

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**January 2002**

	<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	29.74 %	186,920,135	183,709,803	3,210,332	5,852,257	10,870,931	16,723,188
Producer Milk - Class II	5.21 %	32,732,924	29,407,407	3,325,517	939,083	1,743,839	2,682,922
Producer Milk - Class III	35.80 %	225,007,654	216,746,038	8,261,616	6,967,823	12,846,094	19,813,917
Producer Milk - Class IV	29.25 %	183,821,394	175,220,829	8,600,565	5,548,057	10,368,964	15,917,021
<b>Total Producer Receipts</b>	<b>100.00 %</b>	<b>628,482,107</b>	<b>605,084,077</b>	<b>23,398,030</b>	<b>19,307,220</b>	<b>35,829,828</b>	<b>55,137,048</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	183,709,803		\$ 7.34 /cwt	\$13,484,299.56
Butterfat		3,210,332	\$ 1.3939/lb	4,474,881.78
Class I Differential at Location				3,537,530.61
Class II Butterfat		3,325,517	\$ 1.4916/lb	4,960,341.13
Nonfat Solids	2,682,922		\$ 0.8600/lb	2,307,312.92
Class III Butterfat		8,261,616	\$ 1.4846/lb	12,265,195.12
Protein	6,967,823		\$ 1.9660/lb	13,698,740.04
Other Solids	12,846,094		\$ 0.1392/lb	1,788,176.29
Class IV Butterfat		8,600,565	\$ 1.4846/lb	12,768,398.79
Nonfat Solids	15,917,021		\$ 0.7761/lb	12,353,200.00
<b>Classified Value</b>				<b>\$81,638,076.24</b>
Class IV Overage Skim and Butterfat	0	9,741		14,461.49
<b>Total Overage</b>	<b>0</b>	<b>9,741</b>		<b>\$14,461.49</b>
Class I Inventory Skim and Butterfat	44,057	0		978.06
Class II Inventory Skim and Butterfat	381,016	46,848		5,526.08
Class III Inventory Skim and Butterfat	861,715	8,015		(441.74)
<b>Total Inventory</b>	<b>1,286,788</b>	<b>54,863</b>		<b>\$6,062.40</b>
Class I Other Source Fluid and Nonfluid	358,952	0		8,327.69
<b>Producer Milk Value</b>				<b>\$81,666,927.82</b>
Butterfat in Prod Milk x Butterfat Price	23,398,030		\$ 1.4846/lb	34,736,715.33
Protein in Prod Milk x Protein Price	19,307,220		\$ 1.9660/lb	37,957,994.52
Other Solids in Prod Milk x Other Solids Price	35,829,828		\$ 0.1392/lb	4,987,512.07
<b>Producer Milk Credits</b>				<b>\$77,682,221.92</b>
<b>PM Value - PM Credits</b>				<b>\$3,984,705.90</b>
Location Adjustments				284,971.54
1/2 Balance in Producer Settlement Fund				167,295.45
<b>Total Producer Milk and Differential Value</b>	<b>628,841,059</b>	<b>23,398,030</b>	<b>\$ 0.70557939</b>	<b>\$4,436,972.89</b>
Producer Settlement Fund Reserve			\$ 0.04557939	286,621.92

<b>Producer Price Differential at King County, WA</b>	<b>\$ 0.66 /cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$ 12.53 /cwt</b>

Estimated Market Wide Skim Utilization Class I 29 %  
 Estimated Market Wide Butterfat Utilization Class I 14 %