



Commonwealth of Pennsylvania
Milk Marketing Board
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Official General

Posted:

March 3, 2021

Order No. A-993 (CRO 5)

Effective:

April 1, 2021

**COST REPLACEMENT ORDER FOR THE
SOUTHEASTERN MILK MARKETING AREA, AREA 1**

NOW, this 3rd day of March 2021, 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 April 1, 2021.

**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 costs adopted by the Board in this order will replace the costs for these cost centers embodied in Official General Order (OGO) A-993 (CRO 4) and will be incorporated into the wholesale and retail prices of price-controlled packaged products sold in Milk Marketing Area 1, as defined in Section B of OGO A-993.

(b) The rate of return for dealers is 3.5%.

(c) The rate of return to retailers is 2.5%.

SECTION C
EFFECTIVENESS OF OFFICIAL GENERAL ORDER A-993

All parts of Official General Order A-993 not inconsistent with Section B of this order continue in effect.

PENNSYLVANIA MILK MARKETING BOARD

Robert N. Barley, Chairman

James A. Van Blarcom, Member

Date: March 3, 2021

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FINDINGS OF FACT AND CONCLUSIONS OF LAW
COST REPLACEMENT HEARING FOR MILK MARKETING AREA NO. 1
FEBRUARY 3, 2021

I. FINDINGS OF FACT

1. On February 3, 2021, the Pennsylvania Milk Marketing Board (“Board”) held a cost replacement hearing for Milk Marketing Area No. 1.

2. Notice of the hearing was published at 50 Pennsylvania Bulletin 6842 on November 28, 2020. It was also mailed to those who have requested mailed notice of Board hearings via Board Bulletin No. 1582, dated November 13, 2020. 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 1 Milk Dealers (“Dealers”), the only parties to present dealer cost information, consisted of Clover Farms Dairy Company; Dean Dairy Holdings LLC dba Swiss Premium Dairy; Tuscan/Lehigh Dairies, Inc. – Lansdale; Wawa Beverage Company, and Milk Industry Management Corporation t/a Balford Farms.

4. Clifford Ackman, appearing on behalf of Board Staff as an expert in milk industry statistics, testified that the dealer cross section was representative of the dealers doing business in Area 1. Mr. Ackman testified that the reported sales ratios of the cross-section dealers were very much like the reported sales ratios of all dealers in Area 1 as the comparison of product sales ratios was within statistically acceptable limits at 5% using the Chi-square goodness of fit test. Mr. Ackman further testified, based on the volume, containers, products sold, types of customers, and delivery techniques, that the cross-section dealers were representative of all dealers doing business in Area 1. Ron Mong, appearing on behalf of 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 1.

5. Gary Gojsovich testified on behalf of Board Staff as an expert in milk industry cost accounting and enforcement. Both Mr. Gojsovich and Mr. Mong testified that the cross-section dealers incurred a cost of \$0.3478 per point for processing, packaging, and delivering milk in 2019. Based on this uncontradicted testimony, the Board finds that the cross section dealers incurred a cost of \$0.3478 per point for processing, packaging, and delivery, and further finds that \$0.3478 is the processing, packaging, and delivery cost that should be used in this order.

6. Mr. Gojsovich and Mr. Mong testified to the following 2020 ingredient costs, based on year 2019 pounds: Standard Milk - \$0.0000/lb; Reduced Fat Milk - \$0.0002/lb; Low Fat Milk - \$0.0002/lb; Non-Fat Milk - \$0.0006/lb; Flavored Milk - \$0.0387/lb; Flavored Reduced Fat Milk - \$0.0343/lb; Flavored Non-Fat Milk - \$0.0314/lb; Buttermilk - \$0.0044/lb; Egg Nog - \$0.0962/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 \$(0.0002) per point between the first halves of 2019 and 2020. The Board finds that \$(0.0002) 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 presented concurring evidence regarding the cost of shrinkage and sales of bulk products of \$0.0037 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 \$0.0037 per pound.

11. Based on the container costs evidence and testimony presented by Mr. Gojsovich and Mr. Mong, the Board finds that the following base container costs should be adopted for this order: Gallon - \$0.1986; Half Gallon - \$0.1452; Quart - \$0.1084; Pint - \$0.0853; Half Pint (paper) - \$0.0243; Half Pint (plastic) - \$0.0670; 12 Ounce - \$0.0361; 10 Ounce - \$0.0301; 4 Ounce - \$0.0202; Bulk Per Quart (Dispenser) - \$0.0531. 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 \$0.0427 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.

Based on year 2019 container sales and year 2019 costs per point for the bottling, cold room, and delivery cost centers, Mr. Gojsovich and Mr. Mong arrived at the following container efficiency adjustments:

Gallon	\$(0.0639)
Half Gallon	\$(0.0419)
Quart	\$0.0280
Pint	\$0.0549
Half Pint	\$0.0199
4 ounce	\$0.0271
Bulk (per quart)	\$0.1195

The Board finds that the container efficiency adjustments should be updated as presented by Mr. Gojsovich and Mr. Mong.

