

# Before the Board of Milk Control of the State of Montana

## Announcement of Class I, II & III Producer Prices Effective September 01, 2020

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By Order of the Montana Milk Control Bureau

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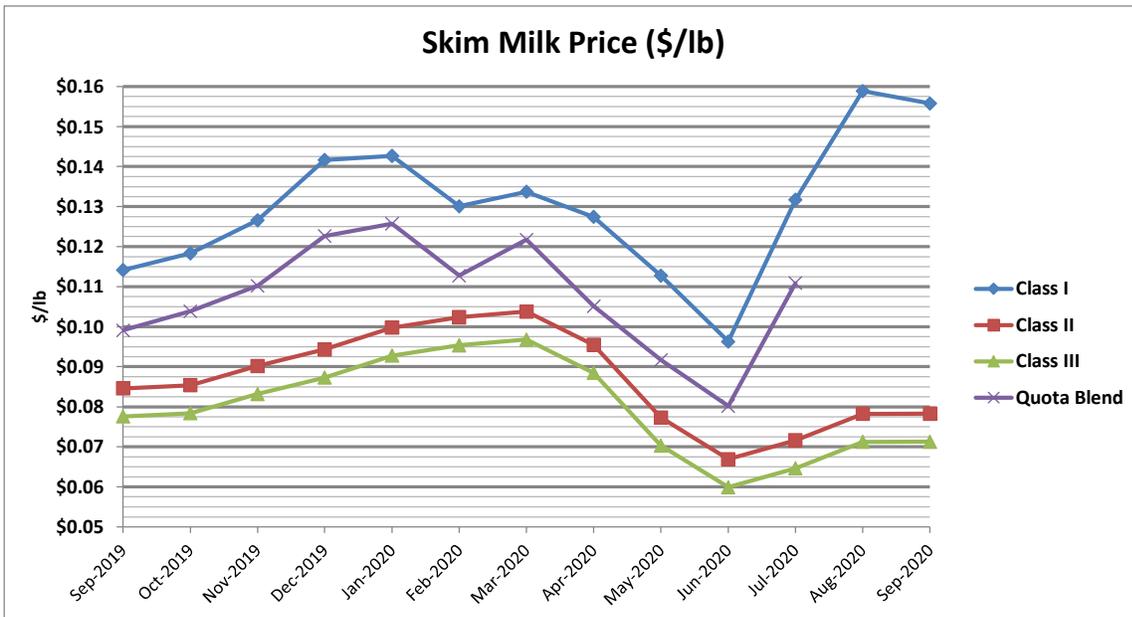
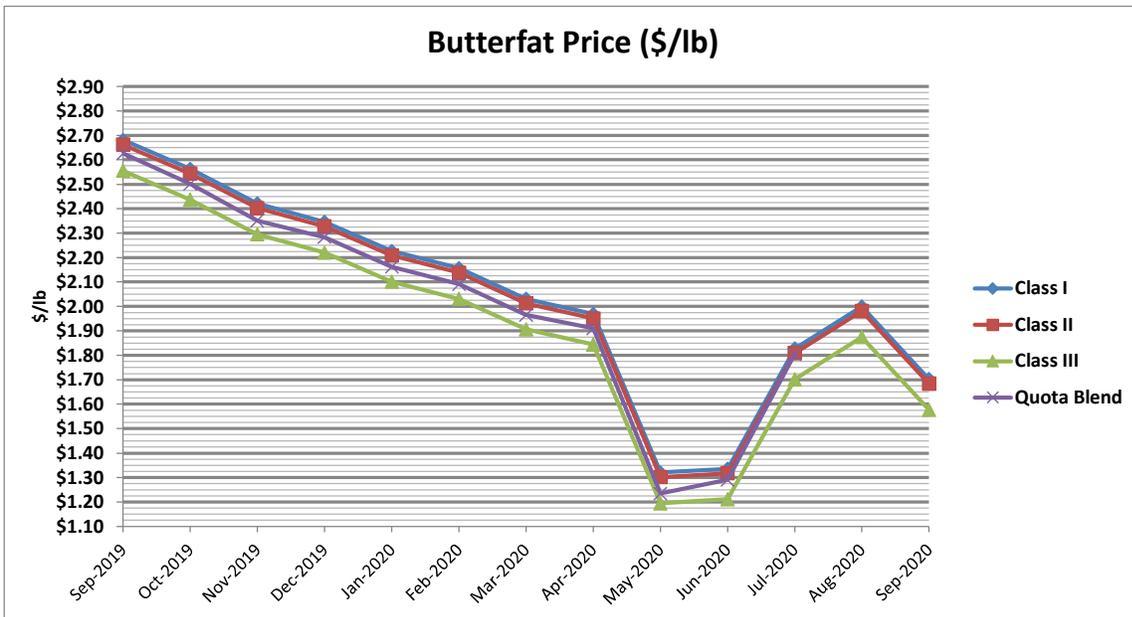
