



Commonwealth of Pennsylvania
Milk Marketing Board
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Official General
Order No. A-953 (CRO 12)

Posted: March 3, 2021
Effective: April 1, 2021

COST REPLACEMENT ORDER FOR THE EAST CENTRAL MILK MARKETING AREA, AREA 2

NOW, this 3rd day of March 2021, the Commonwealth of Pennsylvania, Milk Marketing Board, issues this official general order pursuant to the authority conferred by the Milk Marketing Law, 31 P.S. §§ 700j-101 – 700j-1204. This order will become effective at 12:01 a.m. on April 1, 2021.

SECTION A INCORPORATION

The attached Findings of Fact, Conclusions of Law, and Attachments are incorporated herein by reference as though fully set forth in this order.

SECTION B SCOPE

(a) The costs adopted by the Board in this order shall replace the costs in the appropriate cost centers embodied in Official General Order A-953 (CRO 11) and will be incorporated into the wholesale and retail prices of price-controlled packaged products sold in Milk Marketing Area No. 2, as defined in Section B of Official General Order A-953.

(b) The rate of return to dealers is 3.5%.

(c) The rate of return to retailers is 2.7%.

SECTION C
EFFECTIVENESS OF OFFICIAL GENERAL ORDER A-953

All parts of Official General Order A-953 not inconsistent with Section B (relating to scope) continue in effect.

PENNSYLVANIA MILK MARKETING BOARD

Robert N. Barley, Chairman

James A. Van Blarcom, Member

Date: March 3, 2021

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FINDINGS OF FACT AND CONCLUSIONS OF LAW
COST REPLACEMENT HEARING FOR MILK MARKETING AREA NO. 2
FEBRUARY 3, 2021

I. FINDINGS OF FACT

1. On February 3, 2021, the Pennsylvania Milk Marketing Board (“Board”) held a cost replacement hearing for Milk Marketing Area No. 2.

2. Notice of the hearing was published at 50 Pennsylvania Bulletin 6842 dated November 28, 2020. It was also mailed to those who have requested mailed notice of Board hearings via Board Bulletin No. 1583, dated November 13, 2020. The hearing notice enumerated the scope of evidence that the Board would receive.

3. The dealer cross-section used by both Board Staff and the Area 2 Milk Dealers (Dealers), the only parties to present dealer cost information, consisted of Clover Farms Dairy Co.; Dean Dairy Holdings LLC dba Swiss Premium Dairy; Milk Industry Management Corp, t/a Balford Farms; Monroe County Milk Producers Cooperative Association dba Pocono Mountain Dairies, Inc.; Turkey Hill LP dba Turkey Hill Dairy; Tuscan/Lehigh Dairies, Inc. - Schuylkill Haven; Valley Farms Dairy LLC; and Wawa Beverage Company.

4. Clifford Ackman, appearing on behalf of Board Staff as an expert in milk industry statistics, testified that the dealer cross section was representative of the dealers doing business in Area 2. Mr. Ackman testified that the reported sales ratios of the cross-section dealers were very much like the reported sales ratios of all dealers in Area 2 as the comparison of product sales ratios was within statistically acceptable limits at 5% using the Chi-square goodness of fit test. Mr. Ackman further testified, based on the volume, containers, products sold, types of customers, and delivery techniques, that the cross-section dealers were representative of all dealers doing business in Area 2. Ron Mong, appearing on behalf of Dealers as an expert in cost accounting and milk cost accounting, agreed that the cross section was representative. Based on the factors outlined by Mr. Ackman, the Board finds that the dealer cross section used by both Board Staff and Dealers is representative of dealers doing business in Area 2.

5. Gary Gojsovich testified on behalf of Board Staff as an expert in milk industry cost accounting and enforcement. Both Mr. Gojsovich and Mr. Mong testified that the cross-section dealers incurred a cost of \$0.2664 per point for processing, packaging, and delivering milk in 2019. Based on this uncontradicted testimony, the Board finds that the cross section dealers incurred a cost of \$0.2664 per point for processing, packaging, and delivery, and further finds that \$0.2664 is the processing, packaging, and delivery cost that should be used in this order.

6. Mr. Gojsovich and Mr. Mong testified to the following 2020 ingredient costs, based on year 2019 pounds: Standard Milk - \$0.0000/lb; Reduced Fat Milk - \$0.0001/lb; Low Fat Milk - \$0.0001/lb; Non-Fat Milk - \$0.0003/lb; Flavored Milk - \$0.0357/lb; Flavored Reduced Fat Milk - \$0.0314/lb; Flavored Non-Fat Milk - \$0.0241/lb; Buttermilk - \$0.0326/lb; Egg Nog - \$0.2297/lb. The Board finds that these ingredient costs should be used in this order.

7. Mr. Gojsovich and Mr. Mong presented concurring evidence regarding the cost update for labor, insurance, and utility costs of \$0.0055 per point between the first halves of 2019 and 2020. The Board finds that \$0.0055 per point should be used in this order.

8. Mr. Gojsovich and Mr. Mong recommended that the diesel fuel cost adjustment continue. The Board finds that the adjustment should continue, based on the methodology presented by Mr. Gojsovich in Staff Surrebuttal Exhibit 8 and attached to this order as Attachment 1.

9. Mr. Gojsovich and Mr. Mong recommended that the heating fuel cost adjustment continue. The Board finds that the adjustment should continue, based on the methodology presented by Mr. Gojsovich in Staff Surrebuttal Exhibit 9 and attached to this order as Attachment 2.