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. Gojsovich testified that the cost replacement process would result in the minimum retail price of a gallon of 2% milk increasing by \$0.08 from the current minimum retail price. He attributed the majority of the increase to the cost per processing point increasing from year 2018 to year 2019. The Board notes that the prior cost replacement hearing resulted in the minimum retail price of a gallon of 2% milk decreasing \$0.05 from the then current minimum price based on a decrease in the processing costs and cost update adjustment at that time.

15. Mr. Mong recommended that the Board maintain the rate of return at 3.5%. He testified that the rate of return serves as an important factor in the ability of Pennsylvania's fluid milk processors to maintain and invest in their operations. Mr. Mong also testified that maintaining the current rate of return is important for consistency and stability during an uncertain and difficult time for the dairy industry. No other party offered rate of return evidence.

Based on Mr. Mong's testimony the Board finds the rate of return should remain at 3.5%.

16. An in-store handling costs hearing is pending. 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 2.5% 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 February 3, 2021, cost replacement hearing for Milk Marketing Area No. 1 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. 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

Date: March 3, 2021

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PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 1

Diesel Fuel Costs Adjustment

Update of Diesel Fuel Costs from YEAR 2019 to OCTOBER 2020

1. Weighted Diesel Fuel Costs - YEAR 2019	\$	2,018,653
2. Average On-Highway Diesel Price per Gallon - YEAR 2019 (1)	\$	3.267
3. On-Highway Diesel Price per Gallon - OCTOBER 2020 (1)	\$	2.651
4. Percent Change In Diesel Fuel Price per Gallon ((Line 3 - Line 2) ÷ Line 2)		-18.86%
5. Presumed Diesel Fuel Costs - OCTOBER 2020 ((Line 1 X Line 4) + Line 1)	\$	<u>1,638,032</u>
6. Change in Diesel Fuel Costs from YEAR 2019 to OCTOBER 2020 (Line 5 - Line 1)	\$	(380,621)
7. Weighted Delivery Points - YEAR 2019		<u>175,679,021</u>
8. Change in Diesel Fuel Costs per Delivery Point (Line 6 ÷ Line 7)	\$	<u>(0.0022)</u>

Footnote:

1. 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

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 1**

Heating Fuel Costs Adjustment

Update of Heating Fuel Costs from YEAR 2019 to AUGUST 2020

1. Weighted Heating Fuel Costs - YEAR 2019	\$	169,102
2. Pennsylvania Average Natural Gas Price - Industrial - YEAR 2019 (1)	\$	8.21
3. Pennsylvania Average Natural Gas Price - Industrial - AUGUST 2020 (1)	\$	7.95
4. Percent Change In Natural Gas Price ((Line 3 - Line 2) ÷ Line 2)		-3.17%
5. Presumed Heating Fuel Costs - AUGUST 2020 ((Line 1 X Line 4) + Line 1)	\$	<u>163,741</u>
6. Change in Heating Fuel Costs from YEAR 2019 to AUGUST 2020 (Line 5 - Line 1)	\$	(5,361)
7. Weighted Standardization & Pasteurization (S&P) Points - YEAR 2019		<u>161,268,348</u>
8. Change in Heating Fuel Costs per S&P Point (Line 6 ÷ Line 7)	\$	<u><u>-</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 1**

