

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

November 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	29.98 %	182,311,767	178,818,495	3,493,272	5,808,964	10,566,732	16,375,696
Producer Milk - Class II	5.54 %	33,734,196	29,910,536	3,823,660	970,124	1,766,088	2,736,212
Producer Milk - Class III	35.31 %	214,844,231	206,545,115	8,299,116	6,725,161	12,259,306	18,984,467
Producer Milk - Class IV	29.17 %	177,487,738	170,174,929	7,312,809	5,486,032	10,022,312	15,508,344
Total Producer Receipts	100.00 %	608,377,932	585,449,075	22,928,857	18,990,281	34,614,438	53,604,719

	<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	178,818,495		\$ 7.20 /cwt	\$12,874,931.65
Butterfat		3,493,272	\$ 1.0423/lb	3,641,037.39
Class I Differential at Location				3,451,737.53
Class II Butterfat		3,823,660	\$ 1.0993/lb	4,203,349.41
Nonfat Solids	2,736,212		\$ 0.8533/lb	2,334,809.71
Class III Butterfat		8,299,116	\$ 1.0923/lb	9,065,124.40
Protein	6,725,161		\$ 1.8469/lb	12,420,699.85
Other Solids	12,259,306		\$ 0.0850/lb	1,042,041.04
Class IV Butterfat		7,312,809	\$ 1.0923/lb	7,987,781.26
Nonfat Solids	15,508,344		\$ 0.7777/lb	12,060,839.13
Classified Value				\$69,082,351.37
Class II Overage Skim and Butterfat	36,339	0		2,790.84
Class IV Overage Skim and Butterfat	409,128	13,203		43,060.60
Total Overage	445,467	13,203		\$45,851.44
Class I Inventory Skim and Butterfat	358,732	0		7,569.25
Class II Inventory Skim and Butterfat	1,934,177	103,040		16,096.99
Class III Inventory Skim and Butterfat	1,057,489	24,863		(7,547.12)
Total Inventory	3,350,398	127,903		\$16,119.12
Class I Other Source Fluid and Nonfluid	515,414	0		11,233.69
Producer Milk Value				\$69,155,555.62
Butterfat in Prod Milk x Butterfat Price	22,928,857		\$ 1.0923/lb	25,045,190.49
Protein in Prod Milk x Protein Price	18,990,281		\$ 1.8469/lb	35,073,149.99
Other Solids in Prod Milk x Other Solids Price	34,614,438		\$ 0.0850/lb	2,942,227.28
Producer Milk Credits				\$63,060,567.76
PM Value - PM Credits				\$6,094,987.86
Location Adjustments				221,942.00
1/2 Balance in Producer Settlement Fund				57,327.98
Total Producer Milk and Differential Value	608,431,180	22,928,857	\$ 1.04765470	\$6,374,257.84
Producer Settlement Fund Reserve			\$ 0.04765470	289,946.05

Producer Price Differential at King County, WA	\$ 1.00 /cwt
Statistical Uniform Price at King County, WA	\$ 10.84 /cwt

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