



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1 Northeast Marketing Area

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ANNOUNCEMENT OF CLASS I PRICE AND ADVANCED PRICING FACTORS^{1/2/}

	September 2008	
	(dollars)	
Class I price @ Suffolk County, MA (Boston) at 3.5% butterfat	20.90	per hundredweight
Processor Assessment ^{3/}	0.20	per hundredweight
Total Class I price	21.10	per hundredweight
Class I skim price @ Boston, MA	15.23	per hundredweight
Class I butterfat price @ Boston, MA	1.7736	per pound
Class I skim price @ New York, NY	15.13	per hundredweight
Class I butterfat price @ New York, NY	1.7726	per pound
Class I skim price @ Philadelphia, PA	15.03	per hundredweight
Class I butterfat price @ Philadelphia, PA	1.7716	per pound
Class II skim price	11.59	per hundredweight
Class II nonfat solids price	1.2878	per pound
Advanced pricing factors:		
Base skim milk price for Class I	11.98	per hundredweight
Advanced butterfat pricing factor	1.7411	per pound
Advanced Class III skim milk pricing factor	11.98	per hundredweight
Advanced Class IV skim milk pricing factor	10.89	per hundredweight

Two-week product price averages (weeks ending 8/9, 8/16):	August 2008	
	(dollars)	
Butter	1.5711	per pound
Nonfat dry milk	1.3790	per pound
Cheese	1.9041	per pound
Dry whey	0.2487	per pound

^{1/} See Price Formulas at www.ams.usda.gov/DairyMarketStatistics; then select "Prices"; and then select "Price Formulas - 2008".

^{2/} *The manufacturing allowances and butterfat yield factor used to compute the Federal order minimum advance Class I prices and Class II nonfat solids and skim milk prices and pricing factors in this announcement are those published in the Federal Register on December 29, 2006 (71 FR 78333). A complaint to enjoin the implementation of the revised manufacturing allowances and butterfat yield factor contained in the Interim Final Rule published in the Federal Register July 31, 2008 (73 FR 44617) was filed in the United States District Court for the District of Columbia. The effective date of the Interim Final Rule will be postponed to October 1, 2008. The revised manufacturing allowances and butterfat yield factor will be used in computing the October 2008 Federal order minimum advance Class I and Class II prices and pricing factors to be announced on September 19, 2008 unless a court order directs otherwise. The revised manufacturing allowances and butterfat yield factor of the Interim Final Rule will be used to compute minimum Federal order Class III and Class IV prices for October 2008 and in the announcement of advanced prices and pricing factors thereafter.*

^{3/} The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.). The Order requires that all persons who process and market commercially more than 3,000,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous states and District of Columbia on a monthly basis, excluding those fluid milk products delivered to a residence of a consumer, be assessed 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

(Class I price by location on reverse side)

September 2008
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:			11.98	1.7411	17.65
Boston, MA	3.25	0.00	15.23	1.7736	20.90
Newport News/Portsmouth, VA	3.20	(0.05)	15.18	1.7731	20.85
New York, NY	3.15	(0.10)	15.13	1.7726	20.80
Long Valley, NJ	3.10	(0.15)	15.08	1.7721	20.75
Philadelphia, PA	3.05	(0.20)	15.03	1.7716	20.70
Agawam, MA/Baltimore, MD	3.00	(0.25)	14.98	1.7711	20.65
Frederick, MD/New Holland, PA	2.90	(0.35)	14.88	1.7701	20.55
Mt. Holly Springs, PA	2.80	(0.45)	14.78	1.7691	20.45
Albany/Binghamton, NY	2.70	(0.55)	14.68	1.7681	20.35
Middlebury, VT	2.60	(0.65)	14.58	1.7671	20.25
Syracuse, NY	2.50	(0.75)	14.48	1.7661	20.15
St. Albans/Swanton, VT	2.40	(0.85)	14.38	1.7651	20.05
Watertown/Rochester, NY	2.30	(0.95)	14.28	1.7641	19.95
Buffalo, NY	2.20	(1.05)	14.18	1.7631	19.85
Jamestown, NY	2.10	(1.15)	14.08	1.7621	19.75

* 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.).