

**Testimony at National Public Hearing on Federal Milk Order Class III and Class IV
Milk Price Formula Manufacturing Allowances**

My name is John Rourke. I am the Chief of the Market Information Branch (MIB) in Dairy Programs of the Agricultural Marketing Service of the U.S. Department of Agriculture. I have been the Chief of the MIB since 1991 and have been employed by Dairy Programs and its predecessor organization since 1970.

This testimony is made not in favor of any of the proposals being considered at this hearing. This testimony is prepared in response to a request from a hearing participant, as follows. (A copy of this request is shown on page 2 of this document.) Each Federal milk order market administrator (MA) received a request to recompute uniform prices for 2004 and 2005 using several make allowance options. These include the three Scenarios in the Hearing Notice and two more supplied by the requester, as shown below.

Make Allowance Option	Cheese	Butter	Nonfat Dry Milk	Dry Whey
Scenario 1	\$0.1750	\$0.1561	\$0.1615	\$0.1749
Scenario 2	0.1900	0.1561	0.1615	0.1749
Scenario 3	0.2050	0.1561	0.1615	0.1749
Option 1	0.1770	0.1370	0.1640	0.1810
Option 2	0.1790	0.1240	0.1780	0.1840

For each option, for each month, the Class and component prices were recomputed and the uniform prices were recalculated using these recomputed prices and the same pool pounds, utilization percentages, and pool adjustment factors as were in place during the actual pool computation. Each MA office did the calculations for their order(s) and submitted the results to me. I provided a standard reporting format and have prepared the attached tables.

Pages 3 through 6 of this document show the recalculated basic class price information for each of the 5 make allowance options along with actual class price information, by month, January 2004 through December 2005. Also included are two-year averages and comparisons.

Pages 7 through 16 of this document contain the results of the recomputed uniform prices. Shown for each of the ten current orders are the actual uniform price and the recomputed uniform price using the make allowances in each of the 5 options, by month, for January 2004 through December 2005. Also included are two-year averages and comparisons. For the orders that use the component pricing system for paying producers, the figures are the statistical uniform price, the sum of the Class III price and the producer price differential. For the orders that use the skim milk/butterfat pricing system for paying producers, the figures are the sum of the uniform butterfat price times 3.5 and the uniform skim milk price times 0.965.

This concludes my prepared statement.

-----Original Message-----

From: Ryan Miltner [mailto:ryan@yalelawoffice.com]

Sent: Friday, January 13, 2006 4:03 PM

To: Erik F. Rasmussen; Sue L. Mosley; Harold Friedly; David Z. Walker; H. Paul Kyburz; Market.Administrator Mailbox; Richard Fleming; James Duagherty

Cc: Kristine Reed; Ben Yale

Subject: Request for Statistical Information

On behalf of Select Milk Producers and Continental Dairy Products, I would like to request the following information for the hearing on Class III/IV make allowances.

- A new computation of uniform prices for 2004 and 2005 under the three scenarios published in the Hearing Notice.
- A new computation of uniform prices for 2004 and 2005 using a make allowance of \$0.177 for cheese; \$0.137 for butter; \$0.164 for powder; and \$0.181 for whey.
- A new computation of uniform prices for 2004 and 2005 using a make allowance of \$0.179 for cheese;

\$0.124 for butter; \$0.178 for powder; and \$0.184 for whey.

If you have any questions, do not hesitate to contact me or Ben Yale at the number below or by e-mail. Thank you, as always, for your assistance.

