

PENNSYLVANIA MILK MARKETING BOARD
Over-Price Premium (OPP) Calculation Adjustments
Adjustment Period: JANUARY 2014 through SEPTEMBER 2017 (45 months)

		PMMB Milk Marketing AREA			
		1-0	2-0	3-0	4-0
A	Total OPP Adjustment Amount	\$ (1,483,528)	\$ (328,073)	\$ (167,358)	\$ (241,005)
B	Total OPP Adjustment Pounds	1,293,116,569	502,598,630	795,414,387	1,010,275,982
C	(A ÷ B) OPP Adjustment (per LB)	\$ (0.0011)	\$ (0.0007)	\$ (0.0002)	\$ (0.0002)

PENNSYLVANIA MILK MARKETING BOARD
COMPUTATION OF RAW PRODUCT COST
AREA 1 RESALE PRICE BUILD-UP
OCTOBER 2013

	CLASS I
SKIM RATE	\$ 19.92
BUTTERFAT RATE	\$ 1.5264

	A	B	C	D	E	F	G	H	I	J	K
			(B ÷ A)	(A - B)	(B x BF RATE)	(D x SKIM RATE)	(E + F)	(G ÷ A)	(L)		(H + I + J)
PRODUCT	BUTTERFAT	SKIM	BUTTERFAT	SKIM	BUTTERFAT	SKIM	TOTAL	COST PER	TOTAL	INGREDIENT	COST PER
POUNDS	POUNDS	TEST (%)	POUNDS	POUNDS	VALUE	VALUE	VALUE	POUND	ADJUSTMENTS	COST	POUND
STANDARD (WHOLE) MILK	90,341,650	2,963,510	3.2803%	87,378,140	\$ 4,523,502	\$ 17,405,725	\$ 21,929,227	\$ 0.2427	\$ (0.0016)	\$ -	\$ 0.2411
REDUCED FAT (2%) MILK	80,806,672	1,564,518	1.9361%	79,242,154	\$ 2,388,080	\$ 15,785,037	\$ 18,173,117	\$ 0.2249	\$ (0.0016)	\$ 0.0001	\$ 0.2234
LOW FAT (1%) MILK	45,389,044	429,375	0.9460%	44,959,669	\$ 655,398	\$ 8,955,966	\$ 9,611,364	\$ 0.2118	\$ (0.0016)	\$ 0.0001	\$ 0.2103
NON FAT (SKIM) MILK	51,220,619	47,569	0.0929%	51,173,050	\$ 72,609	\$ 10,193,672	\$ 10,266,281	\$ 0.2004	\$ (0.0016)	\$ 0.0001	\$ 0.1989
FLAVORED MILK	882,915	29,000	3.2846%	853,915	\$ 44,266	\$ 170,100	\$ 214,366	\$ 0.2428	\$ (0.0016)	\$ 0.0652	\$ 0.3064
FLAVORED REDUCED FAT MILK	18,304,912	173,846	0.9497%	18,131,066	\$ 265,359	\$ 3,611,708	\$ 3,877,067	\$ 0.2118	\$ (0.0016)	\$ 0.0395	\$ 0.2497
FLAVORED NON FAT MILK	1,429,649	770	0.0539%	1,428,879	\$ 1,175	\$ 284,633	\$ 285,808	\$ 0.1999	\$ (0.0016)	\$ 0.0389	\$ 0.2372
BUTTERMILK	1,245,934	24,795	1.9901%	1,221,139	\$ 37,847	\$ 243,251	\$ 281,098	\$ 0.2256	\$ (0.0016)	\$ 0.0152	\$ 0.2392
EGG NOG	385,967	26,324	6.8203%	359,643	\$ 40,181	\$ 71,641	\$ 111,822	\$ 0.2897	\$ (0.0016)	\$ 0.1193	\$ 0.4074

ADJUSTMENT (per LB)

BULK PROFIT & LOSS:	\$ (0.0005)
OPP (expires SEPT 2017):	\$ (0.0011)

TOTAL ADJUSTMENTS : \$ (0.0016) (L)

