40,000 head. California had 18.3 percent of the 2024 total number of cows in the U.S.; Wisconsin followed with 13.6 percent. In the Northeast milkshed states, milk cow numbers decreased 0.6 percent. The combined total for New York, Pennsylvania, and Vermont was down 0.3 percent from 2023, the New England states decreased 2.5 percent.

Average MPC remained relatively unchanged nationally; Wyoming had the greatest increase in MPC at 7.1 percent, followed by Georgia at 5.3 percent. Twenty-six states had positive change in MPC; five of them were in the top ten. The only top-ten states that experienced decreasing MPC were California, Pennsylvania, and Washington. The U.S. average milk per cow was 24,178 pounds per head in 2024. NASS reported data for Alaska and Hawaii in a combined Other States category to avoid disclosing data for individual operations. ❖

Market Service 2024 Summary

The Market Administrator of the Northeast Order oversees a Market Services program that verifies or establishes weights, samples and tests of producer milk, and provides market information for producers who are not receiving such services from a cooperative association.

Calibration Program

One aspect of Market Services is the bulk tank calibration program. The Northeast Order operates two calibration trucks with on-board metering equipment and a supply of water. The Market Service department calibrated 120 farm bulk tanks throughout the Northeast Marketing Area milkshed in 2024. Additionally, 96 bulk tanks were checked for accuracy. In providing these services, the two trucks combined covered 23,554 miles in 2024.

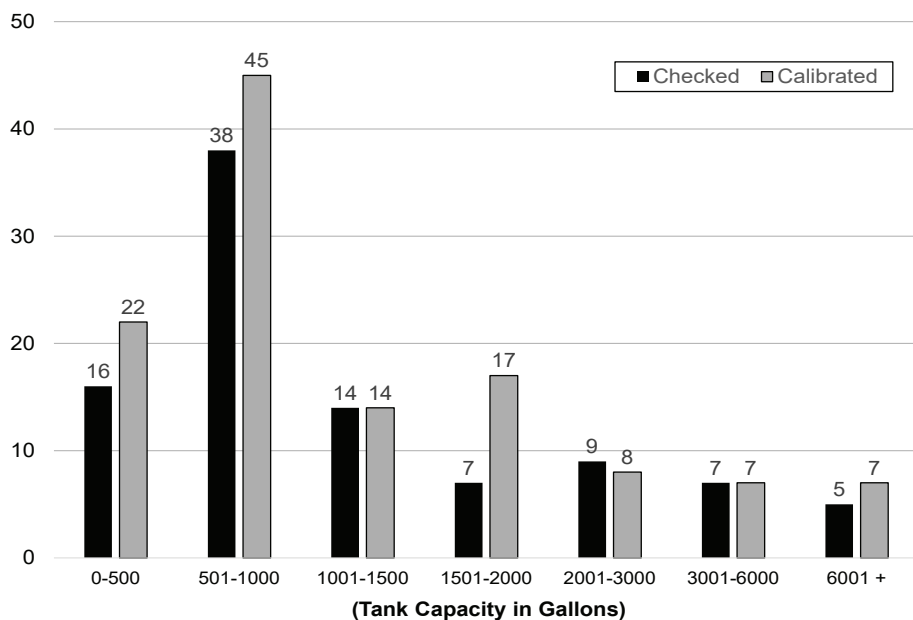
Briefly, a tank calibration involves delivering precise volumes of water and measuring the depth of water in the tank after each delivery throughout the entire capacity of the tank. Based on these measurements, with volume tolerances applied, a new and accurate bulk tank conversion chart is prepared. A tank check involves measuring the tank at about four or five different levels and comparing those readings against the conversion chart to determine the accuracy of the chart. The chart is used by milk haulers to convert the volume of the milk in the bulk tank to pounds of milk, the basis on which producers are paid.

Checks/Calibration Results

Of the 120 tanks calibrated, 17 (14 percent) were re-calibrations from being found out of tolerance on a previous check. Of the remaining 103 calibrations, 86 were new tanks installed on farms to upgrade aging equipment and the remainder were performed for other reasons such as a tank being moved, having a deteriorated chart, or by special request. Of the tanks that were recalibrated or calibrated, 68 percent were 1,500 gallon tanks or smaller.

The 216 tank checks, calibrations and recalibrations and other support and supply services required a total at least 288 farm visits in 2024. The accompanying chart shows a breakdown of calibrations by tank size.

2024 Bulk Milk Tanks Checked or Calibrated, by Tank Capacity



Payment Test Verification Program

The Federal Order also requires the Market Administrator to verify or establish the payment tests for the non-member (independent) producers. The verification of tests is a valuable service to producers to assure accurate payments for their milk. In 2024, the Market Service department tested 13,095 samples of producer milk. Of the samples that were tested, 77 samples (0.58 percent) were determined to be outliers and were removed from any statistical comparisons to handler payment tests. The remaining 13,018 samples were used to verify the accuracy of payment tests.

Additionally, the Market Service department laboratory staff prepared and distributed 18 sets of raw milk control samples to industry labs that conduct producer payment testing. These samples, with their accompanying reference chemistry values submitted by the 8 participating Federal Order laboratories, serve as standards used to set and verify the accuracy of baseline calibrations of infrared milk analyzers used by the industry for payment testing. Along with each new set of control samples distributed to the Northeast Market Area, the laboratory staff routinely analyzed instrument performance of data submitted by 22 industry laboratories. Of these monitored labs, 6 are performing producer payment testing. This routine laboratory monitoring assures accurate testing performance. Additionally, 7 laboratory evaluations were conducted to ensure proper sample handling and testing of producer payment samples. ❖

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Computation of Producer Price Differential and Statistical Uniform Price*

	<u>Product Pounds</u>	<u>Price per cwt./lb.</u>	<u>Component Value</u>	<u>Total Value</u>
Class I— Skim	593,347,259	\$14.60	\$86,628,699.81	
Butterfat	14,721,559	2.9793	43,859,940.73	
Less: Location Adjustment to Handlers			(2,671,211.10)	\$127,817,429.44
Class II— Butterfat	33,129,349	2.8256	93,610,288.47	
Nonfat Solids	50,250,030	1.2889	64,767,263.70	158,377,552.17
Class III— Butterfat	28,277,780	2.8186	79,703,750.71	
Protein	20,270,836	2.5337	51,360,217.20	
Other Solids	35,410,496	0.4799	16,993,497.01	148,057,464.92
Class IV— Butterfat	18,349,280	2.8186	51,719,280.61	
Nonfat Solids	31,042,371	1.1552	35,860,146.98	87,579,427.59
Total Classified Value				\$521,831,874.12
Add: Overage—All Classes				38,049.31
Inventory Reclassification—All Classes				(87,107.79)
Other Source Receipts	410,575			14,861.34
Total Pool Value				\$521,797,676.98
Less: Value of Producer Butterfat	94,477,968	2.8186	(266,295,600.61)	
Value of Producer Protein	70,342,745	2.5337	(178,227,413.01)	
Value of Producer Other Solids	123,156,752	0.4799	(59,102,925.25)	(503,625,938.87)
Total PPD Value Before Adjustments				\$18,171,738.11
Add: Location Adjustment to Producers				13,021,724.33
One-half Unobligated Balance—Producer Settlement Fund				833,942.03
Less: Producer Settlement Fund—Reserve				(1,038,421.09)
Total Pool Milk & PPD Value	2,122,533,102			\$30,988,983.38
Producer Price Differential		\$1.46		
Statistical Uniform Price		\$21.64		

* Price at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.