10. Mr. Gojsovich and Mr. Mong presented concurring evidence regarding the cost of shrinkage and sales of bulk products of \$0.0025 per pound. Based on the uncontradicted and concurring testimony, the Board finds that the cost of shrinkage and sales of bulk products to be used in this order should be \$0.0025 per pound.

11. Based on the container costs evidence and testimony presented by Mr. Gojsovich and Mr. Mong, the Board finds that the following base container costs should be adopted for this order: Gallon - \$0.1948; Half Gallon - \$0.1537; Quart - \$0.1172; Pint - \$0.0890; Half Pint (paper) - \$0.0201; Half Pint (plastic) - \$0.0855; 12 Ounce - \$0.0630; 10 Ounce - \$0.0855; 4 Ounce - \$0.0262; Bulk Per Quart (Dispenser) - \$0.0544. Both Mr. Gojsovich and Mr. Mong testified that container costs should continue to be updated monthly; the Board agrees and finds that container costs should continue to be updated monthly. The Board also finds that the container shrinkage factors should continue to be utilized to calculate container costs.

Mr. Gojsovich and Mr. Mong testified that a blended (or combined) container cost be used for products sold in containers that are available in both paper and plastic, except for half pint containers. They both also recommended that minimum resale prices for products sold in half pint containers should be calculated using the paper container cost for products sold in paper containers and by applying a plastic add-on for products sold in rigid plastic containers. The Board finds that the blended container concept should continue to be used, except for half pint containers. The Board finds that minimum resale prices for products sold in paper half pint containers should be calculated using the paper container cost and that minimum resale prices for products sold in rigid plastic containers should be calculated by applying a plastic add-on to the paper container cost. The Board further finds that the base plastic add-on is \$0.0654 and that the add-on should be adjusted monthly based on the monthly container cost surveys.

12. Both Mr. Gojsovich and Mr. Mong testified that the container efficiency adjustment should be updated.

Based on year 2019 container sales and year 2019 costs per point for the bottling, cold room, and delivery centers, Mr. Gojsovich and Mr. Mong arrived at the following container efficiency adjustments:

Gallon	\$(0.0828)
Half Gallon	\$(0.0251)
Quart	\$0.0363
Pint	\$0.0381
Half Pint	\$0.0226
4 ounce	\$0.0336
Bulk (per quart)	\$0.1000

The Board finds that the container efficiency adjustments should be updated as presented by Mr. Gojsovich and Mr. Mong.

13. No party presented evidence regarding Class II products. Mr. Mong recommended that the Board continue using the existing methodology to price Class II products. Since there was no proposal by any party to change Class II pricing, the Board finds that the current Class II pricing methodology shall continue until a Class II hearing is called and the results memorialized in an Official General Order.

14. Mr. Mong recommended that the Board maintain the rate of return at 3.5%. He testified that the rate of return serves as an important factor in the ability of Pennsylvania's fluid milk processors to maintain and invest in their operations. Mr. Mong also testified that maintaining the current rate of return is important for milk consistency and stability during an uncertain and difficult time for the dairy industry. No other party presented evidence regarding dealer rate of return.

Based on Mr. Mong's testimony, the Board finds that the rate of return should remain at 3.5%.

15. Mr. Gojsovich testified that the cost replacement would result in a \$0.06 increase in the price of a gallon of 2% milk. He attributed the majority of that increase to increased losses on bulk sales between year 2018 and year 2019.

16. An in-store handling costs hearing is pending. Therefore, no evidence was presented at this hearing regarding retail prices. Since no evidence was presented, the Board finds that the current retail rate of return of 2.7% should remain in place and further finds that the monthly CPI adjustment to current in-store handling costs remain in effect.

III. CONCLUSIONS OF LAW

1. The December 4, 2019, cost replacement hearing for Milk Marketing Area No. 2 was held pursuant to authority granted to the Board in section 801 of the Milk Marketing Law (Law), 31 P.S. § 700j-801.

2. The hearing was held following adequate notice, and all interested persons were given a reasonable opportunity to be heard.

3. The cross-section used to establish dealer costs met the requirement of representativeness of section 801 of the Law.

4. The record of the Milk Marketing Area No. 1 hearing held on February 3, 2021, was incorporated in the record of this hearing by reference.

5. In establishing the attached order, the Board has considered the entire record and has concluded that the adoption of this order is supported by a preponderance of the evidence and is reasonable and appropriate under section 801 of the Law, subject to any revisions or amendments the Board may make in the manner set forth in the Law.

