



Commonwealth of Pennsylvania
Milk Marketing Board
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Official General
Order No. A-962 (CRO 3)

Posted: February 5, 2013
Effective: March 1, 2013

COST REPLACEMENT ORDER FOR THE NORTHEASTERN MILK MARKETING AREA, AREA NO. 3

NOW, this 5th day of February 2013, 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 March 1, 2013.

SECTION A INCORPORATION

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

SECTION B SCOPE

(a) The processing, packaging, and delivery costs, container costs, ingredient costs, shrinkage and net profit and loss on sales of bulk milk and bulk cream costs, and in-store handling costs adopted by the Board in this order will replace the costs for these cost centers embodied in Official General Order (OGO) A-962 (CRO 2) and will be incorporated into the wholesale and retail prices of Class I price-controlled packaged products sold in Milk Marketing Area 3, as defined in Section B of OGO A-962. Wholesale and retail prices will be adjusted as well by the change in labor, utility, and insurance costs that the Board adopts in this order.

(b) The rate of return for dealers is 3.4%.

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

SECTION C
EFFECTIVENESS OF OFFICIAL GENERAL ORDER A-962

All parts of Official General Order A-962 (CRO 2) not inconsistent with Section B of this order continue in effect.

PENNSYLVANIA MILK MARKETING BOARD

Luke F. Brubaker, Chairman

Richard Kriebel, Member

Lynda J. Bowman, Consumer Member

Date: February 5, 2013

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FINDINGS OF FACT AND CONCLUSIONS OF LAW
COST REPLACEMENT HEARING FOR MILK MARKETING AREA NO. 3
JANUARY 2, 2013

I. FINDINGS OF FACT

1. On January 2, 2013, the Pennsylvania Milk Marketing Board (“Board”) held a cost replacement hearing for Milk Marketing Area No. 3.

2. Notice of the hearing was published at 42 Pennsylvania Bulletin 7370 dated December 1, 2012. It was also mailed to those who have requested mailed notice of Board hearings via Board Bulletin No. 1491, dated November 16, 2012. 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 3 milk dealers (“Dealers”), the only parties to present dealer cost information, consisted of Clover Farms Dairy Company; Guers Dairy; Schneider – Valley Farms, Inc; Tuscan/Lehigh Dairies, L.P. – Schuylkill Haven; Turkey Hill L.P.; Pocono Mountain Dairies; and Swiss Premium Dairy, Inc.

4. Cliff Ackman, appearing on behalf of Board Staff as an expert in milk statistics, testified that the dealer cross section was representative of the dealers doing business in Area 3. Mr. Ackman based his opinion on the amounts and types of milk sold by the cross section dealers, the types of customers served by the cross section dealers, and the delivery techniques employed by the cross section dealers. Carl Herbein, appearing on behalf of the Area 3 milk dealers as an expert in cost accounting and milk cost accounting, testified that the dealer cross section processed, packaged, and delivered a majority of the fluid milk products in Area 3 and delivered to a range of customers in Area 3 which included supermarkets, convenience stores, schools, institutions, and small retail outlets. Mr. Herbein opined that the cross-section was representative of the dealers selling in Area 3. Based on the factors outlined by Mr. Ackman and Mr. Herbein, the Board finds that the dealer cross section used by both Board Staff and Dealers is representative of dealers doing business in Area 3.

5. Gary Gojsovich testified on behalf of Board Staff as an expert in milk cost accounting. Mr. Gojsovich and Mr. Herbein testified that the cross-section dealers incurred a cost of \$0.2410 per point for processing, packaging, and delivering milk in 2011. Based on this uncontradicted and concurring testimony, the Board finds that the cross section dealers incurred a cost of \$0.2410 per point for processing, packaging, and delivery, and further finds that \$0.2410 is the processing, packaging, and delivery cost that should be used in this order.

6. Mr. Gojsovich and Mr. Herbein testified to the following 2012 ingredient costs, based on year 2011 pounds: Standard Milk - \$0.0000/lb; Reduced Fat Milk - \$0.0007/lb; Low Fat Milk - \$0.0008/lb; Non-Fat Milk - \$0.0022/lb; Flavored Milk - \$0.0373/lb; Flavored Reduced Fat Milk - \$0.0388/lb; Flavored Non-Fat Milk - \$0.0367/lb; Buttermilk - \$0.0285/lb; Egg Nog - \$0.1646/lb. The Board finds that these ingredient costs should be used in this order.

7. Mr. Gojsovich and Mr. Herbein presented concurring evidence regarding the cost update for labor, insurance, and utility costs of \$0.0070 per point between the second quarters of 2011 and 2012. The Board finds that \$0.0070 per point should be used in this order.

8. Official General Order A-939 established area-specific adjustments to minimum wholesale and retail prices to account for monthly changes in diesel fuel costs. Mr. Gojsovich and Mr. Herbein recommended that the 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. Official General Order A-937 established area-specific adjustments to minimum wholesale and retail prices to account for monthly changes in heating fuel costs. Mr. Gojsovich and Mr. Herbein recommended that the 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. Herbein presented concurring evidence regarding the cost of shrinkage and sales of bulk products of \$(0.0024) 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 \$(0.0024) per pound.

