Price Formulas - 2006

Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent. Component prices are per pound, rounded to nearest one-hundredth cent. Cheese, dry whey, butter, and nonfat dry milk prices are weighted monthly averages of weekly NASS survey prices, rounded to the nearest one-hundredth cent.

Class I:

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).

Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors + applicable Class I differential.

Class I Butterfat Price = Advanced butterfat pricing factor + (applicable Class I differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas listed below, except that product price averages are for two weeks.

Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x 3.5).

Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + $0.70.

Class II Butterfat Price = Butterfat price + $0.007.

Class II Nonfat Solids Price = Class II skim milk price divided by 9.

Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).

Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).

Protein Price = (((Cheese price - 0.165) x 1.383) + (((Cheese price - 0.165) x 1.572) - Butterfat price x 0.9) x 1.17).

Other Solids Price = (Dry whey price - 0.159) times 1.03.

Butterfat Price = (Butter price - 0.115) times 1.20.

Class IV:

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).

Class IV Skim Milk Price = Nonfat solids price times 9.

Nonfat Solids Price = (Nonfat dry milk price - 0.14) times 0.99.

Somatic Cell Adjustment Rate = Cheese price x 0.0005, rounded to fifth decimal place. Rate is per 1,000 somatic cell count difference from 350,000.

Go to: Dairy Programs
Milk Marketing Order Statistics

Federal Milk Order Price Information

Price Formulas - 2005

Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent. Component prices are per pound, rounded to nearest one-hundredth cent. Cheese, dry whey, butter, and nonfat dry milk prices are weighted monthly averages of weekly NASS survey prices, rounded to the nearest one-hundredth cent.

Class I:

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).

Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors + applicable Class I differential.

Class I Butterfat Price = Advanced butterfat pricing factor + (applicable Class I differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas listed below, except that product price averages are for two weeks.

Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class I butterfat price x 3.5).

Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + $0.70.

Class II Butterfat Price = Butterfat price + $0.007.

Class II Nonfat Solids Price = Class II skim milk price divided by 9.

Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).

Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).

Protein Price = ((Cheese price - 0.165) x 1.383) + (((Cheese price - 0.165) x 1.572) - Butterfat price x 0.9) x 1.17).

Other Solids Price = (Dry whey price - 0.159) times 1.03.

Butterfat Price = (Butter price - 0.115) times 1.20.

Class IV:

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).

Class IV Skim Milk Price = Nonfat solids price times 9.

Nonfat Solids Price = (Nonfat dry milk price - 0.14) times 0.99.

Butterfat Price = See Class III.

Somatic Cell Adjustment Rate = Cheese price x 0.0005, rounded to fifth decimal place. Rate is per 1,000 somatic cell count difference from 350,000.

Go to: Dairy Programs
Price Formulas - 2004

Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent. Component prices are per pound, rounded to nearest one-hundredth cent. Cheese, dry whey, butter, and nonfat dry milk prices are weighted monthly averages of weekly NASS survey prices, rounded to the nearest one-hundredth cent.

Class I:

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).

Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors + applicable Class I differential.

Class I Butterfat Price = Advanced butterfat pricing factor+ (applicable Class I differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas listed below, except that product price averages are for two weeks.

Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x 3.5).

Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + $0.70.

Class II Butterfat Price = Butterfat price + $0.007.

Class II Nonfat Solids Price = Class II skim milk price divided by 9.

Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).

Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).

Protein Price = ((Cheese price - 0.165) x 1.383) + (((Cheese price - 0.165) x 1.572) - Butterfat price x 0.9) x 1.17).

Other Solids Price = (Dry whey price - 0.159) times 1.03.

Butterfat Price = (Butter price - 0.115) times 1.20.

Class IV:

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).

Class IV Skim Milk Price = Nonfat solids price times 9.

Nonfat Solids Price = (Nonfat dry milk price - 0.14) times 0.99.

Butterfat Price = See Class III.

Somatic Cell Adjustment Rate = Cheese price x 0.0005, rounded to fifth decimal place. Rate is per 1,000 somatic cell count difference from 350,000.

Go to: Dairy Programs
Federal Milk Order Price Information

Price Formulas - 2003

For January - March prices, see Price Formulas for 2002.
For April - December prices, see below.

Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent.
Component prices are per pound, rounded to nearest one-hundredth cent.
Cheese, dry whey, butter, and nonfat dry milk prices are weighted monthly averages of weekly NASS survey prices, rounded to the nearest one-hundredth cent.

Class I:

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).

Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors + applicable Class I differential.

Class I Butterfat Price = Advanced butterfat pricing factor + (applicable Class I differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas listed below, except that product price averages are for two weeks.

Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x 3.5).

Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + $0.70.

Class II Butterfat Price = Butterfat price + $0.007.

Class II Nonfat Solids Price = Class II skim milk price divided by 9.

Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).

Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).

Protein Price = ((Cheese price - 0.165) x 1.383) + (((Cheese price - 0.165) x 1.572) - Butterfat price x 0.9) x 1.17).

Other Solids Price = (Dry whey price - 0.159) times 1.03.

Butterfat Price = (Butter price - 0.115) times 1.20.

Class IV:

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).
Class IV Skim Milk Price = Nonfat solids price times 9.

Nonfat Solids Price = (Nonfat dry milk price - 0.14) times 0.99.

