



**Commonwealth of Pennsylvania**  
**Milk Marketing Board**  
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Official General

Posted:

April 3, 2019

Order No. A-956 (CRO 9)

Effective:

May 1, 2019

**COST REPLACEMENT ORDER FOR THE  
WEST CENTRAL MILK MARKETING AREA, AREA NO. 6**

NOW, this 3<sup>rd</sup> day of April 2019, the Commonwealth of Pennsylvania, Milk Marketing Board, issues this official general order pursuant to the authority conferred by the Milk Marketing Law, 31 P.S. §§ 700j-101 – 700j-1204. This order will become effective at 12:01 a.m. on May 1, 2019.

**SECTION A  
INCORPORATION**

The attached Findings of Fact, Conclusions of Law, and Attachments are incorporated herein by this reference as though fully set forth in this order.

**SECTION B  
SCOPE**

(a) The processing, packaging, and delivery costs, container costs, ingredient costs, shrinkage and net profit and loss on sales of bulk milk and bulk cream costs, and in-store handling costs adopted by the Board in this order will replace the costs for these cost centers embodied in Official General Order (OGO) A-956 (CRO 8) and will be incorporated into the wholesale and retail prices of Class I price-controlled packaged products sold in Milk Marketing Area 6, as defined in Section B of OGO A-956.

(b) Wholesale and retail prices for Class II price-controlled packaged products sold in Milk Marketing Area No. 6 will reflect the costs adopted in this order.

(c) The rate of return for dealers is 3.4%. The rate of return to retailers is 2.7%.

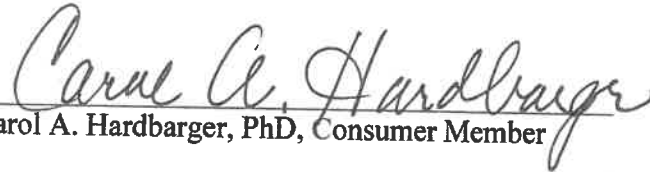
**SECTION C**  
**EFFECTIVENESS OF OFFICIAL GENERAL ORDER A-956**

All parts of Official General Order A-956 (CRO 7) not inconsistent with Section B of this order continue in effect.

PENNSYLVANIA MILK MARKETING BOARD

  
\_\_\_\_\_  
Robert N. Barley, Chairman

  
\_\_\_\_\_  
James A. Van Blarcom, Member

  
\_\_\_\_\_  
Carol A. Hardbarger, PhD, Consumer Member

Date: April 3, 2019

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**FINDINGS OF FACT AND CONCLUSIONS OF LAW**  
**COST REPLACEMENT HEARING FOR MILK MARKETING AREA NO. 6**

I. FINDINGS OF FACT

1. On March 11, 2019, the Pennsylvania Milk Marketing Board (“Board”) held a cost replacement hearing for Milk Marketing Area No. 6.

2. Notice of the hearing was published at 49 Pennsylvania Bulletin 578 on February 2, 2019. It was also mailed to those who have requested mailed notice of Board hearings via Board Bulletin No. 1552, dated January 18, 2019. The hearing notice enumerated the scope of evidence that the Board would receive.

3. The dealer cross section used by both Board Staff and the Area 6 milk dealers (“Dealers”), the only parties to present dealer cost information, consisted of Dean Dairy Holdings, LLC – Sharpville; Galliker Dairy Company; Ritchey’s Dairy, Inc.; Turner Dairy, Inc.; Tuscan/Lehigh Dairies, Inc. – Schuylkill Haven; and Valley Farms Dairy, LLC.

4. Clifford Ackman, appearing on behalf of Board Staff as an expert in milk statistics, testified that the dealer cross section was representative of the dealers doing business in Area 6. Mr. Ackman testified that the judgmental sample was selected from available dealers with the largest sales in Area 6 and accounted for 63.2% of the reported milk sales in the area. Mr. Ackman also testified that the comparison of the product sales ratios between cross section dealer sales and all sales into Area 6 fell within statistically acceptable limits using the Chi-square goodness of fit test. Mr. Ackman further testified that the cross section dealers were reflective of all dealer sales into Area 6 when comparing sizes of deliveries, types of deliveries, and customers served. Ron Mong, appearing on behalf of the Area 6 milk dealers as an expert in cost accounting and milk cost accounting, agreed that the cross section was representative. Based on the factors outlined by Mr. Ackman, the Board finds that the dealer cross section used by both Board Staff and Dealers is representative of dealers doing business in Area 6.

5. Gary Gojsovich testified on behalf of Board Staff as an expert in milk industry cost accounting. Both Mr. Gojsovich and Mr. Mong testified that the cross-section dealers incurred a cost of \$0.3260 per point for processing, packaging, and delivering milk in 2017. Based on this uncontradicted testimony, the Board finds that the cross section dealers incurred a cost of \$0.3260 per point for processing, packaging, and delivery, and further finds that \$0.3260 is the processing, packaging, and delivery cost that should be used in this order.

6. Mr. Gojsovich and Mr. Mong testified to the following 2018 ingredient costs, based on year 2017 pounds: Standard Milk - \$0.0000/lb; Reduced Fat Milk - \$0.0001/lb; Low Fat Milk - \$0.0001/lb; Non-Fat Milk - \$0.0006/lb; Flavored Milk - \$0.0364/lb; Flavored Reduced Fat Milk - \$0.0387/lb; Flavored Non-Fat Milk - \$0.0344; Buttermilk - \$0.0294/lb; Egg Nog - \$0.1838/lb. The Board finds that these ingredient costs should be used in this order.

7. Mr. Gojsovich and Mr. Mong presented concurring evidence regarding the cost update for labor, insurance, and utility costs of \$0.0235 per point between the first halves of 2017 and 2018. The Board finds that \$0.0235 per point should be used in this order.

8. Mr. Gojsovich and Mr. Mong recommended that the diesel fuel cost adjustment continue. The Board finds that the adjustment should continue, based on the methodology presented by Mr. Gojsovich in Staff Surrebuttal Exhibit 8 and attached to this order as Attachment 1.

9. Mr. Gojsovich and Mr. Mong recommended that the heating fuel cost adjustment continue. The Board finds that the adjustment should continue, based on the methodology presented by Mr. Gojsovich in Staff Surrebuttal Exhibit 9 and attached to this order as Attachment 2.

10. Mr. Gojsovich and Mr. Mong testified that the cost of shrinkage and sales of bulk products for year 2017 was \$0.0062 per pound. Based on the uncontradicted and concurring testimony, the Board finds that the cost of shrinkage and sales of bulk products to be used in this order should be \$0.0062 per pound.