**MILK COSTS BEFORE PACKAGING
DECEMBER 2020 MILK COSTS**

	Class I
Skim Rate	\$ 19.41
Butterfat Rate	\$ 1.6209

Product Description	A	B	C	D	E	F	G	H	I	J	K
	Product Pounds	Butterfat Pounds	(B ÷ A)	(A - B)	(B × BF Rate)	(D × Skim Rate)	(E + F)	(G ÷ A)	(EX. 4)	(EX. 5)	(H + I + J)
			Percentage	Skim Pounds	Butterfat Value	Skim Value	Total Value	Cost per Pound	Ingredient Cost	Bulk Sale (Profit)/Loss	Total Cost per Pound
Standard (Whole) Milk	85,517,409	2,806,726	3.2821%	82,710,683	\$ 4,549,422	\$ 16,054,144	\$ 20,603,566	\$ 0.2409	\$ -	\$ 0.0037	\$ 0.2446
Reduced Fat (2%) Milk	59,196,974	1,158,011	1.9562%	58,038,963	\$ 1,877,020	\$ 11,265,363	\$ 13,142,383	\$ 0.2220	\$ 0.0002	\$ 0.0037	\$ 0.2259
Low Fat (1%) Milk	32,036,401	307,415	0.9596%	31,728,986	\$ 498,289	\$ 6,158,596	\$ 6,656,885	\$ 0.2078	\$ 0.0002	\$ 0.0037	\$ 0.2117
Non Fat (Skim) Milk	19,318,216	20,141	0.1043%	19,298,075	\$ 32,647	\$ 3,745,756	\$ 3,778,403	\$ 0.1956	\$ 0.0006	\$ 0.0037	\$ 0.1999
Flavored Milk	920,565	27,291	2.9646%	893,274	\$ 44,236	\$ 173,384	\$ 217,620	\$ 0.2364	\$ 0.0387	\$ 0.0037	\$ 0.2788
Flavored Reduced Fat Milk	9,974,716	95,893	0.9614%	9,878,823	\$ 155,433	\$ 1,917,480	\$ 2,072,913	\$ 0.2078	\$ 0.0343	\$ 0.0037	\$ 0.2458
Flavored NONFAT Milk	10,965,985	11,135	0.1015%	10,954,850	\$ 18,049	\$ 2,126,336	\$ 2,144,385	\$ 0.1955	\$ 0.0314	\$ 0.0037	\$ 0.2306
Buttermilk	2,313,652	46,572	2.0129%	2,267,080	\$ 75,489	\$ 440,040	\$ 515,529	\$ 0.2228	\$ 0.0044	\$ 0.0037	\$ 0.2309
Egg Nog	1,203,727	84,418	7.0131%	1,119,309	\$ 136,833	\$ 217,258	\$ 354,091	\$ 0.2942	\$ 0.0962	\$ 0.0037	\$ 0.3941

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 1**

**WHOLESALE PRICE BUILDUP
DECEMBER 2020 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.50%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	
STANDARD (WHOLE) MILK	GALLON	\$ 2.1036	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 3.6046	\$ 0.1307	\$ 3.7353	\$ (0.5068)	\$ 1.0552	\$ 4.2837
	1/2 GALLON	\$ 1.0518	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 1.8350	\$ 0.0666	\$ 1.9016	\$ (0.2534)	\$ 0.5276	\$ 2.1758
	QUART	\$ 0.5259	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 1.0187	\$ 0.0369	\$ 1.0556	\$ (0.1267)	\$ 0.2638	\$ 1.1927
	PINT	\$ 0.2629	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.5805	\$ 0.0211	\$ 0.6016	\$ (0.0634)	\$ 0.1319	\$ 0.6701
	12 OUNCE	\$ 0.1972	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.3635	\$ 0.0132	\$ 0.3767	\$ (0.0475)	\$ 0.0989	\$ 0.4281
	10 OUNCE	\$ 0.1643	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.3029	\$ 0.0110	\$ 0.3139	\$ (0.0396)	\$ 0.0824	\$ 0.3567
	1/2 PINT	\$ 0.1315	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.2630	\$ 0.0095	\$ 0.2725	\$ (0.0317)	\$ 0.0660	\$ 0.3068
	4 OUNCE	\$ 0.0657	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1567	\$ 0.0057	\$ 0.1624	\$ (0.0158)	\$ 0.0330	\$ 0.1796
	Bulk per Quart	\$ 0.5259	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 1.0464	\$ 0.0380	\$ 1.0844	\$ (0.1267)	\$ 0.2638	\$ 1.2215
REDUCED FAT (2%) MILK	GALLON	\$ 1.9473	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 3.4483	\$ 0.1251	\$ 3.5734	\$ (0.5068)	\$ 1.0552	\$ 4.1218
	1/2 GALLON	\$ 0.9736	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 1.7568	\$ 0.0637	\$ 1.8205	\$ (0.2534)	\$ 0.5276	\$ 2.0947