PENNSYLVANIA MILK MARKETING BOARD

Robert N. Barley, Chairman

James A. Van Blarcom, Member

Date: March 3, 2021

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PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2

Diesel Fuel Costs Adjustment
Update of Diesel Fuel Costs from YEAR 2019 to OCTOBER 2020

1. Weighted Diesel Fuel Costs - YEAR 2019	\$ 743,505
2. Average On-Highway Diesel Price per Gallon - YEAR 2019 (1)	\$ 3.267
3. On-Highway Diesel Price per Gallon - OCTOBER 2020 (1)	\$ 2.651
4. Percent Change In Diesel Fuel Price per Gallon ((Line 3 - Line 2) ÷ Line 2)	-18.86%
5. Presumed Diesel Fuel Costs - OCTOBER 2020 ((Line 1 X Line 4) + Line 1)	<u>\$ 603,316</u>
6. Change in Diesel Fuel Costs from YEAR 2019 to OCTOBER 2020 (Line 5 - Line 1)	\$ (140,189)
7. Weighted Delivery Points - YEAR 2019	<u>74,258,730</u>
8. Change in Diesel Fuel Costs per Delivery Point (Line 6 ÷ Line 7)	<u>\$ (0.0019)</u>

Footnote:

1. Source: 'Weekly Retail On-Highway Diesel Prices' per Energy Information Administration website.
web address = https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_r1y_w.htm

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2**

Heating Fuel Costs Adjustment
Update of Heating Fuel Costs from YEAR 2019 to AUGUST 2020

1. Weighted Heating Fuel Costs - YEAR 2019	\$ 69,643
2. Pennsylvania Average Natural Gas Price - Industrial - YEAR 2019 (1)	\$ 8.21
3. Pennsylvania Average Natural Gas Price - Industrial - AUGUST 2020 (1)	\$ 7.95
4. Percent Change In Natural Gas Price ((Line 3 - Line 2) ÷ Line 2)	-3.17%
5. Presumed Heating Fuel Costs - AUGUST 2020 ((Line 1 X Line 4) + Line 1)	<u>\$ 67,435</u>
6. Change in Heating Fuel Costs from YEAR 2019 to AUGUST 2020 (Line 5 - Lin	\$ (2,208)
7. Weighted Standardization & Pasteurization (S&P) Points - YEAR 2019	<u>92,950,267</u>
8. Change in Heating Fuel Costs per S&P Point (Line 6 ÷ Line 7)	<u>\$ -</u>

Footnote:

- Source: Pennsylvania Natural Gas Industrial Price per Energy Information Administration website.
web address = <http://tonto.eia.doe.gov/dnav/ng/hist/n3035pa3m.htm>

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2**

**MILK COSTS BEFORE PACKAGING
DECEMBER 2020 MILK COSTS**

	Class I
Skim Rate	\$ 19.34
Butterfat Rate	\$ 1.6202

	A	B	C	D	E	F	G	H	I	J	K
			(B ÷ A)	(A - B)	(B × BF Rate)	(D × Skim Rate)	(E + F)	(G ÷ A)	(EX. 4)	(EX. 5)	(H + I + J)
Product Description	Product Pounds	Butterfat Pounds	Butterfat Percentage	Skim Pounds	Butterfat Value	Skim Value	Total Value	Cost per Pound	Ingredient Cost	Bulk Sale (Profit)/Loss	Total Cost per Pound

Class 1	Standard (Whole) Milk	41,266,570	1,348,192	3.2670%	39,918,378	\$ 2,184,341	\$ 7,720,214	\$ 9,904,555	\$ 0.2400	\$ -	\$ 0.0025	\$ 0.2425
	Reduced Fat (2%) Milk	32,358,474	642,905	1.9868%	31,715,569	\$ 1,041,635	\$ 6,133,791	\$ 7,175,426	\$ 0.2217	\$ 0.0001	\$ 0.0025	\$ 0.2243
	Low Fat (1%) Milk	17,191,646	168,598	0.9807%	17,023,048	\$ 273,162	\$ 3,292,257	\$ 3,565,419	\$ 0.2074	\$ 0.0001	\$ 0.0025	\$ 0.2100
	Non Fat (Skim) Milk	8,888,015	6,620	0.0745%	8,881,395	\$ 10,726	\$ 1,717,662	\$ 1,728,388	\$ 0.1945	\$ 0.0003	\$ 0.0025	\$ 0.1973
	Flavored Milk	3,615,660	117,351	3.2456%	3,498,309	\$ 190,132	\$ 676,573	\$ 866,705	\$ 0.2397	\$ 0.0357	\$ 0.0025	\$ 0.2779
	Flavored Reduced Fat Milk	5,291,738	51,214	0.9678%	5,240,524	\$ 82,977	\$ 1,013,517	\$ 1,096,494	\$ 0.2072	\$ 0.0314	\$ 0.0025	\$ 0.2411
	Flavored NONFAT Milk	1,607,148	796	0.0495%	1,606,352	\$ 1,290	\$ 310,668	\$ 311,958	\$ 0.1941	\$ 0.0241	\$ 0.0025	\$ 0.2207
	Buttermilk	35,843	564	1.5735%	35,279	\$ 914	\$ 6,823	\$ 7,737	\$ 0.2159	\$ 0.0326	\$ 0.0025	\$ 0.2510
	Egg Nog	137,762	9,876	7.1689%	127,886	\$ 16,001	\$ 24,733	\$ 40,734	\$ 0.2957	\$ 0.2297	\$ 0.0025	\$ 0.5279