11. Based on the concurring container costs evidence presented by Mr. Gojsovich and Mr. Mong, the Board finds that the following base container costs should be adopted for this order: Gallon (combined) - \$0.2096; Half Gallon (combined) - \$0.1540; Quart (combined) - \$0.2098; Pint (combined) - \$0.1549; Half Pint (paper) - \$0.0291; Half Pint (plastic) - \$0.0532; 12 Ounce - \$0.0367; 10 Ounce - \$0.0587; 4 Ounce - \$0.0276; Bulk Per Quart (Dispenser) - \$0.1311. Both Mr. Gojsovich and Mr. Mong testified that container costs should continue to be updated monthly; the Board agrees and finds that container costs should continue to be updated monthly. The Board also finds that the container shrinkage factors should continue to be utilized to calculate container costs.

Mr. Gojsovich and Mr. Mong testified that a blended (or combined) container cost be used for products sold in containers that are available in both paper and plastic, except for half pint containers. They both also recommended that minimum resale prices for products sold in half pint containers should be calculated using the paper container cost for products sold in paper containers and by applying a plastic add-on for products sold in rigid plastic containers. The Board finds that the blended container concept should continue to be used, except for half pint containers. The Board finds that minimum resale prices for products sold in paper half pint containers should be calculated using the paper container cost and that minimum resale prices for products sold in rigid plastic containers should be calculated by applying a plastic add-on to the paper container cost. The Board further finds that the base plastic add-on is \$0.0241 and that the add-on should be adjusted monthly based on the monthly container cost surveys.

12. Both Mr. Gojsovich and Mr. Mong testified that the container efficiency adjustment should be updated. Mr. Mong testified that the container efficiency adjustment had not been updated for more than ten years and that during that time there have been significant changes in four important areas:

a. The mix of container sizes and the total volume of milk packaged at cross section dealers has changed. For instance, in 2007 when the current container efficiency adjustments were calculated, gallons represented about 61% of the volume of milk sold; in 2017 gallons represented 53% of the volume. Half gallon sales increased from about 3 million units in 2007 to 8 million units in 2017. Mr. Mong testified that without reflecting these changes, the current container efficiency adjustments were inaccurate.

b. The current container efficiency adjustments are based on an estimate to determine the quantity of each container, which does not do a good job of representing actual sales. The new container efficiency adjustments presented by Mr. Mong and Mr. Gojsovich are based on actual container sales in Area 6.

c. The speeds of the machines filling containers has changed. Therefore, the amount of time it takes at each plant to package products has changed. Mr. Mong testified that the amount of time it takes to package each container size is the key factor in allocating the bottling cost center costs.

d. The bottling cost center cost of each dealer in the cross section has changed significantly since 2007. As each plant's bottling costs changed, the allocation between large containers and small containers changed as well.

Mr. Gojsovich and Mr. Mong presented the following concurring evidence of container efficiency adjustments

Gallon	\$(0.1076)
Half Gallon	\$(0.0380)
Quart	\$0.0986
Pint	\$0.1305
Half Pint	\$0.0206
4 ounce	\$0.0313
Bulk (per quart)	\$0.0076

Mr. Gojsovich and Mr. Mong also recommended that the container efficiency adjustments be updated at annual cost replacement hearings. Mr. Gojsovich testified that container sales units and underlying bottling, cold room, and delivery cost center costs should be updated. Mr. Gojsovich testified that filling speeds, number of operators per machine, and units/crate should not be updated.

The Board finds that the container efficiency adjustments should be updated as presented by Mr. Gojsovich and Mr. Mong. The Board finds Mr. Mong's testimony regarding the need for the update to be persuasive and credible. The Board also finds that the container efficiency update should be adjusted annually based on the factors outlined in Mr. Gojsovich's persuasive and credible testimony.

13. No party presented evidence regarding Class II products. Mr. Mong recommended that the Board continue using the existing methodology to price Class II products. Since there was no proposal by any party to change Class II pricing, the Board finds that the current Class II pricing methodology shall continue until a Class II hearing is called and the results memorialized in an Official General Order.

14. Mr. Mong recommended that the dealer rate of return be at least 3.4%. He testified that the 2017 weighted average rate of return for the cross section dealers was -0.1%. Mr. Mong testified that there are many reasons the realized rate of return is below the statutory rate of 3.4%, including the fact that cost replacement lags the period when the operating costs were incurred. Mr. Mong opined that, given this dismal situation, it is essential that the Board set the rate of return at least 3.4%. The Board finds that the dealer rate of return should remain at 3.4%.

15. An in-store handling costs hearing is scheduled to be held on May 1, 2019. Therefore, no evidence was presented at this hearing regarding retail prices. Since no evidence was presented, the Board finds that the current retail rate of return of 2.7% should remain in place and further finds that the monthly CPI adjustment to current in-store handling costs remain in effect.

## II. CONCLUSIONS OF LAW

1. The March 11, 2019, cost replacement hearing for Milk Marketing Area No. 6 was held pursuant to authority granted to the Board in section 801 of the Milk Marketing Law (Law), 31 P.S. § 700j-801.

2. The hearing was held following adequate notice, and all interested persons were given a reasonable opportunity to be heard.

3. The cross-section used to establish dealer costs met the requirement of representativeness of section 801 of the Law.

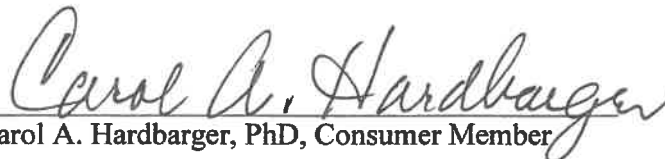
4. The record of the Milk Marketing Area No. 5 hearing held on March 11, 2019, is incorporated by reference in the record of the Area 6 hearing.

5. In establishing the attached order, the Board has considered the entire record and has concluded that the adoption of this order is supported by a preponderance of the evidence and is reasonable and appropriate under section 801 of the Law, subject to any revisions or amendments the Board may make in the manner set forth in the Law.

### PENNSYLVANIA MILK MARKETING BOARD

  
Robert N. Barley, Chairman

  
James A. Van Blarcom, Member

  
Carol A. Hardbarger, PhD, Consumer Member

Date: February 6, 2018

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**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

**Diesel Fuel Costs Adjustment**

Update of Diesel Fuel Costs from YEAR 2017 to DECEMBER 2018

1. Weighted Diesel Fuel Costs - YEAR 2017	\$ 1,594,294
2. Average On-Highway Diesel Price per Gallon - YEAR 2017 (1)	\$ 2.822
3. On-Highway Diesel Price per Gallon - DECEMBER 2018 (1)	\$ 3.340
4. Percent Change In Diesel Fuel Price per Gallon ((Line 3 - Line 2) ÷ Line 2)	18.36%
5. Presumed Diesel Fuel Costs - DECEMBER 2018 ((Line 1 X Line 4) + Line 1)	<u>\$ 1,887,006</u>
6. Change in Diesel Fuel Costs from YEAR 2017 to DECEMBER 2018 (Line 5 - Line 1)	\$ 292,712
7. Weighted Delivery Points - YEAR 2017	<u>96,350,158</u>
8. Change in Diesel Fuel Costs per Delivery Point (Line 6 ÷ Line 7)	<u><u>\$ 0.0030</u></u>

