

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

January 2006

	<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	29.76%	186,503,045	183,250,260	3,252,785	5,829,913	10,875,357	16,705,270
Producer Milk - Class II	5.07%	31,788,266	28,409,958	3,378,308	907,966	1,687,618	2,595,584
Producer Milk - Class III	27.50%	172,327,986	165,547,898	6,780,088	5,311,304	9,792,107	15,103,411
Producer Milk - Class IV	37.67%	236,123,706	225,967,199	10,156,507	7,178,024	13,374,756	20,552,780
Total Producer Receipts	100.00%	626,743,003	603,175,315	23,567,688	19,227,207	35,729,838	54,957,045

	<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	183,250,260		\$8.42 /cwt	\$15,429,671.88
Butterfat		3,252,785	\$1.5016 /lb	4,884,381.96
Class I Differential at Location				3,538,235.68
Class II Butterfat		3,378,308	\$1.4754 /lb	4,984,355.65
Nonfat Solids	2,595,584		\$0.9311 /lb	2,416,748.28
Class III Butterfat		6,780,088	\$1.4684 /lb	9,955,881.23
Protein	5,311,304		\$2.3994 /lb	12,743,942.81
Other Solids	9,792,107		\$0.1881 /lb	1,841,895.32
Class IV Butterfat		10,156,507	\$1.4684 /lb	14,913,814.90
Nonfat Solids	20,552,780		\$0.8132 /lb	16,713,520.69
Classified Value				\$87,422,448.40
Class IV Overage Skim and Butterfat	0	6,679		9,807.44
Total Overage	0	6,679		\$9,807.44
Class I Inventory Skim and Butterfat	301,314	0		8,286.14
Class II Inventory Skim and Butterfat	1,968,815	71,378		13,934.54
Class III Inventory Skim and Butterfat	170,344	0		1,669.38
Total Inventory	2,440,473	71,378		\$23,890.06
Class I Other Source Fluid	25,062	0		443.60
Class I Other Source Fluid and Nonfluid	1,346,434	0		40,393.02
Producer Milk Value				\$87,496,982.52
Butterfat in Prod Milk x Butterfat Price	23,567,688		\$1.4684 /lb	34,606,793.08
Protein in Prod Milk x Protein Price	19,227,207		\$2.3994 /lb	46,133,760.50
Other Solids in Prod Milk x Other Solids Price	35,729,838		\$0.1881 /lb	6,720,782.51
Producer Milk Credits				\$87,461,336.09
PM Value - PM Credits				\$35,646.43
Location Adjustments				388,078.12
1/2 Balance in Producer Settlement Fund				196,698.16
Total Producer Milk and Differential Value	626,768,065	23,567,688	\$0.09898761	\$620,422.71
Producer Settlement Fund Reserve			\$0.04898761	307,038.70

Producer Price Differential at King County, WA	\$0.05 /cwt
Statistical Uniform Price at King County, WA	\$13.44 /cwt

Estimated Market Wide Skim Utilization Class I 30%
 Estimated Market Wide Butterfat Utilization Class I 15%