



United States Department of Agriculture

Agricultural Marketing Service Dairy Programs

FEDERAL MILK ORDER No. 1 Northeast Marketing Area

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SEPTEMBER 2006 POOL PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	52.1	909,702,956	\$14.10
Class II	21.1	369,455,352	11.74
Class III	22.3	388,901,090	12.29
Class IV	4.5	78,301,847	11.10
Total Producer Milk	100.0	1,746,361,245	

Computation of Uniform Price (<i>per cwt @ Suffolk County, MA - Boston</i>)		Class III & Producer Component Prices	
Producer Price Differential	\$1.14	Protein Price	\$2.1346 /lb
Class III Price (@ 3.5% Butterfat)	\$12.29	Butterfat Price	1.4191 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$13.43	Other Solids Price	0.1649 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$13.80	Nonfat Solids Price	0.7066 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	892,084,656	\$9.89	88,227,172.48	
Butterfat	17,618,300	1.3028	22,953,121.24	
Less: Location Adjustment to Handlers			(2,894,531.08)	\$108,285,762.68
Class II— Butterfat	27,364,233	1.4261	39,024,132.70	
Nonfat Solids	30,849,702	0.7767	23,960,963.55	62,985,096.25
Class III— Butterfat	15,185,886	1.4191	21,550,290.81	
Protein	11,825,265	2.1346	25,242,210.67	
Other Solids	21,972,152	0.1649	3,623,207.88	50,415,709.36
Class IV— Butterfat	4,176,903	1.4191	5,927,443.09	
Nonfat Solids	6,707,800	0.7066	4,739,731.49	10,667,174.58
Total Classified Value				\$232,353,742.87
Add: Overage—All Classes				122,355.50
Inventory Reclassification—All Classes				388,551.52
Other Source Receipts	15,351 Pounds			337.73
Total Pool Value				\$232,864,987.62
Less: Producer Component Valuations @ Class III Component Prices				(221,034,593.78)
Total PPD Value Before Adjustments				\$11,830,393.84
Add: Location Adjustment to Producers				8,161,517.74
One-half Unobligated Balance—Producer Settlement Fund				751,566.38
Less: Producer Settlement Fund—Reserve				(834,784.78)
Total Pool Milk & PPD Value	1,746,376,596 Producer pounds			\$19,908,693.18
Producer Price Differential		\$1.14		
Statistical Uniform Price		\$13.43		

(Selected pool and price statistics on reverse side)

Erik F. Rasmussen, Market Administrator

Payment Schedule

Payment Dates for the Month of:

SEPTEMBER 2006

Payments TO the Producer Settlement Fund due on:	10/16/06
Payments FROM the Producer Settlement Fund made on:	10/17/06
Final payments TO a Cooperative Association must be made on:	10/17/06
Final payments to Producers must be RECEIVED by:	10/18/06

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	1.14	13.43
Newport News/Portsmouth, VA	3.20	(0.05)	1.09	13.38
New York, NY	3.15	(0.10)	1.04	13.33
Long Valley, NJ	3.10	(0.15)	0.99	13.28
Philadelphia, PA	3.05	(0.20)	0.94	13.23
Agawam, MA/Baltimore, MD	3.00	(0.25)	0.89	13.18
Frederick, MD/New Holland, PA	2.90	(0.35)	0.79	13.08
Mt. Holly Springs, PA	2.80	(0.45)	0.69	12.98
Albany/Binghamton, NY	2.70	(0.55)	0.59	12.88
Middlebury, VT	2.60	(0.65)	0.49	12.78
Syracuse, NY	2.50	(0.75)	0.39	12.68
St. Albans/Swanton, VT	2.40	(0.85)	0.29	12.58
Watertown/Rochester, NY	2.30	(0.95)	0.19	12.48
Buffalo, NY	2.20	(1.05)	0.09	12.38
Jamestown, NY	2.10	(1.15)	(0.01)	12.28

* 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	3.68 %
	True Protein	3.04 %
	Other Solids	5.66 %

Estimated Marketwide Utilization for MONTH 2006:

	<u>Skim</u>	<u>Butterfat</u>
Class I	47%	25%
Classes II, III, & IV	53%	75%