11. Based on the concurring container costs evidence presented by Mr. Gojsovich and Mr. Herbein, the Board finds that the following base container costs should be adopted for this order: Gallon - \$0.1965; Half Gallon (combined) - \$0.1501; Quart (combined) - \$0.1090; Pint (combined) - \$0.0762; Half Pint (paper) - \$0.0276; Half Pint (plastic) - \$0.0674; 12 Ounce - \$0.0630; 10 Ounce - \$0.0548; 4 Ounce - \$0.0250; Bulk Per Quart (Dispenser) - \$0.0419. Both Mr. Gojsovich and Mr. Herbein testified that container costs should continue to be updated monthly; the Board agrees and finds that container costs should continue to be updated monthly, based on the base weighted costs and weighted units testified to by Mr. Gojsovich and as listed above.

Mr. Gojsovich and Mr. Herbein 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 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 \$0.0398 and that the add-on should be adjusted monthly based on the monthly container cost surveys.

12. Mr. Herbein recommended that the dealer rate of return remain at 3.4%. No evidence to the contrary was presented. The Board finds that the dealer rate of return should remain at 3.4%.

13. No party presented evidence regarding Class II products. Mr. Herbein 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. Thomas J. Price testified on behalf of the Pennsylvania Food Merchants Association as an expert in retail store accounting and dairy in-store handling costs. Mr. Price recommended that the retail rate of return remain unchanged and that the Board continue to utilize the monthly CPI adjustment to minimum retail prices. The Board finds that the retail rate of return should remain at 2.7% and that the monthly CPI adjustment should remain in place.

II. CONCLUSIONS OF LAW

1. The January 2, 2013, cost replacement hearing for Milk Marketing Area No. 3 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. 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

Luke F. Brubaker, Chairman

Richard Kriebel, Member

Lynda J. Bowman, Consumer Member

Date: February 5, 2013

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**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 3**

Diesel Fuel Costs Adjustment

Update of Diesel Fuel Costs from Year 2011 to NOVEMBER 2012

1. Weighted Diesel Fuel Costs - YEAR 2011	\$	2,532,185
2. Average On-Highway Diesel Price per Gallon - YEAR 2011 ⁽¹⁾	\$	3.973
3. On-Highway Diesel Price per Gallon - NOVEMBER 2012 ⁽¹⁾	\$	4.174
4. Percent Change In Diesel Fuel Price per Gallon ((Line 3 - Line 2) ÷ Line 2)		5.06%
5. Presumed Diesel Fuel Costs - NOVEMBER 2012 ((Line 1 X Line 4) + Line 1)	\$	<u>2,660,292</u>
6. Change in Diesel Fuel Costs from YEAR 2011 to NOVEMBER 2012 (Line 5 - Line 1)	\$	128,107
7. Weighted Delivery Points - YEAR 2011		<u>133,612,006</u>
8. Change in Diesel Fuel Costs per Delivery Point (Line 6 ÷ Line 7)	\$	<u>0.0010</u>

Footnote:

1. Source: 'Weekly Retail On-Highway Diesel Prices' per Energy Information Administration website.
web address = http://tonto.eia.doe.gov/oog/info/wohdp/diesel_detail_report_combined.asp

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 3**

Heating Fuel Costs Adjustment

Update of Heating Fuel Costs from Year 2011 to SEPTEMBER 2012

1. Weighted Heating Fuel Costs - YEAR 2011	\$	370,925
2. Pennsylvania Average Natural Gas Price - Industrial - YEAR 2011 ⁽¹⁾	\$	9.78
3. Pennsylvania Average Natural Gas Price - Industrial - SEPTEMBER 2012 ⁽¹⁾	\$	7.63
4. Percent Change In Natural Gas Price ((Line 3 - Line 2) ÷ Line 2)		-21.98%
5. Presumed Heating Fuel Costs - SEPTEMBER 2012 ((Line 1 X Line 4) + Line 1)	\$	<u>289,396</u>
6. Change in Heating Fuel Costs from YEAR 2011 to SEPTEMBER 2012 (Line 5 - Line 1)	\$	(81,529)
7. Weighted Standardization & Pasteurization (S&P) Points - YEAR 2011		<u>161,026,527</u>
8. Change in Heating Fuel Costs per S&P Point (Line 6 ÷ Line 7)	\$	<u>(0.0005)</u>

Footnote:

1. 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 3**

**MILK COSTS BEFORE PACKAGING
JANUARY 2013 MILK COSTS**

	Class 1
Skim Rate	\$ 19.26
Butterfat Rate	\$ 1.7919

Product Description	A	B	C	D	E	F	G	H	I	J	K
	Product Pounds	Butterfat		Skim Pounds	Butterfat Value	Skim Value	Total Value	Cost per Pound	Ingredient Cost	Bulk Sale (Profit)/Loss	Total Cost per Pound
		Pounds	Percentage								