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2**

**WHOLESALE PRICE BUILDUP
DECEMBER 2020 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.50%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	
STANDARD (WHOLE) MILK	GALLON	\$ 2.0855	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 3.3124	\$ 0.1201	\$ 3.4325	\$ (0.3356)	\$ 0.9364	\$ 4.0333
	1/2 GALLON	\$ 1.0428	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 1.7211	\$ 0.0624	\$ 1.7835	\$ (0.1678)	\$ 0.4682	\$ 2.0839
	QUART	\$ 0.5214	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 0.9711	\$ 0.0352	\$ 1.0063	\$ (0.0839)	\$ 0.2341	\$ 1.1565
	PINT	\$ 0.2607	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.5356	\$ 0.0194	\$ 0.5550	\$ (0.0420)	\$ 0.1171	\$ 0.6301
	12 OUNCE	\$ 0.1955	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.3636	\$ 0.0132	\$ 0.3768	\$ (0.0315)	\$ 0.0878	\$ 0.4331
	10 OUNCE	\$ 0.1629	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.3360	\$ 0.0122	\$ 0.3482	\$ (0.0262)	\$ 0.0732	\$ 0.3952
	1/2 PINT	\$ 0.1303	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.2499	\$ 0.0091	\$ 0.2590	\$ (0.0210)	\$ 0.0585	\$ 0.2965
	4 OUNCE	\$ 0.0652	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.1604	\$ 0.0058	\$ 0.1662	\$ (0.0105)	\$ 0.0293	\$ 0.1850
	Bulk per Quart	\$ 0.5214	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 0.9567	\$ 0.0347	\$ 0.9914	\$ (0.0839)	\$ 0.2341	\$ 1.1416
REDUCED FAT (2%) MILK	GALLON	\$ 1.9335	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 3.1604	\$ 0.1146	\$ 3.2750	\$ (0.3356)	\$ 0.9364	\$ 3.8758
	1/2 GALLON	\$ 0.9667	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 1.6450	\$ 0.0597	\$ 1.7047	\$ (0.1678)	\$ 0.4682	\$ 2.0051
	QUART	\$ 0.4834	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 0.9331	\$ 0.0338	\$ 0.9669	\$ (0.0839)	\$ 0.2341	\$ 1.1171
	PINT	\$ 0.2417	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.5166	\$ 0.0187	\$ 0.5353	\$ (0.0420)	\$ 0.1171	\$ 0.6104
	12 OUNCE	\$ 0.1813	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.3494	\$ 0.0127	\$ 0.3621	\$ (0.0315)	\$ 0.0878	\$ 0.4184
	10 OUNCE	\$ 0.1511	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.3242	\$ 0.0118	\$ 0.3360	\$ (0.0262)	\$ 0.0732	\$ 0.3830
	1/2 PINT	\$ 0.1208	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.2404	\$ 0.0087	\$ 0.2491	\$ (0.0210)	\$ 0.0585	\$ 0.2866
	4 OUNCE	\$ 0.0604	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.1556	\$ 0.0056	\$ 0.1612	\$ (0.0105)	\$ 0.0293	\$ 0.1800
	Bulk per Quart	\$ 0.4834	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 0.9187	\$ 0.0333	\$ 0.9520	\$ (0.0839)	\$ 0.2341	\$ 1.1022
LOW FAT (1%) MILK	GALLON	\$ 1.8102	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 3.0371	\$ 0.1102	\$ 3.1473	\$ (0.3356)	\$ 0.9364	\$ 3.7481
	1/2 GALLON	\$ 0.9051	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 1.5834	\$ 0.0574	\$ 1.6408	\$ (0.1678)	\$ 0.4682	\$ 1.9412
	QUART	\$ 0.4526	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 0.9023	\$ 0.0327	\$ 0.9350	\$ (0.0839)	\$ 0.2341	\$ 1.0852
	PINT	\$ 0.2263	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.5012	\$ 0.0182	\$ 0.5194	\$ (0.0420)	\$ 0.1171	\$ 0.5945
	12 OUNCE	\$ 0.1697	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.3378	\$ 0.0123	\$ 0.3501	\$ (0.0315)	\$ 0.0878	\$ 0.4064
	10 OUNCE	\$ 0.1414	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.3145	\$ 0.0114	\$ 0.3259	\$ (0.0262)	\$ 0.0732	\$ 0.3729
	1/2 PINT	\$ 0.1131	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.2327	\$ 0.0084	\$ 0.2411	\$ (0.0210)	\$ 0.0585	\$ 0.2786
	4 OUNCE	\$ 0.0566	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.1518	\$ 0.0055	\$ 0.1573	\$ (0.0105)	\$ 0.0293	\$ 0.1761
	Bulk per Quart	\$ 0.4526	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 0.8879	\$ 0.0322	\$ 0.9201	\$ (0.0839)	\$ 0.2341	\$ 1.0703
NON FAT (SKIM) MILK	GALLON	\$ 1.7027	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 2.9296	\$ 0.1063	\$ 3.0359	\$ (0.3356)	\$ 0.9364	\$ 3.6367
	1/2 GALLON	\$ 0.8513	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 1.5296	\$ 0.0555	\$ 1.5851	\$ (0.1678)	\$ 0.4682	\$ 1.8855
	QUART	\$ 0.4257	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 0.8754	\$ 0.0317	\$ 0.9071	\$ (0.0839)	\$ 0.2341	\$ 1.0573
	PINT	\$ 0.2128	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.4877	\$ 0.0177	\$ 0.5054	\$ (0.0420)	\$ 0.1171	\$ 0.5805
	12 OUNCE	\$ 0.1596	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.3277	\$ 0.0119	\$ 0.3396	\$ (0.0315)	\$ 0.0878	\$ 0.3959
	10 OUNCE	\$ 0.1330	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.3061	\$ 0.0111	\$ 0.3172	\$ (0.0262)	\$ 0.0732	\$ 0.3642
	1/2 PINT	\$ 0.1064	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.2260	\$ 0.0082	\$ 0.2342	\$ (0.0210)	\$ 0.0585	\$ 0.2717
	4 OUNCE	\$ 0.0532	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.1484	\$ 0.0054	\$ 0.1538	\$ (0.0105)	\$ 0.0293	\$ 0.1726
	Bulk per Quart	\$ 0.4257	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 0.8610	\$ 0.0312	\$ 0.8922	\$ (0.0839)	\$ 0.2341	\$ 1.0424

