

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

September 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	29.38%	186,073,679	182,721,290	3,352,389	5,816,867	10,835,620	16,652,487
Producer Milk - Class II	5.57%	35,297,840	31,294,844	4,002,996	1,000,479	1,857,299	2,857,778
Producer Milk - Class III	27.41%	173,596,993	166,791,107	6,805,886	5,340,089	9,881,043	15,221,132
Producer Milk - Class IV	37.64%	238,395,172	229,303,860	9,091,312	7,276,310	13,551,157	20,827,467
Total Producer Receipts	100.00%	633,363,684	610,111,101	23,252,583	19,433,745	36,125,119	55,558,864

	<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	182,721,290		\$7.71 /cwt	\$14,087,811.44
Butterfat		3,352,389	\$1.7872 /lb	5,991,389.62
Class I Differential at Location				3,516,805.06
Class II Butterfat		4,002,996	\$1.8942 /lb	7,582,475.03
Nonfat Solids	2,857,778		\$0.8889 /lb	2,540,278.86
Class III Butterfat		6,805,886	\$1.8872 /lb	12,844,068.06
Protein	5,340,089		\$2.3009 /lb	12,287,010.78
Other Solids	9,881,043		\$0.1411 /lb	1,394,215.17
Class IV Butterfat		9,091,312	\$1.8872 /lb	17,157,124.02
Nonfat Solids	20,827,467		\$0.8222 /lb	17,124,343.39
Classified Value				\$94,525,521.43
Class I Overage Skim and Butterfat	53,113	0		5,104.16
Class II Overage Skim and Butterfat	114,398	0		9,151.84
Class III Overage Skim and Butterfat	0	14,635		27,619.17
Class IV Overage Skim and Butterfat	158,542	5,801		22,679.75
Total Overage	326,053	20,436		\$64,554.92
Class II Inventory Skim and Butterfat	2,382,676	11,759		17,258.89
Class III Inventory Skim and Butterfat	1,206,364	42,284		10,608.98
Total Inventory	3,589,040	54,043		\$27,867.87
Class I Other Source Fluid	8,294	0		136.03
Producer Milk Value				\$94,618,080.25
Butterfat in Prod Milk x Butterfat Price	23,252,583		\$1.8872 /lb	43,882,274.65
Protein in Prod Milk x Protein Price	19,433,745		\$2.3009 /lb	44,715,103.87
Other Solids in Prod Milk x Other Solids Price	36,125,119		\$0.1411 /lb	5,097,254.32
Producer Milk Credits				\$93,694,632.84
PM Value - PM Credits				\$923,447.41
Location Adjustments				387,524.51
1/2 Balance in Producer Settlement Fund				264,775.01
Total Producer Milk and Differential Value	633,371,978	23,252,583	\$0.24878697	\$1,575,746.93
Producer Settlement Fund Reserve			\$0.04878697	309,003.00

Producer Price Differential at King County, WA	\$0.20 /cwt
Statistical Uniform Price at King County, WA	\$14.50 /cwt

Estimated Market Wide Skim Utilization Class I	26%
Estimated Market Wide Butterfat Utilization Class I	13%