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Class I Base Prices under Federal Milk Orders for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat						
2004						
January	11.85	11.64	11.49	11.35	11.59	11.56
February	11.59	11.38	11.23	11.09	11.33	11.30
March	11.94	11.57	11.57	11.57	11.63	11.57
April	13.64	13.28	13.28	13.28	13.34	13.27
May	19.65	19.45	19.30	19.16	19.40	19.37
June	21.13	20.93	20.78	20.64	20.88	20.85
July	17.95	17.75	17.60	17.46	17.69	17.67
August	14.62	14.41	14.26	14.12	14.36	14.33
September	13.94	13.74	13.60	13.45	13.69	13.66
October	14.78	14.57	14.43	14.28	14.53	14.49
November	14.29	14.08	13.93	13.79	14.03	14.00
December	14.43	14.23	14.08	13.94	14.18	14.15
2005						
January	16.65	16.44	16.29	16.15	16.39	16.36
February	13.79	13.59	13.45	13.30	13.55	13.52
March	15.43	15.23	15.09	14.94	15.18	15.16
April	14.13	13.93	13.79	13.64	13.88	13.85
May	14.80	14.60	14.46	14.31	14.56	14.52
June	13.62	13.41	13.27	13.12	13.37	13.33
July	13.89	13.69	13.54	13.40	13.63	13.61
August	14.44	14.23	14.08	13.94	14.18	14.15
September	13.70	13.49	13.35	13.20	13.45	13.42
October	14.27	14.06	13.91	13.77	14.01	13.98
November	14.56	14.36	14.22	14.07	14.31	14.27
December	13.57	13.36	13.21	13.07	13.31	13.28
Two-Year						
Average	14.69	14.48	14.34	14.21	14.44	14.40
Difference		-0.21	-0.35	-0.48	-0.25	-0.29

Class II Prices under Federal Milk Orders for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat						
2004						
January	11.67	11.32	11.32	11.32	11.38	11.32
February	12.90	12.54	12.54	12.54	12.60	12.54
March	14.79	14.42	14.42	14.42	14.48	14.42
April	15.21	14.85	14.85	14.85	14.91	14.84
May	15.03	14.67	14.67	14.67	14.73	14.66
June	14.31	13.96	13.96	13.96	14.02	13.95
July	14.00	13.63	13.63	13.63	13.69	13.63
August	13.13	12.77	12.77	12.77	12.83	12.76
September	13.66	13.30	13.30	13.30	13.36	13.29
October	13.57	13.21	13.21	13.21	13.27	13.21
November	14.09	13.73	13.73	13.73	13.78	13.72
December	13.98	13.62	13.62	13.62	13.68	13.61
2005						
January	13.04	12.68	12.68	12.68	12.74	12.67
February	13.36	12.99	12.99	12.99	13.06	12.99
March	13.25	12.90	12.90	12.90	12.96	12.89
April	13.24	12.87	12.87	12.87	12.93	12.87
May	12.78	12.43	12.43	12.43	12.49	12.42
June	13.06	12.70	12.70	12.70	12.76	12.69
July	13.79	13.43	13.43	13.43	13.49	13.42
August	13.95	13.59	13.59	13.59	13.64	13.58
September	14.35	13.99	13.99	13.99	14.05	13.98
October	14.25	13.89	13.89	13.89	13.95	13.88
November	13.49	13.13	13.13	13.13	13.20	13.12
December	13.22	12.85	12.85	12.85	12.91	12.85
Two-Year						
Average	13.67	13.31	13.31	13.31	13.37	13.30
Difference		-0.36	-0.36	-0.36	-0.30	-0.37

Class III Prices under Federal Milk Orders for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat						
2004						
January	11.61	11.40	11.26	11.11	11.35	11.32
February	11.89	11.68	11.54	11.39	11.64	11.61
March	14.49	14.28	14.14	13.99	14.23	14.20
April	19.66	19.45	19.30	19.16	19.40	19.37
May	20.58	20.37	20.22	20.08	20.32	20.29
June	17.68	17.47	17.33	17.18	17.43	17.40
July	14.85	14.65	14.51	14.36	14.60	14.57
August	14.04	13.84	13.69	13.55	13.79	13.76
September	14.72	14.51	14.37	14.22	14.46	14.43
October	14.16	13.96	13.82	13.67	13.91	13.88
November	14.89	14.69	14.54	14.40	14.64	14.61
December	16.14	15.93	15.79	15.64	15.88	15.85
2005						
January	14.14	13.94	13.80	13.65	13.90	13.86
February	14.70	14.49	14.34	14.20	14.44	14.41
March	14.08	13.87	13.72	13.58	13.82	13.79
April	14.61	14.40	14.26	14.11	14.36	14.32
May	13.77	13.57	13.43	13.28	13.53	13.49
June	13.92	13.72	13.58	13.43	13.67	13.64
July	14.35	14.15	14.00	13.86	14.10	14.07
August	13.60	13.39	13.25	13.10	13.35	13.32
September	14.30	14.09	13.94	13.80	14.04	14.01
October	14.35	14.15	14.00	13.86	14.09	14.07
November	13.35	13.15	13.00	12.86	13.09	13.06
December	13.37	13.16	13.01	12.87	13.11	13.08
Two-Year						
Average	14.72	14.51	14.37	14.22	14.46	14.43
Difference		-0.21	-0.35	-0.50	-0.26	-0.29

