

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**February 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	41.72%	159,823,142	156,862,368	2,960,774	4,985,847	9,315,927	14,301,774
Producer Milk - Class II	7.83%	29,986,949	27,048,006	2,938,943	860,654	1,606,030	2,466,684
Producer Milk - Class III	2.79%	10,683,480	9,988,126	695,354	326,108	588,237	914,345
Producer Milk - Class IV	47.66%	182,534,712	175,096,678	7,438,034	5,532,000	10,355,978	15,887,978
<b>Total Producer Receipts</b>	<b>100.00%</b>	<b>383,028,283</b>	<b>368,995,178</b>	<b>14,033,105</b>	<b>11,704,609</b>	<b>21,866,172</b>	<b>33,570,781</b>

	<u>POUNDS</u>	<u>BFAT POUNDS</u>	<u>LB/CWT PRICE</u>	<u>TOTAL DOLLARS</u>
Class I Skim Milk	156,862,368		\$7.97 /cwt	\$12,501,930.72
Class I Butterfat		2,960,774	\$1.7438 /lb	5,162,997.68
Class I Differential at Location				3,025,268.28
Class II Butterfat		2,938,943	\$1.7824 /lb	5,238,372.00
Class II Nonfat Solids	2,466,684		\$0.8200 /lb	2,022,680.88
Class III Butterfat		695,354	\$1.7754 /lb	1,234,531.49
Class III Protein	326,108		\$2.6613 /lb	867,871.22
Class III Other Solids	588,237		\$0.0915 /lb	53,823.69
Class IV Butterfat		7,438,034	\$1.7754 /lb	13,205,485.56
Class IV Nonfat Solids	15,887,978		\$0.7514 /lb	11,938,226.68
<b>Classified Value</b>				<b>\$55,251,188.20</b>
Class I Overage Skim and Butterfat	58,621	0		5,785.89
Class III Overage Skim and Butterfat	0	386		685.30
Class IV Overage Skim and Butterfat	0	8,741		15,518.78
<b>Total Overage</b>	<b>58,621</b>	<b>9,127</b>		<b>\$21,989.97</b>
Class I Inventory Skim and Butterfat	2,370,418	0		75,379.28
Class II Inventory Skim and Butterfat	704,043	105,538		10,071.48
Class III Inventory Skim and Butterfat	0	12,849		544.80
<b>Total Inventory</b>	<b>3,074,461</b>	<b>118,387</b>		<b>\$85,995.56</b>
Class I Other Source Fluid	369,295	0		3,988.38
Class I Other Source Fluid and Nonfluid	1,703,485	0		52,978.37
<b>Producer Milk Value</b>				<b>\$55,416,140.48</b>
Butterfat in Prod Milk x Butterfat Price	14,033,105		\$1.7754 /lb	24,914,374.64
Protein in Prod Milk x Protein Price	11,704,609		\$2.6613 /lb	31,149,475.94
Other Solids in Prod Milk x Other Solids Price	21,866,172		\$0.0915 /lb	2,000,754.74
<b>Producer Milk Credits</b>				<b>\$58,064,605.32</b>
<b>PM Value - PM Credits</b>				<b>(\$2,648,464.84)</b>
Location Adjustments				58,521.03
1/2 Balance in Producer Settlement Fund				242,314.16
<b>Total Producer Milk and Differential Value</b>	<b>383,397,578</b>	<b>14,033,105</b>	<b>(\$0.61232250)</b>	<b>(\$2,347,629.65)</b>
Producer Settlement Fund Reserve			\$0.04767750	182,794.38

<b>Producer Price Differential at King County, WA</b>	<b>(\$0.66) /cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$14.04 /cwt</b>

Estimated Market Wide Skim Utilization Class I 33%  
 Estimated Market Wide Butterfat Utilization Class I 15%