Footnote:

- Source: 'Weekly Retail On-Highway Diesel Prices' per Energy Information Administration website.  
web address = [https://www.eia.gov/dnav/pet/pet\\_pri\\_gnd\\_dcus\\_r1y\\_w.htm](https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_r1y_w.htm)



**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

**Heating Fuel Costs Adjustmen**

Update of Heating Fuel Costs from YEAR 2017 to OCTOBER 2018

1. Weighted Heating Fuel Costs - YEAR 2017	\$	169,513
2. Pennsylvania Average Natural Gas Price - Industrial - YEAR 2017 (1)	\$	8.80
3. Pennsylvania Average Natural Gas Price - Industrial - OCTOBER 2018 (1)	\$	8.47
4. Percent Change In Natural Gas Price ((Line 3 - Line 2) / Line 2)		-3.75%
5. Presumed Heating Fuel Costs - OCTOBER 2018 ((Line 1 X Line 4) + Line 1)	\$	<u>163,156</u>
6. Change in Heating Fuel Costs from YEAR 2017 to OCTOBER 2018 (Line 5 - Line 1)	\$	(6,357)
7. Weighted Standardization & Pasteurization (S&P) Points - YEAR 2017		<u>86,295,829</u>
8. Change in Heating Fuel Costs per S&P Point (Line 6 + Line 7)	\$	<u><u>(0.0001)</u></u>

## Footnote:

1. Source: Pennsylvania Natural Gas Industrial Price per Energy Information Administration website.  
web address = <http://tonto.eia.doe.gov/dnav/ng/hist/n3035pa3m.htm>

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

**MILK COSTS BEFORE PACKAGING  
FEBRUARY 2019 MILK COST**

	<b>Class I</b>
Skim Rate	\$ 10.69
Butterfat Rate	\$ 2.5351

Product Description	A	B	C	D	E	F	G	H	I	J	K
	Product Pounds	Butterfat Pounds	(B ÷ A)	(A - B)	(B x BF Rate)	D x Skim Rate	(E + F)	(G ÷ A)	(EX. 4)	(EX. 6)	(H + I + J)
			Test (%)	Skim Pounds	Butterfat Value	Skim Value	Total Value	Cost per Pound	Ingredient Cost	Bulk Sale (Profit)/Loss	Total Cost per Pound
Standard (Whole) Milk	27,277,291	693,089	3.2741%	26,384,182	\$ 2,284,095	\$ 2,820,470	\$ 5,064,565	\$ 0.1864	\$ -	\$ 0.0062	\$ 0.1926
Reduced Fat (2%) Milk	31,440,511	609,878	1.9396%	30,830,635	\$ 1,548,087	\$ 3,295,795	\$ 4,841,882	\$ 0.1540	\$ 0.0001	\$ 0.0062	\$ 0.1603
Low Fat (1%) Milk	18,457,510	158,588	0.8595%	18,300,922	\$ 398,998	\$ 1,742,568	\$ 2,139,535	\$ 0.1300	\$ 0.0001	\$ 0.0062	\$ 0.1363
Non Fat (Skim) Milk	11,064,788	14,177	0.1281%	11,050,619	\$ 35,840	\$ 1,181,311	\$ 1,217,251	\$ 0.1100	\$ 0.0006	\$ 0.0062	\$ 0.1168
Flavored Milk	8,702,871	285,880	3.2823%	8,417,311	\$ 724,177	\$ 898,811	\$ 1,623,988	\$ 0.1868	\$ 0.0364	\$ 0.0062	\$ 0.2292
Flavored Reduced Fat Milk	8,720,880	74,804	1.1130%	8,645,856	\$ 189,638	\$ 710,442	\$ 900,078	\$ 0.1338	\$ 0.0387	\$ 0.0062	\$ 0.1788
Flavored NONFAT Milk	4,804,874	7,250	0.1478%	4,897,724	\$ 16,378	\$ 523,587	\$ 541,948	\$ 0.1105	\$ 0.0344	\$ 0.0062	\$ 0.1511
Buttermilk	502,312	8,531	1.3002%	495,781	\$ 16,557	\$ 52,099	\$ 69,598	\$ 0.1385	\$ 0.0294	\$ 0.0062	\$ 0.1741
Egg Nog	135,949	8,692	6.3963%	127,157	\$ 22,035	\$ 13,583	\$ 35,628	\$ 0.2623	\$ 0.1838	\$ 0.0062	\$ 0.4523

