



United States Department of Agriculture

Agricultural Marketing Service Dairy Programs

FEDERAL MILK ORDER No. 1 Northeast Marketing Area

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DECEMBER 2008 POOL PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	46.3	914,673,273	\$18.68
Class II	16.0	316,388,353	11.21
Class III	22.3	441,334,219	15.28
Class IV	15.4	304,530,662	10.35
Total Producer Milk	100.0	1,976,926,507	

Computation of Uniform Price (<i>per cwt @ Suffolk County, MA - Boston</i>)		Class III & Producer Component Prices	
Producer Price Differential	(\$0.22)	Protein Price	\$3.6390 /lb
Class III Price (@ 3.5% Butterfat)	\$15.28	Butterfat Price	1.2998 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$15.06	Other Solids Price	-0.0269 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$16.02	Nonfat Solids Price	0.6680 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	896,397,724	\$12.74	114,201,070.04	
Butterfat	18,275,549	1.8250	33,352,876.93	
Less: Location Adjustment to Handlers			(2,951,430.19)	\$144,602,516.90
Class II— Butterfat	26,317,384	1.3068	34,391,557.45	
Nonfat Solids	26,611,126	0.7644	20,341,544.74	54,733,102.19
Class III— Butterfat	18,070,505	1.2998	23,488,042.39	
Protein	13,823,287	3.6390	50,302,941.43	
Other Solids	24,989,853	(0.0269)	(672,227.04)	73,118,756.78
Class IV— Butterfat	13,184,257	1.2998	17,136,897.24	
Nonfat Solids	26,723,581	0.6680	17,851,352.10	34,988,249.34
Total Classified Value				\$307,442,625.21
Add: Overage—All Classes				109,355.28
Inventory Reclassification—All Classes				(285,488.35)
Other Source Receipts	276,201 Pounds			4,499.66
Total Pool Value				\$307,270,991.80
Less: Producer Component Valuations @ Class III Component Prices				(321,060,648.56)
Total PPD Value Before Adjustments				(\$13,789,656.76)
Add: Location Adjustment to Producers				9,522,698.11
One-half Unobligated Balance—Producer Settlement Fund				842,971.01
Less: Producer Settlement Fund—Reserve				(925,858.39)
Total Pool Milk & PPD Value	1,977,202,708 Producer pounds			(\$4,349,846.03)
Producer Price Differential		(\$0.22)		
Statistical Uniform Price		\$15.06		

(Selected pool and price statistics on reverse side)

Erik F. Rasmussen, Market Administrator

Payment Schedule

Payment Dates for the Month of:

DECEMBER 2008

Payments TO the Producer Settlement Fund due on:	1/15/09
Payments FROM the Producer Settlement Fund made on:	1/16/09
Final payments TO a Cooperative Association must be made on:	1/16/09
Final payments to Producers must be RECEIVED by:	1/20/09

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	(0.22)	15.06
Newport News/Portsmouth, VA	3.20	(0.05)	(0.27)	15.01
New York, NY	3.15	(0.10)	(0.32)	14.96
Long Valley, NJ	3.10	(0.15)	(0.37)	14.91
Philadelphia, PA	3.05	(0.20)	(0.42)	14.86
Agawam, MA/Baltimore, MD	3.00	(0.25)	(0.47)	14.81
Frederick, MD/New Holland, PA	2.90	(0.35)	(0.57)	14.71
Mt. Holly Springs, PA	2.80	(0.45)	(0.67)	14.61
Albany/Binghamton, NY	2.70	(0.55)	(0.77)	14.51
Middlebury, VT	2.60	(0.65)	(0.87)	14.41
Syracuse, NY	2.50	(0.75)	(0.97)	14.31
St. Albans/Swanton, VT	2.40	(0.85)	(1.07)	14.21
Watertown/Rochester, NY	2.30	(0.95)	(1.17)	14.11
Buffalo, NY	2.20	(1.05)	(1.27)	14.01
Jamestown, NY	2.10	(1.15)	(1.37)	13.91

* 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	3.84 %
	True Protein	3.13 %
	Other Solids	5.69 %

Estimated Marketwide Utilization for JANUARY 2009:

	Skim	Butterfat
Class I	43%	21%
Classes II, III, & IV	57%	79%