01 DEPARTMENT OF AGRICULTURE, FOOD AND RURAL RESOURCES

015 MAINE MILK COMMISSION

Chapter 26: PRODUCER MARGINS

SUMMARY: This rule identifies the cost of producing milk in Maine based on a study of Maine conditions.

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1. **Farms at four different levels of production**. Based upon four different tiers of annual production by farms, there are four levels of target prices with respect to the cost of producing milk.

2. **Target prices**. The four short-run break-even target prices are set forth in the chart below. The average short-run break-even price for all farms is $23.32/cwt.

3.

Tier:	Annual Production Range:	Target Price:
Small Farm	**0 – 16,790 hundredweight**	**$24.25**
Medium Farm	**Over 16,790 to 49,079 hundredweight**	**$23.64**
Large Farm	**Over 49,079 to 76,800hundredweight**	**$21.83**
Very Large Farm	**Over 76,800hundredweight**	**$21.47**

Date of Adoption:

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Tim Drake, Executive Director
Maine Milk Commission

STATUTORY AUTHORITY: 7 M.R.S.A., sections 2952-A(B), 2952-A(3)(A), 2954(12) and 3153-B

EFFECTIVE DATE (ELECTRONIC CONVERSION):
May 4, 1996

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February 17, 2006 – filing 2006-75
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