Footnote:
1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0102 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2**

**WHOLESALE PRICE BUILDUP
DECEMBER 2020 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.50%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	
FLAVORED MILK	GALLON	\$ 2.2232	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 3.4501	\$ 0.1251	\$ 3.5752	\$ (0.3356)	\$ 0.9364	\$ 4.1760
	1/2 GALLON	\$ 1.1116	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 1.7899	\$ 0.0649	\$ 1.8548	\$ (0.1678)	\$ 0.4682	\$ 2.1552
	QUART	\$ 0.5558	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 1.0055	\$ 0.0365	\$ 1.0420	\$ (0.0839)	\$ 0.2341	\$ 1.1922
	PINT	\$ 0.2779	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.5528	\$ 0.0201	\$ 0.5729	\$ (0.0420)	\$ 0.1171	\$ 0.6480
	12 OUNCE	\$ 0.2084	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.3765	\$ 0.0137	\$ 0.3902	\$ (0.0315)	\$ 0.0878	\$ 0.4465
	10 OUNCE	\$ 0.1737	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.3468	\$ 0.0126	\$ 0.3594	\$ (0.0262)	\$ 0.0732	\$ 0.4064
	1/2 PINT	\$ 0.1390	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.2586	\$ 0.0094	\$ 0.2680	\$ (0.0210)	\$ 0.0585	\$ 0.3055
	4 OUNCE	\$ 0.0695	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.1647	\$ 0.0060	\$ 0.1707	\$ (0.0105)	\$ 0.0293	\$ 0.1895
	Bulk per Quart	\$ 0.5558	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 0.9911	\$ 0.0359	\$ 1.0270	\$ (0.0839)	\$ 0.2341	\$ 1.1772
FLAVORED REDUCED FAT MILK	GALLON	\$ 1.9288	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 3.1557	\$ 0.1145	\$ 3.2702	\$ (0.3356)	\$ 0.9364	\$ 3.8710
	1/2 GALLON	\$ 0.9644	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 1.6427	\$ 0.0596	\$ 1.7023	\$ (0.1678)	\$ 0.4682	\$ 2.0027
	QUART	\$ 0.4822	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 0.9319	\$ 0.0338	\$ 0.9657	\$ (0.0839)	\$ 0.2341	\$ 1.1159
	PINT	\$ 0.2411	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.5160	\$ 0.0187	\$ 0.5347	\$ (0.0420)	\$ 0.1171	\$ 0.6098
	12 OUNCE	\$ 0.1808	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.3489	\$ 0.0127	\$ 0.3616	\$ (0.0315)	\$ 0.0878	\$ 0.4179
	10 OUNCE	\$ 0.1507	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.3238	\$ 0.0117	\$ 0.3355	\$ (0.0262)	\$ 0.0732	\$ 0.3825
	1/2 PINT	\$ 0.1206	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.2402	\$ 0.0087	\$ 0.2489	\$ (0.0210)	\$ 0.0585	\$ 0.2864
	4 OUNCE	\$ 0.0603	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.1555	\$ 0.0056	\$ 0.1611	\$ (0.0105)	\$ 0.0293	\$ 0.1799
	Bulk per Quart	\$ 0.4822	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 0.9175	\$ 0.0333	\$ 0.9508	\$ (0.0839)	\$ 0.2341	\$ 1.1010
FLAVORED NONFAT MILK	GALLON	\$ 1.7656	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 2.9925	\$ 0.1085	\$ 3.1010	\$ (0.3356)	\$ 0.9364	\$ 3.7018
	1/2 GALLON	\$ 0.8828	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 1.5611	\$ 0.0566	\$ 1.6177	\$ (0.1678)	\$ 0.4682	\$ 1.9181
	QUART	\$ 0.4414	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 0.8911	\$ 0.0323	\$ 0.9234	\$ (0.0839)	\$ 0.2341	\$ 1.0736
	PINT	\$ 0.2207	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.4956	\$ 0.0180	\$ 0.5136	\$ (0.0420)	\$ 0.1171	\$ 0.5887
	12 OUNCE	\$ 0.1655	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.3336	\$ 0.0121	\$ 0.3457	\$ (0.0315)	\$ 0.0878	\$ 0.4020
	10 OUNCE	\$ 0.1379	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.3110	\$ 0.0113	\$ 0.3223	\$ (0.0262)	\$ 0.0732	\$ 0.3693
	1/2 PINT	\$ 0.1104	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.2300	\$ 0.0083	\$ 0.2383	\$ (0.0210)	\$ 0.0585	\$ 0.2758
	4 OUNCE	\$ 0.0552	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.1504	\$ 0.0055	\$ 0.1559	\$ (0.0105)	\$ 0.0293	\$ 0.1747
	Bulk per Quart	\$ 0.4414	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 0.8767	\$ 0.0318	\$ 0.9085	\$ (0.0839)	\$ 0.2341	\$ 1.0587
BUTTERMILK	GALLON	\$ 2.1636	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 3.3905	\$ 0.1230	\$ 3.5135	\$ (0.3356)	\$ 0.9364	\$ 4.1143
	1/2 GALLON	\$ 1.0818	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 1.7601	\$ 0.0638	\$ 1.8239	\$ (0.1678)	\$ 0.4682	\$ 2.1243
	QUART	\$ 0.5409	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 0.9906	\$ 0.0359	\$ 1.0265	\$ (0.0839)	\$ 0.2341	\$ 1.1767
	PINT	\$ 0.2705	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.5454	\$ 0.0198	\$ 0.5652	\$ (0.0420)	\$ 0.1171	\$ 0.6403
	12 OUNCE	\$ 0.2028	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.3709	\$ 0.0135	\$ 0.3844	\$ (0.0315)	\$ 0.0878	\$ 0.4407
	10 OUNCE	\$ 0.1690	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.3421	\$ 0.0124	\$ 0.3545	\$ (0.0262)	\$ 0.0732	\$ 0.4015
	1/2 PINT	\$ 0.1352	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.2548	\$ 0.0092	\$ 0.2640	\$ (0.0210)	\$ 0.0585	\$ 0.3015
	4 OUNCE	\$ 0.0676	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.1628	\$ 0.0059	\$ 0.1687	\$ (0.0105)	\$ 0.0293	\$ 0.1875
	Bulk per Quart	\$ 0.5409	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 0.9762	\$ 0.0354	\$ 1.0116	\$ (0.0839)	\$ 0.2341	\$ 1.1618

