

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

September 2003

	<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	46.67 %	173,467,553	170,327,088	3,140,465	5,397,130	10,054,384	15,451,514
Producer Milk - Class II	8.55 %	31,790,774	28,311,303	3,479,471	895,087	1,668,356	2,563,443
Producer Milk - Class III	0.79 %	2,926,315	2,581,727	344,588	82,955	151,910	234,865
Producer Milk - Class IV	43.99 %	163,501,718	157,004,587	6,497,131	4,967,285	9,235,600	14,202,885
Total Producer Receipts	100.00 %	371,686,360	358,224,705	13,461,655	11,342,457	21,110,250	32,452,707

	<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	170,327,088		\$ 9.51 /cwt	\$16,198,106.08
Butterfat		3,140,465	\$ 1.2944/lb	4,065,017.90
Class I Differential at Location				3,293,117.75
Class II Butterfat		3,479,471	\$ 1.2288/lb	4,275,573.97
Nonfat Solids	2,563,443		\$ 0.7433/lb	1,905,407.18
Class III Butterfat		344,588	\$ 1.2218/lb	421,017.62
Protein	82,955		\$ 3.3180/lb	275,244.69
Other Solids	151,910		\$ 0.0170/lb	2,582.47
Class IV Butterfat		6,497,131	\$ 1.2218/lb	7,938,194.67
Nonfat Solids	14,202,885		\$ 0.6644/lb	9,436,396.79
Classified Value				\$47,810,659.12
Class II Overage Skim and Butterfat	39,431	0		2,637.93
Class IV Overage Skim and Butterfat	0	4,498		5,495.64
Total Overage	39,431	4,498		\$8,133.57
Class II Inventory Skim and Butterfat	2,870,663	62,610		19,253.79
Class III Inventory Skim and Butterfat	397,525	0		17,570.60
Total Inventory	3,268,188	62,610		\$36,824.39
Class I Other Source Fluid	67,116	0		684.58
Producer Milk Value				\$47,856,301.66
Butterfat in Prod Milk x Butterfat Price	13,461,655		\$ 1.2218/lb	16,447,450.08
Protein in Prod Milk x Protein Price	11,342,457		\$ 3.3180/lb	37,634,272.34
Other Solids in Prod Milk x Other Solids Price	21,110,250		\$ 0.0170/lb	358,874.26
Producer Milk Credits				\$54,440,596.68
PM Value - PM Credits				(\$6,584,295.02)
Location Adjustments				6,355.25
1/2 Balance in Producer Settlement Fund				218,605.75
Total Producer Milk and Differential Value	371,753,476	13,461,655	(\$1.71063203)	(\$6,359,334.02)
Producer Settlement Fund Reserve			\$ 0.04936797	183,527.14

Producer Price Differential at King County, WA	(\$1.76) /cwt
Statistical Uniform Price at King County, WA	\$ 12.54 /cwt

Estimated Market Wide Skim Utilization Class I 41 %
 Estimated Market Wide Butterfat Utilization Class I 22%