	QUART	\$ 0.4868	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 0.9796	\$ 0.0355	\$ 1.0151	\$ (0.1267)	\$ 0.2638	\$ 1.1522
	PINT	\$ 0.2434	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.5610	\$ 0.0203	\$ 0.5813	\$ (0.0634)	\$ 0.1319	\$ 0.6498
	12 OUNCE	\$ 0.1826	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.3489	\$ 0.0127	\$ 0.3616	\$ (0.0475)	\$ 0.0989	\$ 0.4130
	10 OUNCE	\$ 0.1521	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.2907	\$ 0.0105	\$ 0.3012	\$ (0.0396)	\$ 0.0824	\$ 0.3440
	1/2 PINT	\$ 0.1217	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.2532	\$ 0.0092	\$ 0.2624	\$ (0.0317)	\$ 0.0660	\$ 0.2967
	4 OUNCE	\$ 0.0609	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1519	\$ 0.0055	\$ 0.1574	\$ (0.0158)	\$ 0.0330	\$ 0.1746
	Bulk per Quart	\$ 0.4868	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 1.0073	\$ 0.0365	\$ 1.0438	\$ (0.1267)	\$ 0.2638	\$ 1.1809
LOW FAT (1%) MILK	GALLON	\$ 1.8249	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 3.3259	\$ 0.1206	\$ 3.4465	\$ (0.5068)	\$ 1.0552	\$ 3.9949
	1/2 GALLON	\$ 0.9124	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 1.6956	\$ 0.0615	\$ 1.7571	\$ (0.2534)	\$ 0.5276	\$ 2.0313
	QUART	\$ 0.4562	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 0.9490	\$ 0.0344	\$ 0.9834	\$ (0.1267)	\$ 0.2638	\$ 1.1205
	PINT	\$ 0.2281	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.5457	\$ 0.0198	\$ 0.5655	\$ (0.0634)	\$ 0.1319	\$ 0.6340
	12 OUNCE	\$ 0.1711	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.3374	\$ 0.0122	\$ 0.3496	\$ (0.0475)	\$ 0.0989	\$ 0.4010
	10 OUNCE	\$ 0.1426	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.2812	\$ 0.0102	\$ 0.2914	\$ (0.0396)	\$ 0.0824	\$ 0.3342
	1/2 PINT	\$ 0.1141	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.2456	\$ 0.0089	\$ 0.2545	\$ (0.0317)	\$ 0.0660	\$ 0.2888
	4 OUNCE	\$ 0.0570	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1480	\$ 0.0054	\$ 0.1534	\$ (0.0158)	\$ 0.0330	\$ 0.1706
	Bulk per Quart	\$ 0.4562	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 0.9767	\$ 0.0354	\$ 1.0121	\$ (0.1267)	\$ 0.2638	\$ 1.1492
NON FAT (SKIM) MILK	GALLON	\$ 1.7251	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 3.2261	\$ 0.1170	\$ 3.3431	\$ (0.5068)	\$ 1.0552	\$ 3.8915
	1/2 GALLON	\$ 0.8626	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 1.6458	\$ 0.0597	\$ 1.7055	\$ (0.2534)	\$ 0.5276	\$ 1.9797
	QUART	\$ 0.4313	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 0.9241	\$ 0.0335	\$ 0.9576	\$ (0.1267)	\$ 0.2638	\$ 1.0947
	PINT	\$ 0.2156	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.5332	\$ 0.0193	\$ 0.5525	\$ (0.0634)	\$ 0.1319	\$ 0.6210
	12 OUNCE	\$ 0.1617	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.3280	\$ 0.0119	\$ 0.3399	\$ (0.0475)	\$ 0.0989	\$ 0.3913
	10 OUNCE	\$ 0.1348	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.2734	\$ 0.0099	\$ 0.2833	\$ (0.0396)	\$ 0.0824	\$ 0.3261
	1/2 PINT	\$ 0.1078	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.2393	\$ 0.0087	\$ 0.2480	\$ (0.0317)	\$ 0.0660	\$ 0.2823
	4 OUNCE	\$ 0.0539	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1449	\$ 0.0053	\$ 0.1502	\$ (0.0158)	\$ 0.0330	\$ 0.1674
	Bulk per Quart	\$ 0.4313	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 0.9518	\$ 0.0345	\$ 0.9863	\$ (0.1267)	\$ 0.2638	\$ 1.1234

