

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**January 2007**

	<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	31.70%	200,172,103	196,629,113	3,542,990	6,372,505	11,585,671	17,958,176
Producer Milk - Class II	6.32%	39,935,233	35,898,901	4,036,332	1,171,714	2,116,785	3,288,499
Producer Milk - Class III	28.00%	176,881,720	170,041,145	6,840,575	5,588,451	10,010,021	15,598,472
Producer Milk - Class IV	33.98%	214,619,447	205,118,844	9,500,603	6,647,075	12,049,387	18,696,462
<b>Total Producer Receipts</b>	<b>100.00%</b>	<b>631,608,503</b>	<b>607,688,003</b>	<b>23,920,500</b>	<b>19,779,745</b>	<b>35,761,864</b>	<b>55,541,609</b>

	<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	196,629,113		\$9.17 /cwt	\$18,030,889.67
Butterfat		3,542,990	\$1.3547 /lb	4,799,688.56
Class I Differential at Location				3,794,231.76
Class II Butterfat		4,036,332	\$1.3079 /lb	5,279,118.62
Nonfat Solids	3,288,499		\$0.9522 /lb	3,131,308.77
Class III Butterfat		6,840,575	\$1.3009 /lb	8,898,904.02
Protein	5,588,451		\$2.4053 /lb	13,441,901.19
Other Solids	10,010,021		\$0.3183 /lb	3,186,189.68
Class IV Butterfat		9,500,603	\$1.3009 /lb	12,359,334.43
Nonfat Solids	18,696,462		\$0.9184 /lb	17,170,830.70
<b>Classified Value</b>				<b>\$90,092,397.40</b>
Class II Overage Skim and Butterfat	54,901	399		5,226.87
Class IV Overage Skim and Butterfat	0	24,023		31,251.52
<b>Total Overage</b>	<b>54,901</b>	<b>24,422</b>		<b>\$36,478.39</b>
Class II Inventory Skim and Butterfat	404,176	45,464		1,042.00
Class III Inventory Skim and Butterfat	2,618,699	89,845		34,254.19
<b>Total Inventory</b>	<b>3,022,875</b>	<b>135,309</b>		<b>\$35,296.19</b>
Class I Other Source Fluid	182,764	0		3,180.09
<b>Producer Milk Value</b>				<b>\$90,167,352.07</b>
Butterfat in Prod Milk x Butterfat Price	23,920,500		\$1.3009 /lb	31,118,178.44
Protein in Prod Milk x Protein Price	19,779,745		\$2.4053 /lb	47,576,220.66
Other Solids in Prod Milk x Other Solids Price	35,761,864		\$0.3183 /lb	11,383,001.27
<b>Producer Milk Credits</b>				<b>\$90,077,400.37</b>
<b>PM Value - PM Credits</b>				<b>\$89,951.70</b>
Location Adjustments				370,741.93
1/2 Balance in Producer Settlement Fund				268,859.90
<b>Total Producer Milk and Differential Value</b>	<b>631,791,267</b>	<b>23,920,500</b>	<b>\$0.11547382</b>	<b>\$729,553.53</b>
Producer Settlement Fund Reserve			\$0.04547382	287,299.62

<b>Producer Price Differential at King County, WA</b>	<b>\$0.07 /cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$13.63 /cwt</b>

Estimated Market Wide Skim Utilization Class I 44%  
Estimated Market Wide Butterfat Utilization Class I 22%