



United States Department of Agriculture

Agricultural Marketing Service Dairy Programs

FEDERAL MILK ORDER No. 1 Northeast Marketing Area

89 South Street, Boston MA 02111-2671
Mailing Address:
 P.O. Box 51478
 Boston, MA 02205-1478
 Tel.: (617) 737-7199 — Fax: (617) 737-8002
email: MABoston@fedmilk1.com
website: www.fmmone.com

Albany:
 One Columbia Circle
 Albany, NY 12203-6379
 Tel.: (518) 452-4410
 Fax: (518) 464-6468
email: MAAlbany@fedmilk1.com
Alexandria:
 P.O. Box 25828
 Alexandria, VA 22313-5828
 Tel.: (703) 549-7000
 Fax: (703) 549-7003
email: MAAlexandria@fedmilk1.com

DECEMBER 2006 POOL PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	49.0	904,304,676	\$15.68
Class II	16.8	309,543,145	12.55
Class III	22.7	418,566,765	13.47
Class IV	11.5	211,590,367	12.30
Total Producer Milk	100.0	1,844,004,953	

Computation of Uniform Price (<i>per cwt @ Suffolk County, MA - Boston</i>)		Class III & Producer Component Prices	
Producer Price Differential	\$0.95	Protein Price	\$2.4388 /lb
Class III Price (@ 3.5% Butterfat)	\$13.47	Butterfat Price	1.3481 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$14.42	Other Solids Price	0.2564 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$15.01	Nonfat Solids Price	0.8737 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	885,634,979	\$11.14	98,659,736.66	
Butterfat	18,669,697	1.4095	26,314,937.92	
Less: Location Adjustment to Handlers			(2,875,498.35)	\$122,099,176.26
Class II— Butterfat	24,449,842	1.3551	33,131,980.86	
Nonfat Solids	25,989,479	0.8989	23,361,942.68	56,493,923.54
Class III— Butterfat	15,948,024	1.3481	21,499,531.15	
Protein	12,884,110	2.4388	31,421,767.47	
Other Solids	23,844,990	0.2564	6,113,855.42	59,035,154.04
Class IV— Butterfat	10,499,330	1.3481	14,154,146.80	
Nonfat Solids	18,367,848	0.8737	16,047,988.84	30,202,135.64
Total Classified Value				\$267,830,389.48
Add: Overage—All Classes				85,884.43
Inventory Reclassification—All Classes				244,867.90
Other Source Receipts	529,991 Pounds			10,792.11
Total Pool Value				\$268,171,933.92
Less: Producer Component Valuations @ Class III Component Prices				(259,353,454.23)
Total PPD Value Before Adjustments				\$8,818,479.69
Add: Location Adjustment to Producers				8,668,488.01
One-half Unobligated Balance—Producer Settlement Fund				873,351.20
Less: Producer Settlement Fund—Reserve				(837,236.99)
Total Pool Milk & PPD Value	1,844,534,944 Producer pounds			\$17,523,081.91
Producer Price Differential		\$0.95		
Statistical Uniform Price		\$14.42		

(Selected pool and price statistics on reverse side)

Erik F. Rasmussen, Market Administrator

Payment Schedule

Payment Dates for the Month of:

DECEMBER 2006

Payments TO the Producer Settlement Fund due on:	01/17/07
Payments FROM the Producer Settlement Fund made on:	01/18/07
Final payments TO a Cooperative Association must be made on:	01/18/07
Final payments to Producers must be RECEIVED by:	01/19/07

Producer Price Differential and Statistical Uniform Price, by Location

Selected Locations	Differential*	Adjustment	Producer Price Differential	Statistical # Uniform Price
	dollars per hundredweight			
Boston, MA	3.25	0.00	0.95	14.42
Newport News/Portsmouth, VA	3.20	(0.05)	0.90	14.37
New York, NY	3.15	(0.10)	0.85	14.32
Long Valley, NJ	3.10	(0.15)	0.80	14.27
Philadelphia, PA	3.05	(0.20)	0.75	14.22
Agawam, MA/Baltimore, MD	3.00	(0.25)	0.70	14.17
Frederick, MD/New Holland, PA	2.90	(0.35)	0.60	14.07
Mt. Holly Springs, PA	2.80	(0.45)	0.50	13.97
Albany/Binghamton, NY	2.70	(0.55)	0.40	13.87
Middlebury, VT	2.60	(0.65)	0.30	13.77
Syracuse, NY	2.50	(0.75)	0.20	13.67
St. Albans/Swanton, VT	2.40	(0.85)	0.10	13.57
Watertown/Rochester, NY	2.30	(0.95)	0.00	13.47
Buffalo, NY	2.20	(1.05)	(0.10)	13.37
Jamestown, NY	2.10	(1.15)	(0.20)	13.27

* Differentials listed apply to states included in the Northeast marketing area. Outside of this area, differentials and prices may be above or below this range. Cities listed are for reference purposes only.

Prices apply on a county basis. Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.

Selected Pool Statistics

Average test of producer receipts:	Butterfat	3.77 %
	True Protein	3.08 %
	Other Solids	5.70 %

Estimated Marketwide Utilization for JANUARY 2007:

	Skim	Butterfat
Class I	43%	22%
Classes II, III, & IV	57%	78%