



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

30 Winter Street, Boston, MA 02108

Mailing Address:

P.O. Box 51478 (Fort Point Station)

Boston, MA 02205-1478

Tel.: (617) 542-8966 — Fax: (617) 542-0105

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

ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>June 2002</u>	
	<u>dollars</u>	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat ^{1/}	14.28	per hundredweight
Processor Assessment ^{1/2/}	<u>0.20</u>	per hundredweight
Total Class I price ^{1/}	14.48	per hundredweight
Class II price @ 3.5 % butterfat	11.19	per hundredweight
Class II butterfat price	1.1281	per pound
Class II skim price ^{1/}	7.50	per hundredweight
Class II nonfat solids price ^{1/}	0.8333	per pound
Class III price @ 3.5 % butterfat	10.09	per hundredweight
Class III skim price	6.39	per hundredweight
Class IV price @ 3.5 % butterfat	10.52	per hundredweight
Class IV skim milk price	6.84	per hundredweight
Component prices:		
Butterfat price	1.1211	per pound
Nonfat solids price	0.7605	per pound
Protein price	2.0148	per pound
Other solids price	0.0247	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	<u>1.0343</u>	per pound
Nonfat dry milk	0.9005	per pound
Cheese	1.1708	per pound
Dry whey	0.1639	per pound

Estimated Utilization Percentages of Producer Milk for July 2002^{3/}

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	22	78
Skim Milk	40	60

^{1/} Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*.

^{2/} The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 *et seq.*).

^{3/} Utilization percentages for assigning bulk receipts at pool distributing plants from other federal order markets, Section 1000.45(a) of the Order.

* These prices were computed using the formulas in the U.S. District Court's preliminary injunction order dated January 31, 2001.

Note: Price formulas are available at www.ams.usda.gov/dairy/price_formula.htm.

(Class I prices by location and Regional Milk Production Costs on reverse side)

JUNE 2002
Class I Price Information for the Northeast Order

Selected locations	Differential*	Adjustment	Prices		
			Skim	Butterfat	Class I#
			per cwt.	per pound	per cwt.
Class I Mover Factor:			7.23	1.1577	11.03
Boston, MA	3.25	0.00	10.48	1.1902	14.28
Newport News/Portsmouth, VA	3.20	(0.05)	10.43	1.1897	14.23
New York, NY	3.15	(0.10)	10.38	1.1892	14.18
Long Valley, NJ	3.10	(0.15)	10.33	1.1887	14.13
Philadelphia, PA	3.05	(0.20)	10.28	1.1882	14.08
Agawam, MA/Baltimore, MD	3.00	(0.25)	10.23	1.1877	14.03
Frederick, MD/New Holland, PA	2.90	(0.35)	10.13	1.1867	13.93
Mt. Holly Springs, PA	2.80	(0.45)	10.03	1.1857	13.83
Albany/Binghamton, NY	2.70	(0.55)	9.93	1.1847	13.73
Middlebury, VT	2.60	(0.65)	9.83	1.1837	13.63
Syracuse, NY	2.50	(0.75)	9.73	1.1827	13.53
St. Albans/Swanton, VT	2.40	(0.85)	9.63	1.1817	13.43
Watertown/Rochester, NY	2.30	(0.95)	9.53	1.1807	13.33
Buffalo, NY	2.20	(1.05)	9.43	1.1797	13.23
Jamestown, NY	2.10	(1.15)	9.33	1.1787	13.13

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

Price at 3.5% butterfat. Does not include the 20 cent per hundredweight processor assessment, an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.).

Regional Milk Production Costs

USDA's Economic Research Service (ERS) has discontinued calculating estimated monthly Cost of Production (COP) for milk effective with data provided on 5/31/02. ERS has recently developed a new approach for computing milk COP estimates using data from the 2000 Agricultural Resource Management Study of dairy farmers. This COP information can be found at www.ers.usda.gov/data/costsandreturns/testpick.htm under the "milk" selection. For additional information contact Sara Short (202) 694-5588, Jim Johnson (202) 694-5560, or Bill McBride (202) 694-5577.