Footnote:

1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0018 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 1**

**WHOLESALE PRICE BUILDUP
DECEMBER 2020 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.50%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	
FLAVORED MILK	GALLON	\$ 2.2304	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 3.7314	\$ 0.1353	\$ 3.8667	\$ (0.5068)	\$ 1.0552	\$ 4.4151
	1/2 GALLON	\$ 1.1152	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 1.8984	\$ 0.0689	\$ 1.9673	\$ (0.2534)	\$ 0.5276	\$ 2.2415
	QUART	\$ 0.5576	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 1.0504	\$ 0.0381	\$ 1.0885	\$ (0.1267)	\$ 0.2638	\$ 1.2256
	PINT	\$ 0.2788	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.5964	\$ 0.0216	\$ 0.6180	\$ (0.0634)	\$ 0.1319	\$ 0.6865
	12 OUNCE	\$ 0.2091	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.3754	\$ 0.0136	\$ 0.3890	\$ (0.0475)	\$ 0.0989	\$ 0.4404
	10 OUNCE	\$ 0.1743	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.3129	\$ 0.0113	\$ 0.3242	\$ (0.0396)	\$ 0.0824	\$ 0.3670
	1/2 PINT	\$ 0.1394	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.2709	\$ 0.0098	\$ 0.2807	\$ (0.0317)	\$ 0.0660	\$ 0.3150
	4 OUNCE	\$ 0.0697	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1607	\$ 0.0058	\$ 0.1665	\$ (0.0158)	\$ 0.0330	\$ 0.1837
	Bulk per Quart	\$ 0.5576	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 1.0781	\$ 0.0391	\$ 1.1172	\$ (0.1267)	\$ 0.2638	\$ 1.2543
FLAVORED REDUCED FAT MILK	GALLON	\$ 1.9664	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 3.4674	\$ 0.1258	\$ 3.5932	\$ (0.5068)	\$ 1.0552	\$ 4.1416
	1/2 GALLON	\$ 0.9832	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 1.7664	\$ 0.0641	\$ 1.8305	\$ (0.2534)	\$ 0.5276	\$ 2.1047
	QUART	\$ 0.4916	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 0.9844	\$ 0.0357	\$ 1.0201	\$ (0.1267)	\$ 0.2638	\$ 1.1572
	PINT	\$ 0.2458	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.5634	\$ 0.0204	\$ 0.5838	\$ (0.0634)	\$ 0.1319	\$ 0.6523
	12 OUNCE	\$ 0.1844	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.3507	\$ 0.0127	\$ 0.3634	\$ (0.0475)	\$ 0.0989	\$ 0.4148
	10 OUNCE	\$ 0.1536	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.2922	\$ 0.0106	\$ 0.3028	\$ (0.0396)	\$ 0.0824	\$ 0.3456
	1/2 PINT	\$ 0.1229	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.2544	\$ 0.0092	\$ 0.2636	\$ (0.0317)	\$ 0.0660	\$ 0.2979
	4 OUNCE	\$ 0.0615	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1525	\$ 0.0055	\$ 0.1580	\$ (0.0158)	\$ 0.0330	\$ 0.1752
	Bulk per Quart	\$ 0.4916	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 1.0121	\$ 0.0367	\$ 1.0488	\$ (0.1267)	\$ 0.2638	\$ 1.1859
FLAVORED NONFAT MILK	GALLON	\$ 1.8448	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 3.3458	\$ 0.1214	\$ 3.4672	\$ (0.5068)	\$ 1.0552	\$ 4.0156
	1/2 GALLON	\$ 0.9224	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 1.7056	\$ 0.0619	\$ 1.7675	\$ (0.2534)	\$ 0.5276	\$ 2.0417
	QUART	\$ 0.4612	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 0.9540	\$ 0.0346	\$ 0.9886	\$ (0.1267)	\$ 0.2638	\$ 1.1257
	PINT	\$ 0.2306	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.5482	\$ 0.0199	\$ 0.5681	\$ (0.0634)	\$ 0.1319	\$ 0.6366
	12 OUNCE	\$ 0.1730	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.3393	\$ 0.0123	\$ 0.3516	\$ (0.0475)	\$ 0.0989	\$ 0.4030
	10 OUNCE	\$ 0.1441	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.2827	\$ 0.0103	\$ 0.2930	\$ (0.0396)	\$ 0.0824	\$ 0.3358
	1/2 PINT	\$ 0.1153	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.2468	\$ 0.0090	\$ 0.2558	\$ (0.0317)	\$ 0.0660	\$ 0.2901
	4 OUNCE	\$ 0.0577	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1487	\$ 0.0054	\$ 0.1541	\$ (0.0158)	\$ 0.0330	\$ 0.1713
	Bulk per Quart	\$ 0.4612	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 0.9817	\$ 0.0356	\$ 1.0173	\$ (0.1267)	\$ 0.2638	\$ 1.1544
BUTTERMILK	GALLON	\$ 1.9904	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 3.4914	\$ 0.1266	\$ 3.6180	\$ (0.5068)	\$ 1.0552	\$ 4.1664
	1/2 GALLON	\$ 0.9952	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 1.7784	\$ 0.0645	\$ 1.8429	\$ (0.2534)	\$ 0.5276	\$ 2.1171
	QUART	\$ 0.4976	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 0.9904	\$ 0.0359	\$ 1.0263	\$ (0.1267)	\$ 0.2638	\$ 1.1634
	PINT	\$ 0.2488	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.5664	\$ 0.0205	\$ 0.5869	\$ (0.0634)	\$ 0.1319	\$ 0.6554
	12 OUNCE	\$ 0.1866	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.3529	\$ 0.0128	\$ 0.3657	\$ (0.0475)	\$ 0.0989	\$ 0.4171
	10 OUNCE	\$ 0.1555	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.2941	\$ 0.0107	\$ 0.3048	\$ (0.0396)	\$ 0.0824	\$ 0.3476
	1/2 PINT	\$ 0.1244	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.2559	\$ 0.0093	\$ 0.2652	\$ (0.0317)	\$ 0.0660	\$ 0.2995
	4 OUNCE	\$ 0.0622	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1532	\$ 0.0056	\$ 0.1588	\$ (0.0158)	\$ 0.0330	\$ 0.1760
	Bulk per Quart	\$ 0.4976	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 1.0181	\$ 0.0369	\$ 1.0550	\$ (0.1267)	\$ 0.2638	\$ 1.1921

Footnote:

1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0018 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 1**

