

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

August 2004

	<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	28.44%	176,297,263	173,063,276	3,233,987	5,327,285	10,241,780	15,569,065
Producer Milk - Class II	6.90%	42,758,887	38,037,884	4,721,003	1,176,165	2,248,139	3,424,304
Producer Milk - Class III	34.26%	212,335,236	203,848,796	8,486,440	6,346,944	12,093,939	18,440,883
Producer Milk - Class IV	30.40%	188,408,992	182,535,666	5,873,326	5,606,573	10,748,635	16,355,208
Total Producer Receipts	100.00%	619,800,378	597,485,622	22,314,756	18,456,967	35,332,493	53,789,460

	<u>POUNDS</u>	<u>BFAT POUNDS</u>	<u>LB/CWT PRICE</u>	<u>TOTAL DOLLARS</u>
Class I Skim Milk	173,063,276		\$7.55 /cwt	\$13,066,277.34
Butterfat		3,233,987	\$2.0952 /lb	6,775,849.58
Class I Differential at Location				3,338,608.01
Class II Butterfat		4,721,003	\$1.8011 /lb	8,502,998.50
Nonfat Solids	3,424,304		\$0.7856 /lb	2,690,133.24
Class III Butterfat		8,486,440	\$1.7941 /lb	15,225,522.01
Protein	6,346,944		\$2.4663 /lb	15,653,467.98
Other Solids	12,093,939		\$0.0676 /lb	817,550.29
Class IV Butterfat		5,873,326	\$1.7941 /lb	10,537,334.18
Nonfat Solids	16,355,208		\$0.7112 /lb	11,631,823.92
Classified Value				\$88,239,565.05
Class II Overage Skim and Butterfat	0	590		1,062.65
Class III Overage Skim and Butterfat	0	18,917		33,938.99
Class IV Overage Skim and Butterfat	18,795	1,811		4,452.00
Total Overage	18,795	21,318		\$39,453.64
Class II Inventory Skim and Butterfat	3,428,827	6,915		23,279.56
Class III Inventory Skim and Butterfat	1,133,556	92,340		(4,756.42)
Total Inventory	4,562,383	99,255		\$18,523.14
Class I Other Source Fluid	55,201	0		778.34
Producer Milk Value				\$88,298,320.17
Butterfat in Prod Milk x Butterfat Price	22,314,756		\$1.7941 /lb	40,034,903.73
Protein in Prod Milk x Protein Price	18,456,967		\$2.4663 /lb	45,520,417.70
Other Solids in Prod Milk x Other Solids Price	35,332,493		\$0.0676 /lb	2,388,476.55
Producer Milk Credits				\$87,943,797.98
PM Value - PM Credits				\$354,522.19
Location Adjustments				295,810.90
1/2 Balance in Producer Settlement Fund				288,645.22
Total Producer Milk and Differential Value	619,855,579	22,314,756	\$0.15148340	\$938,978.31
Producer Settlement Fund Reserve			\$0.04148340	257,137.17

Producer Price Differential at King County, WA	\$0.11 /cwt
Statistical Uniform Price at King County, WA	\$14.15 /cwt

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