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

Attachment 4  
Page 1 of 3

**WHOLESALE PRICE BUILDUP  
FEBRUARY 2019 MILK PRICES**

Container Size	A	B	C	D	E	F	G	H	I	J	K	L	M
	EX. 6	EX. 3	EXS. 7, 8 & 9 <sup>(1)</sup>	EX. 10	EX. 2	(A+B+C+D+E)		(F+G)			(H+I+J)		(K-L)
	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.40%	Price with Profit	Less Average Delivery	Plus High Cost Delivery	Proposed Wholesale Price	Current Wholesale Price	Increase (Decrease)
<b>STANDARD (WHOLE) MILK</b>													
GALLON	\$ 1.6564	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 3.1652	\$ 0.1114	\$ 3.2766	\$ (0.5640)	\$ 0.9864	\$ 3.6990	\$ 3.5623	\$ 0.1367
1/2 GALLON	\$ 0.8282	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 1.6391	\$ 0.0577	\$ 1.6968	\$ (0.2820)	\$ 0.4932	\$ 1.9080	\$ 1.8454	\$ 0.0626
QUART	\$ 0.4141	\$ 0.2141	\$ 0.0263	\$ 0.0986	\$ 0.3260	\$ 1.0781	\$ 0.0379	\$ 1.1160	\$ (0.1410)	\$ 0.2466	\$ 1.2216	\$ 1.1149	\$ 0.1067
PINT	\$ 0.2070	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.5700	\$ 0.0236	\$ 0.5936	\$ (0.0705)	\$ 0.1233	\$ 0.7464	\$ 0.6111	\$ 0.1353
12 OUNCE	\$ 0.1553	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.3238	\$ 0.0114	\$ 0.3352	\$ (0.0529)	\$ 0.0925	\$ 0.3748	\$ 0.3819	\$ (0.0071)
10 OUNCE	\$ 0.1294	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.2978	\$ 0.0105	\$ 0.3083	\$ (0.0441)	\$ 0.0771	\$ 0.3414	\$ 0.3449	\$ (0.0035)
1/2 PINT	\$ 0.1035	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.2423	\$ 0.0085	\$ 0.2508	\$ (0.0353)	\$ 0.0617	\$ 0.2772	\$ 0.2631	\$ 0.0141
4 OUNCE	\$ 0.0518	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.1551	\$ 0.0055	\$ 0.1606	\$ (0.0177)	\$ 0.0309	\$ 0.1738	\$ 0.1573	\$ 0.0165
Bulk per Quart	\$ 0.4141	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 0.9058	\$ 0.0319	\$ 0.9377	\$ (0.1410)	\$ 0.2466	\$ 1.0433	\$ 1.0363	\$ 0.0070
<b>REDUCED FAT (2%) MILK</b>													
GALLON	\$ 1.3818	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 2.8906	\$ 0.1017	\$ 2.9923	\$ (0.5640)	\$ 0.9864	\$ 3.4147	\$ 3.2780	\$ 0.1367
1/2 GALLON	\$ 0.6909	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 1.5018	\$ 0.0529	\$ 1.5547	\$ (0.2820)	\$ 0.4932	\$ 1.7659	\$ 1.7032	\$ 0.0627
QUART	\$ 0.3454	\$ 0.2141	\$ 0.0253	\$ 0.0986	\$ 0.3260	\$ 1.0094	\$ 0.0355	\$ 1.0449	\$ (0.1410)	\$ 0.2466	\$ 1.1505	\$ 1.0439	\$ 0.1066
PINT	\$ 0.1727	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.6357	\$ 0.0224	\$ 0.6581	\$ (0.0705)	\$ 0.1233	\$ 0.7109	\$ 0.5756	\$ 0.1353
12 OUNCE	\$ 0.1292	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.2977	\$ 0.0105	\$ 0.3082	\$ (0.0529)	\$ 0.0925	\$ 0.3478	\$ 0.3553	\$ (0.0075)
10 OUNCE	\$ 0.1080	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.2765	\$ 0.0097	\$ 0.2862	\$ (0.0441)	\$ 0.0771	\$ 0.3192	\$ 0.3228	\$ (0.0036)
1/2 PINT	\$ 0.0864	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.2252	\$ 0.0079	\$ 0.2331	\$ (0.0353)	\$ 0.0617	\$ 0.2595	\$ 0.2463	\$ 0.0142
4 OUNCE	\$ 0.0432	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.1465	\$ 0.0052	\$ 0.1517	\$ (0.0177)	\$ 0.0309	\$ 0.1649	\$ 0.1484	\$ 0.0165
Bulk per Quart	\$ 0.3454	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 0.8371	\$ 0.0295	\$ 0.8666	\$ (0.1410)	\$ 0.2466	\$ 0.9722	\$ 0.9653	\$ 0.0069
<b>LOWFAT (1%) MILK</b>													
GALLON	\$ 1.1749	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 2.6837	\$ 0.0945	\$ 2.7782	\$ (0.5640)	\$ 0.9864	\$ 3.2006	\$ 3.0684	\$ 0.1322
1/2 GALLON	\$ 0.5875	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 1.3984	\$ 0.0492	\$ 1.4476	\$ (0.2820)	\$ 0.4932	\$ 1.6588	\$ 1.5984	\$ 0.0604
QUART	\$ 0.2937	\$ 0.2141	\$ 0.0253	\$ 0.0986	\$ 0.3260	\$ 0.9577	\$ 0.0337	\$ 0.9914	\$ (0.1410)	\$ 0.2466	\$ 1.0970	\$ 0.9914	\$ 0.1056
PINT	\$ 0.1469	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.6099	\$ 0.0215	\$ 0.6314	\$ (0.0705)	\$ 0.1233	\$ 0.6842	\$ 0.5494	\$ 0.1348
12 OUNCE	\$ 0.1101	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.2786	\$ 0.0098	\$ 0.2884	\$ (0.0529)	\$ 0.0925	\$ 0.3280	\$ 0.3357	\$ (0.0077)
10 OUNCE	\$ 0.0918	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.2603	\$ 0.0092	\$ 0.2695	\$ (0.0441)	\$ 0.0771	\$ 0.3025	\$ 0.3063	\$ (0.0038)
1/2 PINT	\$ 0.0734	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.2122	\$ 0.0075	\$ 0.2197	\$ (0.0353)	\$ 0.0617	\$ 0.2461	\$ 0.2323	\$ 0.0138
4 OUNCE	\$ 0.0367	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.1400	\$ 0.0049	\$ 0.1449	\$ (0.0177)	\$ 0.0309	\$ 0.1581	\$ 0.1419	\$ 0.0162
Bulk per Quart	\$ 0.2937	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 0.7854	\$ 0.0276	\$ 0.8130	\$ (0.1410)	\$ 0.2466	\$ 0.9186	\$ 0.9128	\$ 0.0058
<b>NONFAT (GRIM) MILK</b>													
GALLON	\$ 1.0080	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 2.5168	\$ 0.0886	\$ 2.6054	\$ (0.5640)	\$ 0.9864	\$ 3.0278	\$ 2.8964	\$ 0.1314
1/2 GALLON	\$ 0.5040	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 1.3149	\$ 0.0463	\$ 1.3612	\$ (0.2820)	\$ 0.4932	\$ 1.5724	\$ 1.5124	\$ 0.0600
QUART	\$ 0.2520	\$ 0.2141	\$ 0.0253	\$ 0.0986	\$ 0.3260	\$ 0.9160	\$ 0.0322	\$ 0.9482	\$ (0.1410)	\$ 0.2466	\$ 1.0538	\$ 0.9485	\$ 0.1053
PINT	\$ 0.1260	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.5890	\$ 0.0207	\$ 0.6097	\$ (0.0705)	\$ 0.1233	\$ 0.6625	\$ 0.5279	\$ 0.1346
12 OUNCE	\$ 0.0945	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.2630	\$ 0.0093	\$ 0.2723	\$ (0.0529)	\$ 0.0925	\$ 0.3119	\$ 0.3195	\$ (0.0076)
10 OUNCE	\$ 0.0787	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.2472	\$ 0.0087	\$ 0.2559	\$ (0.0441)	\$ 0.0771	\$ 0.2889	\$ 0.2929	\$ (0.0040)
1/2 PINT	\$ 0.0630	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.2018	\$ 0.0071	\$ 0.2089	\$ (0.0353)	\$ 0.0617	\$ 0.2353	\$ 0.2215	\$ 0.0138
4 OUNCE	\$ 0.0315	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.1348	\$ 0.0047	\$ 0.1395	\$ (0.0177)	\$ 0.0309	\$ 0.1527	\$ 0.1385	\$ 0.0142
Bulk per Quart	\$ 0.2520	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 0.7437	\$ 0.0262	\$ 0.7699	\$ (0.1410)	\$ 0.2466	\$ 0.8755	\$ 0.8699	\$ 0.0056

Footnote:

1. per O.G.O. A-958, also includes an adjustment for the 'Discount Effect' in the amount of (-\$0.0011) per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