Footnote:
1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0102 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2**

**WHOLESALE PRICE BUILDUP
DECEMBER 2020 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.50%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	
EGG NOG	GALLON	\$ 4.2232	\$ 0.1889	\$ 0.0552	\$ (0.0828)	\$ 1.0656	\$ 5.4501	\$ 0.1977	\$ 5.6478	\$ (0.3356)	\$ 0.9364	\$ 6.2486
	1/2 GALLON	\$ 2.1116	\$ 0.1430	\$ 0.0276	\$ (0.0251)	\$ 0.5328	\$ 2.7899	\$ 0.1012	\$ 2.8911	\$ (0.1678)	\$ 0.4682	\$ 3.1915
	QUART	\$ 1.0558	\$ 0.1332	\$ 0.0138	\$ 0.0363	\$ 0.2664	\$ 1.5055	\$ 0.0546	\$ 1.5601	\$ (0.0839)	\$ 0.2341	\$ 1.7103
	PINT	\$ 0.5279	\$ 0.0967	\$ 0.0069	\$ 0.0381	\$ 0.1332	\$ 0.8028	\$ 0.0291	\$ 0.8319	\$ (0.0420)	\$ 0.1171	\$ 0.9070
	12 OUNCE	\$ 0.3959	\$ 0.0630	\$ 0.0052	\$ -	\$ 0.0999	\$ 0.5640	\$ 0.0205	\$ 0.5845	\$ (0.0315)	\$ 0.0878	\$ 0.6408
	10 OUNCE	\$ 0.3299	\$ 0.0855	\$ 0.0043	\$ -	\$ 0.0833	\$ 0.5030	\$ 0.0182	\$ 0.5212	\$ (0.0262)	\$ 0.0732	\$ 0.5682
	1/2 PINT	\$ 0.2640	\$ 0.0269	\$ 0.0035	\$ 0.0226	\$ 0.0666	\$ 0.3836	\$ 0.0139	\$ 0.3975	\$ (0.0210)	\$ 0.0585	\$ 0.4350
	4 OUNCE	\$ 0.1320	\$ 0.0266	\$ 0.0017	\$ 0.0336	\$ 0.0333	\$ 0.2272	\$ 0.0082	\$ 0.2354	\$ (0.0105)	\$ 0.0293	\$ 0.2542
	Bulk per Quart	\$ 1.0558	\$ 0.0551	\$ 0.0138	\$ 0.1000	\$ 0.2664	\$ 1.4911	\$ 0.0541	\$ 1.5452	\$ (0.0839)	\$ 0.2341	\$ 1.6954

Footnote:

1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0102 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2**

**RETAIL PRICE BUILDUP
DECEMBER 2020 PRICES**

	A EX. 10	B	C	D	E (A+B+C+D)
Container Size	Proposed Wholesale Price	Deepest Discount 13.50%	In-Store Handling \$ 0.1666	Store Profit 2.7%	Proposed Retail Price

STANDARD (WHOLE) MILK	GALLON	\$ 4.0333	\$ (0.5445)	\$ 0.6664	\$ 0.1153	\$ 4.27
	1/2 GALLON	\$ 2.0839	\$ (0.2813)	\$ 0.3332	\$ 0.0593	\$ 2.20
	QUART	\$ 1.1565	\$ (0.1561)	\$ 0.1666	\$ 0.0324	\$ 1.20
	PINT	\$ 0.6301	\$ (0.0851)	\$ 0.0833	\$ 0.0174	\$ 0.65
	12 OUNCE	\$ 0.4331	\$ (0.0585)	\$ 0.0625	\$ 0.0121	\$ 0.45
	10 OUNCE	\$ 0.3952	\$ (0.0534)	\$ 0.0521	\$ 0.0109	\$ 0.40
	1/2 PINT	\$ 0.2965	\$ (0.0400)	\$ 0.0417	\$ 0.0083	\$ 0.31
	4 OUNCE	\$ 0.1850	\$ (0.0250)	\$ 0.0208	\$ 0.0050	\$ 0.19
	Bulk per Quart	\$ 1.1416	\$ (0.1541)	\$ 0.1666	\$ 0.0320	\$ 1.19