Class 1	Standard (Whole) Milk	56,001,201	1,828,132	3.2645%	54,173,069	\$ 3,275,830	\$ 10,433,733	\$ 13,709,563	\$ 0.2448	\$ -	\$ (0.0024)	\$ 0.2424
	Reduced Fat (2%) Milk	59,915,026	1,175,685	1.9623%	58,739,341	\$ 2,106,710	\$ 11,313,197	\$ 13,419,907	\$ 0.2240	\$ 0.0007	\$ (0.0024)	\$ 0.2223
	Low Fat (1%) Milk	28,785,283	273,551	0.9503%	28,511,732	\$ 490,176	\$ 5,491,360	\$ 5,981,536	\$ 0.2078	\$ 0.0008	\$ (0.0024)	\$ 0.2062
	Non Fat (Skim) Milk	34,140,266	33,688	0.0987%	34,106,578	\$ 60,366	\$ 6,568,927	\$ 6,629,292	\$ 0.1942	\$ 0.0022	\$ (0.0024)	\$ 0.1940
	Flavored Milk	3,212,500	107,168	3.3360%	3,105,332	\$ 192,034	\$ 598,087	\$ 790,121	\$ 0.2460	\$ 0.0373	\$ (0.0024)	\$ 0.2809
	Flavored Reduced Fat Milk	14,213,743	148,698	1.0462%	14,065,045	\$ 266,452	\$ 2,708,928	\$ 2,975,380	\$ 0.2093	\$ 0.0388	\$ (0.0024)	\$ 0.2457
	Flavored NONFAT Milk	5,142,532	2,512	0.0488%	5,140,020	\$ 4,501	\$ 989,968	\$ 994,469	\$ 0.1934	\$ 0.0367	\$ (0.0024)	\$ 0.2277
	Buttermilk	104,138	3,958	3.8007%	100,180	\$ 7,092	\$ 19,295	\$ 26,387	\$ 0.2534	\$ 0.0285	\$ (0.0024)	\$ 0.2795
Egg Nog	1,105,672	72,055	6.5169%	1,033,617	\$ 129,115	\$ 199,075	\$ 328,190	\$ 0.2968	\$ 0.1646	\$ (0.0024)	\$ 0.4590	

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 3**

**WHOLESALE PRICE BUILDUP
JANUARY 2013 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	L	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.40%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	Current Wholesale Price	
STANDARD (WHOLE) MILK	Gallon	\$ 2.0846	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 3.2087	\$ 0.1129	\$ 3.3216	\$ (0.4284)	\$ 0.8000	\$ 3.6932	\$ 3.7064
	Half Gallon	\$ 1.0423	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 1.6469	\$ 0.0580	\$ 1.7049	\$ (0.2142)	\$ 0.4000	\$ 1.8907	\$ 1.8940
	Quart	\$ 0.5212	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 0.9099	\$ 0.0320	\$ 0.9419	\$ (0.1071)	\$ 0.2000	\$ 1.0348	\$ 1.0388
	Pint	\$ 0.2606	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.5089	\$ 0.0179	\$ 0.5268	\$ (0.0536)	\$ 0.1000	\$ 0.5732	\$ 0.5740
	12 Ounce	\$ 0.1954	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.3980	\$ 0.0140	\$ 0.4120	\$ (0.0402)	\$ 0.0750	\$ 0.4468	\$ 0.4477
	10 Ounce	\$ 0.1629	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.3440	\$ 0.0121	\$ 0.3561	\$ (0.0335)	\$ 0.0625	\$ 0.3851	\$ 0.3705
	Half Pint	\$ 0.1303	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.2422	\$ 0.0085	\$ 0.2507	\$ (0.0268)	\$ 0.0500	\$ 0.2739	\$ 0.2743
	4 ounce	\$ 0.0651	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.1528	\$ 0.0054	\$ 0.1582	\$ (0.0134)	\$ 0.0250	\$ 0.1698	\$ 0.1702
Dispenser	\$ 0.5212	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 0.8225	\$ 0.0290	\$ 0.8515	\$ (0.1071)	\$ 0.2000	\$ 0.9444	\$ 0.9453	
REDUCED FAT (2%) MILK	Gallon	\$ 1.9162	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 3.0403	\$ 0.1070	\$ 3.1473	\$ (0.4284)	\$ 0.8000	\$ 3.5189	\$ 3.5338
	Half Gallon	\$ 0.9581	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 1.5627	\$ 0.0550	\$ 1.6177	\$ (0.2142)	\$ 0.4000	\$ 1.8035	\$ 1.8077
	Quart	\$ 0.4791	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 0.8678	\$ 0.0305	\$ 0.8983	\$ (0.1071)	\$ 0.2000	\$ 0.9912	\$ 0.9956
	Pint	\$ 0.2395	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.4878	\$ 0.0172	\$ 0.5050	\$ (0.0536)	\$ 0.1000	\$ 0.5514	\$ 0.5525
