

**DFPEI 2017- 11**  
**Dairy Farmers of Prince Edward Island**

Order: 2017-11  
Effective: 1 May 2017

Under the *Natural Products Marketing Act*, R.S.P.E.I.1988, Cap. N-3, and the Dairy Farmers of Prince Edward Island Regulations thereunder, Dairy Farmers of Prince Edward Island makes the following Order:

**PRICE DETERMINATION ORDER**

Application

1. This Order provides for the establishment of the prices for each kilogram of butterfat, protein and other solids contained in milk used in the classes described in the Board's Classification of Milk Order and adjustments to producer payments.

Definitions

2. The words herein shall have the meanings as found in the *Prince Edward Island Natural Products Marketing Act* and the Dairy Farmers of Prince Edward Island Regulations unless differentiated herein and as hereinafter defined:

- (a) "Class 1 Milk" means the amount of litres of milk that is equal to the volume of sales in litres by a processor or distributor of Class 1 products processed by pasteurization, ultra high temperature treatment or sterilization.
- (b) "Class 1 Milk Product" means standard milk, partly skim milk, skim milk, blend, cream, table cream, whipping cream, chocolate partly skim milk and flavoured milk.
- (c) "CDC" shall mean the Canadian Dairy Commission.
- (d) "P5 Target Price" shall mean the prices established for components utilized in each milk class by the five provinces, party to the Agreement on the Eastern Canadian Milk Pooling, that are used as references for all price determinations within the pool.

Component Prices and  
Billing Factors

3. The prices to be paid to Dairy Farmers of Prince Edward Island by processors for each kilogram of butterfat, protein and other solids contained in milk marketed and the standard billing factors, in kilograms per hectolitre of milk, for components used in the manufacture of Class 1 Milk products shall be as follows:

Class	Component Prices			Standard Billing Factors	
	Butterfat	Protein	Other Solids	Protein Kg/hl	Other Solids Kg/hl
1(a)	\$7.6446	\$8.0572	\$8.0572	3.3933	5.8808
1(b)	\$7.6446	\$8.2542	\$8.2542	2.681	4.6478
1(b)ii	As published by CDC				
1(c)	Determined in accordance with Section 4 (below)			Equal to billing factors for the product's regular classification.	
1(d)	As determined for these products in Class 1(a) and 1(b)				
2(a)	8.4652	5.8753	5.8753		
2(b)	8.4652	5.8753	5.8753		
3(a)	8.4652	12.6410	0.8618		
3(b)	8.4652	12.2974	0.8618		
3(c)1	8.4652	12.6410	0.8618		
3(c)2	8.4652	13.717	0.8618		
3(d)	As published by CDC				
4(a)	8.4652	5.3245	5.3245		
4(a)1	8.4652	As published by CDC			
4(b)	8.4652	5.4320	5.4320		
4(c)	Determined in accordance with Section 4 (below)				
4(d)	8.4652	5.3245	5.3245		
4(m)	As published by CDC				
5(a)	As published by CDC				
5(b)	As published by CDC				
5(c)	As published by CDC				
5(d)	As published by CDC				
7	As published by CDC				

P5 1(c)/4(c)  
Program

4. Class 1(c) is established to provide price discounts for milk components used in new fluid milk products. Class 4(c) is established to provide price discounts for components used in new industrial milk products.

Any new products introduced to the market shall be designated to a regular milk class and, if approved, shall be eligible for class 1(c) or 4(c) pricing for a maximum of three years. The discounts granted for approved products shall be based on the P5 target prices for the regular dairy product class to which the product has been designated, and shall be applied to the volume of components utilized in manufacturing the approved product.

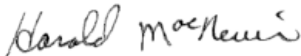
Discounts to be applied to the butterfat, protein and other solids utilized in products approved for class 1(c) and 4(c) pricing are as follows:

- (a) 25% for the first year following the product's introduction;
- (b) 15% for the second year following the product's introduction; and
- (c) 10% for the third year following the product's introduction.

Revocation 5. DFPEI Order 2017-02 effective the 1<sup>st</sup> day of February 2017 is hereby revoked.

Commencement 6. This Order comes into force on the 1<sup>st</sup> day of May 2017.

DATED at Charlottetown, Prince Edward Island, this 26th day of April 2017.

  
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Harold MacNevin, Chair

  
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Ronald Maynard, Secretary