

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

January 2005

	<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	32.43%	191,023,194	187,622,762	3,400,432	6,015,046	11,111,499	17,126,545
Producer Milk - Class II	5.97%	35,142,740	31,835,000	3,307,740	1,024,512	1,883,301	2,907,813
Producer Milk - Class III	29.57%	174,207,269	167,351,278	6,855,991	5,421,282	9,892,163	15,313,445
Producer Milk - Class IV	32.03%	188,680,748	180,198,491	8,482,257	5,743,430	10,639,197	16,382,627
Total Producer Receipts	100.00%	589,053,951	567,007,531	22,046,420	18,204,270	33,526,160	51,730,430

	<u>POUNDS</u>	<u>BFAT POUNDS</u>	<u>LB/CWT PRICE</u>	<u>TOTAL DOLLARS</u>
Class I Skim Milk	187,622,762		\$9.70 /cwt	\$18,199,407.93
Butterfat		3,400,432	\$2.0818 /lb	7,079,019.32
Class I Differential at Location				3,611,930.98
Class II Butterfat		3,307,740	\$1.7400 /lb	5,755,467.60
Nonfat Solids	2,907,813		\$0.8000 /lb	2,326,250.40
Class III Butterfat		6,855,991	\$1.7330 /lb	11,881,432.41
Protein	5,421,282		\$2.5300 /lb	13,715,843.46
Other Solids	9,892,163		\$0.0899 /lb	889,305.45
Class IV Butterfat		8,482,257	\$1.7330 /lb	14,699,751.40
Nonfat Solids	16,382,627		\$0.7431 /lb	12,173,930.12
Classified Value				\$90,332,339.07
Class II Overage Skim and Butterfat	96,869	86,316		157,164.41
Class III Overage Skim and Butterfat	0	31,342		54,315.69
Class IV Overage Skim and Butterfat	4,326	2,548		4,705.10
Total Overage	101,195	120,206		\$216,185.20
Class II Inventory Skim and Butterfat	1,166,658	19,936		2,020.26
Class III Inventory Skim and Butterfat	3,238,018	116,401		24,563.99
Total Inventory	4,404,676	136,337		\$26,584.25
Producer Milk Value				\$90,575,108.52
Butterfat in Prod Milk x Butterfat Price	22,046,420		\$1.7330 /lb	38,206,445.87
Protein in Prod Milk x Protein Price	18,204,270		\$2.5300 /lb	46,056,803.10
Other Solids in Prod Milk x Other Solids Price	33,526,160		\$0.0899 /lb	3,014,001.77
Producer Milk Credits				\$87,277,250.74
PM Value - PM Credits				\$3,297,857.78
Location Adjustments				240,523.40
1/2 Balance in Producer Settlement Fund				198,701.84
Total Producer Milk and Differential Value	589,053,951	22,046,420	\$0.63442118	\$3,737,083.02
Producer Settlement Fund Reserve			\$0.04442118	261,664.72

Producer Price Differential at King County, WA	\$0.59 /cwt
Statistical Uniform Price at King County, WA	\$14.73 /cwt

Estimated Market Wide Skim Utilization Class I 44%
Estimated Market Wide Butterfat Utilization Class I 23%