

UNITED STATES DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service
Dairy Program

FEDERAL MILK ORDERS 124 & 131

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May 14, 2025

To: Handlers Associated with the Pacific Northwest and Arizona Federal Orders

From: Market Administrators for the Pacific Northwest and Arizona Federal Orders

Subject: ESL Reconciliation Template and Training

As a result of the National FMMO Price Formula Hearing, the base Class I skim price in all 11 Federal Milk Marketing Orders was amended to return to a “higher-of” Class I mover, with an ESL adjustment. This change will be effective beginning with the June 2025 delivery period. The Adjustment will be published each month on the Announcement of Advanced Prices and Pricing Factors issued by AMS. The June 2025 Adjustment rate will be announced on May 21st, 2025.

Since handlers may have a mix of processing technologies in their plant or may receive both ESL and non-ESL packaged milk from other plants, the amount of milk subject to the adjustment will be calculated using a finished product reconciliation completed by the handler.

The handler report has been updated to include the ESL Reconciliation; a copy is attached for your use and is also available on [our website](#).

A brief training video is available via [this link](#) to help orient handlers to the ESL Reconciliation. The training video is intended to be a high-level overview for the industry, and we expect handlers will have questions specific to their own plant.

Please reach out to Lori Espe (425-487-5615 or lori@fmmaseattle.com) to arrange a meeting to discuss ESL questions specific to your plant(s).

More information is also available via the hearing website: <https://www.ams.usda.gov/rules-regulations/moa/dairy/hearings/national-fmmo-pricing-hearing>.