	12 Ounce	\$ 0.1796	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.3822	\$ 0.0135	\$ 0.3957	\$ (0.0402)	\$ 0.0750	\$ 0.4305	\$ 0.4316
	10 Ounce	\$ 0.1497	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.3308	\$ 0.0116	\$ 0.3424	\$ (0.0357)	\$ 0.0667	\$ 0.3734	\$ 0.3571
	Half Pint	\$ 0.1198	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.2317	\$ 0.0082	\$ 0.2399	\$ (0.0268)	\$ 0.0500	\$ 0.2631	\$ 0.2636
	4 ounce	\$ 0.0599	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.1476	\$ 0.0052	\$ 0.1528	\$ (0.0134)	\$ 0.0250	\$ 0.1644	\$ 0.1648
Dispenser	\$ 0.4791	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 0.7804	\$ 0.0275	\$ 0.8079	\$ (0.1071)	\$ 0.2000	\$ 0.9008	\$ 0.9021	
LOWFAT (1%) MILK	Gallon	\$ 1.7774	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 2.9015	\$ 0.1021	\$ 3.0036	\$ (0.4284)	\$ 0.8000	\$ 3.3752	\$ 3.3901
	Half Gallon	\$ 0.8887	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 1.4933	\$ 0.0526	\$ 1.5459	\$ (0.2142)	\$ 0.4000	\$ 1.7317	\$ 1.7359
	Quart	\$ 0.4444	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 0.8331	\$ 0.0293	\$ 0.8624	\$ (0.1071)	\$ 0.2000	\$ 0.9553	\$ 0.9597
	Pint	\$ 0.2222	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.4705	\$ 0.0166	\$ 0.4871	\$ (0.0536)	\$ 0.1000	\$ 0.5335	\$ 0.5345
	12 Ounce	\$ 0.1666	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.3692	\$ 0.0130	\$ 0.3822	\$ (0.0402)	\$ 0.0750	\$ 0.4170	\$ 0.4181
	10 Ounce	\$ 0.1389	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.3200	\$ 0.0113	\$ 0.3313	\$ (0.0357)	\$ 0.0667	\$ 0.3623	\$ 0.3458
	Half Pint	\$ 0.1111	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.2230	\$ 0.0079	\$ 0.2309	\$ (0.0268)	\$ 0.0500	\$ 0.2541	\$ 0.2547
	4 ounce	\$ 0.0555	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.1432	\$ 0.0050	\$ 0.1482	\$ (0.0134)	\$ 0.0250	\$ 0.1598	\$ 0.1603
Dispenser	\$ 0.4444	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 0.7457	\$ 0.0262	\$ 0.7719	\$ (0.1071)	\$ 0.2000	\$ 0.8648	\$ 0.8662	
NONFAT (SKIM) MILK	Gallon	\$ 1.6742	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 2.7983	\$ 0.0985	\$ 2.8968	\$ (0.4284)	\$ 0.8000	\$ 3.2684	\$ 3.2798
	Half Gallon	\$ 0.8371	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 1.4417	\$ 0.0507	\$ 1.4924	\$ (0.2142)	\$ 0.4000	\$ 1.6782	\$ 1.6807
	Quart	\$ 0.4186	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 0.8073	\$ 0.0284	\$ 0.8357	\$ (0.1071)	\$ 0.2000	\$ 0.9286	\$ 0.9320
	Pint	\$ 0.2093	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.4576	\$ 0.0161	\$ 0.4737	\$ (0.0536)	\$ 0.1000	\$ 0.5201	\$ 0.5207
	12 Ounce	\$ 0.1570	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.3596	\$ 0.0127	\$ 0.3723	\$ (0.0402)	\$ 0.0750	\$ 0.4071	\$ 0.4078
	10 Ounce	\$ 0.1308	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.3119	\$ 0.0110	\$ 0.3229	\$ (0.0357)	\$ 0.0667	\$ 0.3539	\$ 0.3372
	Half Pint	\$ 0.1046	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.2165	\$ 0.0076	\$ 0.2241	\$ (0.0268)	\$ 0.0500	\$ 0.2473	\$ 0.2477
	4 ounce	\$ 0.0523	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.1400	\$ 0.0049	\$ 0.1449	\$ (0.0134)	\$ 0.0250	\$ 0.1565	\$ 0.1568
Dispenser	\$ 0.4186	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 0.7199	\$ 0.0253	\$ 0.7452	\$ (0.1071)	\$ 0.2000	\$ 0.8381	\$ 0.8386	

