

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

October 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	28.34%	177,360,097	174,157,404	3,202,693	5,617,828	10,300,671	15,918,499
Producer Milk - Class II	5.95%	37,250,654	33,409,773	3,840,881	1,083,932	1,977,054	3,060,986
Producer Milk - Class III	28.95%	181,150,816	174,055,964	7,094,852	5,640,167	10,288,223	15,928,390
Producer Milk - Class IV	36.76%	230,058,062	220,793,274	9,264,788	7,116,705	13,025,704	20,142,409
Total Producer Receipts	100.00%	625,819,629	602,416,415	23,403,214	19,458,632	35,591,652	55,050,284

	<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	174,157,404		\$7.96 /cwt	\$13,862,929.35
Butterfat		3,202,693	\$1.8818 /lb	6,026,827.69
Class I Differential at Location				3,366,676.61
Class II Butterfat		3,840,881	\$1.8326 /lb	7,038,798.52
Nonfat Solids	3,060,986		\$0.9022 /lb	2,761,621.58
Class III Butterfat		7,094,852	\$1.8256 /lb	12,952,361.81
Protein	5,640,167		\$2.3780 /lb	13,412,317.12
Other Solids	10,288,223		\$0.1491 /lb	1,533,974.05
Class IV Butterfat		9,264,788	\$1.8256 /lb	16,913,796.97
Nonfat Solids	20,142,409		\$0.8310 /lb	16,738,341.88
Classified Value				\$94,607,645.58
Class III Overage Skim and Butterfat	329,955	0		27,221.29
Class IV Overage Skim and Butterfat	0	4,435		8,096.54
Total Overage	329,955	4,435		\$35,317.83
Class II Inventory Skim and Butterfat	940,565	27,128		5,290.88
Class III Inventory Skim and Butterfat	1,637,875	71,730		9,503.37
Total Inventory	2,578,440	98,858		\$14,794.25
Class I Other Source Fluid	3,229	0		51.99
Producer Milk Value				\$94,657,809.65
Butterfat in Prod Milk x Butterfat Price	23,403,214		\$1.8256 /lb	42,724,907.47
Protein in Prod Milk x Protein Price	19,458,632		\$2.3780 /lb	46,272,626.89
Other Solids in Prod Milk x Other Solids Price	35,591,652		\$0.1491 /lb	5,306,715.32
Producer Milk Credits				\$94,304,249.68
PM Value - PM Credits				\$353,559.97
Location Adjustments				354,451.93
1/2 Balance in Producer Settlement Fund				235,408.09
Total Producer Milk and Differential Value	625,822,858	23,403,214	\$0.15074873	\$943,419.99
Producer Settlement Fund Reserve			\$0.04074873	255,014.87

Producer Price Differential at King County, WA	\$0.11 /cwt
Statistical Uniform Price at King County, WA	\$14.46 /cwt

Estimated Market Wide Skim Utilization Class I 30%
 Estimated Market Wide Butterfat Utilization Class I 14%