**WHOLESALE PRICE BUILDUP
DECEMBER 2020 MILK PRICES**

	A EX. 6	B EX. 3	C EXS. 7, 8 & 9 ⁽¹⁾	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F + G)	I	J	K (H + I + J)	
Container Size	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.50%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	
EGG NOG	GALLON	\$ 3.1528	\$ 0.1761	\$ (0.0024)	\$ (0.0639)	\$ 1.3912	\$ 4.6538	\$ 0.1688	\$ 4.8226	\$ (0.5068)	\$ 1.0552	\$ 5.3710
	1/2 GALLON	\$ 1.5764	\$ 0.1307	\$ (0.0012)	\$ (0.0419)	\$ 0.6956	\$ 2.3596	\$ 0.0856	\$ 2.4452	\$ (0.2534)	\$ 0.5276	\$ 2.7194
	QUART	\$ 0.7882	\$ 0.1176	\$ (0.0006)	\$ 0.0280	\$ 0.3478	\$ 1.2810	\$ 0.0465	\$ 1.3275	\$ (0.1267)	\$ 0.2638	\$ 1.4646
	PINT	\$ 0.3941	\$ 0.0891	\$ (0.0003)	\$ 0.0549	\$ 0.1739	\$ 0.7117	\$ 0.0258	\$ 0.7375	\$ (0.0634)	\$ 0.1319	\$ 0.8060
	12 OUNCE	\$ 0.2956	\$ 0.0361	\$ (0.0002)	\$ -	\$ 0.1304	\$ 0.4619	\$ 0.0168	\$ 0.4787	\$ (0.0475)	\$ 0.0989	\$ 0.5301
	10 OUNCE	\$ 0.2463	\$ 0.0301	\$ (0.0002)	\$ -	\$ 0.1087	\$ 0.3849	\$ 0.0140	\$ 0.3989	\$ (0.0396)	\$ 0.0824	\$ 0.4417
	1/2 PINT	\$ 0.1971	\$ 0.0248	\$ (0.0002)	\$ 0.0199	\$ 0.0870	\$ 0.3286	\$ 0.0119	\$ 0.3405	\$ (0.0317)	\$ 0.0660	\$ 0.3748
	4 OUNCE	\$ 0.0985	\$ 0.0205	\$ (0.0001)	\$ 0.0271	\$ 0.0435	\$ 0.1895	\$ 0.0069	\$ 0.1964	\$ (0.0158)	\$ 0.0330	\$ 0.2136
	Bulk per Quart	\$ 0.7882	\$ 0.0538	\$ (0.0006)	\$ 0.1195	\$ 0.3478	\$ 1.3087	\$ 0.0475	\$ 1.3562	\$ (0.1267)	\$ 0.2638	\$ 1.4933

Footnote:

1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0018 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 1**

**RETAIL PRICE BUILDUP
DECEMBER 2020 PRICES**

	A EX. 11	B	C	D	E (A+B+C+D)
Container Size	Proposed Wholesale Price	Deepest Discount 15.00%	In-Store Handling \$ 0.1617	Store Profit 2.5%	Proposed Retail Price

STANDARD (WHOLE) MILK	GALLON	\$ 4.2837	\$ (0.6426)	\$ 0.6468	\$ 0.1099	\$ 4.40
	1/2 GALLON	\$ 2.1758	\$ (0.3264)	\$ 0.3234	\$ 0.0557	\$ 2.23
	QUART	\$ 1.1927	\$ (0.1789)	\$ 0.1617	\$ 0.0301	\$ 1.21
	PINT	\$ 0.6701	\$ (0.1005)	\$ 0.0809	\$ 0.0167	\$ 0.68
	12 OUNCE	\$ 0.4281	\$ (0.0642)	\$ 0.0606	\$ 0.0109	\$ 0.44
	10 OUNCE	\$ 0.3567	\$ (0.0535)	\$ 0.0505	\$ 0.0091	\$ 0.36
	1/2 PINT	\$ 0.3068	\$ (0.0460)	\$ 0.0404	\$ 0.0077	\$ 0.31
	4 OUNCE	\$ 0.1796	\$ (0.0269)	\$ 0.0202	\$ 0.0044	\$ 0.18
	Bulk per Quart	\$ 1.2215	\$ (0.1832)	\$ 0.1617	\$ 0.0308	\$ 1.23

REDUCED FAT (2%) MILK	GALLON	\$ 4.1218	\$ (0.6183)	\$ 0.6468	\$ 0.1064	\$ 4.26
	1/2 GALLON	\$ 2.0947	\$ (0.3142)	\$ 0.3234	\$ 0.0539	\$ 2.16
	QUART	\$ 1.1522	\$ (0.1728)	\$ 0.1617	\$ 0.0293	\$ 1.17
	PINT	\$ 0.6498	\$ (0.0975)	\$ 0.0809	\$ 0.0162	\$ 0.65
	12 OUNCE	\$ 0.4130	\$ (0.0620)	\$ 0.0606	\$ 0.0106	\$ 0.42
	10 OUNCE	\$ 0.3440	\$ (0.0516)	\$ 0.0505	\$ 0.0088	\$ 0.35
	1/2 PINT	\$ 0.2967	\$ (0.0445)	\$ 0.0404	\$ 0.0075	\$ 0.30
	4 OUNCE	\$ 0.1746	\$ (0.0262)	\$ 0.0202	\$ 0.0043	\$ 0.18
	Bulk per Quart	\$ 1.1809	\$ (0.1771)	\$ 0.1617	\$ 0.0299	\$ 1.20