Footnote:

1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of \$0.0077 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 3**

**WHOLESALE PRICE BUILDUP
JANUARY 2013 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	L	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.40%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	Current Wholesale Price	
FLAVORED MILK	Gallon	\$ 2.2472	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 3.3713	\$ 0.1187	\$ 3.4900	\$ (0.4284)	\$ 0.8000	\$ 3.8616	\$ 3.9177
	Half Gallon	\$ 1.1236	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 1.7282	\$ 0.0608	\$ 1.7890	\$ (0.2142)	\$ 0.4000	\$ 1.9748	\$ 1.9997
	Quart	\$ 0.5618	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 0.9505	\$ 0.0335	\$ 0.9840	\$ (0.1071)	\$ 0.2000	\$ 1.0769	\$ 1.0916
	Pint	\$ 0.2809	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.5292	\$ 0.0186	\$ 0.5478	\$ (0.0536)	\$ 0.1000	\$ 0.5942	\$ 0.6004
	12 Ounce	\$ 0.2107	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.4133	\$ 0.0145	\$ 0.4278	\$ (0.0402)	\$ 0.0750	\$ 0.4626	\$ 0.4676
	10 Ounce	\$ 0.1756	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.3567	\$ 0.0126	\$ 0.3693	\$ (0.0357)	\$ 0.0667	\$ 0.4003	\$ 0.3870
	Half Pint	\$ 0.1405	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.2524	\$ 0.0089	\$ 0.2613	\$ (0.0268)	\$ 0.0500	\$ 0.2845	\$ 0.2876
	4 ounce	\$ 0.0702	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.1579	\$ 0.0056	\$ 0.1635	\$ (0.0134)	\$ 0.0250	\$ 0.1751	\$ 0.1768
	Dispenser	\$ 0.5618	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 0.8631	\$ 0.0304	\$ 0.8935	\$ (0.1071)	\$ 0.2000	\$ 0.9864	\$ 0.9981
FLAVORED REDUCED FAT MILK	Gallon	\$ 1.9656	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 3.0897	\$ 0.1087	\$ 3.1984	\$ (0.4284)	\$ 0.8000	\$ 3.5700	\$ 3.5624
	Half Gallon	\$ 0.9828	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 1.5874	\$ 0.0559	\$ 1.6433	\$ (0.2142)	\$ 0.4000	\$ 1.8291	\$ 1.8220
	Quart	\$ 0.4914	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 0.8801	\$ 0.0310	\$ 0.9111	\$ (0.1071)	\$ 0.2000	\$ 1.0040	\$ 1.0027
	Pint	\$ 0.2457	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.4940	\$ 0.0174	\$ 0.5114	\$ (0.0536)	\$ 0.1000	\$ 0.5578	\$ 0.5560
	12 Ounce	\$ 0.1843	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.3869	\$ 0.0136	\$ 0.4005	\$ (0.0402)	\$ 0.0750	\$ 0.4353	\$ 0.4343
	10 Ounce	\$ 0.1536	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.3347	\$ 0.0118	\$ 0.3465	\$ (0.0357)	\$ 0.0667	\$ 0.3775	\$ 0.3592
	Half Pint	\$ 0.1229	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.2348	\$ 0.0083	\$ 0.2431	\$ (0.0268)	\$ 0.0500	\$ 0.2663	\$ 0.2654
	4 ounce	\$ 0.0614	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.1491	\$ 0.0052	\$ 0.1543	\$ (0.0134)	\$ 0.0250	\$ 0.1659	\$ 0.1656
	Dispenser	\$ 0.4914	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 0.7927	\$ 0.0279	\$ 0.8206	\$ (0.1071)	\$ 0.2000	\$ 0.9135	\$ 0.9093
FLAVORED NONFAT MILK	Gallon	\$ 1.8216	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 2.9457	\$ 0.1037	\$ 3.0494	\$ (0.4284)	\$ 0.8000	\$ 3.4210	\$ 3.4614
	Half Gallon	\$ 0.9108	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 1.5154	\$ 0.0533	\$ 1.5687	\$ (0.2142)	\$ 0.4000	\$ 1.7545	\$ 1.7715
	Quart	\$ 0.4554	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 0.8441	\$ 0.0297	\$ 0.8738	\$ (0.1071)	\$ 0.2000	\$ 0.9667	\$ 0.9775
	Pint	\$ 0.2277	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.4760	\$ 0.0168	\$ 0.4928	\$ (0.0536)	\$ 0.1000	\$ 0.5392	\$ 0.5434
	12 Ounce	\$ 0.1708	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.3734	\$ 0.0131	\$ 0.3865	\$ (0.0402)	\$ 0.0750	\$ 0.4213	\$ 0.4248
	10 Ounce	\$ 0.1423	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.3234	\$ 0.0114	\$ 0.3348	\$ (0.0357)	\$ 0.0667	\$ 0.3658	\$ 0.3514
	Half Pint	\$ 0.1139	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.2258	\$ 0.0079	\$ 0.2337	\$ (0.0268)	\$ 0.0500	\$ 0.2569	\$ 0.2591
	4 ounce	\$ 0.0569	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.1446	\$ 0.0051	\$ 0.1497	\$ (0.0134)	\$ 0.0250	\$ 0.1613	\$ 0.1625
	Dispenser	\$ 0.4554	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 0.7567	\$ 0.0266	\$ 0.7833	\$ (0.1071)	\$ 0.2000	\$ 0.8762	\$ 0.8840
BUTTERMILK	Gallon	\$ 2.4037	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 3.5278	\$ 0.1242	\$ 3.6520	\$ (0.4284)	\$ 0.8000	\$ 4.0236	\$ 3.8791
	Half Gallon	\$ 1.2019	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 1.8065	\$ 0.0636	\$ 1.8701	\$ (0.2142)	\$ 0.4000	\$ 2.0559	\$ 1.9804
	Quart	\$ 0.6009	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 0.9896	\$ 0.0348	\$ 1.0244	\$ (0.1071)	\$ 0.2000	\$ 1.1173	\$ 1.0819
	Pint	\$ 0.3005	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.5488	\$ 0.0193	\$ 0.5681	\$ (0.0536)	\$ 0.1000	\$ 0.6145	\$ 0.5956
	12 Ounce	\$ 0.2253	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.4279	\$ 0.0151	\$ 0.4430	\$ (0.0402)	\$ 0.0750	\$ 0.4778	\$ 0.4640
	10 Ounce	\$ 0.1878	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.3689	\$ 0.0130	\$ 0.3819	\$ (0.0357)	\$ 0.0667	\$ 0.4129	\$ 0.3840
	Half Pint	\$ 0.1502	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.2621	\$ 0.0092	\$ 0.2713	\$ (0.0268)	\$ 0.0500	\$ 0.2945	\$ 0.2852
	4 ounce	\$ 0.0751	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.1628	\$ 0.0057	\$ 0.1685	\$ (0.0134)	\$ 0.0250	\$ 0.1801	\$ 0.1756
	Dispenser	\$ 0.6009	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 0.9022	\$ 0.0318	\$ 0.9340	\$ (0.1071)	\$ 0.2000	\$ 1.0269	\$ 0.9884

Footnote:

1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of \$0.0077 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 3**

