

**UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL MARKETING SERVICE, DAIRY PROGRAMS**

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**January 2001**

	<u>% UTILIZATION</u> <u>PER CLASS</u>	<u>PRODUCT</u> <u>POUNDS</u>	<u>SKIM</u> <u>POUNDS</u>	<u>BUTTERFAT</u> <u>POUNDS</u>	<u>PROTEIN</u> <u>POUNDS</u>	<u>OTHER</u> <u>SOLIDS</u>	<u>NONFAT</u> <u>SOLIDS</u>
Producer Milk - Class I	31.22 %	187,662,093	184,416,809	3,245,284	5,804,482	10,922,268	16,726,750
Producer Milk - Class II	6.25 %	37,549,754	34,262,145	3,287,609	1,078,099	2,028,481	3,106,580
Producer Milk - Class III	33.72 %	202,671,000	195,226,173	7,444,827	6,188,381	11,582,801	17,771,182
Producer Milk - Class IV	28.81 %	173,189,663	164,805,183	8,384,480	5,148,673	9,778,707	14,927,380
<b>Total Producer Receipts</b>	<b>100.00 %</b>	<b>601,072,510</b>	<b>578,710,310</b>	<b>22,362,200</b>	<b>18,219,635</b>	<b>34,312,257</b>	<b>52,531,892</b>

	<u>POUNDS</u>	<u>BFAT</u> <u>POUNDS</u>	<u>LB/CWT</u> <u>PRICE</u>	<u>TOTAL</u> <u>DOLLARS</u>
Class I Skim Milk	184,416,809		\$ 7.88 /cwt	\$14,532,044.57
Butterfat		3,245,284	\$ 1.8244/lb	5,920,696.12
Class I Differential at Location				3,550,219.48
Class II Butterfat		3,287,609	\$ 1.2966/lb	4,262,713.84
Nonfat Solids	3,106,580		\$ 0.9533/lb	2,961,502.71
Class III Butterfat		7,444,827	\$ 1.2896/lb	9,600,848.90
Protein	6,188,381		\$ 1.6181/lb	10,013,419.28
Other Solids	11,582,801		\$ 0.1120/lb	1,297,273.72
Class IV Butterfat		8,384,480	\$ 1.2896/lb	10,812,625.42
Nonfat Solids	14,927,380		\$ 0.8765/lb	13,083,848.58
<b>Classified Value</b>				<b>\$76,035,192.62</b>
Class II Overage Skim and Butterfat	0	6,853		8,885.60
Class III Overage Skim and Butterfat	0	1,016		1,310.23
Class IV Overage Skim and Butterfat	98,196	66,237		93,166.92
<b>Total Overage</b>	<b>98,196</b>	<b>74,106</b>		<b>\$103,362.75</b>
Class II Inventory Skim and Butterfat	1,479,674	48,223		(4,924.67)
Class III Inventory Skim and Butterfat	1,932,620	12,924		(44,706.99)
<b>Total Inventory</b>	<b>3,412,294</b>	<b>61,147</b>		<b>(\$49,631.66)</b>
Class I Other Source Fluid and Nonfluid	279,639	0		11,465.20
<b>Producer Milk Value</b>				<b>\$76,100,388.91</b>
Butterfat in Prod Milk x Butterfat Price	22,362,200		\$ 1.2896/lb	28,838,293.12
Protein in Prod Milk x Protein Price	18,219,635		\$ 1.6181/lb	29,481,191.42
Other Solids in Prod Milk x Other Solids Price	34,312,257		\$ 0.1120/lb	3,842,972.77
<b>Producer Milk Credits</b>				<b>\$62,162,457.31</b>
<b>PM Value - PM Credits</b>				<b>\$13,937,931.60</b>
Location Adjustments				256,203.94
1/2 Balance in Producer Settlement Fund				185,631.27
<b>Total Producer Milk and Differential Value</b>	<b>601,352,149</b>	<b>22,362,200</b>	<b>\$ 2.39123895</b>	<b>\$14,379,766.81</b>
Producer Settlement Fund Reserve			\$ 0.04123895	247,991.31

<b>Producer Price Differential at King County, WA</b>	<b>\$ 2.35 /cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$ 12.34 /cwt</b>

Estimated Market Wide Skim Utilization Class I 34 %  
Estimated Market Wide Butterfat Utilization Class I 17 %