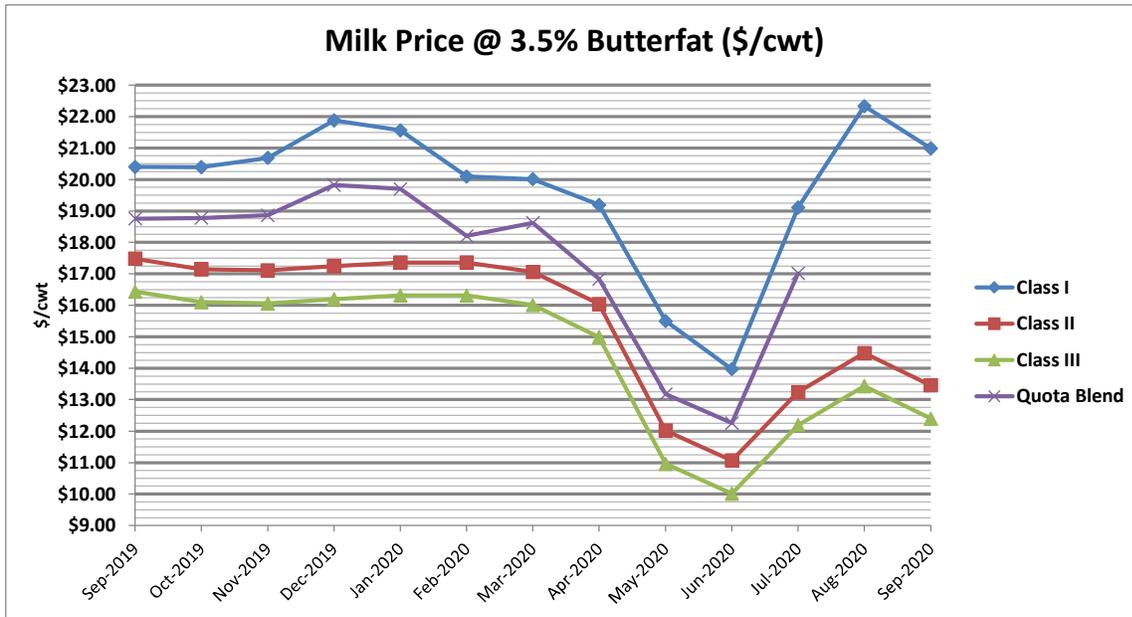
September 2020 Montana Price Announcement Summary			
	Price for Milk Testing 3.5% Butterfat (\$/cwt)	Butterfat Price (\$/lb)	Skim Milk Price (\$/lb) to seven decimal places
Class I	\$20.99000	\$1.7030	\$0.1557461
Class II	\$13.45170	\$1.6845	\$0.0783000
Class III	\$12.40170	\$1.5775	\$0.0713000

