



**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

**United States
Department of Agriculture**
Agricultural Marketing Service
Dairy Program

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ANNOUNCEMENT OF CLASS I PRICE AND ADVANCED PRICING FACTORS^{1/}

| | September 2020 |
|--|-----------------------|
| CLASS I PRICE (LOS ANGELES COUNTY, CA) | |
| Class I Price at 3.5% Butterfat (per cwt.) ^{2/} | \$20.54 |
| Processor Assessment ^{3/} | 0.20 |
| Total (per cwt.) | <u>\$20.74</u> |
| Class I Skim Price (per cwt.) ^{4/ 5/} | \$15.12 |
| Class I Butterfat Price (per lb.) ^{6/} | \$1.6985 |
| CLASS II | |
| Class II Skim Price (per cwt.) ^{7/} | \$7.83 |
| Class II Nonfat Solids Price (per lb.) | \$0.8700 |

ADVANCED PRICING FACTORS

| | |
|--|----------|
| Advanced Class III Skim Milk Pricing Factor (per cwt.) | \$17.43 |
| Advanced Class IV Skim Milk Pricing Factor (per cwt.) | \$7.13 |
| Advanced Butterfat Pricing Factor (per lb.) | \$1.6775 |

TWO-WEEK PRODUCT PRICE AVERAGES

| | |
|---------------------------|----------|
| Butter (per lb.) | \$1.5567 |
| Cheese (per lb.) | \$2.4073 |
| Dry Whey (per lb.) | \$0.3413 |
| Nonfat Dry Milk (per lb.) | \$0.9683 |

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} The Class I Price announced for the California Marketing Area is per hundredweight at 3.5% butterfat at the Los Angeles County, CA location differential of \$2.10.

^{3/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

^{4/} The Class I skim price for the California Marketing Area is the average of the advanced Class III and IV skim milk pricing factors plus \$0.74 and the base zone differential of \$2.10, subject to any adjustment for location.

^{5/} The Class I skim price does not account for the fortification cost associated with the California Minimum Solids Standards.

^{6/} The Class I butterfat price for the California Marketing Area is the advanced butterfat pricing factor plus \$0.0210 (\$2.10 divided by 100), subject to any adjustment for location.

^{7/} The Class II skim price is the advanced Class IV skim milk pricing factor plus \$0.70.

(Class I prices by location on next page.)

September 2020 Class I Price Information for the California Marketing Area

| | Class I Differential Rate (per cwt.) | Class I Prices | | |
|---------------|---|-------------------------|------------------------|-------------------------------------|
| | | Skim Milk (per cwt.) | Butterfat (per lb.) | Class I ^{1/} (per cwt.) |
| As Announced: | \$2.10 | \$15.12 | \$1.6985 | \$20.54 |
| Other Zones: | \$2.00 | \$15.02 | \$1.6975 | \$20.44 |
| | \$1.80 | \$14.82 | \$1.6955 | \$20.24 |
| | \$1.70 | \$14.72 | \$1.6945 | \$20.14 |
| | \$1.60 | \$14.62 | \$1.6935 | \$20.04 |

1/ Price at 3.5% butterfat. Does not include the 20 cent per hundredweight processor assessment, an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.).

Class I Differential Zones for the California Marketing Area