Class IV Prices under Federal Milk Orders for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat						
2004						
January	10.97	10.61	10.61	10.61	10.67	10.61
February	12.21	11.86	11.86	11.86	11.91	11.85
March	14.10	13.74	13.74	13.74	13.80	13.73
April	14.57	14.22	14.22	14.22	14.28	14.21
May	14.50	14.15	14.15	14.15	14.21	14.14
June	13.72	13.36	13.36	13.36	13.42	13.36
July	13.31	12.95	12.95	12.95	13.00	12.94
August	12.46	12.10	12.10	12.10	12.16	12.09
September	13.00	12.64	12.64	12.64	12.70	12.63
October	12.81	12.46	12.46	12.46	12.52	12.46
November	13.34	12.98	12.98	12.98	13.03	12.97
December	13.42	13.05	13.05	13.05	13.12	13.05
2005						
January	12.52	12.17	12.17	12.17	12.22	12.16
February	12.74	12.38	12.38	12.38	12.44	12.37
March	12.66	12.29	12.29	12.29	12.35	12.29
April	12.61	12.25	12.25	12.25	12.31	12.24
May	12.20	11.84	11.84	11.84	11.91	11.83
June	12.33	11.98	11.98	11.98	12.04	11.97
July	13.17	12.82	12.82	12.82	12.87	12.81
August	13.44	13.08	13.08	13.08	13.14	13.07
September	13.75	13.39	13.39	13.39	13.45	13.38
October	13.61	13.25	13.25	13.25	13.30	13.24
November	12.90	12.53	12.53	12.53	12.59	12.53
December	12.57	12.21	12.21	12.21	12.27	12.20
Two-Year						
Average	13.04	12.68	12.68	12.68	12.74	12.67
Difference		-0.36	-0.36	-0.36	-0.30	-0.37

Uniform Prices for Northeast Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	13.58	13.33	13.23	13.12	13.31	13.27
February	13.95	13.70	13.60	13.49	13.68	13.64
March	15.56	15.24	15.20	15.16	15.26	15.21
April	17.28	16.95	16.92	16.89	16.99	16.93
May	19.84	19.58	19.49	19.40	19.57	19.53
June	19.70	19.44	19.35	19.26	19.43	19.39
July	17.64	17.39	17.29	17.19	17.37	17.33
August	15.57	15.32	15.22	15.12	15.30	15.26
September	16.06	15.81	15.71	15.60	15.79	15.75
October	16.07	15.82	15.72	15.60	15.81	15.76
November	16.20	15.95	15.84	15.73	15.93	15.89
December	16.43	16.18	16.07	15.97	16.16	16.12
2005						
January	16.31	16.05	15.95	15.85	16.04	16.00
February	15.51	15.25	15.15	15.05	15.25	15.20
March	16.04	15.79	15.69	15.59	15.77	15.74
April	15.52	15.26	15.17	15.07	15.25	15.21
May	15.35	15.10	15.01	14.91	15.09	15.04
June	15.23	14.97	14.88	14.79	14.96	14.92
July	15.85	15.59	15.50	15.41	15.58	15.54
August	15.84	15.58	15.48	15.38	15.57	15.53
September	15.92	15.67	15.56	15.46	15.65	15.61
October	15.88	15.63	15.52	15.42	15.61	15.57
November	15.41	15.16	15.06	14.96	15.14	15.10
December	14.83	14.57	14.46	14.37	14.56	14.52
Two-Year						
Average	16.07	15.81	15.71	15.62	15.80	15.75
Difference		-0.26	-0.36	-0.45	-0.27	-0.32