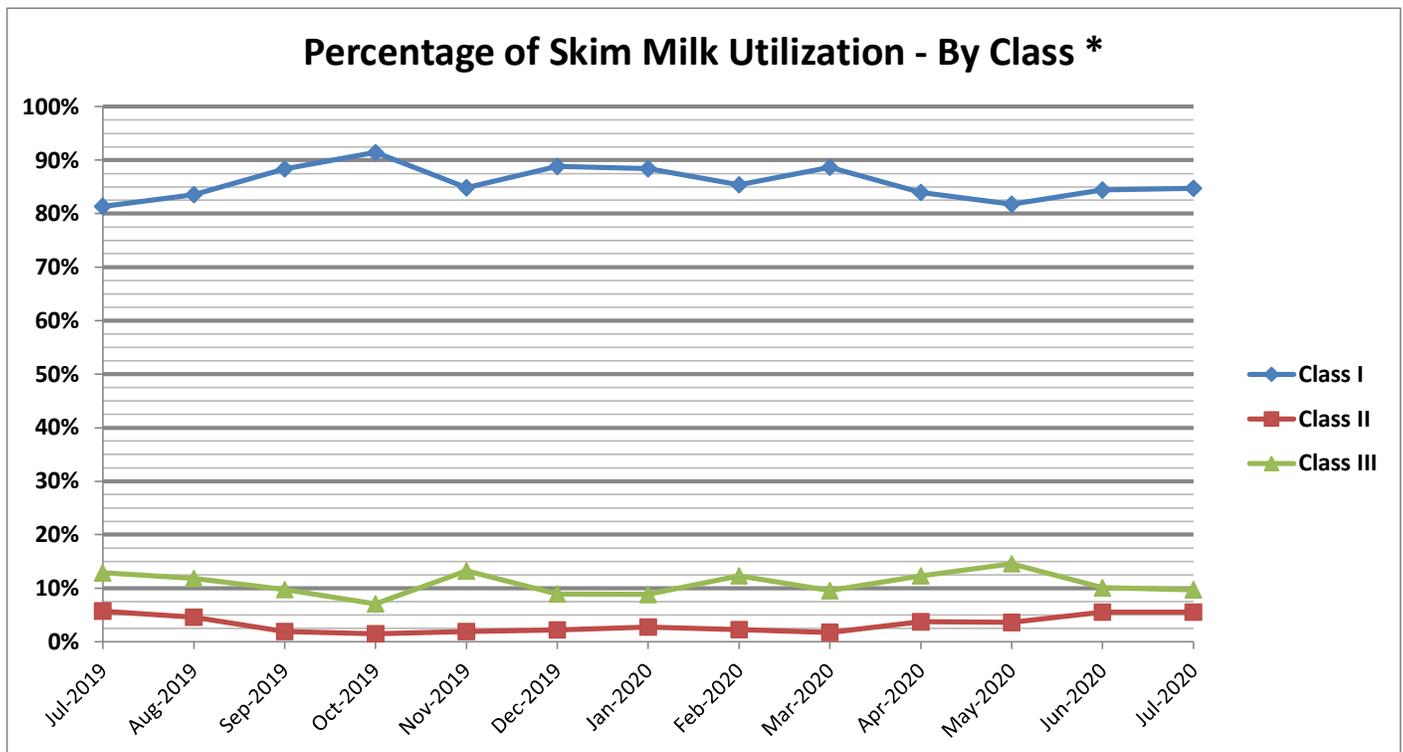
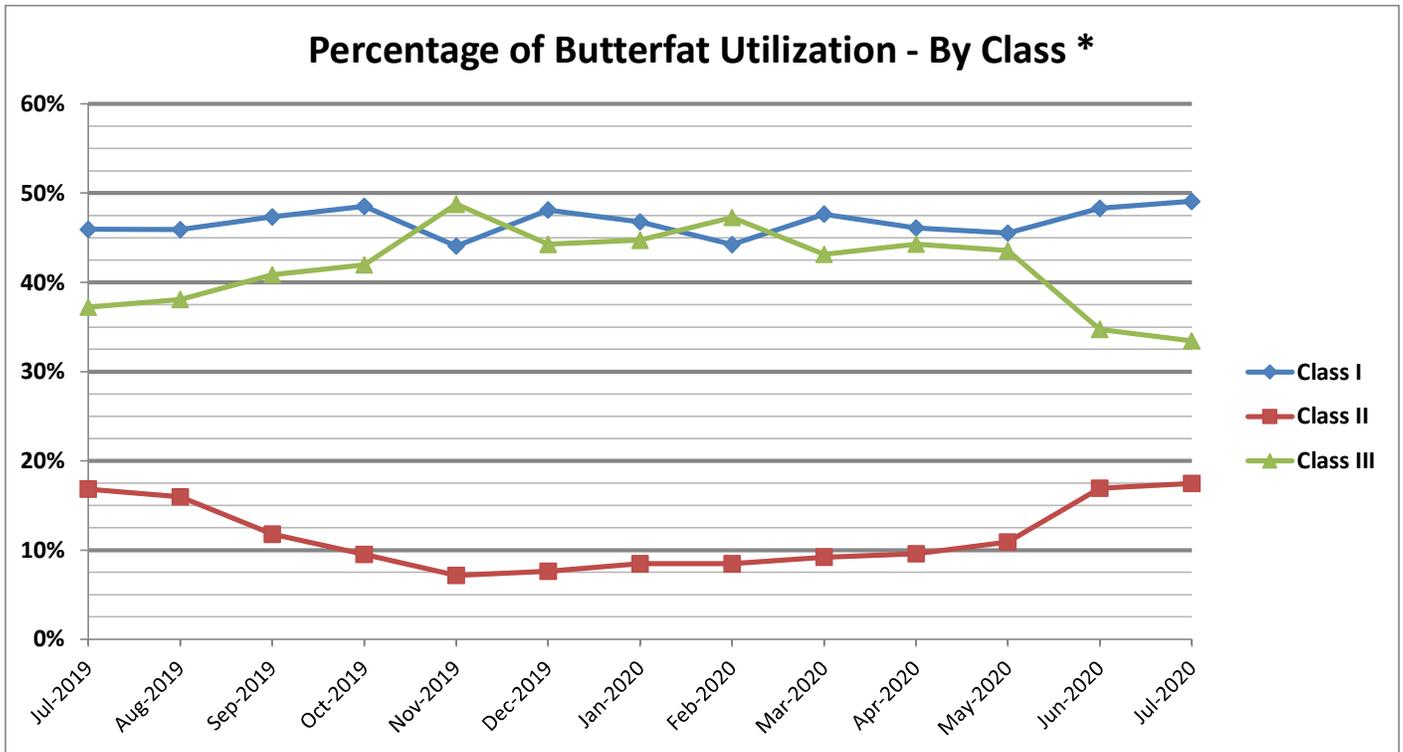
Montana Class I Price Computations per ARM 32.24.480(2)			
	Federal Order Base Class I Price for Milk Testing 3.5% Butterfat (\$/cwt):	\$	18.44
	Plus: Montana Differential (\$/cwt)	\$	2.55
	Montana Class I Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	20.99
	Federal Order Advanced Butterfat Pricing Factor (\$/lb)	\$	1.6775
	Plus: Montana Differential (\$/lb)	\$	0.0255
	Montana Class I Butterfat Price (\$/lb)	\$	1.7030
	Value of Montana Class I Butterfat at 3.5 lbs	\$	5.96050
	Value of Montana Class I Skim Milk at 96.5 lbs	\$	15.02950
	Montana Class I Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	20.99000