**WHOLESALE PRICE BUILDUP  
FEBRUARY 2019 MILK PRICES**

Container Size	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 <sup>(1)</sup>	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	L	M (K - L)	
	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.40%	Price with Profit	Less Average Delivery	Plus High Cost Delivery	Proposed Wholesale Price	Current Wholesale Price	Increase (Decrease)	
FLAVORED MILK	GALLON	\$ 1.8336	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 3.3424	\$ 0.1178	\$ 3.4600	\$ (0.5640)	\$ 0.9864	\$ 3.8824	\$ 3.7270	\$ 0.1554
	1/2 GALLON	\$ 0.9168	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 1.7277	\$ 0.0608	\$ 1.7885	\$ (0.2820)	\$ 0.4932	\$ 1.9997	\$ 1.9277	\$ 0.0720
	QUART	\$ 0.4584	\$ 0.2141	\$ 0.0253	\$ 0.0986	\$ 0.3260	\$ 1.1224	\$ 0.0395	\$ 1.1619	\$ (0.1410)	\$ 0.2468	\$ 1.2675	\$ 1.1581	\$ 0.1114
	PINT	\$ 0.2292	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.8922	\$ 0.0244	\$ 0.9166	\$ (0.0705)	\$ 0.1233	\$ 0.7694	\$ 0.6317	\$ 0.1377
	12 OUNCE	\$ 0.1719	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.3404	\$ 0.0120	\$ 0.3524	\$ (0.0529)	\$ 0.0925	\$ 0.3920	\$ 0.3974	\$ (0.0054)
	10 OUNCE	\$ 0.1433	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.3118	\$ 0.0110	\$ 0.3228	\$ (0.0441)	\$ 0.0771	\$ 0.3558	\$ 0.3577	\$ (0.0019)
	1/2 PINT	\$ 0.1146	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.2534	\$ 0.0089	\$ 0.2623	\$ (0.0353)	\$ 0.0617	\$ 0.2887	\$ 0.2735	\$ 0.0152
	4 OUNCE	\$ 0.0573	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.1605	\$ 0.0057	\$ 0.1663	\$ (0.0177)	\$ 0.0309	\$ 0.1795	\$ 0.1625	\$ 0.0170
	Bulk per Quart	\$ 0.4584	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 0.9501	\$ 0.0334	\$ 0.9835	\$ (0.1410)	\$ 0.2466	\$ 1.0891	\$ 1.0775	\$ 0.0116
	FLAVORED REDUCED FAT MILK	GALLON	\$ 1.4304	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 2.9392	\$ 0.1034	\$ 3.0426	\$ (0.5640)	\$ 0.9864	\$ 3.4650	\$ 3.3609
1/2 GALLON		\$ 0.7152	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 1.5261	\$ 0.0537	\$ 1.5798	\$ (0.2820)	\$ 0.4932	\$ 1.7910	\$ 1.7448	\$ 0.0464
QUART		\$ 0.3576	\$ 0.2141	\$ 0.0253	\$ 0.0986	\$ 0.3260	\$ 0.7628	\$ 0.0268	\$ 0.7896	\$ (0.1410)	\$ 0.2466	\$ 1.1632	\$ 1.0646	\$ 0.0986
PINT		\$ 0.1788	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.6418	\$ 0.0226	\$ 0.6644	\$ (0.0705)	\$ 0.1233	\$ 0.7172	\$ 0.5858	\$ 0.1313
12 OUNCE		\$ 0.1341	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.3026	\$ 0.0107	\$ 0.3133	\$ (0.0529)	\$ 0.0925	\$ 0.3529	\$ 0.3631	\$ (0.0102)
10 OUNCE		\$ 0.1118	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.2803	\$ 0.0099	\$ 0.2902	\$ (0.0441)	\$ 0.0771	\$ 0.3232	\$ 0.3292	\$ (0.0060)
1/2 PINT		\$ 0.0894	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.2282	\$ 0.0080	\$ 0.2362	\$ (0.0353)	\$ 0.0617	\$ 0.2828	\$ 0.2506	\$ 0.0322
4 OUNCE		\$ 0.0447	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.1480	\$ 0.0052	\$ 0.1532	\$ (0.0177)	\$ 0.0309	\$ 0.1684	\$ 0.1610	\$ 0.0074
Bulk per Quart		\$ 0.3576	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 0.8493	\$ 0.0299	\$ 0.8792	\$ (0.1410)	\$ 0.2466	\$ 0.9848	\$ 0.9860	\$ (0.0012)
FLAVORED NONFAT MILK		GALLON	\$ 1.2088	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 2.7176	\$ 0.0956	\$ 2.8132	\$ (0.5640)	\$ 0.9864	\$ 3.2356	\$ 3.1091
	1/2 GALLON	\$ 0.6044	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 1.4153	\$ 0.0498	\$ 1.4651	\$ (0.2820)	\$ 0.4932	\$ 1.6783	\$ 1.6188	\$ 0.0595
	QUART	\$ 0.3022	\$ 0.2141	\$ 0.0253	\$ 0.0986	\$ 0.3260	\$ 0.9662	\$ 0.0340	\$ 1.0002	\$ (0.1410)	\$ 0.2466	\$ 1.1058	\$ 1.0017	\$ 0.1041
	PINT	\$ 0.1511	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.6141	\$ 0.0216	\$ 0.6357	\$ (0.0705)	\$ 0.1233	\$ 0.6885	\$ 0.5545	\$ 0.1340
	12 OUNCE	\$ 0.1133	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.2818	\$ 0.0099	\$ 0.2917	\$ (0.0529)	\$ 0.0925	\$ 0.3313	\$ 0.3395	\$ (0.0082)
	10 OUNCE	\$ 0.0944	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.2829	\$ 0.0093	\$ 0.2722	\$ (0.0441)	\$ 0.0771	\$ 0.3052	\$ 0.3095	\$ (0.0043)
	1/2 PINT	\$ 0.0756	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.2144	\$ 0.0075	\$ 0.2219	\$ (0.0353)	\$ 0.0617	\$ 0.2483	\$ 0.2349	\$ 0.0134
	4 OUNCE	\$ 0.0378	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.1411	\$ 0.0050	\$ 0.1461	\$ (0.0177)	\$ 0.0309	\$ 0.1593	\$ 0.1431	\$ 0.0162
	Bulk per Quart	\$ 0.3022	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 0.7939	\$ 0.0279	\$ 0.8218	\$ (0.1410)	\$ 0.2466	\$ 0.9274	\$ 0.9231	\$ 0.0043
	BUTTERMILK	GALLON	\$ 1.5007	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 3.0095	\$ 0.1059	\$ 3.1154	\$ (0.5640)	\$ 0.9864	\$ 3.5378	\$ 3.2762
1/2 GALLON		\$ 0.7504	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 1.5613	\$ 0.0550	\$ 1.6163	\$ (0.2820)	\$ 0.4932	\$ 1.8275	\$ 1.7023	\$ 0.1252
QUART		\$ 0.3752	\$ 0.2141	\$ 0.0253	\$ 0.0986	\$ 0.3260	\$ 0.9392	\$ 0.0366	\$ 0.9758	\$ (0.1410)	\$ 0.2466	\$ 1.1814	\$ 1.0435	\$ 0.1379
PINT		\$ 0.1876	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.6506	\$ 0.0229	\$ 0.6735	\$ (0.0705)	\$ 0.1233	\$ 0.7263	\$ 0.5754	\$ 0.1509
12 OUNCE		\$ 0.1407	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.3092	\$ 0.0109	\$ 0.3201	\$ (0.0529)	\$ 0.0925	\$ 0.3597	\$ 0.3551	\$ 0.0046
10 OUNCE		\$ 0.1172	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.2857	\$ 0.0101	\$ 0.2958	\$ (0.0441)	\$ 0.0771	\$ 0.3288	\$ 0.3225	\$ 0.0063
1/2 PINT		\$ 0.0938	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.2326	\$ 0.0082	\$ 0.2408	\$ (0.0353)	\$ 0.0617	\$ 0.2672	\$ 0.2452	\$ 0.0220
4 OUNCE		\$ 0.0469	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.1502	\$ 0.0053	\$ 0.1555	\$ (0.0177)	\$ 0.0309	\$ 0.1687	\$ 0.1484	\$ 0.0203
Bulk per Quart		\$ 0.3752	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 0.8689	\$ 0.0305	\$ 0.8974	\$ (0.1410)	\$ 0.2466	\$ 1.0030	\$ 0.9649	\$ 0.0381

