

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

February 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	30.03%	175,027,667	171,973,530	3,054,137	5,554,174	10,115,384	15,669,558
Producer Milk - Class II	6.31%	36,796,624	33,122,059	3,674,565	1,074,939	1,950,904	3,025,843
Producer Milk - Class III	26.95%	157,038,633	150,988,381	6,050,252	4,944,151	8,877,313	13,821,464
Producer Milk - Class IV	36.71%	213,936,481	204,813,628	9,122,853	6,638,134	11,999,797	18,637,931
Total Producer Receipts	100.00%	582,799,405	560,897,598	21,901,807	18,211,398	32,943,398	51,154,796

	<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	171,973,530		\$9.19 /cwt	\$15,804,367.41
Butterfat		3,054,137	\$1.2906 /lb	3,941,669.23
Class I Differential at Location				3,318,832.54
Class II Butterfat		3,674,565	\$1.3182 /lb	4,843,811.58
Nonfat Solids	3,025,843		\$0.9744 /lb	2,948,381.43
Class III Butterfat		6,050,252	\$1.3112 /lb	7,933,090.44
Protein	4,944,151		\$2.4125 /lb	11,927,764.29
Other Solids	8,877,313		\$0.4170 /lb	3,701,839.54
Class IV Butterfat		9,122,853	\$1.3112 /lb	11,961,884.86
Nonfat Solids	18,637,931		\$0.9356 /lb	17,437,648.23
Classified Value				\$83,819,289.55
Class I Overage Skim and Butterfat	25,574	0		2,836.16
Class II Overage Skim and Butterfat	138,621	0		12,157.06
Class III Overage Skim and Butterfat	0	11,047		14,484.83
Class IV Overage Skim and Butterfat	0	1,270		1,665.23
Total Overage	164,195	12,317		\$31,143.28
Class II Inventory Skim and Butterfat	996,700	38,656		5,652.25
Class III Inventory Skim and Butterfat	1,774,697	73,836		30,397.95
Total Inventory	2,771,397	112,492		\$36,050.20
Class I Other Source Fluid	120,682	0		1,387.84
Producer Milk Value				\$83,887,870.87
Butterfat in Prod Milk x Butterfat Price	21,901,807		\$1.3112 /lb	28,717,649.34
Protein in Prod Milk x Protein Price	18,211,398		\$2.4125 /lb	43,934,997.72
Other Solids in Prod Milk x Other Solids Price	32,943,398		\$0.4170 /lb	13,737,396.98
Producer Milk Credits				\$86,390,044.04
PM Value - PM Credits				(\$2,502,173.17)
Location Adjustments				341,770.24
1/2 Balance in Producer Settlement Fund				281,401.57
Total Producer Milk and Differential Value	582,920,087	21,901,807	(\$0.32234287)	(\$1,879,001.36)
Producer Settlement Fund Reserve			\$0.04765713	277,802.98

Producer Price Differential at King County, WA	(\$0.37) /cwt
Statistical Uniform Price at King County, WA	\$13.81 /cwt

Estimated Market Wide Skim Utilization Class I 32%
Estimated Market Wide Butterfat Utilization Class I 15%