Montana Class II Price Computations per ARM 32.24.480(3)			
	Advanced Butterfat Pricing Factor (\$/lb)	\$	1.6775
	Plus: \$0.007/lb (\$/lb)	\$	0.0070
	Montana Class II Butterfat Price (\$/lb)	\$	1.6845
	Montana Class II Skim Milk Price (\$/lb): federal Class II Skim Milk Price converted to units of dollars per pound of skim milk	\$	0.0783
	Value of Montana Class II Butterfat at 3.5 lbs	\$	5.89575
	Value of Montana Class II Skim Milk at 96.5 lbs	\$	7.55595
	Montana Class II Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	13.45170

Montana Class III Price Computations per ARM 32.24.480(4)			
	Advanced Butterfat Pricing Factor (\$/lb)	\$	1.6775
	Less: Montana Class III Butterfat Price Differential (\$/lb)	\$	(0.1000)
	Montana Class III Butterfat Price (\$/lb)	\$	1.5775
	Federal Class III Skim Milk Pricing Factor (\$/cwt)	\$	17.43
	Federal Class IV Skim Milk Pricing Factor (\$/cwt)	\$	7.13
	Montana Class III Skim Milk Price: lower of Class III or Class IV Skim Milk Pricing Factor converted to units of dollars per pound of skim milk (\$/lb)	\$	0.0713
	Value of Montana Class III Butterfat at 3.5 lbs	\$	5.52125
	Value of Montana Class III Skim Milk at 96.5 lbs	\$	6.88045
	Montana Class III Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	12.40170

Reference Prices for Montana Producer Price Calculations USDA Announcement of Advanced Prices and Pricing Factors - August 19, 2020	
Federal Order Base Class I Price (\$/cwt)	\$18.44
Advanced Butterfat Pricing Factor (\$/lb)	\$1.6775
Class II Skim Milk Price (\$/cwt)	\$7.83
Class III Skim Milk Pricing Factor (\$/cwt)	\$17.43
Class IV Skim Milk Pricing Factor (\$/cwt)	\$7.13





\* Approximately 30% of skim milk utilization and 15% of butterfat utilization is for Class I milk that is sold as surplus milk. Surplus sales adjustments decrease the pool skim milk utilization value by \$2.55/cwt for sales to markets contiguous to Montana and by \$3.05/cwt for sales to markets non-contiguous to Montana.