

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

August 2005

	<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	26.00%	171,202,204	168,093,527	3,108,677	5,199,813	9,975,208	15,175,021
Producer Milk - Class II	6.69%	44,017,981	39,626,631	4,391,350	1,227,939	2,352,260	3,580,199
Producer Milk - Class III	27.35%	180,077,681	173,075,983	7,001,698	5,385,980	10,270,715	15,656,695
Producer Milk - Class IV	39.96%	263,111,935	254,027,357	9,084,578	7,818,135	15,044,178	22,862,313
Total Producer Receipts	100.00%	658,409,801	634,823,498	23,586,303	19,631,867	37,642,361	57,274,228

	<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	168,093,527		\$8.29 /cwt	\$13,934,953.39
Butterfat		3,108,677	\$1.8396 /lb	5,718,722.21
Class I Differential at Location				3,239,941.93
Class II Butterfat		4,391,350	\$1.8316 /lb	8,043,196.67
Nonfat Solids	3,580,199		\$0.8678 /lb	3,106,896.70
Class III Butterfat		7,001,698	\$1.8246 /lb	12,775,298.16
Protein	5,385,980		\$2.1619 /lb	11,643,950.18
Other Solids	10,270,715		\$0.1317 /lb	1,352,653.16
Class IV Butterfat		9,084,578	\$1.8246 /lb	16,575,721.01
Nonfat Solids	22,862,313		\$0.8119 /lb	18,561,911.93
Classified Value				\$94,953,245.34
Class II Overage Skim and Butterfat	0	857		1,569.68
Class IV Overage Skim and Butterfat	15,052	12,743		24,351.18
Total Overage	15,052	13,600		\$25,920.86
Class I Inventory Skim and Butterfat	61,453	0		1,886.61
Class II Inventory Skim and Butterfat	1,536,561	35,174		11,689.16
Class III Inventory Skim and Butterfat	1,884,709	50,411		7,989.77
Total Inventory	3,482,723	85,585		\$21,565.54
Class I Other Source Fluid	10,111	112		277.82
Producer Milk Value				\$95,001,009.56
Butterfat in Prod Milk x Butterfat Price	23,586,303		\$1.8246 /lb	43,035,568.44
Protein in Prod Milk x Protein Price	19,631,867		\$2.1619 /lb	42,442,133.28
Other Solids in Prod Milk x Other Solids Price	37,642,361		\$0.1317 /lb	4,957,498.94
Producer Milk Credits				\$90,435,200.66
PM Value - PM Credits				\$4,565,808.90
Location Adjustments				400,455.67
1/2 Balance in Producer Settlement Fund				457,721.17
Total Producer Milk and Differential Value	658,420,024	23,586,415	\$0.82378809	\$5,423,985.74
Producer Settlement Fund Reserve			\$0.04378809	288,309.55

Producer Price Differential at King County, WA	\$0.78 /cwt
Statistical Uniform Price at King County, WA	\$14.38 /cwt

Estimated Market Wide Skim Utilization Class I 25%
Estimated Market Wide Butterfat Utilization Class I 13%