Footnote:  
1, per O.G.O. A-958, also includes an adjustment for the 'Discount Effect' in the amount of (-\$0.0011) per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

**WHOLESALE PRICE BUILDUP  
FEBRUARY 2019 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 <sup>(1)</sup>	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	L	M (K - L)
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.40%	Price with Profit	Less Average Delivery	Plus High Cost Delivery	Proposed Wholesale Price	Current Wholesale Price	Increase (Decrease)
<b>GALLON</b>	\$ 3.6184	\$ 0.2112	\$ 0.1012	\$ (0.1076)	\$ 1.3040	\$ 5.1272	\$ 0.1805	\$ 5.3077	\$ (0.5640)	\$ 0.9864	\$ 5.7301	\$ 5.6963	\$ 0.0338
<b>1/2 GALLON</b>	\$ 1.8092	\$ 0.1463	\$ 0.0506	\$ (0.0380)	\$ 0.6520	\$ 2.6201	\$ 0.0922	\$ 2.7123	\$ (0.2820)	\$ 0.4932	\$ 2.9235	\$ 2.9123	\$ 0.0112
<b>QUART</b>	\$ 0.9046	\$ 0.2141	\$ 0.0253	\$ 0.0986	\$ 0.3260	\$ 1.5686	\$ 0.0552	\$ 1.6238	\$ (0.1410)	\$ 0.2466	\$ 1.7294	\$ 1.6485	\$ 0.0809
<b>PINT</b>	\$ 0.4523	\$ 0.1568	\$ 0.0127	\$ 0.1305	\$ 0.1630	\$ 0.9153	\$ 0.0322	\$ 0.9475	\$ (0.0705)	\$ 0.1233	\$ 1.0003	\$ 0.8779	\$ 0.1224
<b>12 OUNCE</b>	\$ 0.3392	\$ 0.0367	\$ 0.0095	\$ -	\$ 0.1223	\$ 0.5077	\$ 0.0179	\$ 0.5256	\$ (0.0529)	\$ 0.0925	\$ 0.5652	\$ 0.5820	\$ (0.0168)
<b>10 OUNCE</b>	\$ 0.2827	\$ 0.0587	\$ 0.0079	\$ -	\$ 0.1019	\$ 0.4512	\$ 0.0159	\$ 0.4671	\$ (0.0441)	\$ 0.0771	\$ 0.5001	\$ 0.5117	\$ (0.0116)
<b>1/2 PINT</b>	\$ 0.2262	\$ 0.0304	\$ 0.0063	\$ 0.0206	\$ 0.0815	\$ 0.3650	\$ 0.0128	\$ 0.3778	\$ (0.0353)	\$ 0.0617	\$ 0.4042	\$ 0.3966	\$ 0.0076
<b>4 OUNCE</b>	\$ 0.1131	\$ 0.0280	\$ 0.0032	\$ 0.0313	\$ 0.0408	\$ 0.2164	\$ 0.0076	\$ 0.2240	\$ (0.0177)	\$ 0.0309	\$ 0.2372	\$ 0.2240	\$ 0.0132
<b>Bulk per Quart</b>	\$ 0.9046	\$ 0.1328	\$ 0.0253	\$ 0.0076	\$ 0.3260	\$ 1.3963	\$ 0.0491	\$ 1.4454	\$ (0.1410)	\$ 0.2466	\$ 1.5510	\$ 1.5699	\$ (0.0189)

Footnote:

1, per O.G.O. A-958, also includes an adjustment for the 'Discount Effect' in the amount of (-\$0.0011) per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

