



U.S. Department of Agriculture
Agricultural Marketing Service
Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

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To: Handlers Associated with the California Federal Order

From: Market Administrators for the California Federal Order

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 adjustment for Extended Shelf Life (ESL) products. 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 each respective Federal Order. 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 pool 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 and can be accessed at the link below 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.

[ESL Adjustment Training](#) or at <https://www.youtube.com/watch?v=9e4mT3JLqQY>

Please reach out to Susan Smith (916-857-8567) or susan.smith@cafmmo.com or Jasmine Dang (916-857-8521) or jasmine.dang@cafmmo.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>.