REDUCED FAT (2%) MILK	GALLON	\$ 3.8758	\$ (0.5232)	\$ 0.6664	\$ 0.1115	\$ 4.13
	1/2 GALLON	\$ 2.0051	\$ (0.2707)	\$ 0.3332	\$ 0.0574	\$ 2.13
	QUART	\$ 1.1171	\$ (0.1508)	\$ 0.1666	\$ 0.0314	\$ 1.16
	PINT	\$ 0.6104	\$ (0.0824)	\$ 0.0833	\$ 0.0170	\$ 0.63
	12 OUNCE	\$ 0.4184	\$ (0.0565)	\$ 0.0625	\$ 0.0118	\$ 0.44
	10 OUNCE	\$ 0.3830	\$ (0.0517)	\$ 0.0521	\$ 0.0106	\$ 0.39
	1/2 PINT	\$ 0.2866	\$ (0.0387)	\$ 0.0417	\$ 0.0080	\$ 0.30
	4 OUNCE	\$ 0.1800	\$ (0.0243)	\$ 0.0208	\$ 0.0049	\$ 0.19
	Bulk per Quart	\$ 1.1022	\$ (0.1488)	\$ 0.1666	\$ 0.0311	\$ 1.15

LOW FAT (1%) MILK	GALLON	\$ 3.7481	\$ (0.5060)	\$ 0.6664	\$ 0.1085	\$ 4.02
	1/2 GALLON	\$ 1.9412	\$ (0.2621)	\$ 0.3332	\$ 0.0558	\$ 2.07
	QUART	\$ 1.0852	\$ (0.1465)	\$ 0.1666	\$ 0.0307	\$ 1.14
	PINT	\$ 0.5945	\$ (0.0803)	\$ 0.0833	\$ 0.0166	\$ 0.61
	12 OUNCE	\$ 0.4064	\$ (0.0549)	\$ 0.0625	\$ 0.0115	\$ 0.43
	10 OUNCE	\$ 0.3729	\$ (0.0503)	\$ 0.0521	\$ 0.0104	\$ 0.39
	1/2 PINT	\$ 0.2786	\$ (0.0376)	\$ 0.0417	\$ 0.0078	\$ 0.29
	4 OUNCE	\$ 0.1761	\$ (0.0238)	\$ 0.0208	\$ 0.0048	\$ 0.18
	Bulk per Quart	\$ 1.0703	\$ (0.1445)	\$ 0.1666	\$ 0.0303	\$ 1.12

NON FAT (SKIM) MILK	GALLON	\$ 3.6367	\$ (0.4910)	\$ 0.6664	\$ 0.1058	\$ 3.92
	1/2 GALLON	\$ 1.8855	\$ (0.2545)	\$ 0.3332	\$ 0.0545	\$ 2.02
	QUART	\$ 1.0573	\$ (0.1427)	\$ 0.1666	\$ 0.0300	\$ 1.11
	PINT	\$ 0.5805	\$ (0.0784)	\$ 0.0833	\$ 0.0162	\$ 0.60
	12 OUNCE	\$ 0.3959	\$ (0.0534)	\$ 0.0625	\$ 0.0112	\$ 0.42
	10 OUNCE	\$ 0.3642	\$ (0.0492)	\$ 0.0521	\$ 0.0102	\$ 0.38
	1/2 PINT	\$ 0.2717	\$ (0.0367)	\$ 0.0417	\$ 0.0077	\$ 0.28
	4 OUNCE	\$ 0.1726	\$ (0.0233)	\$ 0.0208	\$ 0.0047	\$ 0.18
	Bulk per Quart	\$ 1.0424	\$ (0.1407)	\$ 0.1666	\$ 0.0296	\$ 1.10