**RETAIL PRICE BUILDUP  
FEBRUARY 2019 MILK PRICES**

Container Size	A	B	C	D	E	F	G
	EX. 11 Proposed Wholesale Price	12.5% Deepest Discount	In-Store Handling \$ 0.1461	2.7% Store Profit	(A+B+C+D) Proposed Retail Price	Current Retail Price	(E - F) Increase (Decrease)
<b>STANDARD (WHOLE) MILK</b>							
GALLON	\$ 3.6990	\$ (0.4624)	\$ 0.5844	\$ 0.1060	\$ 3.93	\$ 3.80	\$ 0.13
1/2 GALLON	\$ 1.9080	\$ (0.2385)	\$ 0.2922	\$ 0.0544	\$ 2.02	\$ 1.96	\$ 0.06
QUART	\$ 1.2216	\$ (0.1527)	\$ 0.1461	\$ 0.0337	\$ 1.25	\$ 1.15	\$ 0.10
PINT	\$ 0.7464	\$ (0.0933)	\$ 0.0731	\$ 0.0202	\$ 0.75	\$ 0.62	\$ 0.13
12 OUNCE	\$ 0.3748	\$ (0.0489)	\$ 0.0548	\$ 0.0106	\$ 0.39	\$ 0.40	\$ (0.01)
10 OUNCE	\$ 0.3414	\$ (0.0427)	\$ 0.0457	\$ 0.0096	\$ 0.35	\$ 0.36	\$ (0.01)
1/2 PINT	\$ 0.2772	\$ (0.0347)	\$ 0.0365	\$ 0.0077	\$ 0.29	\$ 0.27	\$ 0.02
4 OUNCE	\$ 0.1735	\$ (0.0217)	\$ 0.0183	\$ 0.0047	\$ 0.18	\$ 0.16	\$ 0.02
Bulk per Quart	\$ 1.0433	\$ (0.1304)	\$ 0.1461	\$ 0.0294	\$ 1.09	\$ 1.08	\$ 0.01
<b>REDUCED FAT (2%) MILK</b>							
GALLON	\$ 3.4147	\$ (0.4268)	\$ 0.5844	\$ 0.0991	\$ 3.67	\$ 3.55	\$ 0.12
1/2 GALLON	\$ 1.7659	\$ (0.2207)	\$ 0.2922	\$ 0.0510	\$ 1.89	\$ 1.83	\$ 0.06
QUART	\$ 1.1505	\$ (0.1438)	\$ 0.1461	\$ 0.0320	\$ 1.16	\$ 1.09	\$ 0.09
PINT	\$ 0.7109	\$ (0.0889)	\$ 0.0731	\$ 0.0193	\$ 0.72	\$ 0.59	\$ 0.13
12 OUNCE	\$ 0.3478	\$ (0.0435)	\$ 0.0548	\$ 0.0100	\$ 0.37	\$ 0.38	\$ (0.01)
10 OUNCE	\$ 0.3192	\$ (0.0399)	\$ 0.0457	\$ 0.0090	\$ 0.33	\$ 0.34	\$ (0.01)
1/2 PINT	\$ 0.2595	\$ (0.0324)	\$ 0.0365	\$ 0.0073	\$ 0.27	\$ 0.26	\$ 0.01
4 OUNCE	\$ 0.1649	\$ (0.0206)	\$ 0.0183	\$ 0.0045	\$ 0.17	\$ 0.15	\$ 0.02
Bulk per Quart	\$ 0.9722	\$ (0.1215)	\$ 0.1461	\$ 0.0277	\$ 1.02	\$ 1.02	\$ -
<b>LOWFAT (1%) MILK</b>							
GALLON	\$ 3.2006	\$ (0.4001)	\$ 0.5844	\$ 0.0939	\$ 3.48	\$ 3.36	\$ 0.12
1/2 GALLON	\$ 1.6588	\$ (0.2074)	\$ 0.2922	\$ 0.0484	\$ 1.79	\$ 1.74	\$ 0.05
QUART	\$ 1.0970	\$ (0.1371)	\$ 0.1461	\$ 0.0307	\$ 1.14	\$ 1.04	\$ 0.10
PINT	\$ 0.6842	\$ (0.0855)	\$ 0.0731	\$ 0.0188	\$ 0.69	\$ 0.57	\$ 0.12
12 OUNCE	\$ 0.3280	\$ (0.0410)	\$ 0.0548	\$ 0.0095	\$ 0.35	\$ 0.36	\$ (0.01)
10 OUNCE	\$ 0.3025	\$ (0.0378)	\$ 0.0457	\$ 0.0086	\$ 0.32	\$ 0.32	\$ -
1/2 PINT	\$ 0.2461	\$ (0.0308)	\$ 0.0365	\$ 0.0070	\$ 0.26	\$ 0.25	\$ 0.01
4 OUNCE	\$ 0.1581	\$ (0.0198)	\$ 0.0183	\$ 0.0043	\$ 0.16	\$ 0.15	\$ 0.01
Bulk per Quart	\$ 0.9186	\$ (0.1148)	\$ 0.1461	\$ 0.0264	\$ 0.96	\$ 0.97	\$ 0.01
<b>NONFAT (SKIM) MILK</b>							
GALLON	\$ 3.0278	\$ (0.3785)	\$ 0.5844	\$ 0.0897	\$ 3.32	\$ 3.21	\$ 0.11
1/2 GALLON	\$ 1.5724	\$ (0.1986)	\$ 0.2922	\$ 0.0463	\$ 1.71	\$ 1.68	\$ 0.05
QUART	\$ 1.0538	\$ (0.1317)	\$ 0.1461	\$ 0.0296	\$ 1.10	\$ 1.00	\$ 0.10
PINT	\$ 0.6625	\$ (0.0828)	\$ 0.0731	\$ 0.0181	\$ 0.67	\$ 0.55	\$ 0.12
12 OUNCE	\$ 0.3119	\$ (0.0390)	\$ 0.0548	\$ 0.0091	\$ 0.34	\$ 0.34	\$ -
10 OUNCE	\$ 0.2889	\$ (0.0361)	\$ 0.0457	\$ 0.0083	\$ 0.31	\$ 0.31	\$ -
1/2 PINT	\$ 0.2353	\$ (0.0294)	\$ 0.0365	\$ 0.0067	\$ 0.25	\$ 0.24	\$ 0.01
4 OUNCE	\$ 0.1527	\$ (0.0191)	\$ 0.0183	\$ 0.0042	\$ 0.16	\$ 0.14	\$ 0.02
Bulk per Quart	\$ 0.8755	\$ (0.1094)	\$ 0.1461	\$ 0.0253	\$ 0.94	\$ 0.93	\$ 0.01