PENNSYLVANIA MILK MARKETING BOARD
COMPUTATION OF RAW PRODUCT COST
AREA 2 RESALE PRICE BUILD-UP
OCTOBER 2013

	CLASS I
SKIM RATE	\$ 19.90
BUTTERFAT RATE	\$ 1.5262

	A	B	C	D	E	F	G	H	I	J	K
			(B ÷ A)	(A - B)	(B x BF RATE)	(D x SKIM RATE)	(E + F)	(G ÷ A)	(L)		(H + I + J)
PRODUCT	POUNDS	BUTTERFAT		SKIM POUNDS	BUTTERFAT VALUE	SKIM VALUE	TOTAL VALUE	COST PER POUND	TOTAL ADJUSTMENTS	INGREDIENT COST	COST PER POUND
		POUNDS	TEST (%)								
STANDARD (WHOLE) MILK	45,503,498	1,487,569	3.2691%	44,015,929	\$ 2,270,328	\$ 8,759,170	\$ 11,029,498	\$ 0.2424	\$ (0.0014)	\$ -	\$ 0.2410
REDUCED FAT (2%) MILK	37,346,910	731,777	1.9594%	36,615,133	\$ 1,116,838	\$ 7,286,411	\$ 8,403,249	\$ 0.2250	\$ (0.0014)	\$ 0.0006	\$ 0.2242
LOW FAT (1%) MILK	18,863,163	181,552	0.9625%	18,681,611	\$ 277,085	\$ 3,717,641	\$ 3,994,726	\$ 0.2118	\$ (0.0014)	\$ 0.0006	\$ 0.2110
NON FAT (SKIM) MILK	19,768,150	17,677	0.0894%	19,750,473	\$ 26,979	\$ 3,930,344	\$ 3,957,323	\$ 0.2002	\$ (0.0014)	\$ 0.0006	\$ 0.1994
FLAVORED MILK	1,973,537	65,414	3.3146%	1,908,123	\$ 99,835	\$ 379,716	\$ 479,551	\$ 0.2430	\$ (0.0014)	\$ 0.0500	\$ 0.2916
FLAVORED REDUCED FAT MILK	3,565,773	31,983	0.8969%	3,533,790	\$ 48,812	\$ 703,224	\$ 752,036	\$ 0.2109	\$ (0.0014)	\$ 0.0375	\$ 0.2470
FLAVORED NON FAT MILK	4,032,220	2,384	0.0591%	4,029,836	\$ 3,638	\$ 801,937	\$ 805,575	\$ 0.1998	\$ (0.0014)	\$ 0.0410	\$ 0.2394
BUTTERMILK	35,843	564	1.5735%	35,279	\$ 861	\$ 7,021	\$ 7,882	\$ 0.2199	\$ (0.0014)	\$ 0.0326	\$ 0.2511
EGG NOG	462,834	33,167	7.1661%	429,667	\$ 50,619	\$ 85,504	\$ 136,123	\$ 0.2941	\$ (0.0014)	\$ 0.1922	\$ 0.4849

ADJUSTMENT (per LB)

BULK PROFIT & LOSS:	\$ (0.0007)
OPP (<i>expires SEPT 2017</i>):	\$ (0.0007)

TOTAL ADJUSTMENTS : \$ (0.0014) (L)