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2**

**RETAIL PRICE BUILDUP
DECEMBER 2020 PRICES**

	A EX. 10	B	C	D	E (A+B+C+D)	
Container Size	Proposed Wholesale Price	Deepest Discount 13.50%	In-Store Handling \$ 0.1666	Store Profit 2.7%	Proposed Retail Price	
FLAVORED MILK	GALLON	\$ 4.1760	\$ (0.5638)	\$ 0.6664	\$ 0.1187	\$ 4.40
	1/2 GALLON	\$ 2.1552	\$ (0.2910)	\$ 0.3332	\$ 0.0610	\$ 2.26
	QUART	\$ 1.1922	\$ (0.1609)	\$ 0.1666	\$ 0.0332	\$ 1.23
	PINT	\$ 0.6480	\$ (0.0875)	\$ 0.0833	\$ 0.0179	\$ 0.66
	12 OUNCE	\$ 0.4465	\$ (0.0603)	\$ 0.0625	\$ 0.0125	\$ 0.46
	10 OUNCE	\$ 0.4064	\$ (0.0549)	\$ 0.0521	\$ 0.0112	\$ 0.41
	1/2 PINT	\$ 0.3055	\$ (0.0412)	\$ 0.0417	\$ 0.0085	\$ 0.31
	4 OUNCE	\$ 0.1895	\$ (0.0256)	\$ 0.0208	\$ 0.0051	\$ 0.19
	Bulk per Quart	\$ 1.1772	\$ (0.1589)	\$ 0.1666	\$ 0.0329	\$ 1.22
FLAVORED REDUCED FAT MILK	GALLON	\$ 3.8710	\$ (0.5226)	\$ 0.6664	\$ 0.1114	\$ 4.13
	1/2 GALLON	\$ 2.0027	\$ (0.2704)	\$ 0.3332	\$ 0.0573	\$ 2.12
	QUART	\$ 1.1159	\$ (0.1506)	\$ 0.1666	\$ 0.0314	\$ 1.16
	PINT	\$ 0.6098	\$ (0.0823)	\$ 0.0833	\$ 0.0169	\$ 0.63
	12 OUNCE	\$ 0.4179	\$ (0.0564)	\$ 0.0625	\$ 0.0118	\$ 0.44
	10 OUNCE	\$ 0.3825	\$ (0.0516)	\$ 0.0521	\$ 0.0106	\$ 0.39
	1/2 PINT	\$ 0.2864	\$ (0.0387)	\$ 0.0417	\$ 0.0080	\$ 0.30
	4 OUNCE	\$ 0.1799	\$ (0.0243)	\$ 0.0208	\$ 0.0049	\$ 0.18
	Bulk per Quart	\$ 1.1010	\$ (0.1486)	\$ 0.1666	\$ 0.0311	\$ 1.15
FLAVORED NONFAT MILK	GALLON	\$ 3.7018	\$ (0.4997)	\$ 0.6664	\$ 0.1073	\$ 3.98
	1/2 GALLON	\$ 1.9181	\$ (0.2589)	\$ 0.3332	\$ 0.0553	\$ 2.05
	QUART	\$ 1.0736	\$ (0.1449)	\$ 0.1666	\$ 0.0304	\$ 1.13
	PINT	\$ 0.5887	\$ (0.0795)	\$ 0.0833	\$ 0.0164	\$ 0.61
	12 OUNCE	\$ 0.4020	\$ (0.0543)	\$ 0.0625	\$ 0.0114	\$ 0.42
	10 OUNCE	\$ 0.3693	\$ (0.0499)	\$ 0.0521	\$ 0.0103	\$ 0.38
	1/2 PINT	\$ 0.2758	\$ (0.0372)	\$ 0.0417	\$ 0.0078	\$ 0.29
	4 OUNCE	\$ 0.1747	\$ (0.0236)	\$ 0.0208	\$ 0.0048	\$ 0.18
	Bulk per Quart	\$ 1.0587	\$ (0.1429)	\$ 0.1666	\$ 0.0300	\$ 1.11
BUTTERMILK	GALLON	\$ 4.1143	\$ (0.5554)	\$ 0.6664	\$ 0.1172	\$ 4.34
	1/2 GALLON	\$ 2.1243	\$ (0.2868)	\$ 0.3332	\$ 0.0602	\$ 2.23
	QUART	\$ 1.1767	\$ (0.1589)	\$ 0.1666	\$ 0.0329	\$ 1.22
	PINT	\$ 0.6403	\$ (0.0864)	\$ 0.0833	\$ 0.0177	\$ 0.65
	12 OUNCE	\$ 0.4407	\$ (0.0595)	\$ 0.0625	\$ 0.0123	\$ 0.46
	10 OUNCE	\$ 0.4015	\$ (0.0542)	\$ 0.0521	\$ 0.0111	\$ 0.41
	1/2 PINT	\$ 0.3015	\$ (0.0407)	\$ 0.0417	\$ 0.0084	\$ 0.31
	4 OUNCE	\$ 0.1875	\$ (0.0253)	\$ 0.0208	\$ 0.0051	\$ 0.19
	Bulk per Quart	\$ 1.1618	\$ (0.1568)	\$ 0.1666	\$ 0.0325	\$ 1.20

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 2**

**RETAIL PRICE BUILDUP
DECEMBER 2020 PRICES**

	A EX. 10	B	C	D	E (A+B+C+D)
Container Size	Proposed Wholesale Price	Deepest Discount 13.50%	In-Store Handling \$ 0.1666	Store Profit 2.7%	Proposed Retail Price

EGG NOG	GALLON	\$ 6.2486	\$ (0.8436)	\$ 0.6664	\$ 0.1685	\$ 6.26
	1/2 GALLON	\$ 3.1915	\$ (0.4309)	\$ 0.3332	\$ 0.0859	\$ 3.20
	QUART	\$ 1.7103	\$ (0.2309)	\$ 0.1666	\$ 0.0457	\$ 1.72
	PINT	\$ 0.9070	\$ (0.1224)	\$ 0.0833	\$ 0.0241	\$ 0.92
	12 OUNCE	\$ 0.6408	\$ (0.0865)	\$ 0.0625	\$ 0.0171	\$ 0.65
	10 OUNCE	\$ 0.5682	\$ (0.0767)	\$ 0.0521	\$ 0.0151	\$ 0.58
	1/2 PINT	\$ 0.4350	\$ (0.0587)	\$ 0.0417	\$ 0.0116	\$ 0.45
	4 OUNCE	\$ 0.2542	\$ (0.0343)	\$ 0.0208	\$ 0.0067	\$ 0.26
	Bulk per Quart	\$ 1.6954	\$ (0.2289)	\$ 0.1666	\$ 0.0453	\$ 1.71