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

Attachment 5  
Page 2 of 3

**RETAIL PRICE BUILDUP  
FEBRUARY 2019 MILK PRICES**

Container Size	A	B	C	D	E	F	G	
	EX. 11 Proposed Wholesale Price	12.5% Deepest Discount	In-Store Handling \$ 0.1461	2.7% Store Profit	(A+B+C+D) Proposed Retail Price	Current Retail Price	(E - F) Increase (Decrease)	
<b>FLAVORED MILK</b>	GALLON	\$ 3.8824	\$ (0.4853)	\$ 0.5844	\$ 0.1105	\$ 4.09	\$ 3.95	\$ 0.14
	1/2 GALLON	\$ 1.9997	\$ (0.2500)	\$ 0.2922	\$ 0.0567	\$ 2.10	\$ 2.03	\$ 0.07
	QUART	\$ 1.2675	\$ (0.1584)	\$ 0.1461	\$ 0.0348	\$ 1.29	\$ 1.19	\$ 0.10
	PINT	\$ 0.7684	\$ (0.0962)	\$ 0.0731	\$ 0.0207	\$ 0.77	\$ 0.64	\$ 0.13
	12 OUNCE	\$ 0.3920	\$ (0.0490)	\$ 0.0548	\$ 0.0110	\$ 0.41	\$ 0.41	\$ -
	10 OUNCE	\$ 0.3558	\$ (0.0445)	\$ 0.0457	\$ 0.0099	\$ 0.37	\$ 0.37	\$ -
	1/2 PINT	\$ 0.2887	\$ (0.0361)	\$ 0.0365	\$ 0.0080	\$ 0.30	\$ 0.28	\$ 0.02
	4 OUNCE	\$ 0.1795	\$ (0.0224)	\$ 0.0183	\$ 0.0049	\$ 0.18	\$ 0.17	\$ 0.01
	Bulk per Quart	\$ 1.0891	\$ (0.1361)	\$ 0.1461	\$ 0.0305	\$ 1.13	\$ 1.12	\$ 0.01
	<b>FLAVORED REDUCED FAT MILK</b>	GALLON	\$ 3.4650	\$ (0.4331)	\$ 0.5844	\$ 0.1003	\$ 3.72	\$ 3.62
1/2 GALLON		\$ 1.7910	\$ (0.2239)	\$ 0.2922	\$ 0.0516	\$ 1.91	\$ 1.87	\$ 0.04
QUART		\$ 1.1632	\$ (0.1454)	\$ 0.1461	\$ 0.0323	\$ 1.20	\$ 1.11	\$ 0.09
PINT		\$ 0.7172	\$ (0.0897)	\$ 0.0731	\$ 0.0194	\$ 0.72	\$ 0.60	\$ 0.12
12 OUNCE		\$ 0.3529	\$ (0.0441)	\$ 0.0548	\$ 0.0101	\$ 0.37	\$ 0.38	\$ (0.01)
10 OUNCE		\$ 0.3232	\$ (0.0404)	\$ 0.0457	\$ 0.0091	\$ 0.34	\$ 0.34	\$ -
1/2 PINT		\$ 0.2626	\$ (0.0328)	\$ 0.0365	\$ 0.0074	\$ 0.27	\$ 0.26	\$ 0.01
4 OUNCE		\$ 0.1664	\$ (0.0208)	\$ 0.0183	\$ 0.0045	\$ 0.17	\$ 0.16	\$ 0.01
Bulk per Quart		\$ 0.9848	\$ (0.1231)	\$ 0.1461	\$ 0.0280	\$ 1.04	\$ 1.04	\$ -
<b>FLAVORED NONFAT MILK</b>		GALLON	\$ 3.2356	\$ (0.4045)	\$ 0.5844	\$ 0.0948	\$ 3.51	\$ 3.40
	1/2 GALLON	\$ 1.6763	\$ (0.2095)	\$ 0.2922	\$ 0.0488	\$ 1.81	\$ 1.76	\$ 0.05
	QUART	\$ 1.1058	\$ (0.1382)	\$ 0.1461	\$ 0.0309	\$ 1.14	\$ 1.05	\$ 0.09
	PINT	\$ 0.6886	\$ (0.0861)	\$ 0.0731	\$ 0.0187	\$ 0.69	\$ 0.57	\$ 0.12
	12 OUNCE	\$ 0.3313	\$ (0.0414)	\$ 0.0548	\$ 0.0086	\$ 0.35	\$ 0.36	\$ (0.01)
	10 OUNCE	\$ 0.3052	\$ (0.0382)	\$ 0.0457	\$ 0.0087	\$ 0.32	\$ 0.33	\$ (0.01)
	1/2 PINT	\$ 0.2483	\$ (0.0310)	\$ 0.0365	\$ 0.0070	\$ 0.26	\$ 0.25	\$ 0.01
	4 OUNCE	\$ 0.1593	\$ (0.0189)	\$ 0.0183	\$ 0.0044	\$ 0.16	\$ 0.15	\$ 0.01
	Bulk per Quart	\$ 0.9274	\$ (0.1159)	\$ 0.1461	\$ 0.0266	\$ 0.98	\$ 0.98	\$ -
	<b>BUTTERMILK</b>	GALLON	\$ 3.5378	\$ (0.4422)	\$ 0.5844	\$ 0.1021	\$ 3.78	\$ 3.55
1/2 GALLON		\$ 1.8275	\$ (0.2284)	\$ 0.2922	\$ 0.0525	\$ 1.94	\$ 1.83	\$ 0.11
QUART		\$ 1.1814	\$ (0.1477)	\$ 0.1461	\$ 0.0327	\$ 1.21	\$ 1.09	\$ 0.12
PINT		\$ 0.7263	\$ (0.0908)	\$ 0.0731	\$ 0.0197	\$ 0.73	\$ 0.59	\$ 0.14
12 OUNCE		\$ 0.3597	\$ (0.0450)	\$ 0.0548	\$ 0.0103	\$ 0.38	\$ 0.38	\$ -
10 OUNCE		\$ 0.3288	\$ (0.0411)	\$ 0.0457	\$ 0.0093	\$ 0.34	\$ 0.34	\$ -
1/2 PINT		\$ 0.2672	\$ (0.0334)	\$ 0.0365	\$ 0.0075	\$ 0.28	\$ 0.26	\$ 0.02
4 OUNCE		\$ 0.1687	\$ (0.0211)	\$ 0.0183	\$ 0.0046	\$ 0.17	\$ 0.15	\$ 0.02
Bulk per Quart		\$ 1.0030	\$ (0.1254)	\$ 0.1461	\$ 0.0284	\$ 1.05	\$ 1.02	\$ 0.03

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 6**

**RETAIL PRICE BUILDUP  
FEBRUARY 2019 MILK PRICES**

	A EX. 11	B	C	D	E (A+B+C+D)	F	G (E - F)	
Container Size	Proposed Wholesale Price	12.6% Deepest Discount	In-Store Handling \$ 0.1461	2.7% Store Profit	Proposed Retail Price	Current Retail Price	Increase (Decrease)	
<b>EGG NOG</b>	<b>GALLON</b>	\$ 5.7301	\$ (0.7163)	\$ 0.5844	\$ 0.1553	\$ 5.75	\$ 5.72	\$ 0.03
	<b>1/2 GALLON</b>	\$ 2.9235	\$ (0.3654)	\$ 0.2922	\$ 0.0791	\$ 2.93	\$ 2.92	\$ 0.01
	<b>QUART</b>	\$ 1.7294	\$ (0.2162)	\$ 0.1461	\$ 0.0460	\$ 1.74	\$ 1.66	\$ 0.08
	<b>PINT</b>	\$ 1.0003	\$ (0.1250)	\$ 0.0731	\$ 0.0263	\$ 1.01	\$ 0.89	\$ 0.12
	<b>12 OUNCE</b>	\$ 0.5652	\$ (0.0707)	\$ 0.0548	\$ 0.0152	\$ 0.56	\$ 0.59	\$ (0.01)
	<b>10 OUNCE</b>	\$ 0.5601	\$ (0.0625)	\$ 0.0457	\$ 0.0134	\$ 0.51	\$ 0.52	\$ (0.01)
	<b>1/2 PINT</b>	\$ 0.4042	\$ (0.0505)	\$ 0.0365	\$ 0.0108	\$ 0.41	\$ 0.41	\$ -
	<b>4 OUNCE</b>	\$ 0.2372	\$ (0.0297)	\$ 0.0183	\$ 0.0063	\$ 0.25	\$ 0.23	\$ 0.02
	<b>Bulk per Quart</b>	\$ 1.5510	\$ (0.1939)	\$ 0.1461	\$ 0.0417	\$ 1.56	\$ 1.58	\$ (0.02)