Uniform Prices for Appalachian Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	14.25	14.01	13.89	13.78	13.98	13.94
February	14.49	14.25	14.13	14.02	14.22	14.19
March	15.80	15.44	15.44	15.44	15.50	15.44
April	16.76	16.40	16.40	16.40	16.46	16.39
May	20.18	19.93	19.83	19.74	19.91	19.87
June	20.54	20.29	20.19	20.09	20.28	20.23
July	18.94	18.70	18.59	18.48	18.67	18.64
August	16.16	15.91	15.80	15.69	15.89	15.85
September	16.52	16.29	16.17	16.06	16.26	16.23
October	16.69	16.44	16.34	16.23	16.43	16.38
November	16.78	16.54	16.42	16.31	16.51	16.48
December	16.98	16.74	16.63	16.52	16.72	16.68
2005						
January	17.34	17.09	16.99	16.88	17.08	17.04
February	15.90	15.66	15.56	15.45	15.64	15.60
March	16.74	16.49	16.38	16.28	16.47	16.43
April	15.92	15.67	15.57	15.47	15.65	15.62
May	15.85	15.60	15.50	15.41	15.58	15.54
June	15.49	15.24	15.13	15.04	15.22	15.18
July	16.26	16.02	15.91	15.81	15.99	15.96
August	16.65	16.41	16.29	16.17	16.38	16.34
September	16.37	16.14	16.02	15.91	16.11	16.07
October	16.48	16.23	16.13	16.01	16.22	16.18
November	16.30	16.06	15.95	15.83	16.03	15.99
December	15.51	15.26	15.15	15.04	15.24	15.21
Two-Year						
Average	16.62	16.37	16.27	16.17	16.35	16.31
Difference		-0.25	-0.35	-0.45	-0.27	-0.31

Uniform Prices for Florida Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	15.54	15.32	15.18	15.05	15.28	15.24
February	15.48	15.25	15.13	15.00	15.22	15.19
March	16.48	16.12	16.12	16.11	16.18	16.12
April	17.74	17.39	17.39	17.39	17.45	17.38
May	22.23	22.01	21.89	21.76	21.98	21.94
June	22.93	22.71	22.59	22.46	22.68	22.64
July	21.01	20.79	20.66	20.53	20.75	20.72
August	17.49	17.26	17.14	17.01	17.23	17.19
September	17.69	17.48	17.34	17.21	17.43	17.40
October	18.19	17.96	17.83	17.70	17.93	17.89
November	17.99	17.77	17.64	17.50	17.73	17.70
December	18.00	17.78	17.66	17.53	17.74	17.71
2005						
January	19.11	18.88	18.75	18.62	18.85	18.81
February	17.08	16.87	16.73	16.60	16.83	16.80
March	18.15	17.93	17.80	17.67	17.89	17.86
April	17.30	17.09	16.95	16.82	17.05	17.01
May	17.28	17.06	16.93	16.80	17.02	16.99
June	16.80	16.58	16.45	16.32	16.54	16.51
July	17.47	17.25	17.12	16.99	17.20	17.18
August	17.87	17.64	17.51	17.38	17.60	17.57
September	17.47	17.25	17.12	16.99	17.22	17.18
October	17.69	17.46	17.33	17.21	17.43	17.39
November	17.71	17.50	17.37	17.24	17.45	17.42
December	16.89	16.67	16.53	16.40	16.63	16.59
Two-Year						
Average	17.98	17.75	17.63	17.51	17.72	17.68
Difference		-0.23	-0.35	-0.47	-0.26	-0.30

