



United States Department of Agriculture

Agricultural Marketing Service Dairy Programs

FEDERAL MILK ORDER No. 1 Northeast Marketing Area

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SEPTEMBER 2008 POOL PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	46.5	874,930,974	\$20.90
Class II	21.6	406,969,095	17.58
Class III	23.2	435,902,740	16.28
Class IV	8.7	163,819,500	15.45
Total Producer Milk	100.0	1,881,622,309	

Computation of Uniform Price (per cwt @ Suffolk County, MA - Boston)		Class III & Producer Component Prices	
Producer Price Differential	\$2.62	Protein Price	\$3.2689 /lb
Class III Price (@ 3.5% Butterfat)	\$16.28	Butterfat Price	1.8196 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$18.90	Other Solids Price	0.0234 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$19.49	Nonfat Solids Price	1.0455 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	858,478,588	\$15.23	130,746,288.95	
Butterfat	16,452,386	1.7736	29,179,951.81	
Less: Location Adjustment to Handlers			(2,842,084.17)	\$157,084,156.59
Class II— Butterfat	28,755,725	1.8266	52,525,207.27	
Nonfat Solids	34,339,029	1.2878	44,221,801.59	96,747,008.86
Class III— Butterfat	17,105,448	1.8196	31,125,073.19	
Protein	13,346,445	3.2689	43,628,194.03	
Other Solids	24,690,687	0.0234	577,762.02	75,331,029.24
Class IV— Butterfat	7,211,006	1.8196	13,121,146.54	
Nonfat Solids	14,273,861	1.0455	14,923,321.67	28,044,468.21
Total Classified Value				\$357,206,662.90
Add: Overage—All Classes				199,120.11
Inventory Reclassification—All Classes				147,608.26
Other Source Receipts	73,137 Pounds			3,267.52
Total Pool Value				\$357,556,658.79
Less: Producer Component Valuations @ Class III Component Prices				(317,391,122.66)
Total PPD Value Before Adjustments				\$40,165,536.13
Add: Location Adjustment to Producers				9,118,845.99
One-half Unobligated Balance—Producer Settlement Fund				801,028.51
Less: Producer Settlement Fund—Reserve				(784,989.90)
Total Pool Milk & PPD Value	1,881,695,446 Producer pounds			\$49,300,420.73
Producer Price Differential		\$2.62		
Statistical Uniform Price		\$18.90		

(Selected pool and price statistics on reverse side)

Erik F. Rasmussen, Market Administrator

Payment Schedule

Payment Dates for the Month of:

SEPTEMBER 2008

Payments TO the Producer Settlement Fund due on:	10/15/2008
Payments FROM the Producer Settlement Fund made on:	10/16/2008
Final payments TO a Cooperative Association must be made on:	10/16/2008
Final payments to Producers must be RECEIVED by:	10/17/2008

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	2.62	18.90
Newport News/Portsmouth, VA	3.20	(0.05)	2.57	18.85
New York, NY	3.15	(0.10)	2.52	18.80
Long Valley, NJ	3.10	(0.15)	2.47	18.75
Philadelphia, PA	3.05	(0.20)	2.42	18.70
Agawam, MA/Baltimore, MD	3.00	(0.25)	2.37	18.65
Frederick, MD/New Holland, PA	2.90	(0.35)	2.27	18.55
Mt. Holly Springs, PA	2.80	(0.45)	2.17	18.45
Albany/Binghamton, NY	2.70	(0.55)	2.07	18.35
Middlebury, VT	2.60	(0.65)	1.97	18.25
Syracuse, NY	2.50	(0.75)	1.87	18.15
St. Albans/Swanton, VT	2.40	(0.85)	1.77	18.05
Watertown/Rochester, NY	2.30	(0.95)	1.67	17.95
Buffalo, NY	2.20	(1.05)	1.57	17.85
Jamestown, NY	2.10	(1.15)	1.47	17.75

* 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	3.69 %
	True Protein	3.06 %
	Other Solids	5.68 %

Estimated Marketwide Utilization for OCTOBER 2008:

	<u>Skim</u>	<u>Butterfat</u>
Class I	45%	23%
Classes II, III, & IV	55%	77%