LOW FAT (1%) MILK	GALLON	\$ 3.9949	\$ (0.5992)	\$ 0.6468	\$ 0.1037	\$ 4.15
	1/2 GALLON	\$ 2.0313	\$ (0.3047)	\$ 0.3234	\$ 0.0526	\$ 2.10
	QUART	\$ 1.1205	\$ (0.1681)	\$ 0.1617	\$ 0.0286	\$ 1.14
	PINT	\$ 0.6340	\$ (0.0951)	\$ 0.0809	\$ 0.0159	\$ 0.64
	12 OUNCE	\$ 0.4010	\$ (0.0602)	\$ 0.0606	\$ 0.0103	\$ 0.41
	10 OUNCE	\$ 0.3342	\$ (0.0501)	\$ 0.0505	\$ 0.0086	\$ 0.34
	1/2 PINT	\$ 0.2888	\$ (0.0433)	\$ 0.0404	\$ 0.0073	\$ 0.29
	4 OUNCE	\$ 0.1706	\$ (0.0256)	\$ 0.0202	\$ 0.0042	\$ 0.18
	Bulk per Quart	\$ 1.1492	\$ (0.1724)	\$ 0.1617	\$ 0.0292	\$ 1.17

NON FAT (SKIM) MILK	GALLON	\$ 3.8915	\$ (0.5837)	\$ 0.6468	\$ 0.1014	\$ 4.06
	1/2 GALLON	\$ 1.9797	\$ (0.2970)	\$ 0.3234	\$ 0.0514	\$ 2.06
	QUART	\$ 1.0947	\$ (0.1642)	\$ 0.1617	\$ 0.0280	\$ 1.12
	PINT	\$ 0.6210	\$ (0.0932)	\$ 0.0809	\$ 0.0156	\$ 0.63
	12 OUNCE	\$ 0.3913	\$ (0.0587)	\$ 0.0606	\$ 0.0101	\$ 0.40
	10 OUNCE	\$ 0.3261	\$ (0.0489)	\$ 0.0505	\$ 0.0084	\$ 0.34
	1/2 PINT	\$ 0.2823	\$ (0.0423)	\$ 0.0404	\$ 0.0072	\$ 0.29
	4 OUNCE	\$ 0.1674	\$ (0.0251)	\$ 0.0202	\$ 0.0042	\$ 0.17
	Bulk per Quart	\$ 1.1234	\$ (0.1685)	\$ 0.1617	\$ 0.0286	\$ 1.15