PENNSYLVANIA MILK MARKETING BOARD
COMPUTATION OF RAW PRODUCT COST
AREA 3 RESALE PRICE BUILD-UP
OCTOBER 2013

	CLASS I
SKIM RATE	\$ 19.68
BUTTERFAT RATE	\$ 1.5240

	A	B	C	D	E	F	G	H	I	J	K
			(B ÷ A)	(A - B)	(B x BF RATE)	(D x SKIM RATE)	(E + F)	(G ÷ A)	(L)		(H + I + J)
PRODUCT	POUNDS	BUTTERFAT		SKIM POUNDS	BUTTERFAT VALUE	SKIM VALUE	TOTAL VALUE	COST PER POUND	TOTAL ADJUSTMENTS	INGREDIENT COST	COST PER POUND
		POUNDS	TEST (%)								
STANDARD (WHOLE) MILK	56,001,201	1,828,132	3.2645%	54,173,069	\$ 2,786,073	\$ 10,661,260	\$ 13,447,333	\$ 0.2401	\$ (0.0026)	\$ -	\$ 0.2375
REDUCED FAT (2%) MILK	59,915,026	1,175,685	1.9623%	58,739,341	\$ 1,791,744	\$ 11,559,902	\$ 13,351,646	\$ 0.2228	\$ (0.0026)	\$ 0.0007	\$ 0.2209
LOW FAT (1%) MILK	28,785,283	273,551	0.9503%	28,511,732	\$ 416,892	\$ 5,611,109	\$ 6,028,001	\$ 0.2094	\$ (0.0026)	\$ 0.0008	\$ 0.2076
NON FAT (SKIM) MILK	34,140,266	33,688	0.0987%	34,106,578	\$ 51,341	\$ 6,712,175	\$ 6,763,516	\$ 0.1981	\$ (0.0026)	\$ 0.0022	\$ 0.1977
FLAVORED MILK	3,212,500	107,168	3.3360%	3,105,332	\$ 163,324	\$ 611,129	\$ 774,453	\$ 0.2411	\$ (0.0026)	\$ 0.0397	\$ 0.2782
FLAVORED REDUCED FAT MILK	14,213,743	148,698	1.0462%	14,065,045	\$ 226,616	\$ 2,768,001	\$ 2,994,617	\$ 0.2107	\$ (0.0026)	\$ 0.0333	\$ 0.2414
FLAVORED NON FAT MILK	5,142,532	2,512	0.0488%	5,140,020	\$ 3,828	\$ 1,011,556	\$ 1,015,384	\$ 0.1974	\$ (0.0026)	\$ 0.0392	\$ 0.2340
BUTTERMILK	104,138	3,958	3.8007%	100,180	\$ 6,032	\$ 19,715	\$ 25,747	\$ 0.2472	\$ (0.0026)	\$ 0.0285	\$ 0.2731
EGG NOG	1,105,672	72,055	6.5169%	1,033,617	\$ 109,812	\$ 203,416	\$ 313,228	\$ 0.2833	\$ (0.0026)	\$ 0.1646	\$ 0.4453

ADJUSTMENT (per LB)

BULK PROFIT & LOSS:	\$ (0.0024)
OPP (expires SEPT 2017):	\$ (0.0002)

TOTAL ADJUSTMENTS : \$ (0.0026) (L)

PENNSYLVANIA MILK MARKETING BOARD
COMPUTATION OF RAW PRODUCT COST
AREA 4 RESALE PRICE BUILD-UP
OCTOBER 2013

	CLASS I
SKIM RATE	\$ 19.74
BUTTERFAT RATE	\$ 1.5246

	A	B	C	D	E	F	G	H	I	J	K
			(B ÷ A)	(A - B)	(B x BF RATE)	(D x SKIM RATE)	(E + F)	(G ÷ A)	(L)		(H + I + J)
PRODUCT	BUTTERFAT	SKIM		BUTTERFAT	SKIM	TOTAL	COST PER	TOTAL	INGREDIENT	COST PER	
POUNDS	POUNDS	TEST (%)	POUNDS	VALUE	VALUE	VALUE	POUND	ADJUSTMENTS	COST	POUND	
STANDARD (WHOLE) MILK	62,628,167	2,065,906	3.2987%	60,562,261	\$ 3,149,680	\$ 11,954,990	\$ 15,104,670	\$ 0.2412	\$ (0.0005)	\$ -	\$ 0.2407
REDUCED FAT (2%) MILK	77,492,375	1,552,480	2.0034%	75,939,895	\$ 2,366,911	\$ 14,990,535	\$ 17,357,446	\$ 0.2240	\$ (0.0005)	\$ 0.0018	\$ 0.2253
LOW FAT (1%) MILK	37,647,720	377,149	1.0018%	37,270,571	\$ 575,001	\$ 7,357,211	\$ 7,932,212	\$ 0.2107	\$ (0.0005)	\$ 0.0019	\$ 0.2121
NON FAT (SKIM) MILK	37,586,816	49,190	0.1309%	37,537,626	\$ 74,995	\$ 7,409,927	\$ 7,484,922	\$ 0.1991	\$ (0.0005)	\$ 0.0026	\$ 0.2012
FLAVORED MILK	3,519,313	119,737	3.4023%	3,399,576	\$ 182,551	\$ 671,076	\$ 853,627	\$ 0.2426	\$ (0.0005)	\$ 0.0446	\$ 0.2867
FLAVORED REDUCED FAT MILK	16,529,839	170,296	1.0302%	16,359,543	\$ 259,633	\$ 3,229,374	\$ 3,489,007	\$ 0.2111	\$ (0.0005)	\$ 0.0395	\$ 0.2501
FLAVORED NON FAT MILK	4,194,175	3,771	0.0899%	4,190,404	\$ 5,749	\$ 827,186	\$ 832,935	\$ 0.1986	\$ (0.0005)	\$ 0.0403	\$ 0.2384
BUTTERMILK	48,701	487	1.0000%	48,214	\$ 742	\$ 9,517	\$ 10,259	\$ 0.2107	\$ (0.0005)	\$ 0.0322	\$ 0.2424
EGG NOG	2,434,037	173,839	7.1420%	2,260,198	\$ 265,035	\$ 446,163	\$ 711,198	\$ 0.2922	\$ (0.0005)	\$ 0.1902	\$ 0.4819

