ORDER ADOPTING ADJUSTED BUTTERFAT RANGES
IN ALL MILK MARKETING AREAS

NOW, this 3rd day of August 1999, the Commonwealth of Pennsylvania, Milk Marketing Board adopts and 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 August 10, 1999.

SECTION I

The attached findings of fact and conclusions of law are incorporated herein by this reference as though fully set forth in this order.

SECTION II

(a) The butterfat ranges incorporated in the price orders for all milk marketing areas are amended as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Milk</td>
<td>3.10</td>
<td>6.00</td>
</tr>
<tr>
<td>Reduced Fat Milk</td>
<td>1.50</td>
<td>3.09</td>
</tr>
<tr>
<td>Lowfat Milk</td>
<td>0.50</td>
<td>1.49</td>
</tr>
<tr>
<td>Nonfat Milk</td>
<td>0.00</td>
<td>0.49</td>
</tr>
<tr>
<td>Flavored Milk</td>
<td>3.10</td>
<td>6.00</td>
</tr>
<tr>
<td>Flavored Reduced Fat Milk</td>
<td>0.00</td>
<td>3.09</td>
</tr>
<tr>
<td>Buttermilk</td>
<td>0.00</td>
<td>6.00</td>
</tr>
<tr>
<td>Mixed Milk (Half &amp; Half)</td>
<td>6.01</td>
<td>17.99</td>
</tr>
</tbody>
</table>
Light Cream
Medium Cream
Heavy Cream
Sour Cream

Low  18.00  High  29.99
Low  30.00  High  35.99
Low  36.00  High  50.00
Low  0.00   High  29.99

(b) The adjusted ranges will henceforth appear on the monthly price sheets issued by the Board.

PENNSYLVANIA MILK MARKETING BOARD

Beverly R. Minor, Chairwoman

J. Robert Derry, Consumer Member

Luke F. Brubaker, Member

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FINDINGS OF FACT AND CONCLUSIONS OF LAW
HEARING FOR ALL MILK MARKETING AREAS
JUNE 2 and JULY 7, 1999

I. FINDINGS OF FACT

1. On June 2 and July 7, 1999, the Pennsylvania Milk Marketing Board (Board) conducted a hearing for all milk marketing areas to consider (a) adjusting the resale price structure in connection with federal order consolidation, (b) issues directly related to producer pricing under the new federal orders, and (c) current standards for butterfat ranges found on the Board’s price sheets and in official general orders for the various milk marketing areas, as compared with standards issued by the United States Department of Agriculture. An order addressing items (a) and (b) is being separately issued as Official General Order A-903.

2. Notice of the hearing was published at 29 Pennsylvania Bulletin 2350 - 51 on May 1, 1999, and at 29 Pennsylvania Bulletin 2629 on May 15, 1999. Notice was also mailed to all interested persons by means of Bulletin Nos. 1276 (April 16, 1999) and 1278 (May 6, 1999). (PMMB Exhibits 1 - 4)

3. The butterfat ranges incorporated in the price orders for the six milk marketing areas should be adjusted to simulate more closely the ranges for labeling required by the United States Department of Agriculture. The adjusted ranges should then appear on the Board’s monthly price sheets. (N.T. 22 - 24, 71 - 72, Staff Exhibit 1).
II. CONCLUSIONS OF LAW

1. The June 2 and July 7, 1999, hearing for all milk marketing areas was held pursuant to authority granted to the Board in sections 801 and 803 of the Milk Marketing Law (Law), 31 P.S. §§ 700j-801 and 700j-803.

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

3. In establishing the attached official general order, the Board has considered the entire record and concludes that adoption of the adjusted butterfat ranges is supported by undisputed evidence and is reasonable and appropriate under the Law.

PENNSYLVANIA MILK MARKETING BOARD

Beverly R. Minor, Chairwoman

J. Robert Derry, Consumer Member

Luke F. Brubaker, Member

Dated: August 3, 1999