Butterfat Price = See Class III.

Somatic Cell Adjustment Rate = Cheese price x 0.0005, rounded to fifth decimal place. Rate is per 1,000 somatic cell count difference from 350,000.

Go to: Dairy Programs
Federal Milk Order Price Information

Price Formulas - 2002

Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent. Component prices are per pound, rounded to nearest one-hundredth cent. Cheese, dry whey, butter, and nonfat dry milk prices are weighted monthly averages of weekly NASS survey prices, rounded to the nearest one-hundredth cent.

Class I:

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).

Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors + applicable Class I differential.

Class I Butterfat Price = Advanced butterfat pricing factor + (applicable Class I differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas listed below, except that product price averages are for two weeks.

Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x 3.5).

Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + $0.70.

Class II Butterfat Price = Butterfat price + $0.007.

Class II Nonfat Solids Price = Class II skim milk price divided by 9.

Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).

Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).

Protein Price = ((Cheese price - 0.165) x 1.405 + (((Cheese price - 0.165) x 1.582) - Butterfat price) x 1.28).

Other Solids Price = (Dry whey price - 0.14) divided by 0.968, snubbed at zero.

Butterfat Price = (Butter price - 0.115) divided by 0.82.

Class IV:

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).

Class IV Skim Milk Price = Nonfat solids price x 9.

Nonfat Solids Price = Nonfat dry milk price - 0.14

Butterfat Price = See Class III.

Somatic Cell Adjustment Rate = Cheese price x 0.0005, rounded to fifth decimal place. Rate is per 1,000 somatic cell count difference from 350,000.

Go to: Dairy Programs
Price Formulas

Federal Milk Order Price Information

Price Formulas - 2001

Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent.
Component prices are per pound, rounded to nearest one-hundredth cent.
Cheese, dry whey, butter, and nonfat dry milk prices are weighted monthly averages of
weekly NASS survey prices, rounded to the nearest one-hundredth cent.

Class I: (January and February)

Class I Base Price (3.5%) = Higher of advanced Class III or IV pricing factors.

Base Skim Milk Price for Class I = Advanced skim milk pricing factor used to
calculate the Class I base price.

Base Butterfat Price for Class I = Advanced butterfat pricing factor used to
calculate the Class I base price.

Class I Price = Class I base price + applicable Class I differential.

Class I Butterfat Price = Base butterfat price for Class I + (applicable Class I
differential divided by 100).

Class I: (March to date)

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x
3.5).

Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing
factors + applicable Class I differential.

Class I Butterfat Price = Advanced butterfat pricing factor + (applicable Class I
differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas
listed below, except that product price averages are for two weeks.

Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x
3.5).

Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + $0.70.

Class II Butterfat Price = Butterfat price + $0.007.

Class II Nonfat Solids Price = Class II skim milk price divided by 9.

Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).

Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).

Protein Price (Jan./Feb. Advance Prices only.) = (Cheese price - 0.165) x 1.405.

Protein Price = ((Cheese price - 0.165) x 1.405 + (((Cheese price - 0.165) x 1.582) - Butterfat price) x 1.28).

Other Solids Price = (Dry whey price - 0.14) divided by 0.968, snubbed at zero.

Class III Butterfat Price (Jan./Feb. Advance Prices only.) = (Cheese price - 0.165) x 1.582.

Butterfat Price = (Butter price - 0.115) divided by 0.82.

Class IV:

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).

Class IV Skim Milk Price = Nonfat solids price x 9.

Nonfat Solids Price = Nonfat dry milk price - 0.14

Class IV Butterfat Price (Jan./Feb. Advance Prices only.) = (Butter price - 0.115) divided by 0.82.

Butterfat Price = See Class III.

Somatic Cell Adjustment Rate = Cheese price x 0.0005, rounded to fifth decimal place. Rate is per 1,000 somatic cell count difference from 350,000.

Go to: Dairy Programs
Federal Milk Order Price Information

Price Formulas - 2000

Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent. Component prices are per pound, rounded to nearest one-hundredth cent. Cheese, dry whey, butter, and nonfat dry milk prices are weighted averages of weekly NASS survey prices.

Class I:

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).
Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors + applicable Class I differential.
Class I Butterfat Price = Advanced butterfat pricing factor + (applicable Class I differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas listed below, except that product price averages are for two weeks.

Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x 3.5).
Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + $0.70.
Class II Butterfat Price = Butterfat price + $0.007.
Class II Nonfat Solids Price = Class II skim milk price divided by 9.

Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).
Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).
Protein Price = ((Cheese price - 0.1702) x 1.405) + (((Cheese price - 0.1702) x 1.582) - Butterfat price) x 1.28).
Other Solids Price = (Dry whey price - 0.137) divided by 0.968.
Butterfat Price = (Butter price - 0.114) divided by 0.82.

Class IV:

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).
Class IV Skim Milk Price = Nonfat solids price x 9.
Nonfat Solids Price = (Nonfat dry milk price - 0.137) divided by 1.02.
Butterfat Price = See Class III.

Producer Prices:

Butterfat Price = See Class III.
Protein Price = See Class III.
Others solids Price = See Class III.
Somatic Cell Adjustment Rate = Cheese price x 0.0005, rounded to fifth decimal place. Rate is per 1,000 somatic cell count.