ADJUSTMENT (per LB)

BULK PROFIT & LOSS:	\$ (0.0003)
OPP (expires SEPT 2017):	\$ (0.0002)

TOTAL ADJUSTMENTS : \$ (0.0005) (L)



Commonwealth of Pennsylvania Milk Marketing Board

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Lynda J. Bowman - *Consumer Member*
Richard Kriebel - *Member*

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Minimum Resale Prices For October 2013

AREA-ZONE	OFFICIAL GENERAL ORDERS	CLASS I DIFF.	OVER-PRICE PREMIUM	OVER-ORDER PREMIUM /1/	BUTTERFAT VALUE /2/ /3/	SKIM VALUE /2/ /3/	CLASS I PRICE @ 3.5%	
1-0	A-951 (CRO 4)	893, 899, 925, 942, 972, 980,	\$3.05	\$0.27	\$1.85	\$1.5264	\$19.92	\$24.57
2-0	A-953 (CRO 4)	893, 925, 942, 972, 980, 982,	\$2.80	\$0.50	\$1.85	\$1.5262	\$19.90	\$24.55
3-0	A-962 (CRO 3)	893, 925, 942, 972, 980, 982,	\$2.80	\$0.28	\$1.85	\$1.5240	\$19.68	\$24.33
4-0	A-963 (CRO 3)	893, 925, 942, 972, 980, 982,	\$2.90	\$0.24	\$1.85	\$1.5246	\$19.74	\$24.39
5-0	A-954 (CRO 3)	893, 925, 942, 972, 980, 982,	\$2.30	\$0.31	\$1.85	\$1.5193	\$19.21	\$23.86
6-0	A-956 (CRO 3)	893, 925, 942, 960, 972, 980,	\$2.50	\$0.39	\$1.85	\$1.5221	\$19.49	\$24.14

Advanced Class II Butterfat Price /4/	\$1.6339	Class I Butterfat Differential	\$1.33
Advanced Class II Skim Price /2/	\$15.25	Advanced Class III Skim Price	\$13.22
Class II Price @ 3.5% Butterfat	\$20.44	Advanced Class IV Skim Price	\$14.55
School Stop Charge for Area 1 /2/	\$14.15	Advanced Class III & IV Butterfat Price	\$1.4727
Consumer Price Index /2/	233.877		

Container Cost /2/	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6
Gallon	\$0.1970	\$0.1815	\$0.1945	\$0.1899	\$0.1772	\$0.2057
Half Gallon	\$0.1374	\$0.1421	\$0.1466	\$0.1524	\$0.1368	\$0.1379
Quart	\$0.1294	\$0.1130	\$0.1140	\$0.1487	\$0.1096	\$0.1810
Pint	\$0.0917	\$0.0811	\$0.0817	\$0.0997	\$0.1033	\$0.1430
Half Pint Paper	\$0.0240	\$0.0255	\$0.0281	\$0.0279	\$0.0295	\$0.0295
Half Pint Plastic Add On	\$0.0384	\$0.0454	\$0.0417	\$0.0433	\$0.0314	\$0.0476