**WHOLESALE PRICE BUILDUP
JANUARY 2013 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	L	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.40%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	Current Wholesale Price	
EGG NOG	Gallon	\$ 3.6720	\$ 0.1805	\$ 0.0608	\$ (0.0812)	\$ 0.9640	\$ 4.7961	\$ 0.1688	\$ 4.9649	\$ (0.4284)	\$ 0.8000	\$ 5.3365	\$ 5.3214
	Half Gallon	\$ 1.8360	\$ 0.1394	\$ 0.0304	\$ (0.0472)	\$ 0.4820	\$ 2.4406	\$ 0.0859	\$ 2.5265	\$ (0.2142)	\$ 0.4000	\$ 2.7123	\$ 2.7015
	Quart	\$ 0.9180	\$ 0.1105	\$ 0.0152	\$ 0.0220	\$ 0.2410	\$ 1.3067	\$ 0.0460	\$ 1.3527	\$ (0.1071)	\$ 0.2000	\$ 1.4456	\$ 1.4425
	Pint	\$ 0.4590	\$ 0.0780	\$ 0.0076	\$ 0.0422	\$ 0.1205	\$ 0.7073	\$ 0.0249	\$ 0.7322	\$ (0.0536)	\$ 0.1000	\$ 0.7786	\$ 0.7759
	12 Ounce	\$ 0.3443	\$ 0.0630	\$ 0.0057	\$ 0.0435	\$ 0.0904	\$ 0.5469	\$ 0.0192	\$ 0.5661	\$ (0.0402)	\$ 0.0750	\$ 0.6009	\$ 0.5992
	10 Ounce	\$ 0.2869	\$ 0.0548	\$ 0.0048	\$ 0.0462	\$ 0.0753	\$ 0.4680	\$ 0.0165	\$ 0.4845	\$ (0.0357)	\$ 0.0667	\$ 0.5155	\$ 0.4967
	Half Pint	\$ 0.2295	\$ 0.0276	\$ 0.0038	\$ 0.0202	\$ 0.0603	\$ 0.3414	\$ 0.0120	\$ 0.3534	\$ (0.0268)	\$ 0.0500	\$ 0.3766	\$ 0.3754
	4 ounce	\$ 0.1148	\$ 0.0254	\$ 0.0019	\$ 0.0303	\$ 0.0301	\$ 0.2025	\$ 0.0071	\$ 0.2096	\$ (0.0134)	\$ 0.0250	\$ 0.2212	\$ 0.2206
Dispenser	\$ 0.9180	\$ 0.0424	\$ 0.0152	\$ 0.0027	\$ 0.2410	\$ 1.2193	\$ 0.0429	\$ 1.2622	\$ (0.1071)	\$ 0.2000	\$ 1.3551	\$ 1.3490	

Footnote:

1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of \$0.0077 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 3**

