

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**March 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	31.80%	193,467,508	190,065,160	3,402,348	6,061,371	11,241,964	17,303,335
Producer Milk - Class II	7.81%	47,527,552	43,221,398	4,306,154	1,382,289	2,560,823	3,943,112
Producer Milk - Class III	28.17%	171,409,662	164,856,752	6,552,910	5,321,384	9,754,526	15,075,910
Producer Milk - Class IV	32.22%	196,032,575	187,696,578	8,335,997	5,991,540	11,084,400	17,075,940
<b>Total Producer Receipts</b>	<b>100.00%</b>	<b>608,437,297</b>	<b>585,839,888</b>	<b>22,597,409</b>	<b>18,756,584</b>	<b>34,641,713</b>	<b>53,398,297</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	190,065,160		\$10.00 /cwt	\$19,006,516.00
Butterfat		3,402,348	\$1.3135 /lb	4,468,984.09
Class I Differential at Location				3,673,070.80
Class II Butterfat		4,306,154	\$1.3839 /lb	5,959,286.53
Nonfat Solids	3,943,112		\$1.0078 /lb	3,973,868.25
Class III Butterfat		6,552,910	\$1.3769 /lb	9,022,701.77
Protein	5,321,384		\$2.4329 /lb	12,946,395.14
Other Solids	9,754,526		\$0.5257 /lb	5,127,954.32
Class IV Butterfat		8,335,997	\$1.3769 /lb	11,477,834.27
Nonfat Solids	17,075,940		\$1.0229 /lb	17,466,979.03
<b>Classified Value</b>				<b>\$93,123,590.20</b>
Class I Overage Skim and Butterfat	434	0		51.65
Class II Overage Skim and Butterfat	31,711	0		2,876.19
Class IV Overage Skim and Butterfat	0	220		302.91
<b>Total Overage</b>	<b>32,145</b>	<b>220</b>		<b>\$3,230.75</b>
Class II Inventory Skim and Butterfat	1,701,140	5,760		11,476.17
Class III Inventory Skim and Butterfat	352,516	12,828		8,668.65
<b>Total Inventory</b>	<b>2,053,656</b>	<b>18,588</b>		<b>\$20,144.82</b>
Class I Other Source Fluid	152,755	0		1,924.71
<b>Producer Milk Value</b>				<b>\$93,148,890.48</b>
Butterfat in Prod Milk x Butterfat Price	22,597,409		\$1.3769 /lb	31,114,372.45
Protein in Prod Milk x Protein Price	18,756,584		\$2.4329 /lb	45,632,893.21
Other Solids in Prod Milk x Other Solids Price	34,641,713		\$0.5257 /lb	18,211,148.54
<b>Producer Milk Credits</b>				<b>\$94,958,414.20</b>
<b>PM Value - PM Credits</b>				<b>(\$1,809,523.72)</b>
Location Adjustments				240,722.09
1/2 Balance in Producer Settlement Fund				292,206.37
<b>Total Producer Milk and Differential Value</b>	<b>608,590,052</b>	<b>22,597,409</b>	<b>(\$0.20976276)</b>	<b>(\$1,276,595.26)</b>
Producer Settlement Fund Reserve			\$0.04023724	244,879.84

<b>Producer Price Differential at King County, WA</b>	<b>(\$0.25) /cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$14.84 /cwt</b>

Estimated Market Wide Skim Utilization Class I 31%  
Estimated Market Wide Butterfat Utilization Class I 14%