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 1**

**RETAIL PRICE BUILDUP
DECEMBER 2020 PRICES**

	A EX. 11	B	C	D	E (A+B+C+D)	
Container Size	Proposed Wholesale Price	Deepest Discount 15.00%	In-Store Handling \$ 0.1617	Store Profit 2.5%	Proposed Retail Price	
FLAVORED MILK	GALLON	\$ 4.4151	\$ (0.6623)	\$ 0.6468	\$ 0.1128	\$ 4.51
	1/2 GALLON	\$ 2.2415	\$ (0.3362)	\$ 0.3234	\$ 0.0571	\$ 2.29
	QUART	\$ 1.2256	\$ (0.1838)	\$ 0.1617	\$ 0.0309	\$ 1.23
	PINT	\$ 0.6865	\$ (0.1030)	\$ 0.0809	\$ 0.0170	\$ 0.70
	12 OUNCE	\$ 0.4404	\$ (0.0661)	\$ 0.0606	\$ 0.0112	\$ 0.45
	10 OUNCE	\$ 0.3670	\$ (0.0551)	\$ 0.0505	\$ 0.0093	\$ 0.37
	1/2 PINT	\$ 0.3150	\$ (0.0473)	\$ 0.0404	\$ 0.0079	\$ 0.32
	4 OUNCE	\$ 0.1837	\$ (0.0276)	\$ 0.0202	\$ 0.0045	\$ 0.19
	Bulk per Quart	\$ 1.2543	\$ (0.1881)	\$ 0.1617	\$ 0.0315	\$ 1.26
FLAVORED REDUCED FAT MILK	GALLON	\$ 4.1416	\$ (0.6212)	\$ 0.6468	\$ 0.1069	\$ 4.27
	1/2 GALLON	\$ 2.1047	\$ (0.3157)	\$ 0.3234	\$ 0.0542	\$ 2.17
	QUART	\$ 1.1572	\$ (0.1736)	\$ 0.1617	\$ 0.0294	\$ 1.17
	PINT	\$ 0.6523	\$ (0.0978)	\$ 0.0809	\$ 0.0163	\$ 0.66
	12 OUNCE	\$ 0.4148	\$ (0.0622)	\$ 0.0606	\$ 0.0106	\$ 0.42
	10 OUNCE	\$ 0.3456	\$ (0.0518)	\$ 0.0505	\$ 0.0088	\$ 0.35
	1/2 PINT	\$ 0.2979	\$ (0.0447)	\$ 0.0404	\$ 0.0075	\$ 0.30
	4 OUNCE	\$ 0.1752	\$ (0.0263)	\$ 0.0202	\$ 0.0043	\$ 0.19
	Bulk per Quart	\$ 1.1859	\$ (0.1779)	\$ 0.1617	\$ 0.0300	\$ 1.20
FLAVORED NONFAT MILK	GALLON	\$ 4.0156	\$ (0.6023)	\$ 0.6468	\$ 0.1041	\$ 4.16
	1/2 GALLON	\$ 2.0417	\$ (0.3063)	\$ 0.3234	\$ 0.0528	\$ 2.11
	QUART	\$ 1.1257	\$ (0.1689)	\$ 0.1617	\$ 0.0287	\$ 1.15
	PINT	\$ 0.6366	\$ (0.0955)	\$ 0.0809	\$ 0.0159	\$ 0.64
	12 OUNCE	\$ 0.4030	\$ (0.0605)	\$ 0.0606	\$ 0.0103	\$ 0.41
	10 OUNCE	\$ 0.3358	\$ (0.0504)	\$ 0.0505	\$ 0.0086	\$ 0.34
	1/2 PINT	\$ 0.2901	\$ (0.0435)	\$ 0.0404	\$ 0.0074	\$ 0.30
	4 OUNCE	\$ 0.1713	\$ (0.0257)	\$ 0.0202	\$ 0.0043	\$ 0.18
	Bulk per Quart	\$ 1.1544	\$ (0.1732)	\$ 0.1617	\$ 0.0293	\$ 1.17
BUTTERMILK	GALLON	\$ 4.1664	\$ (0.6250)	\$ 0.6468	\$ 0.1074	\$ 4.30
	1/2 GALLON	\$ 2.1171	\$ (0.3176)	\$ 0.3234	\$ 0.0544	\$ 2.18
	QUART	\$ 1.1634	\$ (0.1745)	\$ 0.1617	\$ 0.0295	\$ 1.18
	PINT	\$ 0.6554	\$ (0.0983)	\$ 0.0809	\$ 0.0164	\$ 0.67
	12 OUNCE	\$ 0.4171	\$ (0.0626)	\$ 0.0606	\$ 0.0106	\$ 0.43
	10 OUNCE	\$ 0.3476	\$ (0.0521)	\$ 0.0505	\$ 0.0089	\$ 0.35
	1/2 PINT	\$ 0.2995	\$ (0.0449)	\$ 0.0404	\$ 0.0076	\$ 0.30
	4 OUNCE	\$ 0.1760	\$ (0.0264)	\$ 0.0202	\$ 0.0044	\$ 0.19
	Bulk per Quart	\$ 1.1921	\$ (0.1788)	\$ 0.1617	\$ 0.0301	\$ 1.21

**PENNSYLVANIA MILK MARKETING BOARD
MILK MARKETING AREA 1**

**RETAIL PRICE BUILDUP
DECEMBER 2020 PRICES**

	A EX. 11	B	C	D	E (A+B+C+D)
Container Size	Proposed Wholesale Price	Deepest Discount 15.00%	In-Store Handling \$ 0.1617	Store Profit 2.5%	Proposed Retail Price

EGG NOG	GALLON	\$ 5.3710	\$ (0.8057)	\$ 0.6468	\$ 0.1336	\$ 5.38
	1/2 GALLON	\$ 2.7194	\$ (0.4079)	\$ 0.3234	\$ 0.0676	\$ 2.73
	QUART	\$ 1.4646	\$ (0.2197)	\$ 0.1617	\$ 0.0361	\$ 1.47
	PINT	\$ 0.8060	\$ (0.1209)	\$ 0.0809	\$ 0.0196	\$ 0.82
	12 OUNCE	\$ 0.5301	\$ (0.0795)	\$ 0.0606	\$ 0.0131	\$ 0.54
	10 OUNCE	\$ 0.4417	\$ (0.0663)	\$ 0.0505	\$ 0.0109	\$ 0.45
	1/2 PINT	\$ 0.3748	\$ (0.0562)	\$ 0.0404	\$ 0.0092	\$ 0.38
	4 OUNCE	\$ 0.2136	\$ (0.0320)	\$ 0.0202	\$ 0.0052	\$ 0.22
	Bulk per Quart	\$ 1.4933	\$ (0.2240)	\$ 0.1617	\$ 0.0367	\$ 1.50