**RETAIL PRICE BUILDUP
JANUARY 2013 MILK PRICES**

	A EX. 10	B	C	D	E (A+B+C+D)	F	
Container Size	Proposed Wholesale Price	Deepest Discount 13.00%	In-Store Handling \$ 0.1243	Store Profit 2.7%	Proposed Retail Price	Current Retail Price	
STANDARD (WHOLE) MILK	Gallon	\$ 3.6932	\$ (0.4801)	\$ 0.4972	\$ 0.1030	\$ 3.81	\$ 3.83
	Half Gallon	\$ 1.8907	\$ (0.2458)	\$ 0.2486	\$ 0.0525	\$ 1.95	\$ 1.95
	Quart	\$ 1.0348	\$ (0.1345)	\$ 0.1243	\$ 0.0284	\$ 1.05	\$ 1.06
	Pint	\$ 0.5732	\$ (0.0745)	\$ 0.0622	\$ 0.0156	\$ 0.58	\$ 0.58
	12 Ounce	\$ 0.4468	\$ (0.0581)	\$ 0.0466	\$ 0.0121	\$ 0.45	\$ 0.45
	10 Ounce	\$ 0.3851	\$ (0.0501)	\$ 0.0388	\$ 0.0104	\$ 0.40	\$ 0.38
	Half Pint	\$ 0.2739	\$ (0.0356)	\$ 0.0311	\$ 0.0075	\$ 0.28	\$ 0.28
	4 ounce	\$ 0.1698	\$ (0.0221)	\$ 0.0155	\$ 0.0045	\$ 0.17	\$ 0.18
Dispenser	\$ 0.9444	\$ (0.1228)	\$ 0.1243	\$ 0.0262	\$ 0.97	\$ 0.97	
REDUCED FAT (2%) MILK	Gallon	\$ 3.5189	\$ (0.4575)	\$ 0.4972	\$ 0.0987	\$ 3.66	\$ 3.67
	Half Gallon	\$ 1.8035	\$ (0.2345)	\$ 0.2486	\$ 0.0504	\$ 1.87	\$ 1.87
	Quart	\$ 0.9912	\$ (0.1289)	\$ 0.1243	\$ 0.0274	\$ 1.01	\$ 1.02
	Pint	\$ 0.5514	\$ (0.0717)	\$ 0.0622	\$ 0.0150	\$ 0.56	\$ 0.56
	12 Ounce	\$ 0.4305	\$ (0.0560)	\$ 0.0466	\$ 0.0117	\$ 0.44	\$ 0.44
	10 Ounce	\$ 0.3734	\$ (0.0485)	\$ 0.0388	\$ 0.0101	\$ 0.38	\$ 0.36
	Half Pint	\$ 0.2631	\$ (0.0342)	\$ 0.0311	\$ 0.0072	\$ 0.27	\$ 0.27
	4 ounce	\$ 0.1644	\$ (0.0214)	\$ 0.0155	\$ 0.0044	\$ 0.17	\$ 0.17
Dispenser	\$ 0.9008	\$ (0.1171)	\$ 0.1243	\$ 0.0252	\$ 0.93	\$ 0.93	
LOWFAT (1%) MILK	Gallon	\$ 3.3752	\$ (0.4388)	\$ 0.4972	\$ 0.0953	\$ 3.53	\$ 3.54
	Half Gallon	\$ 1.7317	\$ (0.2251)	\$ 0.2486	\$ 0.0487	\$ 1.80	\$ 1.81
	Quart	\$ 0.9553	\$ (0.1242)	\$ 0.1243	\$ 0.0265	\$ 0.98	\$ 0.99
	Pint	\$ 0.5335	\$ (0.0694)	\$ 0.0622	\$ 0.0146	\$ 0.54	\$ 0.54
	12 Ounce	\$ 0.4170	\$ (0.0542)	\$ 0.0466	\$ 0.0114	\$ 0.42	\$ 0.42
	10 Ounce	\$ 0.3623	\$ (0.0471)	\$ 0.0388	\$ 0.0098	\$ 0.37	\$ 0.35
	Half Pint	\$ 0.2541	\$ (0.0330)	\$ 0.0311	\$ 0.0070	\$ 0.26	\$ 0.26
	4 ounce	\$ 0.1598	\$ (0.0208)	\$ 0.0155	\$ 0.0043	\$ 0.16	\$ 0.17
Dispenser	\$ 0.8648	\$ (0.1124)	\$ 0.1243	\$ 0.0243	\$ 0.90	\$ 0.90	
NONFAT (SKIM) MILK	Gallon	\$ 3.2684	\$ (0.4249)	\$ 0.4972	\$ 0.0927	\$ 3.43	\$ 3.44
	Half Gallon	\$ 1.6782	\$ (0.2182)	\$ 0.2486	\$ 0.0474	\$ 1.76	\$ 1.76
	Quart	\$ 0.9286	\$ (0.1207)	\$ 0.1243	\$ 0.0259	\$ 0.96	\$ 0.96
	Pint	\$ 0.5201	\$ (0.0676)	\$ 0.0622	\$ 0.0143	\$ 0.53	\$ 0.53
	12 Ounce	\$ 0.4071	\$ (0.0529)	\$ 0.0466	\$ 0.0111	\$ 0.41	\$ 0.41
	10 Ounce	\$ 0.3539	\$ (0.0460)	\$ 0.0388	\$ 0.0096	\$ 0.36	\$ 0.34
	Half Pint	\$ 0.2473	\$ (0.0321)	\$ 0.0311	\$ 0.0068	\$ 0.25	\$ 0.25
	4 ounce	\$ 0.1565	\$ (0.0203)	\$ 0.0155	\$ 0.0042	\$ 0.16	\$ 0.16
Dispenser	\$ 0.8381	\$ (0.1090)	\$ 0.1243	\$ 0.0237	\$ 0.88	\$ 0.88	