Uniform Prices for Southeast Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	14.02	13.78	13.66	13.55	13.75	13.71
February	14.23	13.99	13.88	13.77	13.97	13.93
March	15.61	15.27	15.24	15.22	15.31	15.26
April	16.72	16.37	16.37	16.37	16.43	16.36
May	20.27	20.02	19.92	19.82	20.00	19.96
June	20.11	19.85	19.75	19.66	19.84	19.80
July	19.10	18.87	18.75	18.63	18.83	18.80
August	16.17	15.93	15.81	15.70	15.90	15.86
September	16.43	16.20	16.08	15.96	16.17	16.13
October	16.78	16.54	16.42	16.30	16.51	16.48
November	16.83	16.60	16.47	16.35	16.57	16.53
December	17.03	16.81	16.69	16.57	16.77	16.74
2005						
January	17.16	16.92	16.81	16.70	16.90	16.86
February	15.80	15.55	15.45	15.34	15.54	15.50
March	16.63	16.39	16.28	16.18	16.37	16.33
April	15.85	15.60	15.50	15.39	15.58	15.54
May	15.73	15.48	15.38	15.27	15.46	15.42
June	15.47	15.22	15.11	15.01	15.20	15.16
July	16.18	15.94	15.83	15.72	15.91	15.88
August	16.44	16.20	16.09	15.97	16.18	16.14
September	16.32	16.09	15.97	15.85	16.06	16.02
October	16.49	16.25	16.13	16.02	16.23	16.19
November	16.22	15.99	15.87	15.76	15.96	15.92
December	15.44	15.20	15.08	14.97	15.17	15.13
Two-Year						
Average	16.54	16.29	16.19	16.09	16.28	16.24
Difference		-0.25	-0.35	-0.45	-0.26	-0.30

Uniform Prices for Upper Midwest Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	11.98	11.75	11.63	11.50	11.71	11.68
February	12.36	12.14	12.01	11.87	12.11	12.07
March	14.70	14.35	14.34	14.31	14.39	14.34
April	15.55	15.19	15.18	15.19	15.25	15.18
May	18.61	18.34	18.25	18.17	18.34	18.29
June	17.98	17.75	17.63	17.50	17.73	17.69
July	15.57	15.35	15.23	15.10	15.32	15.28
August	14.26	14.04	13.90	13.78	14.00	13.96
September	14.85	14.61	14.50	14.38	14.58	14.54
October	14.47	14.24	14.12	13.99	14.21	14.18
November	15.02	14.78	14.67	14.57	14.76	14.72
December	15.19	14.93	14.85	14.75	14.92	14.88
2005						
January	14.53	14.31	14.19	14.06	14.29	14.24
February	14.52	14.25	14.16	14.08	14.24	14.20
March	14.49	14.26	14.13	14.01	14.22	14.19
April	14.65	14.39	14.30	14.21	14.39	14.34
May	14.05	13.83	13.71	13.57	13.80	13.76
June	14.12	13.90	13.78	13.65	13.86	13.83
July	14.69	14.48	14.34	14.21	14.43	14.40
August	14.15	13.93	13.80	13.66	13.89	13.86
September	14.59	14.37	14.23	14.10	14.33	14.30
October	14.59	14.37	14.24	14.11	14.32	14.30
November	13.79	13.58	13.44	13.31	13.53	13.50
December	13.61	13.39	13.25	13.12	13.35	13.31
Two-Year						
Average	14.68	14.44	14.33	14.22	14.42	14.38
Difference		-0.24	-0.35	-0.46	-0.26	-0.30

Uniform Prices for Central Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	12.30	12.06	11.95	11.83	12.03	12.00
February	12.66	12.43	12.31	12.19	12.41	12.37
March	14.63	14.30	14.27	14.24	14.33	14.28
April	15.64	15.29	15.28	15.28	15.34	15.27
May	18.40	18.13	18.04	17.97	18.13	18.08
June	18.23	17.99	17.88	17.76	17.97	17.93
July	16.03	15.79	15.68	15.57	15.76	15.73
August	14.46	14.23	14.11	14.00	14.20	14.17
September	14.93	14.68	14.58	14.47	14.66	14.62
October	14.70	14.47	14.36	14.24	14.45	14.41
November	15.10	14.86	14.75	14.65	14.84	14.80
December	15.26	15.00	14.91	14.81	14.99	14.95
2005						
January	14.95	14.72	14.61	14.49	14.70	14.65
February	14.50	14.25	14.14	14.05	14.23	14.19
March	14.73	14.49	14.37	14.27	14.46	14.43
April	14.59	14.33	14.24	14.15	14.33	14.28
May	14.21	13.97	13.87	13.75	13.96	13.91
June	14.18	13.93	13.84	13.74	13.92	13.87
July	14.76	14.52	14.41	14.30	14.50	14.46
August	14.49	14.25	14.14	14.02	14.23	14.19
September	14.75	14.51	14.39	14.28	14.48	14.44
October	14.70	14.47	14.35	14.24	14.43	14.40
November	14.06	13.83	13.72	13.61	13.80	13.76
December	13.69	13.44	13.33	13.22	13.42	13.38
Two-Year						
Average	14.83	14.58	14.48	14.38	14.57	14.52
Difference		-0.25	-0.35	-0.45	-0.26	-0.31