Ingredients - Flavored Milk /2/	\$0.0652	\$0.0500	\$0.0397	\$0.0446	\$0.0440	\$0.0403
Ingredients - Flavored Reduced Fat	\$0.0395	\$0.0375	\$0.0333	\$0.0395	\$0.0318	\$0.0361
Ingredients - Flavored Non-Fat Milk	\$0.0389	\$0.0410	\$0.0392	\$0.0403	\$0.0432	\$0.0441

Energy, Heating & Disc Eff. Add-On	-\$0.0004	\$0.0001	-\$0.0001	\$0.0000	\$0.0000	\$0.0004
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- /1/ The Over-Order Premium includes a \$0.25 Fuel Adjuster pursuant to O.G.O. A-983.
 /2/ For generating PMMB Excel prices.
 /3/ Contains \$0.20 Fluid Milk Promotion processor assessment.

WHOLESALE / RETAIL PRICES OF PROMINENT PRODUCTS AND SIZES

AREA-ZONE	CONTAINER SIZE	WHOLESALE				RETAIL (OUT-OF-STORE)			
		HOMO	REDUCED FAT	LOW-FAT	NONFAT	HOMO	REDUCED FAT	LOW-FAT	NONFAT
1-0	Gallon	\$3.8268	\$3.6739	\$3.5570	\$3.4573	\$3.93	\$3.80	\$3.70	\$3.61
	Half Gallon	\$1.9439	\$1.8674	\$1.8089	\$1.7591	\$1.99	\$1.93	\$1.88	\$1.83
	Quart	\$1.0844	\$1.0462	\$1.0170	\$0.9920	\$1.09	\$1.06	\$1.04	\$1.01
2-0	Gallon	\$3.5975	\$3.4524	\$3.3346	\$3.2330	\$3.81	\$3.68	\$3.58	\$3.49
	Half Gallon	\$1.8606	\$1.7880	\$1.7291	\$1.6783	\$1.96	\$1.90	\$1.84	\$1.80
	Quart	\$1.0083	\$0.9720	\$0.9425	\$0.9171	\$1.05	\$1.02	\$0.99	\$0.97
3-0	Gallon	\$3.6315	\$3.4884	\$3.3696	\$3.2834	\$3.77	\$3.64	\$3.53	\$3.46
	Half Gallon	\$1.8600	\$1.7884	\$1.7291	\$1.6859	\$1.92	\$1.86	\$1.81	\$1.77
	Quart	\$1.0194	\$0.9836	\$0.9539	\$0.9323	\$1.04	\$1.01	\$0.98	\$0.96
4-0	Gallon	\$3.6343	\$3.5019	\$3.3840	\$3.2889	\$4.00	\$3.86	\$3.74	\$3.64
	Half Gallon	\$1.8850	\$1.8188	\$1.7599	\$1.7123	\$2.07	\$2.00	\$1.94	\$1.89
	Quart	\$1.0546	\$1.0216	\$0.9921	\$0.9682	\$1.15	\$1.12	\$1.09	\$1.06
5-0	Gallon	\$3.6778	\$3.5281	\$3.4121	\$3.3185	\$3.90	\$3.77	\$3.66	\$3.58
	Half Gallon	\$1.9008	\$1.8259	\$1.7678	\$1.7211	\$2.01	\$1.94	\$1.89	\$1.85
	Quart	\$1.0489	\$1.0115	\$0.9825	\$0.9591	\$1.09	\$1.06	\$1.03	\$1.01
6-0	Gallon	\$3.7775	\$3.6280	\$3.5112	\$3.4284	\$3.96	\$3.82	\$3.72	\$3.64
	Half Gallon	\$1.9399	\$1.8652	\$1.8068	\$1.7654	\$2.02	\$1.96	\$1.90	\$1.87
	Quart	\$1.1300	\$1.0927	\$1.0635	\$1.0428	\$1.16	\$1.12	\$1.10	\$1.08