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 3**

**RETAIL PRICE BUILDUP
JANUARY 2013 MILK PRICES**

	A EX. 10	B	C	D	E (A+B+C+D)	F	
Container Size	Proposed Wholesale Price	Deepest Discount 13.00%	In-Store Handling \$ 0.1243	Store Profit 2.7%	Proposed Retail Price	Current Retail Price	
FLAVORED MILK	Gallon	\$ 3.8616	\$ (0.5020)	\$ 0.4972	\$ 0.1070	\$ 3.96	\$ 4.01
	Half Gallon	\$ 1.9748	\$ (0.2567)	\$ 0.2486	\$ 0.0546	\$ 2.02	\$ 2.04
	Quart	\$ 1.0769	\$ (0.1400)	\$ 0.1243	\$ 0.0294	\$ 1.09	\$ 1.10
	Pint	\$ 0.5942	\$ (0.0772)	\$ 0.0622	\$ 0.0161	\$ 0.60	\$ 0.61
	12 Ounce	\$ 0.4626	\$ (0.0601)	\$ 0.0466	\$ 0.0125	\$ 0.47	\$ 0.47
	10 Ounce	\$ 0.4003	\$ (0.0520)	\$ 0.0388	\$ 0.0107	\$ 0.41	\$ 0.39
	Half Pint	\$ 0.2845	\$ (0.0370)	\$ 0.0311	\$ 0.0077	\$ 0.29	\$ 0.29
	4 ounce	\$ 0.1751	\$ (0.0228)	\$ 0.0155	\$ 0.0047	\$ 0.19	\$ 0.19
	Dispenser	\$ 0.9864	\$ (0.1282)	\$ 0.1243	\$ 0.0273	\$ 1.01	\$ 1.02
FLAVORED REDUCED FAT MILK	Gallon	\$ 3.5700	\$ (0.4641)	\$ 0.4972	\$ 0.1000	\$ 3.70	\$ 3.70
	Half Gallon	\$ 1.8291	\$ (0.2378)	\$ 0.2486	\$ 0.0511	\$ 1.89	\$ 1.88
	Quart	\$ 1.0040	\$ (0.1305)	\$ 0.1243	\$ 0.0277	\$ 1.03	\$ 1.02
	Pint	\$ 0.5578	\$ (0.0725)	\$ 0.0622	\$ 0.0152	\$ 0.56	\$ 0.56
	12 Ounce	\$ 0.4353	\$ (0.0566)	\$ 0.0466	\$ 0.0118	\$ 0.44	\$ 0.44
	10 Ounce	\$ 0.3775	\$ (0.0491)	\$ 0.0388	\$ 0.0102	\$ 0.38	\$ 0.36
	Half Pint	\$ 0.2663	\$ (0.0346)	\$ 0.0311	\$ 0.0073	\$ 0.27	\$ 0.27
	4 ounce	\$ 0.1659	\$ (0.0216)	\$ 0.0155	\$ 0.0044	\$ 0.18	\$ 0.18
	Dispenser	\$ 0.9135	\$ (0.1188)	\$ 0.1243	\$ 0.0255	\$ 0.94	\$ 0.94
FLAVORED NONFAT MILK	Gallon	\$ 3.4210	\$ (0.4447)	\$ 0.4972	\$ 0.0964	\$ 3.57	\$ 3.61
	Half Gallon	\$ 1.7545	\$ (0.2281)	\$ 0.2486	\$ 0.0493	\$ 1.82	\$ 1.84
	Quart	\$ 0.9667	\$ (0.1257)	\$ 0.1243	\$ 0.0268	\$ 0.99	\$ 1.00
	Pint	\$ 0.5392	\$ (0.0701)	\$ 0.0622	\$ 0.0147	\$ 0.55	\$ 0.55
	12 Ounce	\$ 0.4213	\$ (0.0548)	\$ 0.0466	\$ 0.0115	\$ 0.43	\$ 0.43
	10 Ounce	\$ 0.3658	\$ (0.0476)	\$ 0.0388	\$ 0.0099	\$ 0.37	\$ 0.36
	Half Pint	\$ 0.2569	\$ (0.0334)	\$ 0.0311	\$ 0.0071	\$ 0.26	\$ 0.26
	4 ounce	\$ 0.1613	\$ (0.0210)	\$ 0.0155	\$ 0.0043	\$ 0.17	\$ 0.17
	Dispenser	\$ 0.8762	\$ (0.1139)	\$ 0.1243	\$ 0.0246	\$ 0.91	\$ 0.92
BUTTERMILK	Gallon	\$ 4.0236	\$ (0.5231)	\$ 0.4972	\$ 0.1109	\$ 4.11	\$ 3.98
	Half Gallon	\$ 2.0559	\$ (0.2673)	\$ 0.2486	\$ 0.0565	\$ 2.09	\$ 2.03
	Quart	\$ 1.1173	\$ (0.1452)	\$ 0.1243	\$ 0.0304	\$ 1.13	\$ 1.10
	Pint	\$ 0.6145	\$ (0.0799)	\$ 0.0622	\$ 0.0166	\$ 0.62	\$ 0.60
	12 Ounce	\$ 0.4778	\$ (0.0621)	\$ 0.0466	\$ 0.0128	\$ 0.48	\$ 0.47
	10 Ounce	\$ 0.4129	\$ (0.0537)	\$ 0.0388	\$ 0.0110	\$ 0.42	\$ 0.39
	Half Pint	\$ 0.2945	\$ (0.0383)	\$ 0.0311	\$ 0.0080	\$ 0.30	\$ 0.29
	4 ounce	\$ 0.1801	\$ (0.0234)	\$ 0.0155	\$ 0.0048	\$ 0.19	\$ 0.19
	Dispenser	\$ 1.0269	\$ (0.1335)	\$ 0.1243	\$ 0.0282	\$ 1.05	\$ 1.01

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 3**

**RETAIL PRICE BUILDUP
JANUARY 2013 MILK PRICES**

		A EX. 10	B	C	D	E (A+B+C+D)	F
Container Size		Proposed Wholesale Price	Deepest Discount 13.00%	In-Store Handling \$ 0.1243	Store Profit 2.7%	Proposed Retail Price	Current Retail Price
EGG NOG	Gallon	\$ 5.3365	\$ (0.6937)	\$ 0.4972	\$ 0.1426	\$ 5.35	\$ 5.33
	Half Gallon	\$ 2.7123	\$ (0.3526)	\$ 0.2486	\$ 0.0724	\$ 2.72	\$ 2.71
	Quart	\$ 1.4456	\$ (0.1879)	\$ 0.1243	\$ 0.0383	\$ 1.46	\$ 1.45
	Pint	\$ 0.7786	\$ (0.1012)	\$ 0.0622	\$ 0.0205	\$ 0.79	\$ 0.79
	12 Ounce	\$ 0.6009	\$ (0.0781)	\$ 0.0466	\$ 0.0158	\$ 0.61	\$ 0.61
	10 Ounce	\$ 0.5155	\$ (0.0670)	\$ 0.0388	\$ 0.0135	\$ 0.53	\$ 0.51
	Half Pint	\$ 0.3766	\$ (0.0490)	\$ 0.0311	\$ 0.0100	\$ 0.39	\$ 0.39
	4 ounce	\$ 0.2212	\$ (0.0288)	\$ 0.0155	\$ 0.0058	\$ 0.23	\$ 0.23
	Dispenser	\$ 1.3551	\$ (0.1762)	\$ 0.1243	\$ 0.0362	\$ 1.37	\$ 1.36