Uniform Prices for Mideast Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	12.51	12.27	12.16	12.04	12.24	12.21
February	12.87	12.63	12.52	12.39	12.61	12.57
March	14.68	14.37	14.32	14.27	14.39	14.34
April	15.88	15.53	15.52	15.51	15.58	15.51
May	18.99	18.73	18.63	18.55	18.72	18.67
June	18.56	18.32	18.21	18.09	18.30	18.26
July	16.55	16.32	16.21	16.09	16.29	16.26
August	14.61	14.38	14.26	14.15	14.35	14.31
September	15.06	14.82	14.71	14.59	14.79	14.75
October	14.89	14.66	14.55	14.43	14.63	14.60
November	15.21	14.98	14.86	14.75	14.95	14.92
December	15.52	15.27	15.17	15.07	15.25	15.22
2005						
January	15.22	14.99	14.88	14.76	14.97	14.92
February	14.71	14.46	14.35	14.25	14.44	14.40
March	14.95	14.71	14.59	14.48	14.68	14.65
April	14.76	14.51	14.41	14.30	14.50	14.45
May	14.40	14.17	14.06	13.94	14.15	14.10
June	14.36	14.13	14.02	13.90	14.10	14.06
July	14.96	14.73	14.61	14.50	14.70	14.66
August	14.94	14.69	14.59	14.47	14.68	14.64
September	14.94	14.70	14.58	14.47	14.67	14.64
October	14.91	14.67	14.56	14.45	14.64	14.61
November	14.35	14.12	14.00	13.90	14.08	14.04
December	13.90	13.66	13.54	13.43	13.63	13.60
Two-Year						
Average	15.07	14.83	14.72	14.62	14.81	14.77
Difference		-0.24	-0.35	-0.45	-0.26	-0.30

Uniform Prices for Pacific Northwest Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	12.07	11.80	11.71	11.62	11.79	11.75
February	12.67	12.40	12.32	12.22	12.40	12.36
March	14.55	14.23	14.19	14.14	14.25	14.20
April	15.34	14.98	14.97	14.97	15.04	14.97
May	17.40	17.10	17.04	16.98	17.12	17.06
June	17.45	17.18	17.10	17.01	17.19	17.14
July	15.74	15.48	15.40	15.30	15.47	15.43
August	14.15	13.89	13.79	13.71	13.88	13.84
September	14.44	14.17	14.09	14.01	14.16	14.12
October	14.40	14.15	14.06	13.96	14.14	14.10
November	14.75	14.48	14.39	14.32	14.48	14.43
December	14.83	14.55	14.49	14.41	14.56	14.51
2005						
January	14.73	14.47	14.39	14.29	14.47	14.42
February	14.04	13.75	13.68	13.62	13.76	13.71
March	14.59	14.31	14.23	14.15	14.31	14.26
April	14.12	13.83	13.77	13.70	13.85	13.79
May	13.98	13.72	13.63	13.54	13.72	13.66
June	13.81	13.55	13.47	13.38	13.54	13.50
July	14.38	14.12	14.03	13.96	14.11	14.07
August	14.38	14.10	14.02	13.94	14.11	14.06
September	14.50	14.23	14.14	14.07	14.23	14.18
October	14.46	14.19	14.10	14.03	14.18	14.14
November	13.91	13.64	13.56	13.48	13.63	13.58
December	13.44	13.16	13.08	13.01	13.16	13.12
Two-Year						
Average	14.51	14.23	14.15	14.08	14.23	14.18
Difference		-0.28	-0.36	-0.43	-0.28	-0.33

