

**UNITED STATES DEPARTMENT OF AGRICULTURE**

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Agricultural Marketing Service  
 Dairy Programs

**FEDERAL MILK ORDERS 124 & 131**

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**Federal Order Minimum Cost for Selected Products & Containers\***  
**December 20, 2017**

Value reflects Federal order minimum cost of raw skim and butterfat in milk products at the base zone of each order and the \$ 0.20 per hundredweight Processor Assessment (Fluid Milk Promotion Order, 7 CFR, 1160.101 et seq). Not included are any other assessments or costs associated with bottling milk, such as standardization, pasteurization, processing, packaging, labor, delivery, etc.

|                                          | Month         | PNW (FO 124) |           | AZ (FO 131) |           |
|------------------------------------------|---------------|--------------|-----------|-------------|-----------|
|                                          |               | Skim         | Butterfat | Skim        | Butterfat |
| <b>Class I Skim and Butterfat Prices</b> | October 2017  | \$8.77       | \$2.8790  | \$9.22      | \$2.8835  |
|                                          | November 2017 | \$9.38       | \$2.7014  | \$9.83      | \$2.7059  |
|                                          | December 2017 | \$10.40      | \$2.5545  | \$10.85     | \$2.5590  |
|                                          | January 2018  | \$9.08       | \$2.5085  | \$9.53      | \$2.5130  |

| Product               | Butterfat Percent | Month         | PNW (FO 124) |            | AZ (FO 131) |            |
|-----------------------|-------------------|---------------|--------------|------------|-------------|------------|
|                       |                   |               | Gallons      | Half Pints | Gallons     | Half Pints |
| <b>White Milk</b>     | <b>3.25%</b>      | October 2017  | \$1.5344     | \$0.0959   | \$1.5731    | \$0.0983   |
|                       |                   | November 2017 | \$1.5355     | \$0.0960   | \$1.5742    | \$0.0984   |
|                       |                   | December 2017 | \$1.5793     | \$0.0987   | \$1.6180    | \$0.1011   |
|                       |                   | January 2018  | \$1.4566     | \$0.0910   | \$1.4953    | \$0.0935   |
|                       | <b>2.00%</b>      | October 2017  | \$1.2372     | \$0.0773   | \$1.2760    | \$0.0797   |
|                       |                   | November 2017 | \$1.2581     | \$0.0786   | \$1.2969    | \$0.0811   |
|                       |                   | December 2017 | \$1.3189     | \$0.0824   | \$1.3577    | \$0.0849   |
|                       |                   | January 2018  | \$1.1995     | \$0.0750   | \$1.2383    | \$0.0774   |
|                       | <b>1.00%</b>      | October 2017  | \$0.9966     | \$0.0623   | \$1.0354    | \$0.0647   |
|                       |                   | November 2017 | \$1.0333     | \$0.0646   | \$1.0721    | \$0.0670   |
|                       |                   | December 2017 | \$1.1077     | \$0.0692   | \$1.1465    | \$0.0717   |
|                       |                   | January 2018  | \$0.9911     | \$0.0619   | \$1.0299    | \$0.0644   |
|                       | <b>0.06%</b>      | October 2017  | \$0.7713     | \$0.0482   | \$0.8101    | \$0.0506   |
|                       |                   | November 2017 | \$0.8230     | \$0.0514   | \$0.8618    | \$0.0539   |
|                       |                   | December 2017 | \$0.9102     | \$0.0569   | \$0.9490    | \$0.0593   |
|                       |                   | January 2018  | \$0.7961     | \$0.0498   | \$0.8350    | \$0.0522   |
| <b>Chocolate Milk</b> | <b>3.25%</b>      | October 2017  | \$1.4273     | \$0.0892   | \$1.4633    | \$0.0915   |
|                       |                   | November 2017 | \$1.4284     | \$0.0893   | \$1.4644    | \$0.0915   |
|                       |                   | December 2017 | \$1.4691     | \$0.0918   | \$1.5051    | \$0.0941   |
|                       |                   | January 2018  | \$1.3550     | \$0.0847   | \$1.3910    | \$0.0869   |
|                       | <b>1.00%</b>      | October 2017  | \$0.9249     | \$0.0578   | \$0.9609    | \$0.0601   |
|                       |                   | November 2017 | \$0.9590     | \$0.0599   | \$0.9950    | \$0.0622   |
|                       |                   | December 2017 | \$1.0280     | \$0.0643   | \$1.0640    | \$0.0665   |
|                       |                   | January 2018  | \$0.9198     | \$0.0575   | \$0.9558    | \$0.0597   |
|                       | <b>0.06%</b>      | October 2017  | \$0.7150     | \$0.0447   | \$0.7510    | \$0.0469   |
|                       |                   | November 2017 | \$0.7629     | \$0.0477   | \$0.7989    | \$0.0499   |
|                       |                   | December 2017 | \$0.8438     | \$0.0527   | \$0.8798    | \$0.0550   |
|                       |                   | January 2018  | \$0.7380     | \$0.0461   | \$0.7740    | \$0.0484   |

|                           | Product           | Gallons | Half Pints |
|---------------------------|-------------------|---------|------------|
| <b>Conversion Factors</b> | White Milk, 3.25% | 8.60    | 0.53750    |
|                           | White Milk, 2.00% | 8.62    | 0.53875    |
|                           | White Milk, 1.00% | 8.62    | 0.53875    |
|                           | White Milk, 0.06% | 8.63    | 0.539375   |
|                           | Chocolate Milk**  | 8.00    | 0.50000    |

\* Price formula:  $\frac{((\text{Percent Skim} \times \text{Skim Price}) / 100 + (\text{Percent Butterfat} \times \text{Butterfat Price}))}{100} \times \text{Conversion Factor}$   
 For example, the formula for a gallon of whole milk would be:  $\frac{((96.75 \times \text{Skim Price}) / 100 + (3.25 \times \text{Butterfat Price}))}{100} \times 8.6$

\*\* Conversion factors for chocolate milk vary between products.