

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

July 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	26.17 %	168,528,024	165,486,638	3,041,386	5,105,336	9,825,678	14,931,014
Producer Milk - Class II	6.18 %	39,813,052	35,352,582	4,460,470	1,093,461	2,102,137	3,195,598
Producer Milk - Class III	34.09 %	219,539,152	211,940,307	7,598,845	6,578,649	12,549,792	19,128,441
Producer Milk - Class IV	33.56 %	216,092,158	208,253,955	7,838,203	6,399,893	12,319,976	18,719,869
Total Producer Receipts	100.00 %	643,972,386	621,033,482	22,938,904	19,177,339	36,797,583	55,974,922

	<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	165,486,638		\$ 7.88 /cwt	\$13,040,347.06
Butterfat		3,041,386	\$ 2.2104/lb	6,722,679.60
Class I Differential at Location				3,187,819.15
Class II Butterfat		4,460,470	\$ 2.1953/lb	9,792,069.77
Nonfat Solids	3,195,598		\$ 0.9533/lb	3,046,363.58
Class III Butterfat		7,598,845	\$ 2.1883/lb	16,628,552.51
Protein	6,578,649		\$ 2.3175/lb	15,246,019.07
Other Solids	12,549,792		\$ 0.1510/lb	1,895,018.58
Class IV Butterfat		7,838,203	\$ 2.1883/lb	17,152,339.63
Nonfat Solids	18,719,869		\$ 0.8234/lb	15,413,940.14
Classified Value				\$102,125,149.09
Class II Overage Skim and Butterfat	31,419	0		2,695.75
Class IV Overage Skim and Butterfat	38,986	6,934		18,062.53
Total Overage	70,405	6,934		\$20,758.28
Class I Inventory Skim and Butterfat	127,116	0		2,427.91
Class II Inventory Skim and Butterfat	1,505,109	43,177		10,099.07
Class III Inventory Skim and Butterfat	88,680	0		186.23
Total Inventory	1,720,905	43,177		\$12,713.21
Class I Other Source Fluid and Nonfluid	397,252	0		6,753.28
Producer Milk Value				\$102,165,373.86
Butterfat in Prod Milk x Butterfat Price	22,938,904		\$ 2.1883/lb	50,197,203.64
Protein in Prod Milk x Protein Price	19,177,339		\$ 2.3175/lb	44,443,483.16
Other Solids in Prod Milk x Other Solids Price	36,797,583		\$ 0.1510/lb	5,556,435.06
Producer Milk Credits				\$100,197,121.86
PM Value - PM Credits				\$1,968,252.00
Location Adjustments				275,454.15
1/2 Balance in Producer Settlement Fund				211,150.81
Total Producer Milk and Differential Value	644,369,638	22,938,904	\$ 0.38097030	\$2,454,856.96
Producer Settlement Fund Reserve			\$ 0.04097030	264,000.17

Producer Price Differential at King County, WA	\$ 0.34 /cwt
Statistical Uniform Price at King County, WA	\$ 15.80 /cwt

Estimated Market Wide Skim Utilization Class I 27 %
Estimated Market Wide Butterfat Utilization Class I 14 %