

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

June 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	27.89%	184,796,123	181,499,751	3,296,372	5,642,620	10,713,915	16,356,535
Producer Milk - Class II	6.54%	43,315,203	38,810,113	4,505,090	1,211,997	2,293,257	3,505,254
Producer Milk - Class III	27.92%	184,931,159	178,112,572	6,818,587	5,575,006	10,481,766	16,056,772
Producer Milk - Class IV	37.65%	249,433,952	240,422,810	9,011,142	7,517,391	14,115,482	21,632,873
Total Producer Receipts	100.00%	662,476,437	638,845,246	23,631,191	19,947,014	37,604,420	57,551,434

	<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	181,499,751		\$6.57 /cwt	\$11,924,533.63
Butterfat		3,296,372	\$1.2610 /lb	4,156,725.10
Class I Differential at Location				3,508,543.08
Class II Butterfat		4,505,090	\$1.2506 /lb	5,634,065.55
Nonfat Solids	3,505,254		\$0.7622 /lb	2,671,704.61
Class III Butterfat		6,818,587	\$1.2436 /lb	8,479,594.79
Protein	5,575,006		\$2.0790 /lb	11,590,437.48
Other Solids	10,481,766		\$0.1255 /lb	1,315,461.64
Class IV Butterfat		9,011,142	\$1.2436 /lb	11,206,256.18
Nonfat Solids	21,632,873		\$0.6753 /lb	14,608,679.14
Classified Value				\$75,096,001.20
Class II Overage Skim and Butterfat	13,625	7,467		10,272.91
Class IV Overage Skim and Butterfat	0	4,319		5,371.11
Total Overage	13,625	11,786		\$15,644.02
Class II Inventory Skim and Butterfat	3,631,890	88,750		25,475.12
Class III Inventory Skim and Butterfat	690,665	0		7,251.98
Total Inventory	4,322,555	88,750		\$32,727.10
Class I Other Source Fluid	178,846	0		2,289.22
Producer Milk Value				\$75,146,661.54
Butterfat in Prod Milk x Butterfat Price	23,631,191		\$1.2436 /lb	29,387,749.13
Protein in Prod Milk x Protein Price	19,947,014		\$2.0790 /lb	41,469,842.11
Other Solids in Prod Milk x Other Solids Price	37,604,420		\$0.1255 /lb	4,719,354.72
Producer Milk Credits				\$75,576,945.96
PM Value - PM Credits				(\$430,284.42)
Location Adjustments				438,074.03
1/2 Balance in Producer Settlement Fund				340,482.45
Total Producer Milk and Differential Value	662,655,283	23,631,191	\$0.05255705	\$348,272.06
Producer Settlement Fund Reserve			\$0.04255705	282,006.54

Producer Price Differential at King County, WA	\$0.01 /cwt
Statistical Uniform Price at King County, WA	\$11.30 /cwt

Estimated Market Wide Skim Utilization Class I 28%
 Estimated Market Wide Butterfat Utilization Class I 13%