

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

October 2004

	<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	29.95%	184,876,568	181,456,769	3,419,799	5,880,785	10,751,708	16,632,493
Producer Milk - Class II	6.36%	39,258,177	35,238,077	4,020,100	1,146,952	2,085,673	3,232,625
Producer Milk - Class III	35.59%	219,636,128	210,434,658	9,201,470	6,942,866	12,505,413	19,448,279
Producer Milk - Class IV	28.10%	173,436,151	167,099,980	6,336,171	5,397,921	9,873,454	15,271,375
Total Producer Receipts	100.00%	617,207,024	594,229,484	22,977,540	19,368,524	35,216,248	54,584,772

	<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	181,456,769		\$8.53 /cwt	\$15,478,262.41
Butterfat		3,419,799	\$1.8715 /lb	6,400,153.85
Class I Differential at Location				3,499,266.19
Class II Butterfat		4,020,100	\$1.9090 /lb	7,674,370.91
Nonfat Solids	3,232,625		\$0.7933 /lb	2,564,441.41
Class III Butterfat		9,201,470	\$1.9020 /lb	17,501,195.95
Protein	6,942,866		\$2.3814 /lb	16,533,741.09
Other Solids	12,505,413		\$0.0677 /lb	846,616.48
Class IV Butterfat		6,336,171	\$1.9020 /lb	12,051,397.23
Nonfat Solids	15,271,375		\$0.7093 /lb	10,831,986.28
Classified Value				\$93,381,431.80
Class II Overage Skim and Butterfat	0	1,870		3,569.83
Class III Overage Skim and Butterfat	0	13,900		26,437.80
Class IV Overage Skim and Butterfat	388,016	482		25,672.18
Total Overage	388,016	16,252		\$55,679.81
Class II Inventory Skim and Butterfat	529,159	12,819		3,312.78
Class III Inventory Skim and Butterfat	1,411,244	131,259		14,385.49
Total Inventory	1,940,403	144,078		\$17,698.27
Class I Other Source Fluid	8,036	0		212.95
Producer Milk Value				\$93,455,022.83
Butterfat in Prod Milk x Butterfat Price	22,977,540		\$1.9020 /lb	43,703,281.09
Protein in Prod Milk x Protein Price	19,368,524		\$2.3814 /lb	46,124,203.08
Other Solids in Prod Milk x Other Solids Price	35,216,248		\$0.0677 /lb	2,384,140.00
Producer Milk Credits				\$92,211,624.17
PM Value - PM Credits				\$1,243,398.66
Location Adjustments				318,679.84
1/2 Balance in Producer Settlement Fund				207,875.78
Total Producer Milk and Differential Value	617,215,060	22,977,540	\$0.28676460	\$1,769,954.28
Producer Settlement Fund Reserve			\$0.04676460	288,638.15

Producer Price Differential at King County, WA	\$0.24 /cwt
Statistical Uniform Price at King County, WA	\$14.40 /cwt

Estimated Market Wide Skim Utilization Class I 39%
Estimated Market Wide Butterfat Utilization Class I 19%