

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**June 2003**

	<u>% UTILIZATION PER CLASS</u>	<u>PRODUCT POUNDS</u>	<u>SKIM POUNDS</u>	<u>BUTTERFAT POUNDS</u>	<u>PROTEIN POUNDS</u>	<u>OTHER SOLIDS</u>	<u>NONFAT SOLIDS</u>
Producer Milk - Class I	25.87 %	160,430,984	157,476,117	2,954,867	4,840,689	9,342,547	14,183,236
Producer Milk - Class II	6.97 %	43,228,751	39,461,089	3,767,662	1,213,835	2,336,100	3,549,935
Producer Milk - Class III	34.11 %	211,531,578	203,508,900	8,022,678	6,311,716	12,031,610	18,343,326
Producer Milk - Class IV	33.05 %	204,989,993	197,619,585	7,370,408	6,083,836	11,683,617	17,767,453
<b>Total Producer Receipts</b>	<b>100.00 %</b>	<b>620,181,306</b>	<b>598,065,691</b>	<b>22,115,615</b>	<b>18,450,076</b>	<b>35,393,874</b>	<b>53,843,950</b>

	<u>POUNDS</u>	<u>BFAT POUNDS</u>	<u>LB/CWT PRICE</u>	<u>TOTAL DOLLARS</u>
Class I Skim Milk	157,476,117		\$ 5.92 /cwt	\$9,322,586.13
Class I Butterfat		2,954,867	\$ 1.1500/lb	3,398,097.05
Class I Differential at Location				3,042,363.65
Class II Butterfat		3,767,662	\$ 1.1646/lb	4,387,819.15
Class II Nonfat Solids	3,549,935		\$ 0.7356/lb	2,611,332.18
Class III Butterfat		8,022,678	\$ 1.1576/lb	9,287,052.07
Class III Protein	6,311,716		\$ 1.9434/lb	12,266,188.88
Class III Other Solids	12,031,610		(\$0.0200)/lb	(240,632.20)
Class IV Butterfat		7,370,408	\$ 1.1576/lb	8,531,984.29
Class IV Nonfat Solids	17,767,453		\$ 0.6574/lb	11,680,323.60
<b>Classified Value</b>				<b>\$64,287,114.80</b>
Class II Overage Skim and Butterfat	0	221		257.38
Class IV Overage Skim and Butterfat	484,776	3,089		32,274.57
<b>Total Overage</b>	<b>484,776</b>	<b>3,310</b>		<b>\$32,531.95</b>
Class II Inventory Skim and Butterfat	230,916	28,000		1,991.62
Class III Inventory Skim and Butterfat	115,579	4,081		14.56
<b>Total Inventory</b>	<b>346,495</b>	<b>32,081</b>		<b>\$2,006.18</b>
Class I Other Source Fluid and Nonfluid	33,743	0		644.50
<b>Producer Milk Value</b>				<b>\$64,322,297.43</b>
Butterfat in Prod Milk x Butterfat Price	22,115,615		\$ 1.1576/lb	25,601,035.93
Protein in Prod Milk x Protein Price	18,450,076		\$ 1.9434/lb	35,855,877.71
Other Solids in Prod Milk x Other Solids Price	35,393,874		(\$0.0200)/lb	(707,877.48)
<b>Producer Milk Credits</b>				<b>\$60,749,036.16</b>
<b>PM Value - PM Credits</b>				<b>\$3,573,261.27</b>
Location Adjustments				259,855.74
1/2 Balance in Producer Settlement Fund				318,731.62
<b>Total Producer Milk and Differential Value</b>	<b>620,215,049</b>	<b>22,115,615</b>	<b>\$ 0.66942081</b>	<b>\$4,151,848.63</b>
Producer Settlement Fund Reserve			\$ 0.04942081	306,515.30

<b>Producer Price Differential at King County, WA</b>	<b>\$ 0.62 /cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$ 10.37 /cwt</b>

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