Uniform Prices for Southwest Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	13.29	13.03	12.93	12.83	13.01	12.98
February	13.67	13.42	13.32	13.21	13.41	13.37
March	15.22	14.86	14.86	14.85	14.91	14.86
April	16.18	15.82	15.81	15.81	15.87	15.80
May	18.67	18.39	18.31	18.24	18.39	18.34
June	19.40	19.14	19.04	18.94	19.13	19.09
July	17.08	16.82	16.74	16.64	16.81	16.77
August	15.49	15.24	15.13	15.03	15.22	15.18
September	15.75	15.50	15.40	15.28	15.47	15.44
October	15.68	15.43	15.33	15.23	15.41	15.38
November	15.88	15.64	15.53	15.43	15.62	15.58
December	15.67	15.39	15.32	15.24	15.40	15.35
2005						
January	16.04	15.79	15.70	15.59	15.78	15.73
February	15.24	14.97	14.88	14.80	14.96	14.92
March	15.79	15.53	15.43	15.34	15.51	15.47
April	15.28	15.01	14.93	14.84	15.01	14.96
May	15.10	14.84	14.75	14.66	14.84	14.79
June	14.87	14.60	14.52	14.43	14.59	14.55
July	15.44	15.18	15.09	15.00	15.17	15.13
August	15.70	15.43	15.34	15.24	15.43	15.38
September	15.70	15.45	15.34	15.24	15.43	15.39
October	15.58	15.32	15.22	15.13	15.30	15.27
November	15.15	14.91	14.80	14.70	14.87	14.83
December	14.60	14.34	14.23	14.14	14.32	14.28
Two-Year						
Average	15.69	15.42	15.33	15.24	15.41	15.37
Difference		-0.27	-0.36	-0.45	-0.28	-0.32

Uniform Prices for Arizona-Las Vegas Federal Milk Order for Selected Make Allowance Options, Jan. 2004 - Dec. 2005

Year/Month	Actual	Scenario 1	Scenario 2	Scenario 3	Option 1	Option 2
Dollars per Cwt, 3.5% Butterfat, Principal Pricing Point						
2004						
January	12.39	12.13	12.03	11.93	12.12	12.08
February	12.89	12.63	12.53	12.43	12.62	12.58
March	14.69	14.38	14.32	14.26	14.40	14.35
April	17.29	16.99	16.93	16.87	17.00	16.95
May	19.36	19.11	19.01	18.90	19.10	19.06
June	17.97	17.71	17.62	17.52	17.71	17.66
July	16.19	15.94	15.85	15.75	15.93	15.89
August	14.56	14.31	14.22	14.11	14.30	14.26
September	15.18	14.94	14.83	14.71	14.91	14.88
October	15.01	14.77	14.66	14.54	14.74	14.71
November	15.20	14.95	14.84	14.74	14.93	14.89
December	15.55	15.29	15.19	15.10	15.28	15.24
2005						
January	15.09	14.84	14.75	14.65	14.83	14.78
February	14.73	14.48	14.37	14.26	14.46	14.42
March	14.86	14.61	14.51	14.41	14.59	14.55
April	14.59	14.34	14.24	14.15	14.32	14.28
May	14.21	13.96	13.86	13.77	13.94	13.90
June	14.19	13.94	13.83	13.73	13.92	13.88
July	14.89	14.65	14.54	14.44	14.62	14.58
August	14.86	14.63	14.50	14.38	14.60	14.56
September	15.02	14.78	14.67	14.56	14.76	14.72
October	15.03	14.79	14.67	14.57	14.76	14.73
November	14.50	14.26	14.14	14.04	14.23	14.19
December	14.00	13.75	13.64	13.54	13.73	13.69
Two-Year						
Average	15.09	14.84	14.74	14.64	14.83	14.78
Difference		-0.25	-0.35	-0.45	-0.26	-0.31